



**Asian Paints Limited**  
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APL/SEC/29/2022-23/16

6<sup>th</sup> July, 2022

BSE Limited  
Corporate Relationship Department  
Phiroze Jeejeebhoy Towers,  
25<sup>th</sup> Floor, Dalal Street,  
Fort, Mumbai – 400 001  
Scrip Code: 500820

National Stock Exchange of India Limited  
Exchange Plaza, Plot No. C/1,  
Block G, Bandra-Kurla Complex,  
Bandra (East),  
Mumbai – 400 051  
Symbol: ASIANPAINT

Sir(s),

**Sub: Transcript of the 76<sup>th</sup> Annual General Meeting (AGM) of the Company**

Please find enclosed the transcript of the proceedings of the 76<sup>th</sup> AGM of the Company held on 29<sup>th</sup> June, 2022.

The said transcript is also available on the website of the Company ([www.asianpaints.com](http://www.asianpaints.com)).

This is for your information and record.

Thanking you,

Yours truly,

For **ASIAN PAINTS LIMITED**

**R J JEYAMURUGAN**  
**CFO & COMPANY SECRETARY**



Encl.: as above





**ASIAN PAINTS LIMITED**

**76<sup>th</sup> ANNUAL GENERAL MEETING**

**HELD ON**

**WEDNESDAY, 29<sup>TH</sup> JUNE, 2022**

**THROUGH**

**VIDEO CONFERENCE**

**AT**

**11:00 A.M. IST**

*Disclaimer: This is a memorandum of the proceedings of the Annual General Meeting of Asian Paints Limited held on Wednesday, 29<sup>th</sup> June, 2022 at 11:00 am. While we have made our best attempt to prepare a verbatim transcript of the proceedings of the meeting, however, addresses made in Hindi or any other regional languages have been appropriately translated in English and may not be a word-to-word reproduction.*

***Welcome address by Mr. Deepak Satwalekar***

**Deepak Satwalekar:** Namaste and a very warm welcome to all of you to the 76<sup>th</sup> Annual General Meeting of Asian Paints Limited. I hope you and your family members are safe and secure.

I am Deepak Satwalekar, Independent Director and Chairman of your Company. I am joining this meeting from Mumbai.

It is with pleasure that I am addressing all of you today for the first time after being appointed as the Chairman of the Board of Directors of your Company.

Before we start, my first thoughts are in remembrance of Mr. Abhay Vakil, Non-Executive Promoter Director, who departed for heavenly abode in November last year. Mr. Abhay Vakil contributed immensely to the growing stature of your Company in various capacities over his long association. Mr. Abhay Vakil's sad demise is an irreparable loss for our Company. Mr. Amar Vakil, an erstwhile Non-Executive Promoter Director on the Board, also passed away last year. I place on record our profound appreciation for their valuable contributions to the Board and the Company. They will always be remembered.

Dear Members, this AGM is being conducted through video conference in accordance with the provisions of the Companies Act, 2013, various Circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange

Board of India. The Company has taken all efforts to enable its shareholders to participate through video conference and vote at the AGM in a seamless manner.

Participation of members through video conference is being reckoned for the purpose of quorum as per the Circulars issued by the Ministry of Corporate Affairs and Section 103 of the Companies Act, 2013. The quorum being present, I call this meeting to order.

Before we start the main proceedings of the meeting, I shall introduce my fellow colleagues on the Board who are attending this meeting from different locations.

Let me start by introducing the Vice Chairman of your Company, Mr. Manish Choksi. Mr. Manish Choksi is the Non-Executive Vice Chairman of your Company and a Member of the Nomination and Remuneration Committee and the Investment Committee. He is attending this meeting from Mumbai.

Now I would like to introduce, Mr. Amit Syngle. Mr. Amit Syngle is the Managing Director & CEO of your Company and a Member of the Corporate Social Responsibility Committee and the Investment Committee. He is attending this meeting from Mumbai.

Next, I would like to introduce, Mr. Ashwin Dani. Mr. Ashwin Dani is the Non-Executive Director of your Company. He is attending this meeting from Mumbai.

Next would be Mrs. Vibha Paul Rishi. Mrs. Vibha Paul Rishi is an Independent Director of your Company. She is the Chairperson of the Stakeholders Relationship Committee and the Risk Management Committee and a Member of the Audit Committee and Corporate Social Responsibility Committee. She is attending this meeting from Gurugram.

I would now be introducing Mr. Suresh Narayanan. Mr. Suresh Narayanan is an Independent Director of your Company. He is the Chairman of the Nomination and Remuneration Committee and a Member of the Investment Committee. He is attending this meeting from Gurugram.

Next, I would be introducing Mr. Milind Sarwate. Mr. Milind Sarwate is an Independent Director of your Company. He is the Chairman of the Audit Committee. Mr. Sarwate is attending this meeting from Thane.

Next, I would like to introduce Mr. Malav Dani. Mr. Malav Dani is the Non-Executive Director of your Company. He is the Chairman of the Corporate Social Responsibility Committee and a Member of the Investment Committee. He is attending this meeting from Mumbai.

Next up is Ms. Amrita Vakil. Ms. Amrita Vakil is a Non-Executive Director of your Company. She is also a Member of the Corporate Social Responsibility Committee and the Investment Committee. Ms. Amrita Vakil is attending this meeting from Mumbai.

I would now be introducing Mr. Jigish Choksi. Mr. Jigish Choksi is a Non-Executive Director of your Company and a Member of the Stakeholders Relationship Committee. He is attending this meeting from Mumbai.

And lastly, Ms. Nehal Vakil. Ms. Nehal Vakil is a Non-Executive Director of your Company and a Member of the Stakeholders Relationship Committee. She is attending this meeting from Mumbai.

I would like to inform you that Mr. R Seshasayee and Mrs. Pallavi Shroff, Independent Directors of your Company would not be joining today's meeting due to certain unavoidable circumstances.

We also have our CFO & Company Secretary, Mr. R J Jeyamurugan, joining the meeting from Mumbai.

Mr. Rupen Bhatt, Partner, Deloitte Haskins & Sells LLP, Statutory Auditors, Mr. Rasesh Choksi, Partner, RA & Company, Cost Auditors, and Dr. K. R. Chandratre, our Secretarial Auditor, have also joined the meeting.

I now request Mr. Jeyamurugan, CFO & Company Secretary, to provide general instructions to the members regarding participation in this meeting.

**Mr. R J Jeyamurugan:** Good morning, everyone. It gives me immense pleasure to welcome all of you to the 76<sup>th</sup> Annual General Meeting of Asian Paints Limited. I request you to take note of the general instructions regarding participation and voting at this meeting:

1. Your Company has made available the facility to participate in the AGM through video conference in terms of the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.
2. Your Company has tied up with National Securities Depositories Limited to provide the facility for voting through remote e-Voting, e-Voting during the AGM and participation in the AGM through video conference.
3. Live streaming of this meeting is being webcast on NSDL's website.
4. The Register of Directors and Key Managerial Personnel and their shareholding, the Register of Contracts or Arrangements in which Directors are interested and other relevant documents referred in the AGM Notice and the Explanatory Statement have been made available

electronically for inspection by the members during the AGM, upon log-in to NSDL e-Voting system.

5. As the AGM is being held through video conference, the facility for appointment of proxies by the members is not applicable.
6. During the AGM, if any shareholder other than speaker shareholder faces any technical issues, they may contact the helpline number mentioned in the Notice of the AGM.
7. Depending on the availability of time, the shareholders who have registered themselves to speak at this AGM would be provided an opportunity to ask questions or express their views. It may be noted that your Company reserves the right to limit the number of shareholders asking questions at the AGM.
8. The moderator will facilitate this session once the Chairman opens the floor for questions and answers.
9. During the questions and answers session, I will sequentially announce the names of the speaker shareholders and the maximum time allowed to each speaker would be 2 minutes. Members are requested to refrain from repeating questions or observations already made by fellow speakers.



10. For better experience, we would request the speaker shareholders to use earphones, so that they are clearly audible, verify the network connectivity, ensure Wi-Fi is not connected to any other devices, no other applications are running in the background, and there is proper lighting for good video experience.
11. Speaker shareholders will be put on mute mode by the moderator until the time questions and answers session starts.
12. Once the names of speaker shareholders are announced, the moderator will unmute them. The speaker shareholders may choose to turn on their video before addressing the meeting.
13. If any shareholder is unable to speak due to connectivity issues, I will ask the next speaker shareholder to address the meeting. Once the connectivity improves and if the time permits, the speaker shareholder may be called up again to join, only after the other speaker shareholders have completed their turn.
14. The Company is providing the facility to vote electronically on all resolutions set forth in the Notice. The shareholders who have not cast their votes yet and who are participating in this meeting will have an opportunity to vote during the meeting through e-Voting system provided by NSDL.

Thank you.

I would now request Mr. Deepak Satwalekar, Chairman of the Company, to address the shareholders.

**Mr. Deepak Satwalekar:** The last couple of years have been affected by heightened unpredictability and disruptions of large magnitude, while also ushering in new opportunities and novel ways to take the business forward. As we meet virtually today amid the recent COVID resurgence and the new normal, it is my pleasure to acknowledge on behalf of the Board that your Company has delivered another year of solid performance even during these volatile times.

The last financial year was a year of recovery from the lows of the earlier pandemic year, a year of renewed optimism in the economy albeit with its own set of challenges, in the form of increasing inflationary pressures and the two waves of COVID 19 variants.

Today, the uncertainty in the environment has again increased, fueled by changing macroeconomic dynamics and geopolitical turbulence. However, amidst these uncertainties, your Company continues to strive forward with a strong growth trajectory under the leadership of Mr. Amit Syngle. During his tenure, Mr. Amit Syngle has delivered exceptional performance in the coatings business, both Industrial and Decorative businesses along with propelling your Company towards becoming a strong Home Décor brand. I am delighted to mention that the Board has unanimously recommended his

re-appointment as Managing Director and CEO of your Company for a further period of five years from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2028. I would request all the shareholders to approve his re – appointment.

Dr. S. Sivaram and Mr. M. K. Sharma retired from the Board of Directors of your Company upon completion of their tenure as Independent Directors. Your Company has benefitted greatly from their guidance and the role they have played in further strengthening the governance standards of your Company.

I am delighted to welcome Mr. Milind Sarwate, Independent Director, on the Board and as the Chairman of the Audit Committee. The Board will gain immense value from his rich and diverse industry experience. I take this opportunity to also welcome Ms. Nehal Vakil, Non-Executive Promoter Director, on the Board and look forward to her contribution towards taking your Company ahead.

Moving ahead, I would like to take you through the business highlights of the last financial year. The year saw the onset of the second wave of the pandemic which affected the demand recovery. Our operations however, made a quick recovery, given our learnings from the first wave and through our continuous efforts to raise the customer value proposition across product categories and price points. While inflation headwinds impacted our margins, we took a series of price increases along with cost optimisation measures to mitigate the impact, recovering the margins sequentially over

the quarters. Our network penetration initiatives, complemented by brand strength, opened allied avenues of distribution in the markets. Overall, our decorative business delivered a volume growth of 31% and a strong value growth of 36% for the year.

With innovation as the bedrock of our strategy, we launched 29 new products across the range, which will become future growth levers. This was led by the launch of Royale Glitz, an ultra-luxury interior emulsion paint providing unrivalled sheen along with exceptional stain removal and anti-burnishing properties. Our continued focus on empowering the customer with product upgradations also gained further traction.

The foray into Smartcare water proofing solutions continues to garner rich response from the market, given our unique proposition of a complete coatings system. This has strengthened our position in the market, specifically in the institutional business. Our quest for continuous innovation in this range has led to the launch of the revolutionary Smartcare Hydroloc, an unmatched offering that provides best-in-class solutions to problems like dampness and efflorescence.

The collaboration with St+art India Foundation continued to gain strength, pushing forward our goal of altering the urban landscapes while also making art accessible to everyone. In addition to building our brand image, these initiatives have brought the community together by bridging the cultural divide and instilling a sense of belonging.

Our zeal to provide quality experience to our customers during the painting process has resulted in a rapid expansion of our Safe Painting Service which is now available in many towns across the country. This is now augmented by Trusted Contractor Service which has been a gamechanger in our engagement with contractors.

Taking forward our endeavor to evolve from 'share of surface' to 'share of space', we have expanded our Beautiful Homes Stores to 18 cities in India with 29 stores. This footprint enables us to provide 'Décor under one roof' to our customers, offering one-of-its-kind immersive consumer experience. 'Sleek by Asian Paints', our kitchens brand has grown phenomenally well during the year, reporting 55% revenue growth despite the disruptive market environment caused by the pandemic. Sleek today has a strong network of over 250 franchisee owned showrooms that is winning consumer hearts through its unique kitchen solutions along with excellent servicing.

Our bath fittings and sanitaryware business also registered high growth led by network and product expansion initiatives. We launched various bath fitting products under CANVAS and BESPOKE brands, catering innovative and differentiated solutions to a wide spectrum of residential and institutional customers.

Our alignment with 'Pure' brand in the fabrics and furnishing space also made good inroads, strengthened by an expanded network of more than 600

retailers and enriched offerings. Our play in Home Décor is further accentuated through the strategic stake your Company acquired in 'White Teak' and 'Weatherseal' which are established names in Decorative & designer lighting and uPVC windows and door space, respectively.

'beautifulhomes.com' – our digital property, is now one of the most inspiring and cutting-edge décor engines, attracting customers in large numbers and providing them inspiration for their dream homes. Beautiful Homes service, our personalized design to execution service brand, led by a strong technical backbone with smooth project management, is also gaining significant traction since its launch last year and is now available in 11 cities across India. This omnichannel approach to connect with our customers, will go a long way in realizing our vision of being a preferred partner in our customer's Home Décor journey.

In the Industrial coatings segment, the non-auto industrial coating business delivered record revenues despite unprecedented raw material cost inflation throughout the year. Growth was driven by new customer wins, strong execution in key government projects and emerging demand from export-focused sectors.

The automotive industrial coating business faced demand challenges emanating from the automotive industry but still managed to deliver strong growth. We continue to leverage our technological footprint towards creating innovative products and optimizing costs.

Our pursuit of delivering a holistic value proposition to all our institutional customers is amplified with the industrial and decorative businesses working together in a cohesive manner as one team, thereby leveraging each other's strengths.

For the International business, it was a tough year as inflationary pressures impacted economic activity in many of the markets we operate in, denting the overall performance. Supply side constraints coupled with currency devaluations kept margins under stress. Despite this, we undertook several initiatives driving growth of premium-luxury products and launching and revamping the product portfolio, ensuring a comprehensive and quality offering to our customers. Various initiatives like the Safe Painting Service, Smartcare waterproofing and bath fittings, have revolutionised these markets and redefined our brand equity.

On the sustainability front, the previous financial year has seen significant achievements in all the initiatives undertaken for community well-being, safety, mitigating climate change issues, waste management and energy conservation. For every mega-litre of water consumed in our manufacturing facilities, we were able to replenish close to 3 times the same back into the ecosystem. Our share of consumption of renewable energy increased to 61% during the year, demonstrating our resolve to reduce dependence on fossil fuels. As a responsible social citizen, we continue to invest in these areas drawing inspiration from our charter promise of creating a beautiful world that is safe and sustainable.

Being an industry leader, our consistent focus on Environment, Social and Governance aspect is reflected in our non-financial performance which is intertwined with financial performance. We have therefore been able to report value creation and business sustainability in a true light. Our second year of Integrated Reporting depicts this with high standards of transparency. Our ESG strategy truly depicts our belief of ESG being an integral element for driving long term sustainable growth for the business.

In a rapidly evolving external environment, one thing that remained constant was growth across our businesses. At standalone level, your Company has crossed the Rs. 25,000 crores mark, with 36.8% growth in revenue from sale of products and services. Despite the challenging situation posed by the unprecedented inflationary environment, the profit before exceptional items and tax increased by 3.9% to Rs. 4,248 crores and the profit after tax and exceptional items for the year increased by 2.7% to Rs. 3,135 crores.

At the consolidated level, the group achieved growth in revenue from sale of products and services of 34.6% at approximately Rs. 29,000 crores. The consolidated profit before exceptional items and tax remained flat at Rs. 4,303 crores for the financial year. The net profit after tax and non-controlling interest for the group was lower by 3.5% at Rs. 3,031 crores after considering the impact of exceptional items to the tune of Rs. 116 crores, due to the revised accounting treatment for recognition of state government incentives and the impact of currency devaluation in the Sri Lankan operations.



Considering the financial performance for the year, the Board of Directors have further recommended payment of Rs. 15.50 per equity share as the final dividend for the financial year 2021 - 22. This is in addition to the interim dividend of Rs. 3.65 per equity share of face value Re. 1 each which was paid in the month of November, 2021. If approved, the total dividend for the financial year 2021-22 will be Rs. 19.15 per equity share against Rs. 17.85 per equity share paid for the previous financial year. With this recommendation, dividend pay-out for the year will be at 58.6% as compared to 56.1% for the previous year. I would request all shareholders to approve the recommended final dividend for the financial year 2021 – 22.

As we look ahead, uncertainties will continue to abound with ever changing and dynamic macro-economic, geopolitical, and environmental situations. Amidst these uncertainties would be opportunities – opportunities to reinvent and reinvigorate our passion to fulfill the aspirations of our customers. I am certain that team Asian Paints would continue to harness these opportunities and will continue to deliver joy to all its stakeholders.

I conclude by thanking all my colleagues on the Board for their unflinching support. I also thank the Asian Paints team, our business partners and the shareholders for their trust and encouragement that inspires us in our journey to achieve greater heights. Thank you.

Moving on.

The Notice convening this AGM detailing the business as set out in Item Nos. 1 to 6 and the Annual Report containing the audited standalone and consolidated financial statements for the financial year ended 31<sup>st</sup> March, 2022 along with the Board's and Auditors' Report and Management Discussion & Analysis Report, have already been circulated through the permitted mode to you and with your kind permission, I take them as read. As there is no qualification in the Auditors' Report, it is not required to be read.

Dear Members,

In accordance with the provisions of the Companies Act, 2013 and the Rules issued thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the shareholders were provided with an opportunity to cast their vote through remote e-Voting facility on the resolutions as set out in the Notice convening this Annual General Meeting. The remote e-Voting period commenced at 9 a.m. on Saturday, 25<sup>th</sup> June, 2022 and the facility was available to the shareholders till 5 p.m. on Tuesday, 28<sup>th</sup> June, 2022.

Mr. Makarand Joshi, failing him Ms. Kumudini Bhalerao, Partners at Makarand M. Joshi & Co., Practicing Company Secretaries, have been appointed as the Scrutinizer for scrutiny of the votes cast through the remote e-Voting platform and e-Voting during the AGM.

The voting results will be declared within two working days from the conclusion of this meeting, along with the scrutinizer's report will be available on the Company's website, and on the website of NSDL, and the stock exchanges where the Company's shares are listed.

I would like to formally commence e-Voting during the meeting for all those shareholders who have not cast their votes through the remote e-Voting platform, in respect of all the resolutions as set out in Item Nos. 1 to 6 of the Notice convening this Annual General Meeting.

The speaker shareholders may now ask questions pertaining to any item as set forth in the Notice. Members are requested to keep their questions brief and specific. To avoid repetition, the answers to all the questions will be provided towards the end. Members may also note that the Company reserves the right to limit the number of members asking questions depending upon the availability of time.

I want to thank you all for your participation and for your constructive, oops sorry.

**Mr. R J Jeyamurugan:** Now, I invite Mrs. H. S. Patel.

Mrs. H. S. Patel, you can please speak.

**Moderator:** Mrs. H. S. Patel, requesting you to please unmute yourself and please ask your question.

**Mrs. H. S. Patel:** Hello

**Mr. R J Jeyamurugan:** Yes. Yes ma'am. Please speak

**Mrs. H. S. Patel:** Hello. What is this?

**Moderator:** We can hear you ma'am.

**Mrs. H. S. Patel:** Why are you keeping such people to handle this AGM. Sahil has taken so much trouble. See, my voice is echoing.

**Moderator:** We can hear you ma'am. Please ask your question.

**Mrs. H. S. Patel:** I cannot ask question in this echoing voice. I cannot make any speech.

**Moderator:** Ma'am, you have two devices on.

**Mrs. H. S. Patel:** This is of no use. I have told. Sahil, has taken so much trouble.

**Moderator:** Ma'am, you have two devices on.

**Mrs. H. S. Patel:** You all are taking so much money from the company and not doing any proper service. This is the way you treat shareholders. Once in a year we are doing the meeting.

**Moderator:** Ma'am, you have two devices on. You have zoom on and your telecalling on as well. I request you to please switch off one device and please ask question from any of the one devices, either through Zoom or from telecalling.

Thank you. You may please ask your question now.

**Mrs. H. S. Patel:** But, I'm not able to hear.

**Moderator:** We can hear you ma'am. Can you hear me clearly?

**Mrs. H. S. Patel:** You can hear but I also should hear. This trial you should have taken today 5 minutes before the meeting starts na.

**Moderator:** Ma'am, we can hear you. We request you to please ask your question.

**Mrs. H. S. Patel:** You must be taking the cheque from the Company and this the service you are giving to the shareholders, and to the Company. Once in a year AGM is there. How much trouble you are giving to Sahil. You know how much trouble he is taking.

**Moderator:** If you can hear me clearly ma'am, please request you to

**Mrs. H. S. Patel:** No employee will do so much hard work.

**Mr. R J Jeyamurugan:** Mrs. Patel, you are able to hear me? This is Jeyamurugan.

**Mrs. H. S. Patel:** Dani saheb ane Choksi saheb aa barobar reet nathi. Nahi toh aavanu aapvanuch nai handle karva.

**Mr. Manish Choksi:** Ma'am, if you can hear us, you can just speak.

**Mrs. H. S. Patel:** I can't understand whether you are able to hear me or not that also I don't know because I am not able to hear your voice.

**Mr. R J Jeyamurugan:** Okay Chanda can you...okay

**Mrs. H. S. Patel:** Murugan, this is not the way. I told you to take my test 5 minutes before, if you wanted me to be the first speaker.

**Mr. R J Jeyamurugan:** Ya ya. Ma'am, we are able to hear you.

**Mrs. H. S. Patel:** No, you are never doing any service. You have never given a, only when AGM is coming, you are ringing the shareholders, only at AGM

time. This is the way your Company Secretary works, influential work you are doing for the shareholders. You are a link between the management and the shareholders. What good treatment are you giving to the shareholders? Poor Sahil, he is loitering from one end to the other, jumping, running here and there, running here and there.

**Mr. R J Jeyamurugan:** I, now, invite Mr. Manoj Kumar Gupta.

Mr. Manoj Kumar, yes you can speak. You can speak.

**Mr. Manoj Kumar Gupta:** Good morning respected Chairman, Board of Directors, fellow shareholders. My name is Manoj Kumar Gupta. I have joined this meeting from my residence in Kolkata. First of all, I warm welcome to our new Chairman with the hope that he will take the Company to new heights under his leadership with the new..with the team of management. And I thanks to the MD for the excellent result and excellent dividend for the year 21-22, in despite of several challenges and difficult within the world and the near our country. And I thanks to your Company Secretary and his team that who has helped us to join this meeting through VC, especially thanks to Sahil and Swati Rampuria that who always keeps in touch with us to help us to join this meeting. And I always believe that such type of people and young generation should be in the corporate houses that those can help the small investors in any problem, in any grievances or any issues. Those they are in such type of manner they have shown to us. Dividend – I have already said good dividend. CSR – You are doing a lot of work for the community and society. I have nothing to say more.

So last year, I have asked the Chairman those are going to retire but he's still in in our board. I have asked that on the eve of 75<sup>th</sup> year, 75<sup>th</sup> will not come again in the history of the Company and the shareholders, that to offer some maximum discount coupons or a memento to the investors. And you can offer some discounts to the shareholders to buy Asian Paints products at the festival time. And Sir what's your future outlook? How you will face the competition in the country from the Berger, taking the name of a big challenge from the Berger and AkzoNobel and now the big challenge is given by the JSW. JSW has cash flow. So they are also launching some paints. So how you will face such type of challenge?

And Sir, is there any impact will come direct or indirect from the Russia-Ukraine war on our Company because the prices has gone up of several items due to this war and some things are crisis in the Asian countries. And how your business of kitchenware and fitting business are going on, and how you face future outlook for this business. There is also tough competition in this business in the country from existing houses like Hindware. Hindware is a renowned popular house in the country. And home services also. So, sir, nothing to say more. We hope that you will revert to the shareholders as soon as possible by the way of bonus because bonus is overdue, so kindly consider and convey our best wishes to our new Chairman and MD. Thank you Sir.

**Mr. R J Jeyamurugan:** Thank you Mr. Manoj Kumar Gupta. Next speaker, Mrs. Smita Bharat Shah.



**Mrs. Smita Bharat Shah:** Hello

**Mr. R J Jeyamurugan:** Yes ma'am

**Mrs. Smita Bharat Shah:** Hello.....Hello Sir

**Mr. R J Jeyamurugan:** Yes, we are able to hear you. You can speak please.

**Mrs. Smita Bharat Shah:** Sir awaaz aa rahi hai na meri barabar.

**Mr. R J Jeyamurugan:** Yes

**Mrs. Smita Bharat Shah:** Okay, thank you sir. Maanya Chairman sir Shri. Deepak Ji, Satwalekar Ji, Vice Chairman Shri. Manish Ji, MD & CEO Shri Amit Ji Syngle Ji, Ashwin bhai aur anya manyawar directors. Sir, main Mumbai se Smita shah baat kar rahi hu.

Sir, pehle toh main dukh ke saath mein ek baat karna chahungi ki humare old Director Shri apne Abhay ji Vakil, unka jo 2<sup>nd</sup> November 2021 main jo dehant hua jaankar bahot dukh hua. So main unhe hriday purvak shraddhanjali deti hu. Aur bhale hi aaj humare beech main woh nahi rahe but unki yaad humare saath sada hi rahegi kyu ki unhone bhi bahot hard work kiya tha. So unki aatma jaha bhi ho, ishwar unhe chir shanti de yeh prabhu prathna. Sir, ek baaju gum hai, so dusri baaju khushi bhi hai. So main pehle toh humare Board

par naye aaye hue Chairman Shri Deepak bhai, aapka main hardhik swagat karti hu. Saath main new Independent Director Shri Milind ji aur Ms. Nehal Ji ka bhi Non- Executive Director ka main hardhik swagat karti hu Sir.

Aur Sir, baaki toh main kahu ki kaise bhi ho Asian Board pe jo bhi team hai hamesha mehnat aur hardwork ke liye tatpar rehti hai. Aapne kabhi bhi kaisi bhi paristhitiyon mein himmat na haar kar Company ko hamesha excellent work ke saath aaj aage badhai. Aur pure world main apna naam kamaya hai. Shareholders ko bhi hamesha respect kiya hai. Samay samay par dividend dete aaye ho. Abhi bhi 10 saal ke compare main dekhe toh revenue from operation, profit after tax, earning per share, book value, dividend sabhi main badhoti badhoti hai. Aur Sir waise hi employees aur shareholders ki sankhya bhi acchi khaasi badh gayi hai. Bahot bahot abhinandhan.

Aur dividend accha khaasa jo aapne diya, shareholders ka dhyan rakha, bahot bahot dhanyawad Sir. Sir, yeh sabhi aapki, pure Board team ki mehnat aur hardwork, sab hi employees workers ki bhi hardwork ke saath aur Company ke prati aapki jo lagan jo hai so excellent result aaj mil raha hai. Waise hi Deepak bhai aap bhi bahot smart aur handsome lagg rahe ho. Bahot hardwork karo Sir. So meri dil ki shubh bhavnao ke saath, Deepak bhai aapko dil se shubhkamnaye karti hu ki aapki leadership main Company dinn prati dinn chouguni tarrakki karke, excellent work ke saath future main bhi aage badhe aur market main hamesha aval main rahe aur pure world main apna naam roshan rakhe. Yahi meri shubhkamna hai. So ishwar se bhi meri prathna hai ki ishwar aapki health wealth sada hi acchi banayi rakhe. Saath

mai. Ashwin bhai, Manish bhai aur aap sabhi ek se badhkar ek jo mehnati hardwork unhi sabhi ki health wealth acchi banayi rakhe yahi shubhkamna ke saath hamesha hum bhi aapke saath rahe. So aaj bhi hum aapke saath hai. Aur aaj ke sab hi resolution main fully support karti hu.

Aur Sir hum yeh bhi kehna na bhule ki sir aapki CS team bahot helpful aur mehnati aur hardwork hai. Jeyamurugan ji ko main hardhik dhanyawad aur abhinandhan karti hu. Unki team se saalo se judi Ms. Saloni always smilish, good nature, good responsible. Unke saath Sahil Vandita bahot hi hardwork aur mehnati bacche hai. Hume satat phone karke puchte hai, 'Aapko link mili ki nahi?', 'Aapko koi dikkat toh nahi hai?', 'Samay par join karlena'. Sir, really bahot hardwork karte hai Sahil Vandita. Sab hi baccho ko main hardik dhanyawad aur main unko main abhinandhan karti hu bahot bahot aage badhe. Really bahot helpful nature ke bacche hai Ms. Saloni, Sahil aur Vandita. So, Murugan ji aapki puri CS team ko bahot bahot dhanywad aur abhinandhan. Baaki toh Sir aasha rakhti hu ki next year ki AGM main hum physically mile aur ishwar bas hume sabhi ko bahot acche health wealth ke saath hum next year zaroor AGM main physical mile yahi prathna ke saath, full support ke saath dhanywad.

Sir, chalu rakhiye. Bharat Shah baat kar rahe hai Sir. Thank you Sir.

**Mr. R J Jeyamurugan:** Ya, now I invite Mr. Bharat Shah to speak. Next speaker.

**Bharat Shah:** Manyavar Chairman Sir awaaz aa rahi hai na.

**Mr. R J Jeyamurugan:** Awaaz aa raha hai Sir. Yes sir.

**Bharat Shah:** Manyavar Chairman Shri. Deepak bhai, Shri. Ashwin bhai aur anya manyavar directors, sir mera naam Bharat Shah hai. Main Ashwin bhai Dani ji ko bhi shubhecha deta hu aur regards deta hu. Unhone bahot acchi seva chairmanship pe ki hai. Toh main bahot regards deta hu. Aur Jai Shri Krishna Ashwin bhai.

Aur sir pehle main Deepak bhai Chairman Shri ko aaj pehle AGM main unka hardhik swagat karta hu Sir main. Phulo ke gucche se, haaro se unka swagat chahta tha lekin AGM VC madhyam se toh hridhay purvak unka hardik swagat karta hu Sir. Aur Sir naye Director Nehal ben Vakil aur Milind bhai Sarwate ka bhi hardik swagat karta hu Sir Board upar.

Aur sir main apne director Shri Abhay bhai Vakil jo 2<sup>nd</sup> November ko expire hue unko hridhay purvak shraddhanjali deta hu Sir. Aur Sir, bahot acche aadmi the Sir. Hamesha se unko respect deta hu. Unki yaad sada aayegi Sir. Aur unko hridhya purvak shraddhanjali deta hu Sir. Baaki Sir meri koi query nahi hai. Main barso se Company ka shareholder raha hu, barso se AGM attend karta hu. Sir mutually vyavastit Company chalayi hai aapne. Dinn prati dinn bahot aage badh rahi hai apni Company. Sab baaton main vyavastit badhotri hai Sir. Sir, hamesha aapne shareholder ko respect diya hai. Shareholder ka khayal rakha hai, accha good return diya hai Sir. Bahot accha

chappar phadkar dividend dete aa rahe ho Sir. Time pe bonus diya hai Sir. Toh sir bahot bahot dhanyawad deta hu Sir, abhinandhan karta hu. Aur Sir bhagwan god ko prathna hai ki Company bahot bahot aage badhe Sir. Sir saare awards ke liye bhi bahot bahot dhanyawad abhinandhan deta hu Sir. Aur Sir CSR activity bhi bahot acchi vyavastit chal rahi hai, manavta ka karya hai. Uske liye bhi main bahot bahot abhinandhan deta hu dhanyawad deta hu Sir.

Aur Sir Company Secretary Shri R J Jeyamurugan ji aur unke team ke Saloni ji, Sahil ji, Jay, Vandita puri team ko bahot bahot dhanyawad deta hu Sir.

Hardworking Jeyamurugan ji aur unki puri hardworking team ko dhanyawad deta hu abhinandhan deta hu Sir. Sir, hamesha shareholder ko respect dete hai. Koi query hai toh solve karte hai Sir. Good investor service de rahe hai Sir. Bahot hardworking team hai Jeyamurugan ji aur Saloni, Sahil, Jay, Vandita main unko bahot bahot dhanyawad deta hu Sir. VC madhyam se bhi judne main bahot help ki. Puri team ko bahot bahot dhanyawad deta hu bahot abhinandhan deta hu Sir.

Aur sir, next year face-to-face zaroor milenge. Aapko rubaroo main bhi milne ka mann karra hai 3 saal se par nahi mile. Toh next year ho sake toh hall main zaroor meeting rakhna pehle ki tarah toh ek baar saath main milenge Sir.

Aur aane wale Ganesh Chaturthi, Paryushan, apne Dussehra, Diwali tyaharo ki main hardhik shubhkamnaye deta hu aur bhagwan ko prathna karta hu

apni company bahot bahot aage badhe sir. Aur saare resolutions main mera pura support hai Sir. Thank you very much. Thank you Sir Jai hind Sir Jai Shree Krishna Sir.

**Mr. R J Jeyamurugan:** Thanks Mr. Bharat Shah for your wishes. Thanks. Next speaker- Mr. Sharad Kumar Jivraj Shah.

**Mr. Sharad Kumar Jivraj Shah:** Hello

**Mr. R J Jeyamurugan:** Yes Sir

**Mr. Sharad Kumar Jivraj Shah:** Can you hear me Sir?

**Mr. R J Jeyamurugan:** Yes Sir, we are able to hear you. Yes Sir.

**Mr. Sharad Kumar Jivraj Shah:** And can you see me Sir?

**Mr. R J Jeyamurugan:** Yes, we are able to see you clearly.

**Mr. Sharad Kumar Jivraj Shah:** First thing Sir regarding your secretarial department. I'm very happy with the secretarial department, not only this year for the last so many years. So, there is no absolutely no problem. And what they have asked me to send, I have send the mail. And this Sahil has sent all replies to my mails. So, it looks like that I did not ask same questions again in the meeting.

What I will ask you is, your balance sheet says that dividend payout ratio is 58.6. So, it is definitely better than.....which is only 15%. But what I would like to tell you this year, still I'm not happy. Another thing, one thing where I'm really happy with you is last 20 years, the company's net worth is increased by 150%. It is an advantage to shareholders and the promoter also. But my other observation is that I always look at the market price and the market price and the dividend is it has got relation. If I go to the Infosys, the price is 1400, dividend is 31. Colgate - price is 1500, dividend is 40 Rs. HDFC price is 2200, the dividend is 30 Rs. HUL price is 2300. The dividend is 34 Rs. And in our case, the price is 2600 and dividend is 19. So, there is no question... it doesn't come in the way that what is the dividend pay ratio. What I'm looking at what is my return as a shareholder on the market price.

So what I'm looking here Sir definitely you can increase the dividend and you don't have to worry because your performance everything is good and whenever you require money because all these companies, their dividend payout ratio is very close to the earning per share and they don't keep any money. But if they require money further in case, their price is high also in the market and their reputation, using that they can collect money from the shareholders on the basis of right issue. So, what I'm looking here, don't limit your dividend payout ratio to 58.6 only but please increase it to higher like HUL, Colgate, HDFC. That will be much better.

Another thing Sir, what is my observation. First thing what I wanted to, I refer to my Chairman speech. He was talking about different products and the products were definitely required for leakage and what is principal of leakage is that you have to feed a material in the open area, or from where the leakage comes and that capacity of that materials should be higher expanding capacity. And the RDX is the only material in the market, which has got high explosion capacity, maybe expansion and explosion capacity. So I would like to know what is our product. How much time it takes to expand, whether any products we have got which expand 10 times, 20 times, 50 times. So that with small quantity of material, I can stop leakage. Another thing Sir I want to like to know that whether Company has the availability of doing reverse gravity process, reverse pressure gravity process. That because which is very important. Another thing is problem is now the competition is increasing to us. The JSW Steel is now again in the business and Grasim is also coming into the Paint business. And another thing I think you have referred this the prices of raw materials are going up. So both these things, how you will face or how you will tackle, that is my main question and rest of the questions, already Sahil has replied so that I am not repeating again. But look into the dividend amount because I am a long shareholder for a long time. And basically now the 10% goes into dividend tax. Till 20 years, I never paid any tax. But now last two years, I have to pay very heavily and I don't have any complaint on that but I require a heavy dividend also from all companies. Thank you very much for giving me the opportunity. And another thing, last. I am really really happy with your Company Secretary because 2 years back, my cheque of Rs. 24,000 was stuck up. Before meeting, he has



sent that cheque. So, I am very very happy with all your Company Secretary department and particularly now, I am very happy working is Saloni, made as a Deputy Secretary, which I was knowing her for last 4-5 years, or even 10 years. Thank you very much for giving me opportunity. Thank you.

**Mr. R J Jeyamurugan:** Thank you Sir.

Next speaker shareholder, Mr. Kirti Jayantilal Shah.

**Mr. Kirti Jayantilal Shah:** Chairman Sir

**Mr. R J Jeyamurugan:** Yes Sir, we are all able to hear you.

**Mr. Kirti Jayantilal Shah:** Chairman Sir, Good Morning Sir.

**Mr. Deepak Satwalekar:** Good Morning

**Mr. Kirti Jayantilal Shah:** Chairman Sir, aapne jo aapka secretarial team banaya hai woh bahot hi accha hai. Usne kaafi cooperate kiya hua hai har time. Last time bhi kiya tha aisa main example kaafi meeting main de raha hu. Abhi ek Infosys ka meeting tha usme itna bada woh gadbad hua tha, itna bada cooperative, apna jo yeh secretarial department aur moderator ka itna bada problem hua tha. All over India ka sab shareholder ne usko kaafi yeh tarah se uska yeh kiya tha ki aisa yeh aap moderator mat rakha karo, aisa secretarial team mat rakha karo. Asian Paints ki tarah aap secretarial

department ka ek group banake aap sahi tarah se chahiye. Yeh India ki pehli Company hai yeh Asian Paints jaisa secretarial department group banake sahi tarah se shareholder ko speaker number aur saari details deta hai.

Chairman Sir maine aapko ek lamba chuda email kiya tha. Aapka secretarial department ne majority saare sab ka answer diya hua hai. Around 90% answers mere ko mil chuke hai. Aur baaki ka woh 10% woh bhejenge. Wish you all the best. Thank you very much. I have no question.

**Mr. R J Jeyamurugan:** Thank you. Thank you, Sir. Next speaker shareholder, Mr. Dinesh Kotecha.

**Mr. Dinesh Kotecha:** Yes Sir.

**Mr. R J Jeyamurugan:** Yes Sir, you can speak please.

**Mr. Dinesh Kotecha:** Good morning because there's still 9 minutes there for afternoon to begin. Deepak Satwalekar, Ashwin Dani ji, other Board of directors and all the other shareholders on the meeting.

Sir, we got Integrated Annual Report for the second year in, now this year. Good and you continue so Sir because this Integrated Annual Report gives extra information which we want from an international accounting standard level Sir. Sir, we are an Indian multinational. I have always considered Asian Paints as an Indian multinational and page number 7... page number 7 stands

it firmly that we are an Indian multinational in terms of stature, scale, reach, people, performance everything. Now, secondly, Sir, my small, not a complaint, but a suggestion was that you could have had a physical meeting in an orderly and disciplined manner as it is, as it is, we have got more than 1000s of shareholders but in the meeting hardly 200...300...400 people attend out of that hardly 10 or 15 people speak. Sir, you could have allowed us a chance sir to hold a physical meeting. We saw the IPL where you know 50,000...60,000...1 lakh people were crowding the stadium without mask and if those could be held then why the physical AGM was avoided. I mean, you could have held, gone against the SEBI rules Sir. And we could have established that no, we put the SEBI rules in the basket and we will hold a physical meeting. Yesterday there were 3 physical meetings in India sir. 3 physical AGMs were there in India. And I also told in the last, yesterday, in some of the meeting that physical meeting should be held.

Sir, your secretarial staff, Vandita, Swati, Sahil, Saloni, I mean, everybody has thanked them. I also join them. I second them because of their care and concern for the minority shareholders.

Sir page number 14 and 15. I will be very specific to the questions. We have got 4 businesses, Paints - 85% of turnover, International business - 10% of turnover, Kitchen and Bath business - 2.6% and Industrial business - 2.5%. Now what I find is Sir that in the kitchen and the bath business with Sleek and Ess Ess being our brands, which we have acquired. There are so many established player already working in this industry before us. And we are new

entrants. So we are new incumbents and we are new entrants, so we have to face a lot of competition. And I would like you to explain to me how this business can grow from 761 crores which is there as on today. I mean it should increase and how is the volume game and the value game being played? Or what what different products are we making. The Hindware sector, the Somani's are no. 1 leaders there. I mean so many other leaders are there and we are competing, we are putting our nose in some business which is already competitive Sir. So how are we going to gain an edge there?

Secondly, in paints business, we are established with tremendous goodwill and recall value by the customers. But here sir new competition is emerging from basically you know big corporate houses with big pockets. And so many of them have already launched their paint products or are being launched, in the process of launching. We were already five big industrial... paint companies in India. Five companies were there in India. Now three more big companies...two more big companies and three small companies - SMEs - are coming up in paint competition. Now, I would like to know your views how you are going to face them and bring them to maintain or if not, increase our market share with still better margins of EBITDA level, PAT level and PBT level and PAT level. Please explain in detail.

Sir, page number 29. In page number 29, I find one very interesting thing Sir. All ratios, all key ratios are good and improved compared to last year, both on standalone and consol basis Sir. Sir, can our margin, you know operating margin has gone from 17.8 to 20%, net margin from 10.6 to 12.4. But our

EBITDA margin has come down to 20% from 26.2 and our ROC is also down to 33.5 compared to 37%. This is the average of the last four years I am saying. Now how, what plans are there you know, to get this market share, I mean this operating margin being about 25% or improvement by at least 200 basis point on each percentage level Sir. How, what is the planning there.

All your other reports like social responsibility report, ECGR, BPR, everything is nice.

Sir, next question is what are the learnings in the pandemic or the feedback. So, the suggestions from the pandemic which you have received as a Company to make the Company more resilient and work towards still better results. Sir, any other major challenges to be overcome externally internally other than competition. What are the weaknesses that have been identified by the internal auditor and your internal staff which needs to be rectified. Dividend, people have said.

Now one small suggestion Sir. Our equity is very high, I mean, we have already got a face value of one rupee. You don't want to give us bonus right now, I know. So you can do one thing sir, give us redeemable preference shares by way of bonus shares, which can be separately listed on the stock exchange. So we need not be forced to sell our shares in case of requirement of our education of our children or sickness or medical attention. We can sell our preference shares and keep this equity shares intact with us. So think about it Sir. Redeemable preference shares which can be redeemed after five

years, six years, seven years, eight years, nine years, ten years. Every year we should get some redemption plus interest for the five years and then an interest for the balance part. This is the idea which I am giving you because you know, this is the way to reward the shareholders Sir. We can remain faithful to you only when we get something. If you don't reward us in any other way other than dividends, then we may...we may switch our our interest to some other companies also. Sir, evaluate and rationalize the existence and working of the subsidiaries in view of geopolitical risks sir.

Sir, don't be complacent with past achievements. Be prepared to face the future which is full of uncertainties. Sir, what is the scenario planning now? Look at what...look at what would happen if everything went wrong or something substantial went wrong. How do we first pay for it and how we...how do we mitigate the risk of that scenario planning. Sir, for the CAPEX planned incur for the current year and next year, how many years the tangible benefits will not be produced by that CAPEX. That means the CAPEX will start producing profits from which year. Second, direct question. Sir, how many non-value adding activities have been identified and stopped in the company? Now, I know that you are progressively, you know, giving good results, but Sir, one small I mean information I want in the balance sheet. That is the list of top 10 public shareholders. Also, I want you to give a chart on the very first page of a quarterly results - quarter one, quarter two, quarter three, quarter four. Now, this is a sign of a Integrated Annual Report. And this is a good sign which internationally people are following and we should also follow that international norms of reporting in the balance sheet.

Thank you very much and wish you all the best and I am expecting answers for all my questions Sir. Thank you.

**Mr. R J Jeyamurugan:** Thank you. Thank you Mr. Dinesh Kotecha. Next speaker shareholder, Mr. Arvind Waikar

**Mr. Arvind Waikar:** Arvind Waikar here from Ahmedabad. First of all, I must, I must congratulate the Chairman, Board of Directors, the top management and all the employees and the shareholders of the Asian Paint for showing an excellent performance despite our pandemic situations and the adverse conditions.

I have been investing in the top...in the leading companies, in the industries like Asian Paints since 2014. Me and my family put together, I have more than 1500 shares of Asian Paints. The current value of which is around Rs. 40 lakhs. I am really extremely happy with the performance of the Company. And I feel that this is the Company...it's a dream Company for me in my portfolio, Asian Paints is a dream Company where things are doing very well. I only, last year you know, these are my views I am expressing but the performance of financial year 22 has been slightly disappointing in terms of profit after tax growth YOY was only 2.7%. This growth is you know, low, as you have already mentioned, the Chairman has mentioned in the chairman speech that is lower by about 3.5%. I wanted to know the, actually the reasons for that. And how do...you what do you expect in this financial year 23 that you will achieve the real good growth in profit.

My second question is on basically on competition. Asian Paints has maintained the leadership position throughout and I am very happy about it. And I believe in investing in the companies which maintain the leadership position but to me it appears that the situation may be a little tough or difficult as new entrants like Grasim industries, JSW are entering in the field of paints. And I'm just wondering that whether we will be in a position to maintain our leadership position, first.

Second thing, do you think that we will also have the major market share. Currently, we are holding the highest market share in the paint industry. Do you think that we will be in a position to maintain our market share or increase our market share in the current scenario or in the future, when the new entrants will be trying to grab the market share.

Okay, with this, I would like to thank the entire management, the secretarial department for giving me an opportunity for expressing my views and also you know, asking you the questions related to the performance of the Company. Thank you, Sir.

**Mr. R J Jeyamurugan:** Thank you, Sir. Next, speaker shareholder Mr. Manish Chhabria.

**Mr. Manish Chhabria:** Good Afternoon, Board of Directors and my dear shareholders. I would...last time also I had mentioned about the bonus issue



of Asian Paints at the appropriate time. Kindly consider it. And second question would be to consider the discount coupon for existing shareholders for our products. Thank you.

**Mr. R J Jeyamurugan:** Thank you. Next shareholder speaker, Mr. Abhishek Kalra.

**Mr. Abhishek Kalra:** Can you hear me Sir? Am I audible?

**Mr. R J Jeyamurugan:** Yes Abhishek, we are able to hear you.

**Mr. Abhishek Kalra:** Sir, my name is Abhishek, shareholder of the Company. My DP ID IN301637 and client ID is 41359155. Sir, first of all, I congratulate the management on the eve of 76<sup>th</sup> Annual General body Meeting. Sir, trust all is well with you and your family. In this challenging situation, our Company deserves much more respect than ever in market cap after completing more than a decade of successful operations, profitability, dividend history and becoming one of the strongest brand in our respective sector.

Sir, I would like to know how our business have been impacted in these past three years of this COVID time. The Coronavirus and the subsequent lockdowns have left virtually no industry until after the COVID. So whether any employees have been sacked? I would like to know if any salary cut was undertaken by the management during the pandemic time.

And Sir, shareholders are very eagerly waiting for bonus issue from the management but unfortunately, we are not able to get any kind of bonus from the management. Sir and, there are most of the shareholders across my friends and my family members who have registered through the virtual platform in the AGM on the prescribed time. There was a registration in the NSDL portal that shareholder registration has to be done along with the e-voting. That also the shareholders have done. Subsequently, there was a restriction that an advance registration has to be done. Seven days before the email also was being sent for speaker registration. Subsequently there was a deadline on 27<sup>th</sup> that the questions have to be sent before 5 pm and even that was being sent by the shareholders. The shareholders have done so much of exercise. So is not a courtesy for the management to give them an opportunity to participate and seek clarification because this kind of general body meeting is been conducted only once in 365 days and for 365 days, you run the management, you run the show. It is a fundamental right of the shareholder to ask questions on this particular day. This one day is for shareholders and that too you have restricted the number of shareholders and not allowed most of the investor fraternity to participate and seek clarification in this Annual General body Meeting which is really very ridiculous part on the management side. The management should have taken a call and should have restricted time limit but should have given opportunity to each and every shareholder so that everybody can get an opportunity to seek, clarify and by seeking the questions the management can empower in the years to come

And Sir, regarding physical share issue, I've already pointed out so I need not repeat the same issues. You are very well aware about the facts. I have given a detailed email. The annual...I have very clearly stated that as for today I should be holding around 5500 shares. The Company has already said the 3000 shares and the 2500 shares are in dispute. The management claims that 100 shares have been sold by my grandmother in the year 1999 but whereas we are a passive investor. We don't have the habit of selling any kind of shares as far as physical shares are concerned.

**Moderator:** I request you sir to please restrict your questions to the annual report.

I am restricting the question. I am limiting to my timeline. I understand the timeline.

**Moderator:** I sincerely request you to please restrict your questions to the annual report for this annual general body meeting. Thank you.

**Mr. Abhishek Kalra:** Yes, madam but you are not replying to my emails. So that is the reason I have to raise in the AGM. I am end up with no other options. Even if it's a physical AGM, I'm ready to come to Mumbai and ask query because since it is a VC AGM, I am forced to ask through VC. But if it's a physical AGM, we very well we can entire family of us can come down to Mumbai and seek our clarification. I have requested that there is a mistake. The management has taken pain even during the corona time, during the

pandemic time. The management has said that the papers are lying in the Bhandup industrial areas, some godown it is lying and you have taken the scanned copies of the assets to transfer the applications which are being sent the way in which it shows that the shares are being sold.

**Moderator:** Sincerely request you to please restrict your question to the annual report sir.

**Mr. Abhishek Kalra:** Since you have shared that transfer application from your authenticated email id to my authenticated email id, which very clearly says that there is an overwrite...

**Moderator:** Thank you sir for your question. Need to restrict our questions to the annual report and we will now move on to the next shareholder. Thank you.

**Mr. R J Jeyamurugan:** Yeah. Moving on to the next speaker shareholder, Mr. Aspi Bhesnia.

**Mr. Aspi Bhesnia:** Sir, can you see me and hear me?

**Mr. R J Jeyamurugan:** Yes Sir, we are able to see you and hear you also.

**Mr. Aspi Bhesnia:** Sir, your voice is very low.

**Mr. R J Jeyamurugan:** Please proceed Sir. We are able to hear you.

**Mr. Aspi Bhesania:** Okay, now I can hear you. Sir, I welcome, Mr. Milind Sarwate. He is a nice person. We know him for many, many years and I also welcome Ms. Nehal Vakil. Sir, annual profit has been maintained on higher sales, that means margin is squeezed. So do you expect a lower margin to continue or can we go back to the old margin. Sir, nowadays, in the name of value engineering, your paint quality, I think is deteriorating. Because earlier we used to paint once in 15-20 years. Now, we have to paint every five years. So please, in the name of value engineering, don't make paints like what China makes. China makes...anything which is made by China is like Chala toh chaand tak, nahi toh raat tak aisa hota hai. So please ensure you maintain the standards like Germany, or Japan. Sir, if have surplus cash, please do not increase the dividend. Please go for a buyback which is tax efficient, even from the promoters' angle. Sir, thank you very much and all the best.

**Mr. R J Jeyamurugan:** Thank you Sir. Now I invite next speaker shareholder, Ms. Geetha Rashmi.

**Ms. Geetha Rashmi:** Good morning. Good morning Chairman, Vice Chairman, Director and Independent Directors and the entire technical staff. I am Geetha Rashmi and I am a shareholder of Asian Paints from more than five years. I am happy with the company's growth and exploring the new opportunities and newer segments like kitchen and bathroom fittings.

Welcome on Board Mr. Deepak Satwalekar Sir as a newly appointed Director, Sir.

So here are my questions. So with Grasim's entry into the paints sector, how do you project the growth and roadmap for Asian Paints? Will this provide a competition to Asian Paints success story? The second question is - For the long-term investors who have immense belief in your Company and holding on your stocks for many, many years, why don't you provide extra incentives in terms of discount coupons. So many other companies like Bata, Hawkins they do provide discount coupons, so why don't Asian Paints apply this. So, this might actually help in company's marketing strategy. Third thing is, the third question is - Any news on the bonus? So last bonus that the company had given to the shareholders is in 2003. So, it's been like, it will be around 20 years next year. So, any news on the bonus?

So, these were my queries, and I appreciate the entire technical staff, especially Vandita and Sahil. So, they were behind me from the last couple of days in educating me how to attend online zoom meetings and conducting demos. So, thanks, I appreciate the entire team and thank you so much, which the entire team which is like management team, Asian team employees and fellow shareholders a very good health, happiness and prosperity. Thank you.

**Mr. R J Jeyamurugan:** Thank you. Next speaker shareholder, Mr. Yusuf Rangwala.

**Mr. Yusuf Rangwala:** Good Morning Sir. Can you hear my voice Sir perfect?

**Mr. R J Jeyamurugan:** Yes Sir

**Mr. Yusuf Rangwala:** Can I go?

**Mr. R J Jeyamurugan:** Yes Sir. Please proceed.

**Mr. Yusuf Rangwala:** A good morning Sir. I am speaking from the city of Mumbai. Sir, I'm very happy with the Annual Report of 378 page. Especially to Sahil Sir, unko dhanyawad Sir. Aapko dil se sat pranam pranam. Sir, aapka naam bhi Deepak hai. Jo company main Deepak hota hai woh chamakte rehta hai Sir. Deepak matlab chandni Sir. Deepak matlab deep ki chandni Sir, jaisi aapki hasi hai Sir. Aapka balance sheet main Sir aapka photo, itna smiling. Mujhe lagta hai 76 years hai. Next year aapne agar bonus de diya. Aapka jo sir chehra itna hasta hua dekh mujhe lagra hai ki aap bonus ek pe nahi 1:2 denge aap lagra hai mujhe Sir. Aur apne reserves bhi acha hai. Direct point pe aa raha hu profit 3,131 crores of financial year, total revenue of 25,002.1 crores total dividend - 58.66. Sir, we are the ninth largest paint Company and third largest brand in Asia. And Sir, one more thing Sir. We are having, Sir apne Ashwin Sir, unka chehra se dekhke balance sheet main aur unki hasi ko bhale hi apne Board par nahi hai, lekin unki guidance aur unki hasi, unki sir hardworking apne saath main hai. Aur unke son, jo apne do dynamics apne saath main hai Sir. Waha pe se isko koi hata nahi sakta hai.

Sir, main madam Priyal madam ko bhi main join karta hu. If you give a discount on paint, sir hamare gharpe aapka hi paint use karte hai. Agar if you give a 20%- 30% discount on purchase, so that will help. Sir you can sell a discount coupon that we can use anywhere Sir. This is my humble request Sir.

Sir, apna we are at no. 1 at present Sir in paint. Sir apne paints main aur apna Godrej Nerolac yeh sab peeche hai Sir. Godrej is at number 2, we are at number 1.

Staff kitna hai apne paas Sir aur apna Sahil Sir, apna Vandita madam aur puri team jo apne Sir bahot hardworking hai. Kitni baar unka phone aaya aur main unko bahot dhanyawad deta hu Sir unki service ke liye Sir. We are having a very excellent service Sir. Sir, front page pe aapne likha hai 'Bringing the joys of the people live'. Sir that is a very excellent Sir on the front page. Yeh mujhe dekhke Sir mujhe itna khushi hua aur Sir main itna khush hua mera paas koi shabd nahi hai.

Sir main ek sher pesh karna ja raha hu. Iss balance sheet ko dekhke mera dil itna khush hua. Aisi balance sheet maine aaj tak nahi dekhi. Godrej Nerolac ki bhi balance sheet thi lekin apni balance sheet toh wah wah hai Sir balle balle hai Sir. Iss balance sheet ke baare main mere paas koi shabd nahi hai Sir. Dhanyawad. May god bless our Company. Aur Deepak Sir, mera full



support aur aane wale sab aap Deepak Sir. Jo company main Deepak sir jaise Chairman rehte hai waha pe hume figure dekhne ki zaroorat nahi hai.

Sir, yeh 75 years hai uska celebration baaki hai. Sir hosake toh aapke Santacruz main ek chota get together rakhe Diwali ke baad. Mera humble request hai Sir. Thank you very much. May god bless our Company. Sir, Diwali, Dussehra, Rakshabandhan sabki full shubhkamnaye deta hu as a small brother. Sir aapko Sir bahot shubhkamnaye deta hu Sir. Jai hind. Jai Maharashtra. Vande Mataram. Bharat Mata ki Jai. Jai Gujarat Sir.

**Mr. R J Jeyamurugan:** Thanks. Mr. Ashit Kumar Pathak?

**Mr. Ashit Kumar Pathak:** Am I audible Sir?

**Mr. R J Jeyamurugan:** Yes sir.

**Mr. Ashit Kumar Pathak:** Am I audible?

**Mr. R J Jeyamurugan:** Yes.

**Mr. Ashit Kumar Pathak:** Yes. Very good afternoon respected Chairman, Vice Chairman, MD and CEO, Board of Directors, Company Secretary, fellow members joining at 76<sup>th</sup> AGM of Asian Paints Limited. My name is Ashit Kumar Pathak from Dum Dum, Kolkata. At first, my extreme gratitude to Company Secretary CFO and Company secretary Mr. R. Jeyamurugan. and

the Secretarial Department, Deputy Company Secretary Mrs. Saloni Fadnis for sending me the notice of AGM and hardcopy of Annual Report very well in advance and allow me to speak. Also, thanks to investor relations for nicely conducted speaker side verification and especially Mr. Sahil Makkar, and Swati Rampuria. My homage to respected Mr. Abhay Vakil, Non-Executive Promoter Director of my Company and respected Mr. Amar Vakil, Non-Executive Promoter Director on sudden demise. I pray to God for their soul remain in rest in peace. I always respect their enhance contributions to my Company to be number one paint Company in India and third largest paint Company in Asia and ninth largest paint Company globally. Sir, I think we have to maintain one minute silence about this.

This is...I noticed it, I think, next most welcome to respected Chairman Mr. Deepak Satwalekar to my Company. I think expect my companies in future up to their most growth by his leadership and also good health. Also, thanks to ex-chairman respected Mr. Ashwin Dani for his enhanced contribution to my Company. Excellent representation from respected Chairman, innovation strategies, growth in decorated paints, new products, current development, future strategies and roadmap, 250 own franchisee stores and also a good, a beautiful home services.

I have noted that all the valuable points Sir. Coming to financial performance, excellent financial performance 25,188.51 crore standalone revenue, 36% growth beyond all these pandemic and, and restrictions in very protocolic measure in production units and also supply chains. Also, members

rewarded with interim dividend 3.65 and final dividend Rs. 15.50. Excellent, rewarding policy from my company's management team to members.

Sir, maybe concentrate in consolidated profit. That consolidated profit also went down. This is my past view.

Also, what is the present financial status. You mentioned very much impairment happening to currency translation Causeway Paints Lanka. If possible through some highlights about the present financial performance of that subsidiary. About international business concern. You mentioned 10% of the total revenue aggregating Rs. 2894.9 crore. In respect...our respected MD mentioned the year has been extremely challenging. Our international footprints key markets Ethiopia, Egypt and Sri Lanka further derailed recovery. But in USA, UK, Nepal, Bangladesh, Singapore a good market. Also our decorative business kitchen bath. So, through some possible highlights to enhance in the international business because the international market is also upgrowing and emerging and very, very, very propelic. So through some highlights, the future roadmap because we have with our subsidiaries operation 22 countries globally, 27 paint manufacturing facility, servicing consumer in 65 countries through Berger International, SCIB paints, Apco Coatings and Taubmans. Please through some highlights, the future roadmap to intense international business because rupee is very ongoing weak against dollar. Also, industrial business 2.5% of the total revenue aggregating Rs. 723.3 crores. Respected Chairman also mentioned in his starting speech, very positive steps were taken for industrial business. Also 50-50 joint

venture with PPG, USA, a global leader in coatings. By the by, India is uprising economy. Very industrialisation is ongoing with startups and very FDI also increasing in our India. So what positive steps taken to enhance our industrial business segment. If possible, through some highlights.

Coming to present situation, the financial year 23 is very very very turbulence. Higher in inflations. WPI also 15.9%. Also RBI ongoing to hide the repo rate to fight against inflation. And commodity also very volatile. 35...30% of our paints commodities are imported and there is very logistics cost uprising. Also volatility in shipping. So throw some highlights about our domestic business in regarding three remaining quarters.

Next, coming to three points we mentioned we have launched 7 products in the financial year 22. Throw some highlights that distribution potential response with this new product. If possible throw some highlights. Positive business response limited liability Qatar you mentioned Asian Paints International Private Limited Singapore recently World cup football organized. So positive business performance from that subsidiary, if possible, throw some highlights. Also, you mentioned our home decoration 2.6% of total revenue. But I also you also business now acquired 90 Crore infusion of 51% stake, further acquisition of 23.19 stake in Weatherseal Fenestration Private Limited and also share purchase with teak acquisition with White Teak. Also, with this acquisition, you throw possible highlights our business in home decorations in future. Regard to cost optimization, cost control step second, because cost of raw materials heavily high than previous year.

13,830.9 crore against 8524.7 crore. Traveling expenses also very higher 72.46 crore. Because last year my country also faced pandemic and also there is very restriction. So this is why this traveling expenses is higher. Also, miscellaneous expenses is very higher 524.20 crore against 388.9 crore and other financial liabilities also mentioned many directors and others payment dues, other financial liabilities 1524.78 crores against 1276. Inventories also higher than previous year. Trade receivable also other than previous year and steps taken waste generation mentioned metric tons 10,991.91 metric tons against 6,946.87. So steps taken because waste generated, waste is highly generated. And my previous speaker also mentioned return on capital employed, EBITDA margin also came down regarding this financial year 22. Also, standalone net fixed asset also came down. This is noted sir, this point.

Also, finally, the CAPEX program next 2-3 years where a domestic leader paints invested double of their CAPEX plan. And, for this reason, on 25<sup>th</sup> May, 2022, many domestic leading paint company share price came down from the capital market. So nothing to say more. I praying to God everybody associated to my Company with good health and prosperity. Thanking you Sir.

**Mr. R J Jeyamurugan:** Thank you. Next speaker shareholder Mr. Vrajesh Shah.

**Mr. Vrajesh Shah:** Hello

**Mr. R J Jeyamurugan:** Yes

**Mr. Vrajesh Shah:** Sir, awaaz aa rahi hai meri?

**Mr. R J Jeyamurugan:** Yes Sir

**Mr. Vrajesh Shah:** Okay Sir. Sahil Sir, thank you Sir. Sir, Asian Paints Company bahot badhiya dividend de rahi hai abhi. Main wahi chahta ki samaj lijiye Company main shareholder ko bonus dividend aur badhiya mil jaye toh accha hoga. Uski wealth bhi create hojayegi.

Asian Paints ka future plan kya hai. Abhi crude ka jo rate badh raha hai, toh usme Company main kitna effect hosakta hai. Toh usme profit main bhi effect hoga. Toh uske liye Company kya kar rahi hai woh mujhe janna tha. Sir, thank you Sir.

**Mr. R J Jeyamurugan:** Thank you Sir. Next speaker shareholder Mr. Dharav Jamadar.

**Mr. Dharav Jamadar:** Good afternoon to every dignitaries on dais. My name is Mr. Dharav Jamadar, and I'm a research scholar PhD finance from Surat. I'm a proud shareholder of the Company and also a proud customer, from sanitaryware to paints to even curtains in home decor. So first of all, I would like to congratulate my Board of Asian Paints limited on presenting such a

fabulous number in the last financial year. Furthermore, I would like to ask them questions from my end which I would be glad if answered.

First question, looking at the current scenario, there is depreciating rupee, high and volatile crude oil prices and disruption in supply chain. How is my Company embracing itself in order to generate, keep generating high cash flows in future?

Second, how is the progress of replacing the crude oil as the basic raw material in paint going? By when can we expect the Company to introduce paint in which there is complete...the paint is completely crude free or it is used at its minimum level.

Third, my Company has shown...my Company has tremendously shown our paint Company can have a non-organic growth by venturing in different sections of home decor. So, what more launches can we expect in this particular financial year?

Fourth, which segment of our company's broad product portfolio do you think will get most hit because of rising concern of inflation and interest rate.

Fifth, what employee engagement programs has my Company conducted in order to keep employees engaged and energized for the broader mission and vision of the Company?

Six, how much do you think will our margin get impacted by the rising competition in the industry with conglomerates entering in the paint industry for the first time?

Seventh, what outlook do you have for the sales of our Company for the monsoon and the festival season which is lined ahead?

Eighth, being a finance research scholar PhD, with all my immense skills and knowledge, I would wish to work for my Company apart from just being a customer and shareholder. So I would be glad if you're providing me in any opportunity to being an employee of the Company.

And the last question. Is there any possibility to see our beloved mascot Gattu back again? Thank you.

**Mr. R J Jeyamurugan:** Thank you. The last speaker shareholder Mr. Rajan Patadiya. Yes Mr. Rajan.

**Mr. Rajan Patadiya:** Hello Hello

**Mr. R J Jeyamurugan:** Yes, we are able to hear you. Please speak.

**Mr. Rajan Patadiya:** Okay. So first of all, I have got many questions. First question is the two brand we have acquired. So how, whether they were acquired you know at a fair value. And the second question is, can we not



have done this in very organic manner rather going in an inorganic approach. That's first thing. Second thing is, when I see our listed peers, they have shown profit growth more than us in last one year, as well as three years. So, revenue growth is good but profit is not the way you know. That is one point I want answer. Another thing is please hold virtual meeting even if you are holding physical meeting next year, because of you know, all cannot travel and they still want to ask questions.

Now, another question is that we assume that all people entering in the competition is rational. So they are entering when huge profits. But what if they have got some irrationality and due to that our own profitability is affected very largely. So I want answer on that also. Fifth is, we have got a mammoth market cap, can we use it in our favor by acquiring any other companies that relatively very very low valuations. Also, I want to congratulate CEO for in tough, I mean gaining markets in this very tough environment. But I want to answer on that profit growth part. Yes. That's all.

**Mr. R J Jeyamurugan:** Thank you.

**Mr. Deepak Satwalekar:** I want to thank you all for your participation and for your constructive suggestions and comments.

Dear members, on the bonus and the buyback issue, the Board and the management continuously strives to strengthen the business of the Company and deliver sustainable performance. This sustained and strong

performance reflects in the market valuation which has benefited all shareholders. Apart from consistently increasing the dividend payout, the Board continues to evaluate other options for rewarding shareholders and would take any decision in the best interest of shareholders at an appropriate time. For the dividend, the Board has tried to maintain a balance of shareholder rewards and business requirements for future growth potential. The Company have ensured consistent growth and dividend payout. In the last five to six years, dividend payout has been in the range of 50 to 59%.

With respect to the question around the competition in the paint industry, as a leader we continuously work on expanding the market potential through newer value propositions and looking at increasing the distribution reach to make the products accessible to larger parts of the market. However, even today, the per capita paint consumption in India is much lower as compared to some of the other comparable markets and hence, the market offers strong growth potential. In this context, there is enough potential to absorb the new capacities that have been announced by existing as well as new players.

For Asian Paints, the critical agenda is to further cement the loyalty of dealers, contractors and consumers and sustain this long term relationship. With or without new competition, our focus is always on providing a super value proposition to our customers and continuously keep evolving to maintain our relevance to the consumers. Over the last few years, we have increased our focus on innovation, bringing out new and superior product

offerings, and have also increased the pace of enhancing our distribution reach.

Another key focus is on creating service as a differentiator through a range of varied and comprehensive services getting delivered through our wide channel network and at a very high quality.

We will continue to take steps to connect our customer connect further...to enhance our customer connect further. In reference to the current geopolitical situation, all commodities including crude have seen steep increases in prices, which has affected our business. It is extremely difficult to form a view on these commodity prices given the volatile environment. We will continue to put focus on optimizing our raw material input to negate the impact of these prices. During the financial year 2021-22, the business was adversely impacted by the steep inflation seen across raw materials which resulted in reduction of EBITDA margins, and consequently, drop in ROCE. The Company have already taken steps during the course of the year to reduce the impact of this inflation, which is reflected in the improving margins on a quarter-on-quarter basis and would strive to improve them further.

The Company is currently undertaking brownfield capacity expansion projects at some of its existing locations. The benefit of this will be realized over the next couple of years which will enable us to address the growing demand. For questions on bath and kitchen business, both businesses have performed exceptionally well in the financial year 2021-22 with 50% growth in top line and more than a 20% CAGR growth since acquisition.

With a scale up of business, bath business had positive EBITDA throughout the year, and kitchen business reported positive EBITDA in the last two quarters of the year.

While we have large number of competitive players in both these markets, for us both of these product offerings are a key element of our larger home decor vision under which we aspire to provide a one stop comprehensive home decor solutions to our customers. Sorry.

In the international markets, this year was challenging due to the inflationary conditions and this impacted profitability of the business. Further, the currency devaluation in some of the markets like Lanka, Egypt and Ethiopia further impacted the profits. In terms of future path, we continue to focus on growing our presence in these markets by having a strong focus on growing the premium and luxury categories and thereby improving the profitability of the business. Specifically in Sri Lanka, the situation remains extremely uncertain, with country facing challenges in sourcing even essential goods. We continue to support our operations and maintain a reasonable market presence despite these challenges.

In Indonesia, our Greenfield operations have seen a good scale up in the last two to three years. We will continue to grow the business and are working on enhancing our product portfolio, introducing categories like waterproofing. For the industrial business, the focus of the government to increasing the manufacturing sector of the economy presents excellent

opportunity for growth in the industrial coating sector and we would continue to take steps to tap into this opportunity. Over the last two years, despite the pandemic situation, the Company continues to grow strongly across business segments.

We continue to increase our employee strength to support the growth in business and have given normal salary increments even during this period. There was a question about whether we have sacked any employees. We haven't sacked employees but we've increased the strength. We take note of your suggestions on holding a physical AGM. We will take an appropriate decision in the best interest of all stakeholders for the forthcoming AGM. The Integrated Report brought out in the last two years has enhanced the disclosures about business performance, and the Company would continue to take steps to improve further on this.

Dear members, in case, any of the queries raised by you during this meeting have remained unanswered, you may send a request by writing an email to the Company Secretary. The Company Secretary on receipt of any such request shall respond suitably.

Members may note that the voting on the NSDL platform will continue to be available for the next 15 minutes. Therefore, members who have not cast their votes yet are requested to do so.

The resolutions as set forth in the Notice shall be deemed to pass today subject to receipt of requisite number of votes. We had 200 members participating today in this 76<sup>th</sup> Annual General Meeting.

We are grateful to all our shareholders from all over the world who joined the meeting through video conference.

Friends, with that I conclude today's proceedings. Thank you all, for making it convenient to attend this meeting. We look forward to seeing you again next year.

Be Safe and Be Healthy.

The AGM concluded at 12.53 p.m. (IST).