

Business Responsibility Report (BRR)

Over the last few years, there has been an increasing consciousness around the concept of ‘Sustainability’ and ‘Corporate Social Responsibility’ (CSR) within India. This has been further strengthened by the Government’s agenda of ‘inclusive growth’, serving as a guiding post in creating an enabling environment and developing strategies for businesses to take into account the triple bottom-line approach (People-Planet-Profit) in their operations, while being responsive to the concerns of their stakeholders.

The Security and Exchange Board of India (SEBI) has mandated the top 100 listed companies in the country by market capitalisation to include Business Responsibility Report as part of their Annual Report. Your Company has followed the highest standards of Corporate Governance as an ethical requisite rather than a regulatory necessity.

Your Company is cognizant of its responsibility towards the society and environment and has consistently shaped its business strategy to create value through products and services providing sustainable benefits. Your Company is committed to develop sustainable solutions that also addresses the country’s broader developmental challenges. Your Company strives to be future-ready where responsibility towards the society and stakeholders at large is ingrained in its DNA.

The Business Responsibility Report describing the initiatives under taken by your Company in the prescribed format is given below:

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN)** : L24220MH1945PLC004598
2. **Name of the Company** : Asian Paints Limited
3. **Registered address** : 6A, Shantinagar, Santacruz (East), Mumbai - 400055
4. **Website** : www.asianpaints.com
5. **E-mail Id** : investor.relations@asianpaints.com
6. **Financial Year reported** : 1st April, 2014 to 31st March, 2015
7. **Your Company is engaged in (industrial activity code-wise):**

Group*	Description
202	Manufacture of paints, varnishes, enamels or lacquers
202	Manufacture of surfacing preparations; organic composite solvents and thinners, and other related products

Group*	Description
201	Manufacture of organic and inorganic chemical compounds n.e.c.
259	Manufacture of metal sanitary ware such as bath, sinks, washbasins and similar articles

*As per National Industrial Classification – Ministry of Statistics and Programme Implementation

8. The Key Products that your Company manufactures (as per Balance Sheet) are:

(1) Paints/Synthetic Enamels, Other Colours, (2) Phthalic Anhydride (3) Pentaerythritol (4) Bath fittings

Please refer to our website www.asianpaints.com for complete list of products.

9. Total number of locations where business activity is undertaken by the Company:

- i. Number of International locations – Nil (on a standalone basis)
- ii. Number of National Locations –

Paint Manufacturing facilities	7
Chemical Plants	2
Research & Technology and Test Centre	3
Sales locations	124
Admin Offices	27
Distribution centres	8
Other offices including the registered office	6

10. Markets served by the Company

Local	State	National	International
✓	✓	✓	✓

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital** : ₹ 95.92 Crores
2. **Total Turnover** : ₹ 13,483.82 Crores
3. **Total profit after taxes** : ₹ 1,327.40 Crores
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit After Tax (PAT) (%)**:

Your Company’s total spending on CSR for the financial year 2014-15 is ₹ 19.01 Crores which is 1.43% of PAT.

5. Some of the areas for which expenditure in 4 above have been incurred:

Areas listed under Schedule VII to the Companies Act, 2013	Activities undertaken in the “Thrust Areas” for the Company
<ul style="list-style-type: none"> • Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects • Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water • Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water. 	<p>Education:</p> <ul style="list-style-type: none"> • Creating infrastructure and other facilities for schools • Developing children holistically • Improving the quality of life of children in the village schools • Developing teachers’ capability at schools • Promoting education through various means <p>Water:</p> <ul style="list-style-type: none"> • Augmenting rain water harvesting and recharging the water table • Desilting of lakes and ponds. • Spreading awareness for conservation of water • Adopting the water neutrality/sustainability theme <p>Health care, Hygiene and Sanitation:</p> <ul style="list-style-type: none"> • Promoting health care among village community by providing sanitation facilities • Providing safe drinking water <p>Skill upgradation/Vocational training:</p> <ul style="list-style-type: none"> • Providing specialized and skill based training • Providing vocational training to village youth to enhance their employability and earn better livelihood.

SECTION C: OTHER DETAILS

- Your Company as on 31st March, 2015 has six Direct subsidiaries and twenty three Indirect subsidiaries.
- Your Company encourages its subsidiaries to adopt its policies and practices.

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director/Directors responsible for BR

- a. Details of the Director responsible for implementation of the BR policy:
 - DIN : 03518282
 - Name : Shri K.B.S. Anand
 - Designation : Managing Director & CEO
- b. Details of the BR head:
 - DIN : NA
 - Name : Shri Jayesh Merchant
 - Designation : CFO & Company Secretary, President – Industrial JVs
 - Tel. No. : 022 3981 8000
 - E-mail Id : investor.relations@asianpaints.com

2. Principle-wise [as per National Voluntary Guidelines (NVGs)] BR Policy/policies (Reply in Y/N)

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well-being of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect, and make efforts to restore the environment
P7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Sr. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for....	Y This forms part of the Code of Conduct of your Company which is applicable to all employees.	Y The policy is part of your Company's Environment, Health and Safety (EHS) Policy.	Y Certain policies form part of the Code of Conduct for employees. There are various policies for the benefit of the employees which are issued by the Human Resources function of the Company from time to time. The policies include Maternity Leave Policy, Employee Safety Policy, Sabbatical Policy for employees, Group Mediclaim Policy, etc.	Y Your Company does not have a specific policy, however certain aspect of this principle forms part of the CSR Policy and the Consumer Policy.	Y This forms part of the Code of Conduct of your Company which is applicable to all employees.	Y This forms part of your Company's EHS policy.	N	Y Your Company has a CSR Policy.	Y Your Company has a Consumer Policy.
2.	Has the Policy being formulated in consultation with the relevant stakeholders? Refer Note 1	Y	Y	Y	Y	Y	Y	NA	Y	Y
3.	Does the policy conform to any national / international standards?	Y	Y	Y	Y	Y	Y	NA	Y	N
		The spirit and content of the Code of Conduct and all the applicable laws and standards are captured in the policies articulated by your Company. The policies are based on and are in compliance with the applicable regulatory requirements and International Standards. Please refer the detailed report for more information.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y (It is signed by the Vice President - Human Resources Function)	Y (It is signed by the Managing Director)	Y (It is signed by the Vice President - Human Resources Function)	Y (It is signed by the Managing Director)	Y (It is signed by the Vice President - Human Resources Function)	Y (It is signed by the Managing Director)	NA	Y (It is signed by the Managing Director)	Y (It is signed by the Managing Director)
		As a process all the policies are noted by the Board. The Board authorises Senior Officials of the Company to authenticate the policies and make necessary changes whenever required.								
5.	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
		The implementation and adherence to the Code of Conduct for Employees is overseen by the Human Resource and Internal Audit Function respectively. The Corporate Social Responsibility Policy is administered by the CSR Committee in line with the requirements of the Companies Act, 2013. The EHS Policy is overseen by the Supply Chain, Manufacturing and the Research & Technology Function. The Company has a separate Customer Centricity Function which looks at all customer related issues.								
6.	Indicate the link for the policy to be viewed online?	https://www.asianpaints.com/pdfs/company-info/investors/code_of_conduct.pdf	https://www.asianpaints.com	These policies are internal policies and are not displayed on the website of the Company but have been displayed on the intranet site of the Company	https://www.asianpaints.com/pdfs/company-info/aboutus/corporate-citizenship/csr_policy_approved_by_board.pdf	https://www.asianpaints.com/pdfs/company-info/investors/code_of_conduct.pdf	https://www.asianpaints.com	NA	https://www.asianpaints.com/pdfs/company-info/aboutus/corporate-citizenship/csr_policy_approved_by_board.pdf	https://www.asianpaints.com

Sr. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8.	Does the Company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	NA	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency? Refer Note 2:	Y	Y	Y	Y	Y	Y	NA	Y	Y

Note 1: While there may not be formal consultation with all stakeholders, the relevant policies have evolved over a period of time by taking inputs from concerned internal stakeholders.

Note 2: While your Company has not carried out independent audit of the policies, the Internal Audit Function periodically looks at the implementation of the policies.

2a. If answer to Sr. No. 1 against any principle is 'No', please explain why: (Tick upto 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3.	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	✓	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR

- The Board of Directors of your Company assess various initiatives forming part of the BR performance of the Company on a periodic basis. The CSR Committee meets every quarter to ensure implementation of the projects/programmes/activities to be undertaken in the field of CSR. Other supporting functions/groups like Sustainability, meet on a periodic basis to assess the BR performance.
- Your Company publishes the information on BR which forms part of the Annual Report of the Company. The Annual Report is also uploaded on the website of the Company – http://www.asianpaints.com/pdfs/company-info/investors/financial_results

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

Business should conduct and govern themselves with Ethics, Transparency and Accountability

- Ethics and compliance are the key elements of sustainability and virtues of a responsible corporate. These virtues clearly reflect in your Company's Code of Conduct (the Code) which requires every employee including the employees of the subsidiary companies to act with highest standards of personal and professional ethics and integrity and comply with the applicable laws. Your Company fosters a culture of ethics by making the Code a part of the induction training programme for its new recruits and making it readily accessible on the Company's intranet. The Code and the Company's Policy on fraud prevention which covers the acts such as deception, bribery, forgery, extortion and corruption are applicable to any irregularity or suspected irregularity involving employees as well as vendors, contractors, customers and/or any other entities having a business relationship with the Company. Adequate measures have been taken to educate employees and suppliers on the Company's expectations on ethical conduct.
- An Ethics Committee comprising of the Managing Director & CEO, Compliance Officer and Head of the Human Resources function has been constituted for the purpose of receiving and investigating complaints from any employee/business associates. An Ethics Hotline has been provided to employees to enable them to report any instances of fraud, abuse, misconduct or malpractices at workplace. The Hotline is provided with language options to facilitate the workers, especially those working in factories, to report their concerns in the language they are more conversant with. The Committee has been constituted and functions under

the Whistle Blower Policy. Further, policies for avoidance of conflict of interest and prohibition of insider trading have been articulated and adopted to ensure transparency through timely and adequate disclosures.

- The Company has in place different mechanisms for receiving and dealing with complaints from different stakeholders viz. shareholders, customers, employees, vendors etc. There are dedicated resources to respond to the complaints within a time bound manner. During the year, your Company received 11 (eleven) complaints from shareholders which have been resolved.

Principle 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

- Sustainability is deeply ingrained in ethos of your Company and it has always been the endeavour to develop and deliver high quality products that are inherently safer for people and have minimal impact on the environment. Your Company has a dedicated Research & Technology (R&T) team that is focussed on creating innovative products for its customers that meet global standards, reflecting its commitment to environmental sustainability. Your Company is committed to offer products that meet internationally accepted Green Seal standards.
- Your Company has initiated number of R&T programs towards developing products based on sustainable design philosophy starting from raw material selection stage, to formulation development, to manufacture, application and waste control. In terms of green journey, the Company has adopted GS 11 standard of US Green Building Council as the guiding philosophy which is known to be the highest standard in the field of environment friendly coatings. The entire product portfolio of architectural coatings has been made lead free and RCS (respirable crystalline silica) free to prevent exposure related hazards to human beings during handling, manufacturing and application. Also, the entire product range in the premium basket of products namely Ultima, Ultima Protek, Royale, Royale Shyne, Royale Play, Royale Aspira of your Company has been made compliant to GS 11 standard in terms of the requirements of EHS parameters. Your Company has created internal green logo called "Green Assure" which assures end users of having truly green products.
- Your Company has undertaken an important R&T program to develop true zero Volatile Organic Compounds (VOC) low odour products to improve indoor air quality and ensure healthier living for consumers.

- Recently, the prestigious high end premium interior paint product, Royale Aspira has been approved for certification by US Green Building Council based on extensive audit of formulation and manufacturing process.
- Water based paints are developed using water as a benign solvent as opposed to organic solvents thereby reducing dependence on petroleum resources. The resulting paints are non-flammable, odourless, and low polluting. Water is used as a thinner during its application and also for cleaning application equipment, thus further eliminating VOC emissions, thereby reducing the risk of fire hazard and associated health hazards. Hence water based paints are much safer to surroundings both during and after application.
- As a part of your Company's Sustainability Agenda, your Company has started measuring carbon footprint index (kg of CO₂ equivalent per litre of finished product) of all water based architectural products and taking initiatives to replace raw materials with high carbon footprint index with those having low carbon footprint index, wherever possible.
- Your Company intends to educate customers about the safe use of its products and ensures that all processes, plant, equipment, machinery and material provided at plants are safe to the people as well as environment. Product Information Sheets for all the major products are available on Company's website. It contains the information pertaining to product features, process of application, technical details, safety precautions etc. The information can be accessed through the following link:
https://www.asianpaints.com/pro/product_listing.aspx
- In order to source power in eco-friendly and sustainable manner, your Company has installed solar power panels on rooftops of some of its manufacturing facilities. The power sourced from these panels is being utilized in manufacturing and other activities like water heating, lighting etc. Further, stringent targets for the specific power consumption are set and are closely monitored by the manufacturing hierarchy.
- The details of consumption of water and power for manufacture of decorative paints and chemicals are as follows:

Category	2014-15	2013-14
Consumption of fresh water (KL)		
Per KL of paint manufactured	1.07	1.32
Per MT of Chemical manufactured	27.50	26.60
Consumption of electricity (KWH)		
Per KL of paint manufactured	105.81	115.95
Per MT of Chemical manufactured	1314.85	1291.88

- Your Company's products do not have any significant impact on energy during usage by the consumer.
- Your Company believes that behaviours and practices throughout the value chain should contribute to sustainability. As such your Company prefers to enter into long term commitments with those suppliers who fulfill their responsibility towards society as well as environment. Your Company takes initiatives to improve awareness about legal compliances, to enhance eco-friendly efficiencies and packaging/logistics improvements at the suppliers end. Supplier and transporter meets are held on a periodical basis where your Company engages and encourages them to undertake sustainable practices across supply chain.
- Your Company has strategically designed its distribution network in order to serve its dealers in the least possible time and minimize transportation cost. This has resulted in better warehouse and inventory management. Further, your Company drives its distribution plan using an ERP (Enterprise Resource Planning) system to optimize freight cost. Your Company sources majority of its transport requirements from local vendors at all locations. These initiatives on one hand benefits your Company in terms of time and cost of transportation and on the other support environment through reduction in fuel consumption and resultant carbon emission.
- Measures for Waste Minimization are undertaken by the Company in all its factories. Your Company is committed to adopt best-in-class practices to reduce wastage during conversion of raw materials to finished goods. These measures are reviewed by the General Works Manager of the respective factory/manufacturing facility at a monthly interval and also by the Vice President of the Supply Chain function on six-monthly basis. Waste generated during the production operations is disposed/recycled in compliance with the applicable environmental laws. Maximum efforts are made to reduce the quantum of waste-water generated during cleaning operations in the factories. The trade effluent generated is treated in compliance with the applicable environmental laws and the treated water is recycled back into the production processes or discharged for landscaping/gardening/horticulture-development purposes. All plants of your Company are located within State Industrial Development Corporation areas.
- Your Company has begun procuring papers that contain 100% recycled content. With this change, your Company estimates that about 100 trees will be saved from being cut every year. Your Company also uses recycled cardboard cartons (secondary packaging) to pack small sized paint-containers. The jumbo packaging used for transfer of

certain powder raw material by suppliers is reused for a minimum of three times.

Principle 3

Businesses should promote the well-being of all employees

- Our employees are our strength. Your Company supports a policy of empowerment and nurturing. We have built an eco-system of fair policies and benefits which allows talent to foster and let the excellence become a way of life.
- Your Company has a total number of 5,897 permanent employees in India (including permanent women employees). Details of women employees and contracted work force in India are listed below:

Sr. No.	Category of Employees	Number of Employees
1.	Contracted Work force	9,345
2.	Temporary Work force	254

Number of permanent women employees	272
Number of permanent employees with disabilities	2

- There are recognized trade unions at the Company's manufacturing locations and certain sales units are affiliated to various trade union bodies. Approximately 28% of permanent employees are members of recognized employee unions.
- Your Company's policy prohibits engaging of any child labour or involuntary labour. Thus, there are no complaints relating to child labour, forced labour and involuntary labour.
- The policies and practices related to or in any way affecting the human resource have been designed to ensure dignity and well-being of people engaged within our business as well as our value chain.
- The health and safety of the employees of your Company is of paramount importance. Your Company has a Policy on Occupational Health and Safety, to comply with all applicable health and safety statutory regulations and ensure zero accidents, zero dangerous occurrences and zero notifiable diseases. It is governed by an apex body "Safety Council" and by plant level and department level Safety Committees. Your Company is equipped with dedicated and specially trained professionals responsible for managing safety aspects along with line management at plants. Your Company provides regular training to all employees at plants to safeguard them from any injuries and accidents. The safety training workshops which are conducted regularly for employees and workmen are also extended to applicators.

- Your Company has a policy for the prevention of sexual harassment which has been implemented at unit level. It ensures prevention and deterrence towards the commissioning of acts of sexual harassment and communicates procedures for their resolution and settlement. A Committee has been constituted in accordance with the requirements under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which ensures implementation and compliance with the Law as well as the policy at unit level. During the year the Company received 2 complaints on sexual harassment and took necessary steps to resolve and close them in accordance with applicable laws and guidelines.
- Your Company provides welfare facilities like subsidized food, rest rooms, medical check-up and medical facilities to all its employees including contract employees working at plants. Your Company provides Mediclaim facility under the Group Mediclaim Policy to its employees including employees at the manufacturing locations (based on settlement agreements signed by the Company).
- At Asian Paints, the Diversity and Inclusion journey was taken up in the month of March, 2014. A women's network called 'Swara' was inaugurated, to provide a platform to women to voice their opinions on gaps in the systems, structures and processes. Your Company began 'Diversity & Inclusion' as an area of focus in the previous years. A benchmarking study was conducted with over 20 industry peers in order to review best practices that could be replicated in the Company. Your Company also conducted a diagnostic exercise with a consultant to facilitate discussion with the senior management towards a shared understanding of a path forward.
- The other employee welfare oriented initiatives taken up during the year 2014-15 were implementation of Sabbatical policy, Child Care Support Policy, revision of employee safety guidelines, inauguration of a creche facility at the Company's Research & Technology Centre at Turbhe and organizing workshops on the subject of prevention of sexual harassment at workplace etc.
- Percentage of employees who were given safety & skill up-gradation training in the last year are:

I	Permanent Employees	74%
II	Permanent Women Employees	64%
III	Casual/Temporary/Contractual Employees at plants	100%
IV	Employees with Disabilities	100%

Principle 4

Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

- Identifying the stakeholders and engaging with them through multiple channels in order to hear what they have to say about our products and services are essential parts of our sustainability plan. Your Company gives significant importance to the interests of those stakeholders who are disadvantaged, vulnerable and marginalised through various interactive sessions and welfare programmes. Various initiatives including generation of employment for the local communities around its manufacturing units by giving preference to employment of local people, enhancing awareness of people towards the importance of water conservation and knowledge of water resources have been undertaken by your Company.
- Fair treatment and safeguarding the interests of the contract workforce is important for your Company. Contract labour is deployed at the manufacturing facilities and in other functions, in various non-core activities like housekeeping, canteen operations, warehouse operations and others. Each unit maintains suitable checks and balances to ensure that wage payments, statutory contributions, and other such obligations are met by the contractors.
- Your Company sources manpower for activities like construction, maintenance etc. in its existing as well as upcoming plants from local areas. At certain locations, community development is also done by way of providing basic educational facilities and skill-sets for maintenance of livelihood to local population. The details of initiatives taken by the Company in the area of community development have been provided in the Corporate Social Responsibility section of the Annual Report.
- CSR initiatives taken during the year were focused on child education through provision of better quality infrastructure, skill building programmes for teachers and improving the overall development of children of the communities around the Company's manufacturing facilities.
- Safety training programs which are conducted for employees and workmen are also extended to contractual employees. The Company has taken significant steps towards imparting training and skill building for painters and contractors.

Principle 5

Businesses should respect and promote human rights

- The principles of human rights as enshrined in the Universal Declaration of Human Rights of the United Nations form part of our Code of Conduct. According to International

conventions, the term 'human rights' covers a host of aspects including non-discrimination, gender equality, freedom of association, collective bargaining, avoidance of child and forced labour among others. Your Company is compliant to national regulations pertaining to human rights. Several workshops explaining the principles enshrined in the Code of Conduct of your Company were organized for its employees. The Code of Conduct of your Company also applies to the employees of the subsidiary companies.

- No stakeholders' complaints have been received in the last financial year.

Principle 6

Business should respect, protect and make efforts to restore the environment

- Asian Paints has a high level of sensitivity towards the environment. As a minimum, your Company adheres to all statutory environmental requirements and regularly strives for further improvement. This ethos is enshrined in your Company's EHS Policy which is also displayed and implemented at the manufacturing locations.
- The EHS Policy (signed by the MD & CEO) is available on the Company's website and can be accessed at <https://www.asianpaints.com/pro/EHSPolicy.aspx>
- Our EHS Policy covers all employees including contract labour and service providers. The emissions/waste generated by your Company is within the permissible limits given by Central or State Pollution Control Bodies (CPCB/SPCB) for the financial year being reported. There are no show cause/legal notices from CPCB/SPCB which are pending as at the end of financial year.
- The paint manufacturing facilities have established ISO systems (ISO 9001 and ISO 14001). As part of the ISO 14001 Environment Management system, every factory monitors the state of the environment inside the factory.
- Further, every manufacturing facility conducts Aspect Impact study of various activities and identifies controllable/uncontrollable and normal/abnormal/emergency scenarios of the operations. Any deviations from laid down policies and procedures are tracked and reviewed by effective procedures of Corrective Action and Preventive Action (CAPA).
- Your Company has setup systems and processes whereby Environment Management Review meetings are conducted every six months which are chaired by the Vice President- Supply Chain and attended by General Works Managers

of all the manufacturing facilities. The discussions in the meetings are centered on the topics of natural resource conservation, effluent reduction, water conservation, air emissions, waste generation and disposal. The representatives of each manufacturing facility present the status of the environmental targets and management plans for their respective facilities.

- Over the last two decades, your Company's efforts on conservation of water, energy and water resources has yielded positive results. At the six decorative paint manufacturing facilities of your Company, an environmental strategy has been adopted covering other key elements. As part of Project 'NEW', eight theme areas have been identified for action over next 3-10 years which include water neutrality, reduction in specific non-process water consumption, reduction in specific industrial effluent generation, reduction in electricity consumption, increase in energy from renewable sources, reduction in specific hazardous waste generation, reduction in paper usage etc.
- Your company is focused on operationalizing all aspects mentioned in the EHS Policy. Multiple cross-departmental and cross-factory teams have worked on different initiatives in this regards. A brief on some of those aspects is given below:
 - The team working in the area of reduction in 'water consumed for non-paint production' is evaluating different strategies by engaging with technology-providers and tweaking some of the process-parameters. Also interacting with local bodies to implement rain water harvesting & recharging structures, has enabled your Company to move on the road of becoming Water Neutral over the next few years.
 - Similar teams have worked on reducing the quantum of trade effluent generation achieving significant success. The manufacturing facilities have proactively worked towards installation of Reverse-Osmosis-Plants along with Multi-Effect-Evaporator-Plants to enable capability to recycle the entire treated-industrial-effluent for paint-production.
 - In line with your Company's commitment to progressively explore and adopt new technologies, the waste-management teams have engaged with different technology-providers. Your Company has implemented environment-friendly options for hazardous waste disposal; started sending hazardous waste from two of its paint manufacturing facilities to nearby cement kilns, for co-processing. Co-processing uses hazardous waste as AFR (Alternate

Fuel and Refuse) material; which for the Company, would lead to better energy savings and lower hazardous waste generation on account of reduced ash from incineration.

- Reduction in emission of VOC in the manufacturing blocks in factories is a new area of work that your Company has taken up. This is with a view to further reduce exposure of employees to VOCs and also its effects on the environment.
- Your Company is exploring various alternatives to improve the contribution of renewable energy in our total energy consumption. A roof-top solar power plant has been commissioned at the Sriperumbudur factory during the financial year 2014-15. Furthermore, the Company has also initiated installation of solar power plants at the Khandala, Rohtak and Kasna manufacturing facilities respectively. Commissioning of these projects is expected to be completed during the first half of the financial year 2015-16.
- Details of the measures taken to conserve energy forms part of Board's Report in the Annual Report.
- Your Company has continuously invested in Research & Technology and has a dedicated team of scientists at the R&T Centre at Turbhe near Mumbai. In keeping with the trends world over, environment sustainability, renewability and freedom from toxicity are considered as the central tenets of the new formulation design philosophy for decorative products. It supports your Company's strategy around technology development, development of substantially new products, productivity improvement and cost reduction. In order to protect environmental emission during application, most of the protective coating products have been made high solid or solvent free.

Principle 7

Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner

- Your Company's Code of Conduct lays down that full, fair, accurate, timely and understandable information should be shared with the regulatory bodies. Further, the Communication Policy provides that only authorized and appropriate officials can interact with public officials. Any contact between the Company, its representatives and public officials is required to be done with prior internal approvals.
- Your Company engages with public and regulatory authority in a responsible manner and all such engagements are

through recognized industry bodies and associations. As on 31st March, 2015, your Company is a member of the following trade associations:

- a) Confederation of Indian Industry (CII)
 - b) Federation of Indian Chambers of Commerce and Industry (FICCI)
 - c) Bombay Chamber of Commerce & Industry
 - d) The Indian Paint Association (IPA)
- Your Company's scientists participate actively in meetings with statutory agencies like Bureau of Indian Standards, Chemical Division Council and help in evolving new standards for finished products and raw materials for human safety and environmental protection.

Principle 8

Businesses should support inclusive growth and equitable development

- Your Company subscribes to Corporate Social Responsibility and seeks to be a responsible organization by engaging in strategic community development interventions that are aimed at enhancing skills and developing social infrastructure to uplift communities and improve their quality of life.
- An amount of ₹ 19.01 crores was spent towards various CSR projects during the financial year 2014-15 and people of more than 50 villages in the states of Uttar Pradesh, Haryana, Gujarat, Andhra Pradesh, Maharashtra and Tamil Nadu were benefitted.
- The details of the CSR initiatives undertaken by your Company are set out in the Corporate Social Responsibility section of this Annual Report.

Principle 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner

- Your Company has a Customer Centricity department which carries out consumer survey/consumer satisfaction trends regularly to understand levels of customer satisfaction with products and services provided by your Company.
- A plethora of channels and forums have been put in place to support the specific needs of our customers ranging

from consultancy to feedback on our products and services. Foremost among these are the 'Online Colour Labs' within which we engage with our customers in order to craft new products and services. Over and above this, we have online presence through Facebook, Twitter, Youtube, Google+, Instagram and Pinterest. Lastly, our toll free number and customer care address also allows customer who lack online accessibility to interact with us.

- Your Company has created a complaints platform called 'Your Voice' on its website which allows any potential customer to view complaints raised by other customers pertaining to our products and services. 'Your Voice' as it is referred to, seeks to demonstrate the transparency and responsibility with which we manage complaints. Be it the Toll Free Number 18002095678 or the website www.asianpaints.com, all the channels ensure that a potential customer, with an access to the phone/internet, is able to engage/receive/share whatever information he/she desires with respect to the Company's products and services.
- For receiving and resolving customer complaints there are systems in place to record and manage complaints. Customers may register their grievances over the dedicated helpline (which operates in six regional languages) or on the website or they can write a post to the Customer Care Postal Address. Each complaint registered is brought to final point of closure with active engagement from the Territory Sales Officer who are equipped with adequate technical knowledge about the products. They are assisted on site by Customer Service Officers. The defined level of service commitment for the Company is the closure of a complaint in three days in main cities and five days in uptown locations. As on 31st March, 2015 there are no customer complaints pending for closure.
- 42 consumers related legal cases were pending as at the end of the financial year.
- The products of your Company display all information which is mandated by law including the directions for use. Product information is available in the Product Information Sheet that is available with the dealers of the Company and on the website of the Company.
- There are no cases filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years.