



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

APL/SEC/19/2021-22/49

24<sup>th</sup> October, 2021

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/Madam,

Sub: **Clarification on a news item published in the Hindu Businessline on 22<sup>nd</sup> and 23<sup>rd</sup> October, 2021 concerning Asian Paints Limited**

We are issuing this clarification in response to a news item published in the online edition of 'Hindu Businessline' on 22<sup>nd</sup> October, 2021 and the print edition of the said newspaper on 23<sup>rd</sup> October, 2021 concerning Asian Paints Limited ("the Company"). In this regard, we wish to clarify the following:

The Company had entered into a technical consultancy agreement with one Mr. Jayram Nadkarni (ex – employee of the Company) and Paladin Paints and Chemicals during the financial year 2005 – 2006. Pursuant to this agreement, an upfront consultancy charge of Rs. 1.20 crores and a monthly consultancy of Rs. 12 lacs for a period of 21 months amounting to Rs. 2.52 crores was paid to him for providing necessary technical consultancy, technology knowledge package and process for manufacturing of resins to the Company with respect to the products governed by the agreement. As he was an ex-employee, he provided this technical service exclusively to the Company. There was no related party relationship existing at this point of time.

Subsequently during 2015 – 16, the Company was informed of the acquisition of interest by a promoter director in M/s Paladin Paints & Chemicals Private Limited and since then, all the transactions (purchase and processing of goods) undertaken with the said entity have been pursuant to necessary approvals from the Audit Committee of the Board of Directors of the Company and in accordance with the applicable provisions of law.

Further we wish to clarify that:

1. a complaint was received in July 2021, from an individual, not related to the Company, alleging impropriety with respect to certain related party transactions entered into by the Company. The said complaint was investigated in accordance with the Company's Whistle Blower Policy, and after undertaking a detailed review of the transactions which were mentioned therein, the said complaint was closed as the enquiry concluded that the transactions were undertaken in compliance with law, and there was no basis for the allegations made.



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

2. the Company had also received e-mail enquiries from the Securities Exchange Board of India and the National Stock Exchange of India Limited, seeking details of the said transactions, and the Company has provided all necessary details and explanations sought by the said authorities, along with an overview of the processes followed for approval of related party transactions.
3. as a Company, we would like to reiterate that all transactions involving related parties are undertaken in strict compliance with the provisions of law and necessary disclosures have been made in accordance with the applicable disclosure norms from time to time.

We have nothing further to add or comment on this matter.

This is for your information and record.

For **ASIAN PAINTS LIMITED**

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