

2<sup>nd</sup> July 2025

Department of Corporate Services  
BSE Limited  
1st floor, New Trading Ring  
Rotunda Building, P J Towers  
Dalal Street, Fort  
Mumbai - 400 001  
Scrip Code: 500710

The Listing Department  
National Stock Exchange of India Ltd.  
Exchange Plaza, 5th floor,  
Bandra-Kurla Complex  
Bandra (E)  
Mumbai – 400051  
Symbol: AKZOINDIA

Dear Sir/Ma'm,

**Sub: Annual Report for the FY 2024-25 and Notice convening the 71<sup>st</sup> Annual General Meeting (AGM)**

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed herewith the Annual Report of the Company for the Financial Year 2024-25.

In accordance with the relevant circulars, the Notice convening the 71<sup>st</sup> AGM and the Annual Report of the Company for the Financial Year 2024-25 are being sent through electronic mode to all the members of the Company whose email addresses are registered with the Company and/or Depository Participant(s) and/or Registrar and Transfer Agent.

For those shareholders who have not registered their email ids, a letter providing a weblink and QR code from where the Notice of the AGM and Annual Report for the financial year 2024-25 can be accessed is also being sent.

The Notice convening the 71<sup>st</sup> AGM along with the Annual Report for the Financial Year 2024-25 is also uploaded on the Company's website at <https://akzonobel.co.in/investors.php#reports> and the website of National Securities and Depository Limited at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

You are requested to kindly take the above information on record.

Thanking you.

Yours truly,  
For Akzo Nobel India Limited

Rajiv L. Jha  
Company Secretary & Compliance Officer

Encl: as above.

# AkzoNobel

Catapulting  
to win in  
**India**



# REPORT 2024-25

Akzo Nobel India Limited

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This annual report can be downloaded from [www.akzonobel.co.in](http://www.akzonobel.co.in)



Scan QR code to access website

## Presenting the Eternals

Timeless spaces deserve an equally timeless touch. That's why Dulux's colour experts have curated the 'Eternals' collection for Dulux Velvet Touch Eterna – the epitome of uber-luxury from the house of Dulux. A collection of 10 exclusive colour families, the Eternal shades transcend beyond space and time to bring alive a home that is eternally yours.

### On the cover:

How challenging is life at 15,000 feet in the cold desert of Spiti? At these altitudes (almost as high as the base of Mt. Everest), winter temperatures below -25OC, fierce winds, and heavy snow are the norm. For years, that meant homes too needed annual repainting. But that's no longer the case. AkzoNobel went the extra mile with its latest Let's Colour project to safeguard three villages literally on top of the world from extreme sub-zero Himalayan winters.

**AkzoNobel**



## ABOUT AKZONOBEL

# Let's paint the future together.

As experts in making paints and coatings, chances are you're only ever a few meters away from one of our products.

Active in over 150 countries, we've set our sights on becoming the global industry leader. It's what you'd expect from one of the world's most sustainable paints companies, which has been inventing the future since 1792.

Our world class portfolio of brands – including Dulux, International, Sikkens and Interpon – is trusted by customers around the globe. Helping us to color people's lives and protect what matters most.

From deep beneath the ocean, to homes, cities, transport and even outer space, our products and technologies are exploring new frontiers. Because every surface is an opportunity.

**Let's paint the future together.**

## AkzoNobel



 **International**



**Interpon**  
POWDER COATINGS



# CHAIRMAN'S STATEMENT



**“All our dreams can come true if we have the courage to pursue them.”**

Walt Disney

Rounding-off the momentous 70<sup>th</sup> anniversary in India, your Company's record performance ahead-of-industry culminated in sustained market share gains in a highly competitive environment. We introduced game-changing sustainable innovations across paints and coatings, invested in digitization, augmented capacity and automation in efficient operations, fostered engagement and capacity building of our high-performance teams, progressed on sustainability ambitions and empowered communities with societal initiatives; all this while investing in strategic initiatives for future growth. Precisely why, Akzo Nobel India is 'Catapulting to win in India'.

### Placing bets on the winning horse

Recent Reserve Bank of India's estimate of 6.5% real GDP growth for the financial year 2024-25 depicts the Indian economy's core strength, stability and opportunity, especially in a challenging global economic landscape.

Strongly co-related to the country's GDP growth, the Indian paint and coatings industry also traversed many uncertainties during the year. Although broad-based demand in key industrial and construction sectors acted as a tailwind for B2B businesses, softness in private consumption and increasing competitive intensity tested resilience in retail markets.

This complex operating environment, in turn, only strengthened Akzo Nobel India's resolve to play to its strategic strengths, drive performance and ultimately deliver results. Your Company successfully maximised on strategic opportunities across businesses, doubled its focus on customers and increased productivity with prudent cost management.

## Innovation matters

When it comes to protecting and beautifying surfaces across India, your Company's paints and coatings can be found almost everywhere — from homes to the built environment, steel coils to solar windmills, automobiles on land to the gigantic naval ships on the high seas, and from complex environments like offshore oil & gas and nuclear energy projects to everyday beverage cans.

With a strong innovation focus across decorative paints and coatings businesses, we introduced differentiated and more sustainable products and services offering significant value-addition to our customers.

In decorative paints, we continued to invest in our power brands such as Dulux Velvet Touch, Dulux Weathershield, Dulux Aquatech, Sadolin and Dulux Promise with a focus to be the gold standard of quality. Building on these, our three-pronged approach – of strengthening play in accretive super-luxury segments of choice, upgraded marquee offerings in premium and high-growth adjacencies, and addressing portfolio gaps in mass and economy—augured well for us.

Dulux Velvet Touch Eterna with Tru Color+ technology redefined uber-luxury inside homes. New Dulux Weathershield Protect Dust Proof unlocked dirt resistance in home exteriors. We stepped into the Economy+ segment with Dulux Promise Freedom, introduced India's first scuff mark resistant interior emulsion in retail, as well as our debut enamel offering for project customers.

Innovation expertise also strengthened our play in Coatings.

- We unveiled Interpon A3000, a revolutionary single-layer powder coating developed with a key focus on the Indian motorcycle industry. In automotive and specialty coatings, our latest ready mix basecoat system supports body shops in achieving OEM-quality finishes with ease and efficiency.
- Collaborations with leading B2B customers in coil coatings and automotive OEMs further strengthened our market position.
- Aligned with global shifts, your Company actively tapped on the demand opportunities in sunrise sectors such as Electronic Management Services, Renewable Energy, and Electric Vehicles (EV), positioning ourselves for sustainable growth

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## Investing in future

In 2024-25, your Company invested in multiple strategic initiatives – such as the fully integrated end-to-end lead management system – to drive future growth across core businesses.

Capex investments during the year were majorly directed towards improving our own processes and developing solutions to meet our customers' needs in more sustainable ways.

- To serve the growing demand for powder coatings in Northern and Eastern India, ₹ 1,050 million was invested towards expanding capacity at Gwalior Powder Coatings facility.
- In decorative paints, Acotone, the next generation of universal tinting system was introduced. This game-changing colourant is a true win-win – bringing even more vibrant and opaque range of colours to customers, reducing SKU complexity at every point of sale, while significantly reducing VOC emissions.
- Within our operations as well, investments were made on renewable energy and energy management systems.



## Driving performance

Overall, through a strategic alignment of innovation, operational excellence, and market expansion, we achieved our fourth consecutive year of record performance.

Your Company set new benchmarks across all key financial metrics — revenue, gross margins, EBIT from operations, and Profit After Tax (PAT). For the first time, topline surpassed the ₹ 4,000 crore mark as a paint and coatings company. Strategic investments aligned with growth initiatives and revenue, resulted in stable double-digit profitability for the sixth consecutive year.

## Responsible actions

While growing profitably, we were also mindful of conducting business in a safe, responsible and sustainable manner, as evident by our actions. 70% of our raw materials were sustainably procured. We achieved 89% material circularity. Renewable energy contribution to total energy consumption crossed 50% for the first time. AkzoNobel extended its partnership with Ecovadis and Together for Sustainability (TfS) to build and improve its' suppliers' sustainability practices.

## Empowering communities

As a responsible corporate citizen, our CSR initiatives under the three critical pillars of impact – Vocational Skill Training, Education and Community Healthcare – continued to positively impact thousands of individuals. Project Indradhanush empowered over 3,100 women across 940 villages in seven states, transforming them into skilled painters and entrepreneurs.

Our Let's Colour initiative revitalized three high-altitude villages in the Spiti Valley, including Komic – the world's highest motorable village. More than 10,500 liters of Dulux Weathershield exterior emulsion now protects 100 homes, schools, and cultural landmarks from extreme conditions. The purposeful transformation of over 300,000 sq feet area is also helping preserve the centuries old Buddhist spiritual and cultural tapestry of the Spiti valley. While we take pride in our societal impact during the year, we also recognize that there is always more to be done. Hence, our commitment to empowerment remains steadfast.

## Sustained dividend payout

Reflecting your Company's sustained record performance and acknowledging the continued trust of our shareholders, the Board has recommended a final dividend of ₹ 30/- per share, taking the recommended total dividend for financial year 2024-25 to ₹ 100/- per share

## Special thanks

During the year, we were pleased to welcome Ms. Namrata Kaul and Mr. Anil Chaudhry as Independent Directors to our Board. Each of them brings a wealth of experience, and we are confident that their diverse perspectives will further enhance the Board's effectiveness and strategic oversight.

Here, on behalf of our Board and management team, I also want to place on record sincere appreciation to the previously serving Independent Directors - Mr. Amit Jain and Ms. Smriti

Rekha Vijay. Their valued contributions have been instrumental in strengthening our corporate governance framework and long-term strategy.

## Portfolio review, business transfers & acquisition

In October 2024, AkzoNobel N.V., the ultimate holding/promoter company of Akzo Nobel India announced a strategic portfolio review for its decorative paints business in South Asia, with a particular focus on India. For AkzoNobel N.V., this review represented a key step towards focussing its portfolio on positions of differentiating scale in its core coatings portfolio.

In January 2025, the parent also requested your Company's Board of Directors to begin exploratory steps towards – (i) a potential divestment of the Powder coatings business and International Research Center in India to a separate indirect wholly owned subsidiary of AkzoNobel N.V., and (ii) a potential acquisition of Intellectual Properties of Decorative Paints by Akzo Nobel India. Your approval on the above resolutions also shows your confidence in the proposed outcome.

These proposed transactions aim to create separate entities for our liquid and powder coatings in India. This will position Akzo Nobel India as a more focused liquid paint and coatings business, which is fully brand and technology independent in its' core Decorative Paints business. Once completed, a clear roadmap for sustained growth and ultimately value creation will follow.

In these times, the resilience of our people and partners has been our anchor. The unwavering support from our global parent company, combined with the passion for paint of our people, ensured that it was business as usual. This, alongside the commitment of our suppliers, distributors, dealers, and retailers, and the trust of our valued customers, empowered your Company to outperform the market today, while investing in a brighter future.

## We're future-ready

The outlook for the Indian economy is promising in 2025–26. An expected revival in consumption demand, increased incomes post Budget, premiumisation trend, and strong industrial demand will act as tailwinds, even as competitive intensity is expected to play out in the short term.

Your Company has a clear strategy, a sharp focus on achieving differentiated scale in its core businesses, customer-centricity, and a proven track record of market outperformance. Investments in strategic initiatives like the new Lead Management System (a unified, data-driven platform designed to maximise demand pull) and innovative services like the Dulux Maestro program (offering comprehensive, end-to-end business support exclusively to architects and interior designers in 40 Indian cities) further mine new growth avenues for your Company.

As we 'Catapult to Win in India', we look forward to your continued support.

## Rajiv Rajgopal

Chairman

# BOARD OF DIRECTORS



**1. Mr. Rajiv Rajgopal** is the Chairman and Managing Director of Akzo Nobel India Limited effective 16<sup>th</sup> November 2023. He was previously the Managing Director of the Company since November 2018. • In his more than 30 years of experience, Rajiv has worked across FMCG, Oil & Gas (Lubricants) and Telecom industries. He has a rich experience in managing and leading diverse high-performance teams which resulted in strong business performances in the companies he has worked with. • He joined AkzoNobel in 2013 as Head of Sales and Marketing (Decorative Paints) and was subsequently appointed as the Country General Manager - India in 2014. Thereafter, Rajiv was appointed as the Regional Director- Performance Coatings (Middle East & Africa Continent) in January 2017 and also served on the Boards of several group companies in Middle-East and Africa. • Prior to joining Akzo Nobel India, Rajiv was the CEO - Broadband & Data at Bharti Airtel Limited. He has also worked with organizations such as Hindustan Unilever and BP/Castrol India. • Rajiv is a Chemical Engineer from University of Mumbai and an MMS (Marketing) from SP Jain Institute of Management & Research, Mumbai. He has attended Management and Leadership programs at Harvard Business School, INSEAD Singapore, Centre for Creative Leadership, and ELT program at IMD Lausanne. • Rajiv is also a Non- Executive Director on the Boards of ICI India Research & Technology Centre Pvt. Ltd, Paints and Coatings Skill Council, Akzo Nobel Decorative Paints LLC, UAE, Akzo Nobel Oman SAOC, and Akzo Nobel Decorative Paints LLC as on 31<sup>st</sup> March 2025.

**2. Mr. Krishna Rallapalli** is the Wholetime Director and Chief Financial Officer of the Company since December 2021.

• Krishna is a member of the Institute of Chartered Accountants of India (ICAI). He has over 26 years of experience in the finance and commercial domains and has previously held positions such as Regional Commercial Controller (Vehicle Refinish and Automotive) for Asia with AkzoNobel Group. He joined the Company in 2006 and has handled various leadership roles in the Commercial and Finance functions. • His primary expertise lies in leading finance function across insurance, chemicals and paints & coatings industries. He has been instrumental in building focused strategies for sustained business growth, reorganizing finance function, driving continuous improvement, bringing operational efficiencies by redesigning cost models, setting up systems to handle multiple projects simultaneously and forging strong relationships with internal/external stakeholders. He is also proficient in handling complex business projects in a cross- functional and multicultural work situations. • Krishna is also a Non- Executive Director on the Board of ICI India Research & Technology Centre Private Limited.

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**3. Mr. Rohit G Totla** is a Wholtime Director of the Company since November 2023. Rohit has more than 24 years of work experience across organisations like Balsara Home Products (now Dabur India Limited) and Hindustan Coca Cola Beverages. • Mr. Totla joined AkzoNobel in 2009 and had handled various roles such as Regional Manager – West, Marketing Manager, General Manager Sales, Director Sales – DecoPaints, Director-Commercial Excellence – South East South Asia, and is currently acting as the MSU Director-India. In the current role, he is leading strategic commercial excellence function with focus on strategising and driving route to Market, pricing, Transformation Projects, customer experience and excellence. • Rohit has a Degree in BE (Electronics) from Nagpur University, and PGDBM from Sydenham Institute of Management, Mumbai. He has also attended an Executive Program from Dale Carnegie and IMD, Lausanne.

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**4. Mr. Anil Chaudhry** is an Independent Director of the Company effective 22<sup>nd</sup> November 2024. He is the Chairman of the Nomination and Remuneration Committee of the Company apart from holding memberships of the Audit Committee, Risk Management Committee and Corporate Social Responsibility Committee of the Company. With over 40 years of experience, Mr. Anil Chaudhry has held global leadership roles across management, operations, sales, strategy, and business development, working from both Europe and India. • Anil was the Founding CEO & Managing Director of Schneider Electric India Pvt. Ltd (SEIPL). He has been recognized with many rewards and recognitions by Industry, Professional Independent Institutes and Governments Bodies for his work, especially in the field of Economic Development, Sustainability, Diversity, Energy Transition and Equity. Anil has published and presented numerous technical and concept papers at various national and international seminars for application of digital technology, automation & IoT for energy management and efficiency for smart infrastructure and smart cities. He is committed to setting new benchmarks in the use of innovative techniques to deliver world-class solutions and services to customers. He is also deeply passionate about promoting diversity and inclusion, having championed this initiative throughout his career.

• Anil is an engineering graduate (BE) from Thapar Institute of Engineering & Technology, Patiala, India, and pursued Executive Management Programs from Harvard Business School, Stanford Business School and INSEAD. • He is on the Boards of GMR Airports Limited, Titan Company Limited, Crompton Greaves Consumer Electricals Limited, Schneider Electric Infrastructure Limited, Mahindra Accelo Limited as an Independent Director, and is also a Non- Executive Director of Maple Infra InVit Investment Manager Private Limited. He is also the owner of ACH Company SAS France, a consultancy entity.

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**5. Ms. Namrata Kaul** is an Independent Director of the Company effective 5<sup>th</sup> August 2024. She is the Chairperson of the Audit Committee and Corporate Social Responsibility Committee of the Company besides holding memberships of the Nomination and Remuneration Committee and Risk Management Committee of the Company. • Namrata is a career banker with extensive experience of more than 35 years. Over the course of her career, built through tenures at Deutsche Bank and ANZ Grindlays Bank, Namrata has held leadership positions and managed senior roles across Treasury, Corporate Banking, Debt Capital markets, and Corporate Finance domains in India, Asia and the UK. She has a strong history of leadership, managing and leading diverse teams, mentoring, conflict management and governance. • She is currently an Advisor and Independent Director on several corporate boards across industrial B2B and financial services sectors ranging from renewable energy, and electrical equipment to NBFCs and asset management companies viz. Havells India Limited, Vivriti Capital Limited, Schneider Electric Infrastructure Limited, and Fusion Finance Limited. She is also a partner at Padup Ventures LLP where she is engaged as an Investor and mentor to tech and digital start up companies. In her last corporate role as Managing Director at Deutsche Bank, Namrata led the Corporate Bank practice as its India Head. Namrata is a Chevening Scholar from the London School of Economics, a Management postgraduate from the Indian Institute of Management, Ahmedabad, and holds a Commerce degree from University of Delhi.

**6. Mr. Hemant Sahai** has been an Independent Director of the Company since August 2018. He is the Chairman of the Stakeholder Relationship Committee & Risk Management Committee besides holding memberships of the Audit Committee and Nomination and Remuneration Committee of the Company. • Hemant is the Founding Partner of HSA Advocates, Law Firm, and is recognized by peers, clients, and diverse international legal publications such as Chambers-Asia Pacific, Chamber Global, Legal500, IBLJ, IFLR 1000, and several others as one of the leading lawyers in India. • For more than three decades, Hemant has been a trusted legal counsel and strategic legal advisor to some of the largest corporations on corporate governance, mergers & acquisitions, SEBI and Listing Regulations, corporate finance & investment, tax-related matters, and regulatory affairs. • Hemant has served as an advisor to the Prime Minister's Office, Planning Commission, Niti Aayog, and several working groups and committees formed by top government bodies/institutions on policy issues and on matters of national importance. He has also been an adviser to central government ministries, PSUs, regulatory authorities, multilateral institutions (World Bank, IFC, ADB, etc.), banks, and financial institutions. • Currently, he is an Independent Director on the Boards of MB Power (Madhya Pradesh) Limited, Sael Industries Limited, Polyplex Corporation Limited, Simon India Limited, Polyplex Corporation Limited, Acme Solar Holdings Limited, as well as a Non- Executive Director of Longshorex Impex Private Limited and Elements Infra Consulting Private Limited. He is also a Partner of Hemant Sahai Associates, Law Firm. • Hemant is a graduate in Commerce (Hons.) and LLB from the University of Delhi.

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# 2024-25 HIGHLIGHTS



**A RECORD YEAR  
OF PERFORMANCE**



**RESPONSIBLE  
MANUFACTURING**



**INNOVATION  
FOCUS**

**₹40,912 mn**

Highest-ever Revenue

**₹6,412 mn**

Highest ever EBITDA

**₹13,287 mn**

Net worth

**32%**

Return on Equity

**₹4,761 mn**

Cash generated from Operations

**₹4,286 mn**

Profit After Tax

**₹94.1**

Earnings Per Share  
(Basic & Diluted)

**₹100**

Dividend per share -  
sustained payout

**₹4,902 mn**

Property, Plant & Equipment\*

**5**

No. of sites

**70%**

Raw material sustainably sourced

**~5%**

Input material sourced directly  
from MSMEs/small producers

**50%**

Renewable energy

**Zero** Liquid Discharge

**Zero** waste to landfill

**89%**

Circular use of materials

**100%**

Compliance to Plastic  
Waste Management Rules

**₹135 mn**

R&D Spend

**2**

No. of centres

**~15%**

EPD / green certified products  
contribution to overall portfolio



## HUMAN CAPITAL

**1,577**

Permanent employees

**₹25.9 mn**

Productivity (Revenue per permanent employee)

**11%**

Diversity ratio

**8.22%**

Increment in median remuneration

### Zero tolerance policy towards harassment

Ensuring a safe workplace



## SOCIAL IMPACT

**₹92.6 mn**

CSR spend

**2**

Aspirational districts

**~26,000**

No. of beneficiaries of CSR projects

**69%**

Customer complaints closed during the year



## STRONG GOVERNANCE

**Amongst the best governed companies**

**100%**

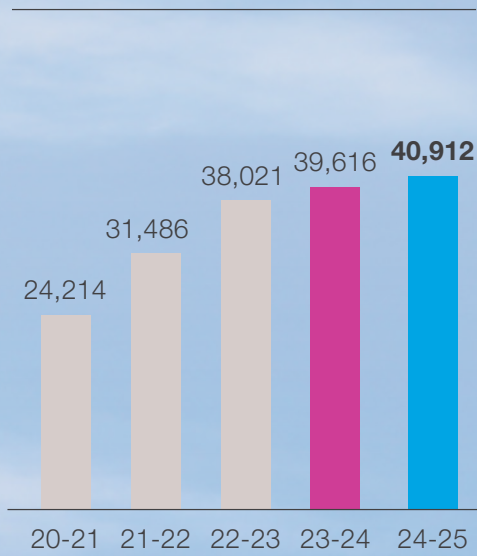
Independent Audit Committee

**50%**

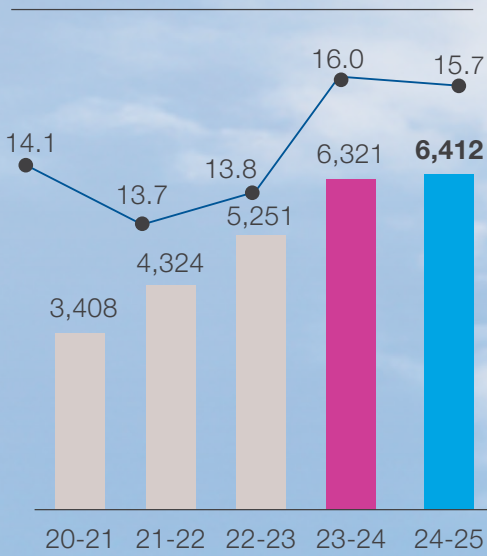
of Board comprising Independent Directors

# FINANCIAL HIGHLIGHTS

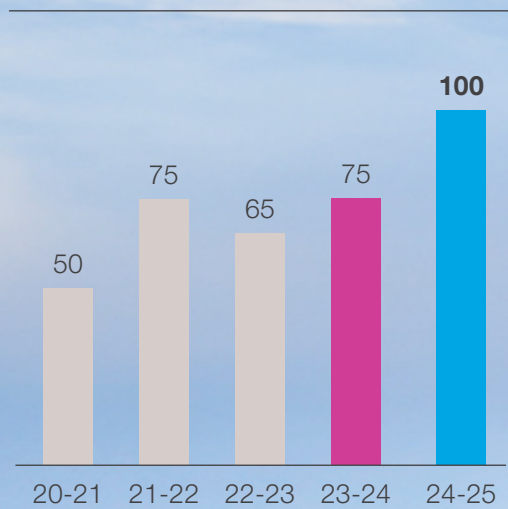
**Revenue** (INR mn)



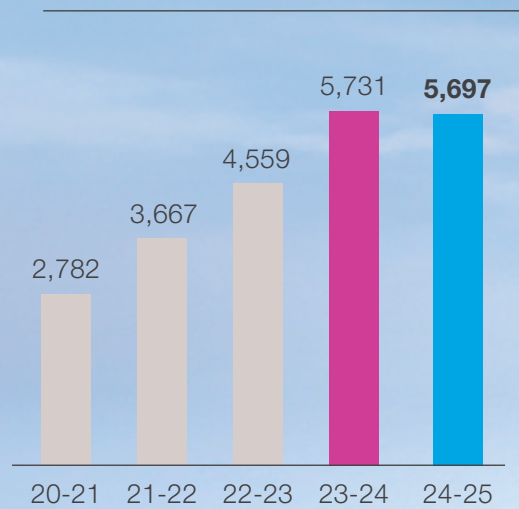
**EBITDA** (INR mn)  
**EBITDA%** (in %)



**Dividend per share** (INR mn)

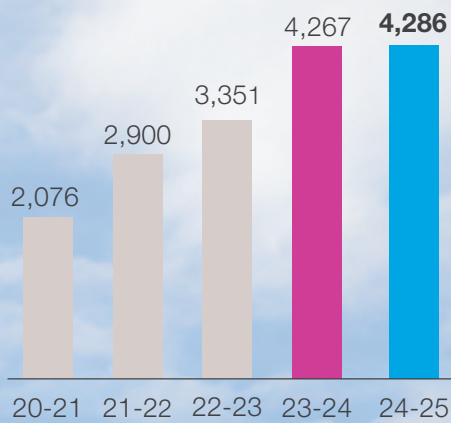


**PBT** (INR mn)



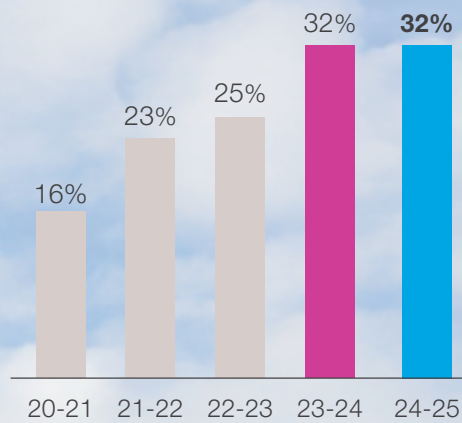
## PAT

(INR mn)



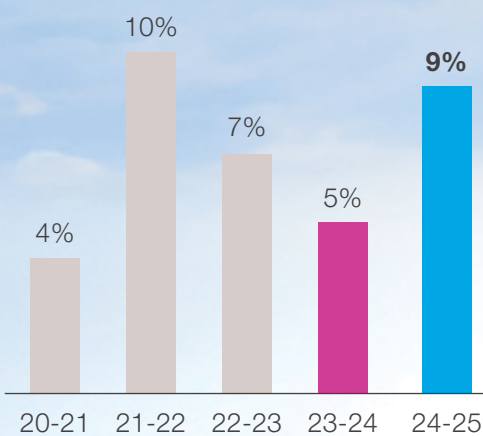
## ROE

(INR mn)

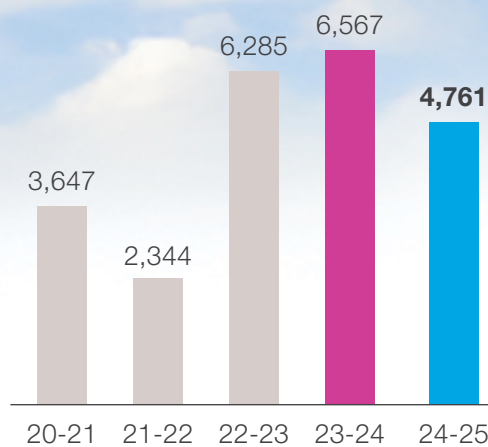


## OWC/Revenue

(INR mn)

Cash from operations  
(before tax)

(INR mn)



# RECENT YEARS AT A GLANCE

(₹ in million)

<b>BALANCE SHEET</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
<b>Assets</b>					
Property, plant & equipment	5,593	5,616	5,833	6,448	6,826
Current & non current investments	5	*	*	*	1
Current & non current assets	18,535	18,719	19,767	22,582	22,190
Total assets	24,133	24,335	25,600	29,030	29,016
<b>Equity &amp; liabilities</b>					
Share capital	455	455	455	455	455
Reserves	12,421	12,133	12,701	12,837	12,832
Shareholder funds	12,877	12,588	13,156	13,292	13,287
Total liabilities	11,256	11,747	12,444	15,738	15,729
Total equity and liabilities	24,133	24,335	25,600	29,030	29,016

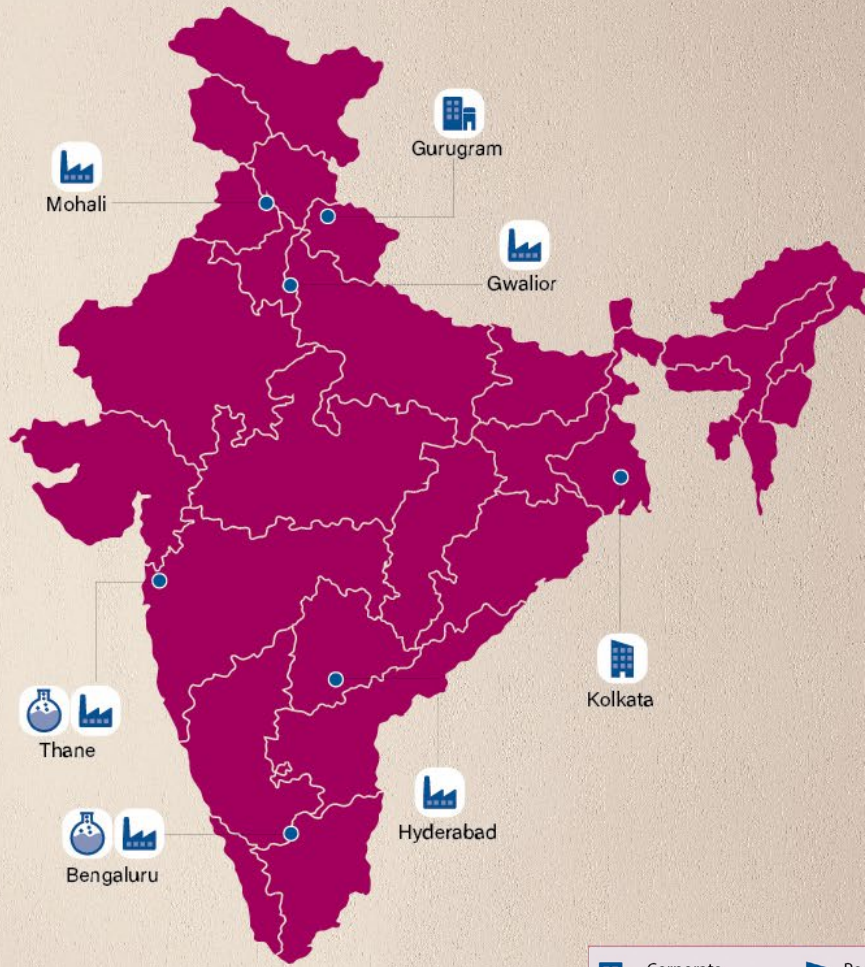
<b>STATEMENT OF PROFIT AND LOSS</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Revenue from operations	24,214	31,486	38,021	39,616	40,912
Other income	232	227	274	358	276
Total income	24,446	31,713	38,294	39,974	41,188
Depreciation & amortisation expense	755	759	825	823	893
Finance cost	103	145	141	125	98
Profit before exceptional items and tax	2,782	3,647	4,559	5,731	5,697
Exceptional items	-	20	-	-	-
Taxation	706	767	1,208	1,464	1,411
Profit after tax	2,076	2,900	3,351	4,267	4,286
Earnings per share (₹)	45.60	63.68	73.58	93.70	94.11
Equity dividend (₹ per share)	50.00	75.00	65.00	75.00	100.00





\*Amount is below rounding off norms, adopted by the Company.

Notes:

1. All figures pertain to standalone financial statements
2. Prior years figures have been regrouped or reclassified where necessary

# OUR PRESENCE



 Corporate office	 Registered office
 Factory	 RD&I Lab



# COMPANY INFORMATION

## Board of Directors

### Rajiv Rajgopal

Chairman and Managing Director

### Krishna Rallapalli

Wholetime Director and CFO

### Rohit G Totla

Wholetime Director

### Anil Chaudhry

Independent Director

### Namrata Kaul

Independent Director

### Hemant Sahai

Independent Director

## Company Secretary

### Rajiv L Jha

## Registered Office

801A, South City Business Park  
770, Anandapur, Eastern Metropolitan  
Bypass, Near Fortis Hospital  
Kolkata – 700 107, India  
Tel: +91 33 22267462  
Fax: +91 33 22277925

## Corporate Office

9<sup>th</sup> Floor, Magnum Towers  
Golf Course Extension Road  
Sector 58, Gurugram 122 011, India  
Tel: +91 124 4852400  
Website: [www.akzonobel.co.in](http://www.akzonobel.co.in)  
Email: [investor.india@akzonobel.com](mailto:investor.india@akzonobel.com)

## Customer Care

Email: [customercare.india@akzonobel.com](mailto:customercare.india@akzonobel.com)  
Helpline: 1800 3000 4455

## Corporate Identity Number (CIN)

L24292WB1954PLC021516

## Registrar and Share Transfer Agent

C B Management Services (P) Limited  
Rasoi Court, 5<sup>th</sup> Floor  
20 R N Mukherjee Road  
Kolkata 700 001, India  
Tel: +91 33 6906 6200  
Fax: +91 33 22870263  
Email: [rta@cbmsl.com](mailto:rta@cbmsl.com)

## Auditors

Price Waterhouse Chartered Accountants LLP

## Bankers

Deutsche Bank  
AXIS Bank  
HDFC Bank  
ICICI Bank  
Standard Chartered Bank  
State Bank of India

## Key Committees

### Audit Committee

Namrata Kaul (Chairperson)  
Hemant Sahai  
Anil Chaudhry

### Nomination and Remuneration Committee

Anil Chaudhry (Chairman)  
Hemant Sahai  
Namrata Kaul  
Rajiv Rajgopal (Permanent Invitee)

## Stakeholders Relationship Committee

Hemant Sahai (Chairman)  
Rajiv Rajgopal  
Krishna Rallapalli

## CSR Committee

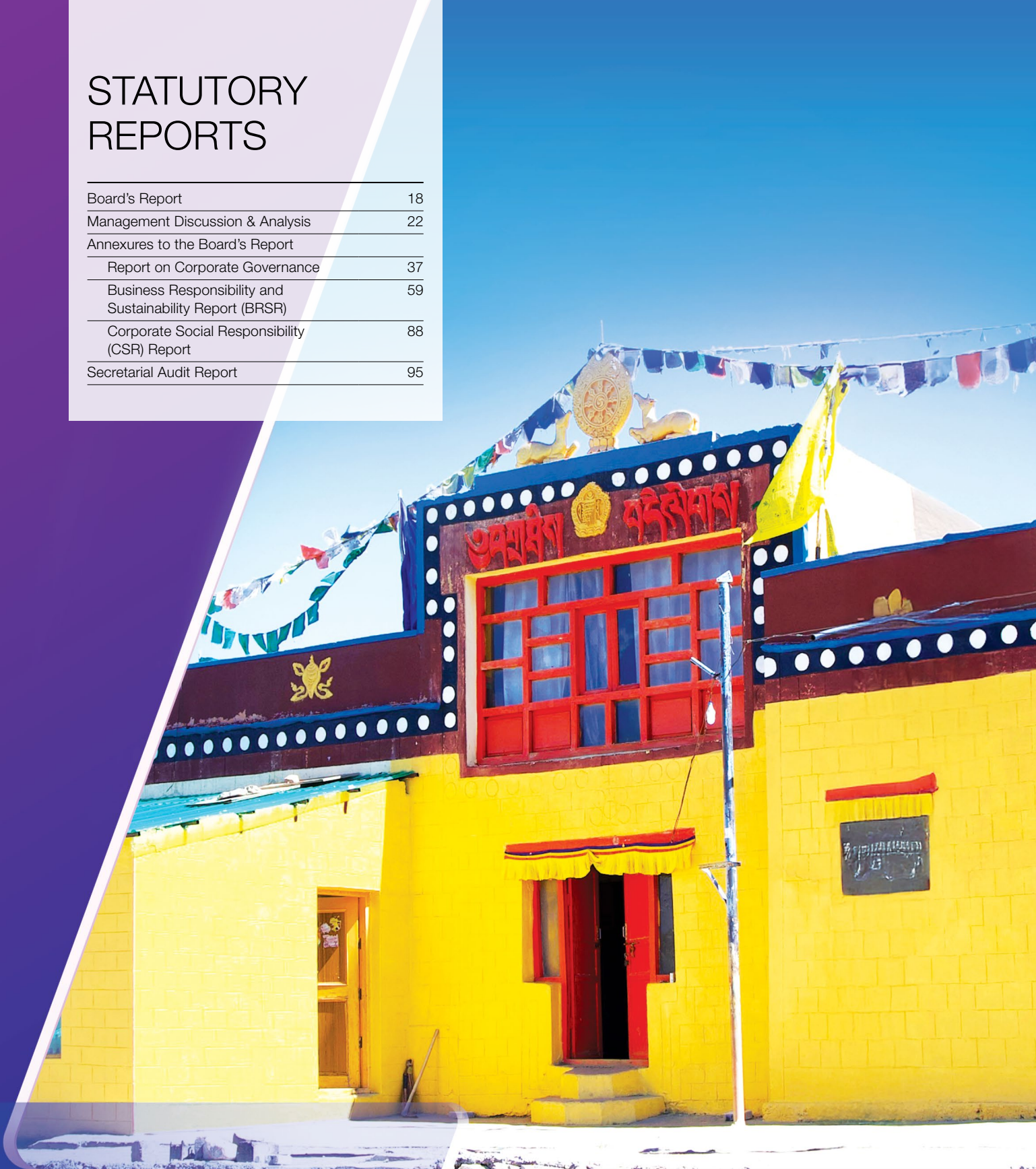
Namrata Kaul (Chairperson)  
Rajiv Rajgopal  
Krishna Rallapalli  
Rohit G Totla  
Anil Chaudhry

## Risk Management Committee

Hemant Sahai (Chairman)  
Anil Chaudhry  
Rajiv Rajgopal  
Krishna Rallapalli  
Rohit G Totla  
Namrata Kaul  
Neelima Kataria  
Sumit Khatuja  
Dr. Kumar Iyer

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**Feeling  
on top of  
the world**

It wasn't just 100 homes, monasteries, schools and cafes in Komic (the world's highest village reachable by a motorable road); Hikkim (home to the world's highest post office); and Langza (where marine fossils older than the Himalayas have been found) that were revitalized! The power of our paint – 20 painters used over 10,000 liters of Dulux Weathershield – is helping create a more vibrant and joyful future for the residents.

# Board's Report

Dear Members,

The Board of Directors of your Company hereby presents the 71<sup>st</sup> report on the business and operations of your Company along with the audited financial statements for the Financial Year ended 31<sup>st</sup> March 2025.

## Financial statements

The Financial Statements include:

1. Standalone Financial Statements of the Company (Akzo Nobel India Limited); and
2. Consolidated Financial Statements of the Group including the operational results of ICI India Research and Technology Centre Private Limited, which is a subsidiary of the Company.

The highlights of the performance during the financial year under Report are:

	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from Operations	40,912	39,616	40,912	39,616
Operating Profit (EBITDA)*	6,412	6,321	6,415	6,320
Depreciation	(893)	(823)	(894)	(823)
Other Income net of finance costs	178	233	178	233
Profit before tax	5,697	5,731	5,699	5,730
Tax	(1,411)	(1,464)	(1,405)	(1,464)
Profit after tax	4,286	4,267	4,295	4,267

(₹ million)

\* before exceptional items

Key Ratios	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Debtors Turnover	7.1	7.0	7.1	7.0
Inventory Turnover	3.8	3.7	3.8	3.7
Interest Coverage	65.7	50.6	65.7	50.6
Current Ratio	1.4	1.3	1.5	1.3
Operating Profit Margin (%)	15.7	16.0	15.7	16.0
Net Profit Margin (%)	10.5	10.8	10.5	10.8
Return on Net Worth (%)	32.2	32.3	32.3	32.2
Debt/ Equity	4.7	4.5	4.7	4.5

The ratios computed above do not include assets and liabilities classified as held for sale.

## Performance overview 2024-25:

Akzo Nobel India continued to deliver yet another strong performance in 2024-25 with new highs in absolute performance across revenue (surpassing 4,000 Cr), gross margin and EBIT from operations. In tandem with topline, we continued to deliver double-digit profitability for the sixth year in a row. Our sustained performance is a testament to our resilient business model and strategic priorities.

In our Decorative Paints business, muted demand conditions and heightened competitive pressures persisted during the year. Despite these challenging conditions, the business saw good uptick in Premium, adjacencies and Projects business. The business focused on addressing portfolio gaps in Mass & Economy categories, increasing our reach in lower tier towns and improving customer experience through digitization and automation.

Our Coatings business has been growing strongly over the past two years in the backdrop of a robust business environment. Performance was built around technology, sustainable products

and strong alliances with participation in marquee projects. Our Performance Coatings find applications in Naval ships, Data Centres, Electric Vehicles and beverage cans.

While driving market share as a primary objective and sustaining profitability, your Company has been working on strategies to gain market share in the hyper-competitive environment across our Automotive & Specialty Coatings business.

Driving brand strength and distribution with innovation, color expertise and thought leadership being our objectives, our costs are aligned with growth initiatives and revenue, translating into stable profitability. During the year, we invested in supply chain and efficiencies, brand building, employee benefits and growth projects.

To maintain our competitive edge, we continue to leverage global R&D and technologies, ensuring a steady stream of innovative products tailored specifically for the Indian market. Our commitment to innovation remains unwavering as we strive to bring differentiated and value-added solutions to meet the evolving needs of our consumers.

## Dividend

Your Company has been following a Dividend Distribution Policy (as approved by the Board) while distributing profits to its shareholders and creating wealth for them over the years. In compliance with the requirements under Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Dividend Distribution Policy is available on the Company's website and can be accessed at <https://akzonobel.co.in/pdf/policy/Dividend-Distribution-Policy.pdf>.

Your Board of Directors, at its meeting held on 7<sup>th</sup> November 2024, approved an interim dividend of ₹ 70/- per equity share commemorating the completion of 70 years of your Company's operations in India. This dividend was paid by the Company by December 2024 to those shareholders whose names were appearing in the Register of Members as on 20<sup>th</sup> November 2024, being the Record Date for the aforesaid interim dividend. Your Directors are pleased to recommend a Final Dividend of ₹ 30/- per equity share for the Financial Year ended 31<sup>st</sup> March 2025 in addition to the aforesaid interim dividend paid during the said Financial Year 2024-25. The Final Dividend, once approved by the Members at the ensuing 71<sup>st</sup> Annual General Meeting (as scheduled on 4<sup>th</sup> August 2025) would result in appropriation of ₹ 1,366 million (inclusive of TDS) and the same will be paid to those Members whose names appear in the Register of Members as on Friday, 25<sup>th</sup> July 2025 (Record Date). The total dividend for the Financial Year 2024-25, including the proposed Final Dividend, thus amounts to ₹ 100/- per equity share.

Pursuant to the provisions of the Income-tax Act 1961, the dividend income is taxable in the hands of the Shareholders and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication providing detailed information and instructions with respect to tax on the Final Dividend for the Financial Year ended 31<sup>st</sup> March 2025 is being sent separately to the Shareholders. Your Company shall, accordingly, deduct tax, as applicable, before making the said dividend payments.

## Unclaimed dividend

Details of dividend paid by the Company earlier and not claimed so far are provided in the Corporate Governance Report appended to the Board's Report.

## Shares under unclaimed suspense account

Details of equity shares of the Company lying in Unclaimed Suspense Account, as on 31<sup>st</sup> March 2025, as per the provisions of Regulations 34 and 39 read with Schedule V(F) of Listing Regulations, are provided in the Corporate Governance Report forming part of the Board's Report.

## Transfer to reserves

Your Directors do not propose to transfer any amount to the general reserves and the entire amount of profit for the year forms part of the 'Retained Earnings'.

## Business environment & outlook

The Paints industry's prospects are intricately connected to the overall growth of the country's economy. India's huge population, positive demographics, increasing urbanisation, increasing disposable income, recovering automotive industry, and the government's push on infrastructure development are some of the factors which are, directly and indirectly, driving the demand of paints (both decorative and coatings products) in India.

On the flip side, fluctuations in raw material prices and stringent environmental regulations regarding volatile organic compounds (VOC) are likely to hamper the market's growth. The use of nanotechnology in the paints and coatings industry and the rising demand for eco-friendly paints are expected to offer various market growth opportunities in the near future.

By focusing on innovation, customer-centric strategies, and leveraging its strengths, your Company is well-positioned to capitalize on the anticipated growth opportunities and overcome potential challenges.

## Portfolio review, business transfers & acquisition

During the Financial Year under Report, AkzoNobel N.V., the ultimate holding/promoter company of your Company ("ANNV") had:

- (i) in October 2024, announced the conduction of its portfolio review with initial focus on Deco South Asia. The strategic review of the portfolio is being conducted in order to redeploy capital towards growing ANNV's core coatings businesses. As per the announcement, the initial focus would be on the decorative paints' positions in South Asia where the Company has a premium, highly profitable position with a strong track record of growth. The review would be exploring various strategic options ranging from partnerships or joint ventures through to mergers or divestments; and
- (ii) in January 2025, offered the Company to explore sale of its Powder Coatings Business and International Research Centre (R&D) operations of the Company by way of slump sale on a going concern basis to ANNV and purchase of ANNV's Decorative Paints Intellectual Property Rights in India, Nepal, Bhutan and Bangladesh by the Company. For the purpose of housing the aforesaid powder coatings business and international research centre operations, ANNV, on 4<sup>th</sup> March 2025, incorporated its (indirect) 100% Wholly Owned Subsidiary (WOS) wherein the Coatings business and R&D operations of the Company as aforesaid would be transferred by way of a slump sale on going concern basis. The transfer of the aforesaid businesses and acquisition of the intellectual property rights will be subject to necessary adjustments, as may be required, prior to/on the closing date, i.e. by the 31<sup>st</sup> December 2025, in accordance with the terms and conditions as specified in the respective Business Transfer Agreements ("BTAs") and the Intellectual Property Sale and Transfer Agreement ("IPSTA"). Execution of the BTAs and IPSTA is conditional upon the remaining approval from the Supervisory Board of ANNV. Your Company would receive the final consideration (as approved by the shareholders of the

Company) for such slump sales and payment for acquisition after the aforesaid execution of BTAs and IPSTA. There was no business in the WOS as of 31<sup>st</sup> March 2025.

### Subsidiary & investment in subsidiary

In August 2022, as part of entity restructuring plan, the Board of Directors and members of Company's subsidiary namely ICI India Research and Technology Centre ("ICI R&T") approved the proposal to convert itself into a Private Limited Company from Section 8 Company Limited by Guarantee. Pursuant to that, the Regional Director granted its approval (vide letter dated 10<sup>th</sup> May 2024) for conversion of ICI R&T into other than Section 8 Company and approved the change of name of the Company as ICI India Research and Technology Centre Private Limited after aforesaid conversion. Subsequently, the Company was granted the fresh certificate of incorporation (dated 22<sup>nd</sup> August 2024) as a private company limited by shares from the earlier private company limited by guarantee. Reference in this regard can be from Note No 5.1 of the Financial Statements forming part of this Annual Report.

Thereafter, on 31<sup>st</sup> March 2025, your Company invested in 12,50,000 equity shares of Re. 1/- each of ICI R&T by subscribing to the Rights Issue of ICI R&T, thereby making it a 99.99% subsidiary of your Company.

Pursuant to Regulation 24(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not required to appoint any Independent Director to its aforesaid subsidiary company.

Financial Statements of the aforesaid unlisted subsidiary company were reviewed by the Audit Committee of the Company pursuant to Regulation 24(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Minutes of their Board Meetings as well as statements of all significant transactions, if any, of the said unlisted subsidiary Company are placed before the Board for their review pursuant to Regulation 24(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Section 129(3) read with Rule 5 of the Companies (Accounts) Rules, 2014, and other applicable provisions, if any, of the Companies Act 2013 ("the Act"), a statement containing salient features of the financial statement of the subsidiary of the Company viz. ICI India Research and Technology Centre Private Limited (in Form AOC-1) forms part of this Annual Report. The Consolidated Financial Statements presented in this Annual Report include the financial results of the aforesaid subsidiary pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

In accordance with Section 136 of the Act, the financial statements of the subsidiary are available for inspection by the members of the Company at the registered office of the Company during business hours on all days up to the date of the 71<sup>st</sup> Annual General Meeting ('AGM') of the Company. If required, Members are requested to email a request for obtaining a copy of the said financial statements at [investor.india@akzonobel.com](mailto:investor.india@akzonobel.com) so that the necessary arrangements can be made at the registered office of the Company. The Financial Statements including the Consolidated Financial Statements and all other documents required to be

attached to this Report are also available on the website of the Company at [www.akzonobel.co.in](http://www.akzonobel.co.in).

### Share capital

The paid-up share capital of the Company as on 31<sup>st</sup> March 2025 was ₹ 455.40 million comprising 45.54 million equity shares of ₹10/- each (Previous year ₹ 455.40 million comprising 45.54 million equity shares of ₹ 10/- each).

### Details of directors and changes

During the year under review, the following changes took place in the Board of Directors of the Company:

- (i) Mr. Amit Jain completed his tenure as Independent Director of the Company with effect from the close of business hours on 13<sup>th</sup> August 2024. The Board of Directors of the Company took note of the completion of tenure of Mr. Amit Jain as an Independent Director of the Company as aforesaid by placing on record its sincere appreciation for the valuable contributions made by Mr. Amit Jain as an Independent Director of the Company.
- (ii) Ms. Smriti Rekha Vijay resigned as an Independent Director of the Company with effect from the close of business hours on 22<sup>nd</sup> November 2024 on account of her health conditions. She confirmed that there was no other material reason for her said resignation. The Board of Directors of your Company, in its meeting held on 22<sup>nd</sup> November 2024, placed on record its sincere appreciation for the valuable contributions made by Ms. Vijay during her tenure as an Independent Director of the Company.
- (iii) The Board of Directors of the Company, at its Meeting held on 1<sup>st</sup> August 2024 appointed Ms. Namrata Kaul (DIN: 00994532) as an Independent Director (Woman Director) of the Company for a period of 3 (Three) years effective 5<sup>th</sup> August 2024 to 4<sup>th</sup> August 2027 (both days inclusive). The appointment of Ms. Namrata Kaul as an Independent Director has been approved by the Members of the Company on 12<sup>th</sup> September 2024, by way of postal ballot. Ms. Namrata Kaul (aged 60 years) is a career banker with extensive experience of more than 37 years across Treasury, Corporate Banking, Debt Capital markets, and Corporate Finance in India, Asia and the UK with Deutsche Bank and ANZ Grindlays Bank. She has a strong history of leadership, managing and leading diverse teams, mentoring and managing conflict, working collaboratively across multiple business verticals. She is currently an Advisor and Independent Director on several corporate boards across industrial B2B, healthcare and financial services sectors ranging from renewable energy, electrical equipment and medical devices to NBFCs and asset management companies. In her last role, she served as Managing Director and Corporate Bank Head at Deutsche Bank. She holds a Post Graduate Diploma (Business, Banking, Insurance & Management) from Indian Institute of Management, Ahmedabad and B.Com. from University of Delhi.

(iv) The Board of Directors of the Company, at its Meeting held on 22<sup>nd</sup> November 2024 appointed Mr. Anil Chaudhry (DIN: 03213517) as an Independent Director of the Company for a period of 3 (Three) years effective 22<sup>nd</sup> November 2024 to 21<sup>st</sup> November 2027 (both days inclusive). The appointment of Mr. Anil Chaudhry as an Independent Director has been approved by the Members of the Company on 2<sup>nd</sup> January 2025, by way of postal ballot. Mr. Anil Chaudhry (aged 63 years) has over 40 years of experience, and has held global leadership roles across management, operations, sales, strategy, and business development, working from both Europe and India. Anil was the Founding CEO & Managing Director of Schneider Electric India Pvt. Ltd. (SEIPL). He has been recognized with many rewards and recognitions by Industry, Professional Independent Institutes and Governments Bodies for his work, especially in the field of Economic Development, Sustainability, Diversity, Energy Transition and Equity. Anil has published and presented numerous technical and concept papers at various national and international seminars for application of digital technology, automation & IoT for energy management and efficiency for smart infrastructure and smart cities. He is determined to setup new benchmarks for the usage of innovative techniques to provide world class solutions & services to customers and is extremely passionate towards promoting diversity & inclusion and has championed initiatives throughout his career towards this. By qualification, Anil is an engineering graduate (BE) from Thapar Institute of Engineering & Technology, Patiala, India, and had pursued Executive Management Programs from Harvard Business School, Stanford Business School and INSEAD.

### Retirement by rotation and subsequent re-appointment

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Krishna Rallapalli (DIN: 03384607) is due to retire by rotation at the ensuing Annual General Meeting, and being eligible, offer himself for re-appointment.

The Board recommends his re-appointment.

### Shifting of registered office

During the year under review, pursuant to the Board's approval, the Registered Office of your Company got shifted within the local limits of Kolkata (West Bengal) from Geetanjali Apartment, 1<sup>st</sup> Floor, 8B, Middleton Street, Kolkata – 700071 (West Bengal) to 801A, South City Business Park, 770, Anandapur, Eastern Metropolitan Bypass, Near Fortis Hospital, Kolkata – 700107 (West Bengal), with effect from 30<sup>th</sup> October 2024.

### Commencement of powder coatings production at gwaliar

During the year under review, your Company, on 5<sup>th</sup> September 2024, had commenced commercial production of the powder coating products from its plant at Gwalior, Madhya Pradesh, India,

with an installed production capacity of 5,166 T per annum (original installed production capacity) which can be expanded basis future demand. Further, this commercial production is aimed at supporting capacity expansion considering the service level need of the powder coating market demand of the Company mainly in North and Eastern India. An amount of ₹ 1,050 million (approx.) is the Investment of the Company towards the aforesaid, and the same has been funded through internal accruals.

### Finance & accounts

Your Company efficiently managed working capital and generated cash from operations of ₹ 4,761 million during the year under review. Your Company had NIL borrowings as at the end of Financial Year 2024-25. Your Company's debt equity ratio was 4.7 as at 31<sup>st</sup> March 2025.

### Capital expenditure

Capital expenditure incurred during the year aggregated to ₹ 1,065 million.

### Fixed deposits

During the year, your Company has not invited, accepted, or renewed any fixed deposits from the public and accordingly, there is no principal or interest outstanding in respect thereof.

### Management discussion and analysis report

In terms of the SEBI Listing Regulations, the Management Discussion and Analysis Report is appended to this Annual Report.

### Corporate governance

Your Company is committed to maintain the highest standards of Corporate Governance and has complied with the Corporate Governance requirements as per the SEBI Listing Regulations. A separate report on Corporate Governance as stipulated under the SEBI Listing Regulations along with a Certificate of Compliance from the Statutory Auditors, forms part of this Annual Report.

### Corporate social responsibility

As required under the provisions of the Companies Act, 2013, the Board of Directors of your Company has constituted a Corporate Social Responsibility (CSR) Committee on 16.05.2014. In view of the changes in the Board of Directors of the Company during the year under review, the CSR Committee was reconstituted by the Board of Directors on 26<sup>th</sup> November 2024. The current composition of the CSR Committee is mentioned in this Annual Report. The CSR Committee has formulated the CSR Policy and has recommended the activities to be undertaken by the Company as specified under Schedule VII of the Companies Act, 2013. The details about the meetings of the CSR Committee and CSR activities undertaken by the Company during the financial year under review is mentioned separately in this Annual Report.

# Management Discussion and Analysis

## Industry structure and developments

Paints & Coatings industry in India encompasses a diverse range of products and applications, catering to architectural and industrial segments. With a strong emphasis on aesthetics, protection, and sustainability, the industry plays a crucial role in enhancing the visual appeal and longevity of surfaces across these segments.

The decorative paints sector, accounting for 70% to 75% of paint demand, faces heightened competitive activity, slowdown in consumption and market consolidation, which has led to increase in capital expenditure, dealer networks, and ad spending. However, long-term fundamentals of the industry remain intact, supported by urbanization, project completions and government spending on housing and infrastructure, and shorter repainting cycles.

Industrial paint represents the remaining 25% to 30% of total paint demand, mainly coming from the automotive industry, as well as sectors like oil and gas, marine, and electronics.

## Business performance

### Decorative paints

Decorative paints, which include interior and exterior paints, enamels, and varnishes, play a crucial role in enhancing the appearance and protecting surfaces in residential, commercial, and industrial buildings.

Your Company's Decorative Paints business offers a wide variety of essential products for every situation and surface, including paints, lacquers and varnishes. The business also supplies a range of tinting machines, color concepts and training initiatives to the building and renovation industry.

Although this year remained challenging for the industry due to muted demand and competitive pressures, long term fundamentals remain strong on the back of rising urbanization, infrastructure development and increased government spending on affordable housing.

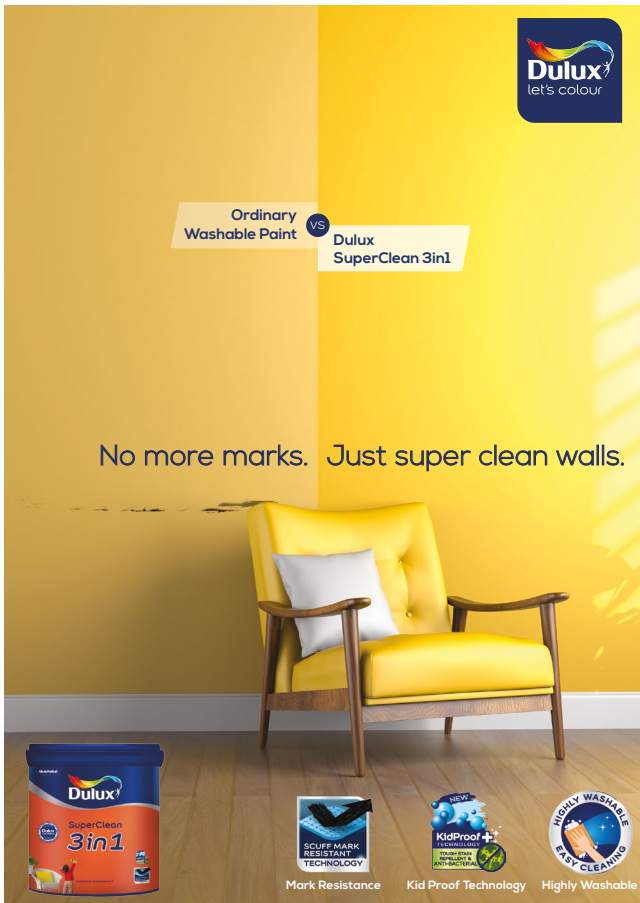
Distribution expansion supported our growth journey with presence in over 6,000 towns.

The year was characterized by product launches and upgrades with propositions that not only enhanced customer delight but also delivered sustainability benefits across categories and price points:

### Dulux Velvet Touch Eterna marks foray into uber-luxury interior emulsions

Four decades since introducing luxury in the Indian decorative paints industry with its flagship Dulux Velvet Touch range of interior emulsions, AkzoNobel redefined uber-luxury with Dulux Velvet Touch Eterna. It's advanced PU technology results in dust-resistance, the TruColor+ technology with antioxidants delivers a signature rich sheen finish and goodness of tea tree oil ensures no paint smell. Superior peace of mind is also provided for 10 years through the Dulux Assurance™ Warranty Program.





**Introduced Dulux SuperClean 3 in 1 MarkResistance** - India's first scuff mark resistant premium interior emulsion was introduced. This highly washable, premium interior emulsion comes with anti-bacterial properties and scuff resistance to prevent marks from household items.

**Dulux SuperClean**, our premium interior emulsion was renovated with High Bind Technology, delivering smooth, high-shen finish and excellent washability for long-lasting, easy-to-maintain walls.



**Dulux Weathershield Protect Dustproof** with new Dust Shield technology unlocked new value of dust resistance in addition to the existing benefits of algae resistance, aesthetic sheen retention and 6-year warranty for lasting exterior performance.



In waterproofing, **Dulux Aquatech DampProtect 2in1** with AquaProtect technology was launched for both walls and roofs, providing up to 8 years of reliable protection from moisture, dampness and seepage.

In enamels, the **upgraded Dulux PU Enamel 12-in-1** delivers durable metal and wood finishes with superior gloss, anti-rust, anti-fungal, and anti-yellowing benefits, in more than 3,000 shades.



Launch of new **Dulux Promise Freedom** with advanced Latex Technology made upgrading from distemper to a more durable entry-level interior and exterior emulsion at affordable price point. It delivers longer-lasting protection with three key benefits: enhanced whiteness, improved coverage, and a smoother finish.

**Dulux Professional M900 Premium Gloss Enamel** marked the Company's debut enamel offering in the projects segment. This high-shen, multi-surface gloss offers exceptional gloss retention, washability and exceptional resistance to wear-and-tear making it ideal for high-traffic surfaces and project exteriors exposed to demanding conditions.

**Dulux Weathershield TR E2000** was upgraded with Ultra Defence Technology and PU technology to deliver 15-year protection with superior dirt resistance and comes in 3000+ colour options — strengthening our Super Premium Exterior portfolio in projects.



Within distempers, we introduced Dulux Promise SmartChoice Acrylic Distemper with smoother matte finish, better hiding and choice of more than 2,000 tintable shades at an economical price point.

### Marine & protective coatings

This business is about protecting and beautifying assets, both in and out of water. Through our flagship 'International' brand, Marine & Protective Coatings find applications in a variety of end-industries including Oil & Gas, Power, Infrastructure projects and Wind Energy.

The Marine business reported strong growth in the marine industry led by global drydocks and robust growth in the coastal and fisheries market. Opportunities in New Build market were conducive with many shipyards getting ready to make more in India to cater to domestic need. The business also enjoys long standing relations with the Indian Navy. During the year, three Indian Naval Ships, officially commissioned by Shri Narendra Modi, Hon'ble Prime Minister of India, were coated by our anti-corrosive and anti-fouling marine coating solutions.

Protective business experienced double digit growth in all key segments – power, infrastructure, oil & gas and mining. Increased capex in the infrastructure segment and Government's push for renewable energy has seen increased demand in the segment which is catered by our world-class products.



Chartek® ONE is our latest single-coat, mesh-free epoxy passive fire protection innovation. It offers simplified application over assets in the energy sector by maximizing efficiency, streamlining installation process and enhancing health and safety. It provides excellent durability, three hours of fire resistance across a wide operating temperature range, and combined protection against corrosion and cryogenic conditions.

Our technology leadership positions also demonstrated strength and high performance in very aggressive environments. Case in point, our Protective Coatings — including Ceilcote 380, Enviroline 376F60, Intershield 300, Intersleek 731 & Intersleek 1001 — that protect India's biggest nuclear power project.

The rise of electronic management services industry in India is yet another tailwind for our protective coatings business growth. As India steadily emerges as a hub for data infrastructure in the Asia Pacific Region, our PFP solutions like Interchar 1190, Interchar 1260 and Interchar 1290 are being increasingly supplied to semi-conductor facilities in India. We are also part of the transformative expansion which is happening in not only the major

While increasing our presence, we are also equally invested in transforming the retail experience for Dulux paints consumers. The first set of Dulux experiential stores inaugurated in seven states (Haryana, Punjab, Bihar, West Bengal, Gujarat and Uttar Pradesh) and Union Territory of Chandigarh are offering personalized consultations, product guidance and colour inspiration to visualization.

airports but redevelopment of airports in tier-2 and tier-3 cities by supplying our world class products for both anti corrosive and fireproofing requirements.

### Powder coatings

AkzoNobel's powder coatings brands — Interpon and Resicoat — delivered strong growth during the year, driven by industrial and consumer segment performance. To better serve market demand in North and Central India, the company also began commercial production of powder coatings from its new capacity in Gwalior plant.

In 2024-25, domestic appliance coatings saw significant growth, supported by technological advancements, rising incomes, and changing consumer needs. The rollout of 5G infrastructure further spurred demand for powder coatings in telecom equipment manufacturing. Demand for office and industrial spaces also showed a strong rebound. This resurgence accelerated growth in architectural coatings, further strengthened by rising preference for 15 and 25-year warranty-grade powders and continued market leadership in bonded metallic finishes—key drivers of AkzoNobel's premium product dominance.

Interpon A3000, AkzoNobel's revolutionary single-layer powder coating for motorcycles, a first-of-its-kind in India, was launched for the key Indian market. Similarly, the prestigious Underwriters Laboratories (UL) flame retardant certification opened new opportunities for Resicoat Electric Insulation range in the growing electric vehicle market, where the demand for more sustainable and high-performance coatings for electrical insulation is surging.

to productivity increase by up to 25%, and it now comes with Eco+ services including energy audits, process optimization, and the energy calculator, empowering customers across industries to effectively reduce their carbon footprint while improving operational efficiency.

Looking ahead, India's powder coatings market is projected to grow at a 6.4% CAGR from 2024 to 2026, supported by GDP growth, urbanization, and the global sustainability agenda.

### Automotive and specialty coatings

Delivering cutting-edge coating solutions to a variety of industries, our Automotive and Specialty Coatings ('ASC') in India comprises of Automotive OEM Coatings, Consumer Electronics Coatings, Vehicle Refinishes and Specialty Coatings.

As per SIAM (Society of Indian Automobile Manufacturers), the Indian automobile industry grew 7.3% in 2024-25 led by utility vehicles and EVs. Performance for the ASC business was supported by bodyshop wins, distribution expansion and strong brand performances. In the refinish segment, new launches such as Sikkens body fillers and Wanda ready mix shades were well received, while auto segment benefited from share gains. Government initiatives towards sustainable mobility and PLIs (Production Linked Incentives) and improved access to vehicle financing are expected to also support demand going forward.



Going full throttle with Interpon A3000 – our first single layer powder coating for two-wheelers; AkzoNobel is giving motorcycle manufacturers and their suppliers the perfect combination of sustainability, durability and style for their modern designs, while accelerating their efficiency gains.

Our Interpon Low-E powder coatings range that allows curing at just 160°C with up to 20% reduced energy consumption leading



Vehicle refinish gets even more simplified for bodyshops with the new Wanda ready-mixed shades

A key innovation launched this year in the mid-market segment was Wanda Eazy RM Basecoat, a ready-mixed basecoat system in 16 shades. The fast drying ready-mixed formula is designed for consistent colour accuracy, easy spray-ability with quick flash-off time, making it a practical choice for achieving OEM-quality solid, metallic and pearl refinishes with ease and efficiency.

Coating a more sustainable future of mobility, we also became the exclusive supplier of automotive interior coatings (automotive plastic) for two new premium electric vehicle models launched by one of India's leading automotive companies during 2024-25. In addition, we began commercial supplies of our newly developed Low VOC coatings for door trims and switch shades for the leading car manufacturer.

## Industrial coatings

Serving the buildings and infrastructure industries, consumer goods, the Industrial Coatings (ICO) business includes Coil and Extrusion Coatings, Packaging Coatings, and Wood Finishes and Adhesives.

Coil & Extrusion Coatings provide high performance coating solutions to building construction & infrastructure industry for roofings, building structures, aluminum composite panels segments and Domestic Appliances segments. While muted Coil market demand prevailed in the earlier part of the year, the latter half saw a sharp recovery in demand across markets. The revival of the capital expenditure (Capex) cycle is providing a strong boost to the Coil Coatings business. This segment is benefiting from India's expanding infrastructure and manufacturing sectors and is expected to grow in line with the GDP. The Appliance segment also showed promising growth, with increasing demand contributing positively to our performance.

On the Packaging Coatings side, we are witnessing strong interest in Bisphenol-A non-intent (BPANI) products, driven by changing regulations in Europe. Additionally, the demand for UV LED-curable inks is on the rise due to their energy efficiency and sustainability benefits.

During the year, ICO launched multiple new products, all developed with customer needs at the core, reinforcing our commitment to innovation and market responsiveness.



In Coil Coatings, Primer-less Top-Coat, our latest roofing solution developed in collaboration with TATA BlueScope Steel, received robust market response on launch. In Packaging Coatings, Aquaprime™ 250, a water-dilutable external can coating and Aqualure™ 900, an internal spray lacquer received approvals from leading beverage brands.

## Internal control systems

The Company has implemented internal control systems that are tailored to the nature, scale and complexity of its business operations. Our robust internal control framework allows us to stay ahead of evolving challenges and ever evolving risk profiles, thus enabling us to achieve predictable and desired outcomes. We have established necessary policies and procedures to safeguard assets, prevent and detect frauds/errors, to ensure the orderly and efficient conduct of our business.

These Internal Financial Controls are designed at both the entity and process levels in accordance with the requirements of the Companies Act, 2013. Regular testing and review of the internal control systems are conducted at specified intervals, covering major processes across our offices and manufacturing sites. The effectiveness of these internal financial controls is assured through management reviews, self-assessment, and independent testing by the Statutory Auditors of the Company. Any audit observations and subsequent actions are reported to the Audit Committee, which evaluates the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those related to strengthening the Company's risk management policies, processes and systems.

Your Company is dedicated to its commitment of upholding the highest standards of ethics and compliance throughout its business processes. We utilize robust 3<sup>rd</sup> party IT tools to drive and enforce compliance across its operations. As required under the listing regulations, the Board of Directors reviews the compliance report on quarterly basis pertaining to all applicable laws for the entity apart from the review by the Risk Management Committee.

Further, the Risk Management Committee is entrusted with the responsibility of monitoring the execution of the risk management plan and providing updates to the Board on a regular basis.

## Risks and opportunities

### (a) risks and concerns

Risk management plays a crucial role in corporate governance and strategy development. We recognize that risk assessment and mitigation are ongoing processes that must adapt to the evolving risk and legal landscape, encompassing short-term, medium-term, and long-term challenges.

At AkzoNobel, we believe that implementing systemic risk management practices is essential for effectively navigating towards our business objectives and ensuring sustainable growth in a volatile, uncertain and complex environment.

We understand the importance of operating within the dynamics of the paints industry and taking calculated risks to maintain our competitive edge in the market. Our responsible management teams and functional experts identify risks which are followed by formulation of appropriate and timely mitigation planning and actions.

Through our risk management framework, we strive to provide reasonable assurance that our business objectives can be achieved and our obligations to various stakeholders can be fulfilled. The Board oversees the implementation of risk mitigation measures for key risks, as identified by the Risk Management Committee which meets at least twice a year. Additionally, the Audit Committee provides oversight in the realm of financial risks and controls.

Company's policy on Risk Management is available on Company website [www.akzonobel.co.in](http://www.akzonobel.co.in) and can be accessed from <https://akzonobel.co.in/pdf/policy/RiskManagementPolicy.pdf>.

## Risk description and mitigation

Risk	Risk description	Mitigation
Strategic Review Internal; Business	Business is encountering challenges in both retaining and attracting Customers, Vendors & Employees	Strengthen relationships with customers, vendors, and employees by/through: <b>Customers:</b> Transparent Communication about the developments and how they may benefit. Enhance. Customer Experience by delivering exceptional service and personalized interactions to build trust and loyalty. <b>Vendors:</b> Engaging in regular, open dialogues with vendors to understand mutual goals and address concerns promptly. <b>Employees:</b> Investing in Employee Development by providing trainings and career advancement opportunities. Providing employee retention plan and awards.
Occupational hazard Internal; Operational	Manufacturing processes have inherent risks of injury and occupational hazards in the form of exposure to harmful materials/waste	Strict adherence to Company's HSES Policy. Continuous awareness and training sessions with employees. Periodic risk assessments.
Cyber security External; Operational	The risk of significant business disruption and/ or inadequate recovery following a cybersecurity attack, leading to potential loss of sensitive information, intellectual property, financial or reputational damage.	Established an Information and Cybersecurity Management System (ISMS) with a risk-based security framework. Established and Implemented Security Operating Centre (SOC) for real time monitoring of (cyber) security risks. Continuous reinforcement of cybersecurity culture by providing mandatory training and awareness session. Security assessments & continuous monitoring of infrastructure capacity. Utilizing updated Information and Cybersecurity Policies framework.
Statutory Compliances External; Compliance	The local regulatory environment is continually evolving leading to considerable increase in regulatory scrutiny as well as stakeholders' expectations vis-à-vis Compliances. We recognize that non-compliance with applicable laws and regulations poses a threat to our financial and reputational standing.	The Company has zero tolerance policy against non-compliance. Review of all applicable compliances through a third-party compliance tool. Periodic compliance status reported to the Board of Directors as per SEBI LODR. Focused Talent Acquisition Strategy.
Attract and retain Talent Internal; Operational	Challenges in attracting and retaining talent due to market competition and the fast-evolving business environment.	Retention Rewards for Critical and Key Talents Transparent Communication & Employee Engagement.
Loss of market share External; Operational	Risk of competition & new entrants disrupting certain segments/market share. Digital disruption by competition and new entrants.	Strengthen attractiveness by making dealer profitability competitive while increasing investment behind Dulux brands. Accelerating numeric reach/ post penetration across identified geographies. Intensifying participation in adjacent growth categories
Data privacy & Information Security Internal; IM	Failure to protect personal data and comply with data privacy internal rules and external regulations could risk companies in terms of financial penalties, operational inefficiencies, intervention by regulators and reputational loss.	Continuous actions to be embedded in working processes. Security operations monitoring. Privacy by design when implementing new solutions.

## b) Opportunities and threats

Our success as an organisation depends on our ability to identify risks and exploit opportunities around our business and the markets we operate in. Listed below are some of the opportunities before your Company.

Opportunity	Opportunity	Actions
Growing in Channels for the future	With the advent of technology- enabled distribution models, there has been a hyper fragmentation of channels. Accelerated growth of e-Commerce and Q-Commerce has brought about a huge opportunity to tap into these channels and drive business growth.	Several new initiatives have been launched which include: <ul style="list-style-type: none"> <li>Digitalisation through e-commerce initiatives</li> </ul>
Increasing market reach	Growth and market penetration by maintaining and enhancing market share and expanding into adjacent segments	Expansion of geographic presence by: <ul style="list-style-type: none"> <li>Launches/re-launches of products and continued investment in innovation.</li> <li>Media Campaigns</li> <li>Expansion of Waterproofing range</li> </ul>
Digital Transformation	Opportunities arising from rapidly emerging digital technologies present a chance to make meaningful interventions and develop capabilities across the value chain redefining the way we do business with a focus on customer experience to build long term relationships.	<ul style="list-style-type: none"> <li>Investing time and resources to develop compelling content and presence across various social media platforms for the consumers.</li> <li>For further details, please refer to the section on 'Information Technology /Digitalisation'.</li> </ul>

Your company is working with a greater focus on differentiated and wholesome solutions to mitigate the threats due to continuously shifting consumer preferences and changes in competitive landscape over the last few years.

## Human resources

### Diversity and inclusion initiatives

Over the past year, our organization has continued to advance its commitment to building a diverse, inclusive, and equitable workplace. Through a series of impactful programs and initiatives, we created platforms for open dialogue, empowerment, and representation across our workforce.

Our commitment to social impact was reflected in a meaningful initiative led by the *Women Inspired Network (WIN)*. Titled "*Hygiene First, Health Always*" and held at PMC *Saraswati Prathamik Vidyalay* in Pune, the program aimed to empower young girls through education on crucial health and hygiene topics.

Further, as part of our Global WIN network, we had specific events focused around *Women in Sales* and *Women in IT*. Building on our Global WIN network's focus, these events fostered crucial conversations around opportunities and challenges for women in these fields.

We celebrated *International Women's Day* and *International Men's Day* across our locations, recognizing the unique contributions of all employees and encouraging thoughtful conversations around equity, inclusion, and respect. The highlight of the Women's Day celebration was an engaging session on leadership, personal development, and achieving balance between professional and personal priorities. For *International Men's Day* the discussions were centered around *mental well-being*, with a special focus on creating awareness and support around men's health. A *panel discussion on men's wellness* was organized, encouraging open dialogue on mental health, emotional resilience, and the importance of seeking

support—helping break stigma and promote holistic well-being for all employees.

Additionally, *Women's Coffee Connect* sessions were held across multiple locations, creating supportive, informal spaces for women to network, exchange experiences, and foster stronger peer relationships. There were specific sessions focusing on "*Wellbeing for Women*" which focused on improving women's health and sense of wellbeing. These gatherings promoted inclusion, peer mentorship, and a sense of community.

As part of our infrastructure initiatives, we inaugurated a dedicated *WIN room* at our Bangalore manufacturing facility. This thoughtfully designed space demonstrates our ongoing commitment to creating inclusive environments that support the privacy, comfort, and well-being of our women employees.

In talent acquisition, we have prioritized the recruitment of diverse talent, particularly through our *Sales trainee program in Tier 2/3 cities*.

Through these collective efforts, we continue to cultivate a workplace where diversity is celebrated, inclusion is practiced daily, and every employee feels empowered to contribute and thrive.

As an organization we truly believe and work towards creating an inclusive environment for our employees and providing equal opportunities to shape a high-performance culture where people grow, collaborate, feel included, adapt quickly, and deliver with pride on our promises.

### Employee engagement:

Our employee engagement initiative is centred on the premise of shaping a positive and inclusive workplace, leadership and employee engagement, and extending well-being and support to our employees.

Our commitment to ethics, inclusion, and recognition is embedded in programs like **WIN India Network, POSH & Speak Up**. Fun at Work initiatives, including **Q for Curious, Regional Sports Events and Festival Celebrations**, foster team spirit and engagement. Regular Festival Celebrations and Employee Birthday recognitions help build a warm and connected workplace culture.

Leadership accessibility and transparent communication are enabled through **CEO Town Halls HR Open House**. Career growth is supported by **HR Career Café** and **One-on-One Connects**, while **AkzoNobel Talks** and **Learning Café** drive peer learning and collaboration.

We continuously invest in employee recognition through structured programs such as **Flying Colours** which is our flagship program for Rewards & Recognition to recognize exemplary performance by individuals and teams across various award categories including Achiever of the Year, MD Award, Best Team of the Quarter/Year. **Spot Awards** are also given out for instant appreciation of outstanding performance. Initiatives like **Kaizen** encourage continuous improvement by inviting employee suggestions for process enhancements. Best Performance or Volume Out Celebrations highlight team achievements and milestones.

Our employee engagement platform, '**Voices**,' launched in 2023, drives actionable insights through our annual employee pulse survey. In India, the 2024 survey achieved an **96%** participation rate across all employee lifecycle stages, allowing us to identify strengths, improvement areas, and monitor trends to foster a better work environment.

The employee engagement focus for FY 24-25 was **Go-local**. We had region specific employee engagement initiatives with our emphasis on collaboration and team spirit being reflected in **Team-building Activities, Picnics, Family Days, and Cricket Tournaments/Sports Events**.

Awareness Sessions were conducted on health, safety, policies, and other important topics, reinforcing a culture of responsibility and knowledge-sharing.

We also emphasize participative leadership through initiatives that involve employees in management participation, fostering ownership, innovation, and trust at all levels.

A holistic **Total Well-being Strategy** integrates **EAP, free health check-up camps, and medical insurance** were established. **Blood donation drives** were organized across locations with **235 employees** participating in the initiative. Financial literacy programs like **Wealth Wisdom** were organized to ensure financial wellness of the employees.

### Talent development:

Talent Management took a centre stage in our HR agenda for 2024. As part of our **Talent Management Rebuild agenda**, all employees in managerial grades underwent the **9 box talent assessment** initiative which helps the organization in identifying high-potential talent, tailoring development plans, and making informed succession planning decisions.

Within Integrated Supply Chain, **GIMT (Grow India Manufacturing Talent)** program, a Hi-Potential talent developmental program was being implemented to develop leadership capability within ISC. It was launched in 2023 and continued to develop further in 2024.

The off-roll talent development program 'Gurukul' continued its strong trajectory with the launch of **Gurukul 2.0**. This focused learning intervention aimed to significantly boost frontline capability, product expertise, and overall execution excellence. AkzoNobel globally launched the **AkzoNobel Expectations** initiative, which was designed to guide how employees, especially leaders, conduct their work. Launched in February 2024, these expectations focus on six key areas:

## AkzoNobel expectations

- 1 Focus on customers:**  
Understanding and driving customer impact.
- 2 Drive performance:**  
Delivering results through clear objectives and adaptability.
- 3 Simplify:**  
Making processes easier for customers and colleagues.
- 4 Foster accountability:**  
Taking responsibility for commitments and results.
- 5 Build a bias for action:**  
Making informed decisions quickly.
- 6 Engage:**  
Building trust and collaborating positively with others.

These expectations are being integrated into performance management processes and are expected to be demonstrated by all employees.

## Training & development:

At AkzoNobel, our Learning & Development efforts in 2024–25 were shaped by the 70:20:10 model, which emphasizes experiential learning, peer interactions, and formal training. Across functions, we delivered 175 impactful learning sessions, providing 3,400 man-hours of training to strengthen both technical and behavioural capabilities. Key focus areas included the 'Manager as a Coach' program and a strong emphasis on generic skills development.

### Among the wide range of topics covered, notable trainings included:

**'Effective Managerial Conversations'** and **'Courageous Conversations'** – empowering leaders to engage with empathy and clarity.

**'Talent Management for People Managers'** – building awareness and capability to manage performance and potential effectively.

**'Project Management Essentials (Virtual)'** and **'Process Management Improvement' (Modules 1–6)** – strengthening project delivery and process excellence.

**'Finance for Non-Financials'** – demystifying financial concepts for broader employee understanding.

**'Xara Inspiration Sessions (AI)'** – introducing employees to emerging technologies and future-focused thinking.

**'D&I: Inclusive & Respectful Workplace'** and **'Anti-Bribery and Corruption'** – reinforcing our commitment to compliance and an ethical workplace culture.

These programs were designed not just to upskill employees but also to align their development with business priorities, fostering a culture of continuous learning and performance, thereby creating a high-performance team with adequate empowerment and decision making.

## Nomination and remuneration policy

The Nomination and Remuneration Policy relating to the Directors and Key Managerial Personnel ('KMP'), as formulated by the Nomination and Remuneration Committee ('NRC') and approved by the Board of Directors, inter alia, stipulates the criteria for board diversity, appointment and remuneration of Directors and KMPs which include determination of qualifications, positive attributes, independence of a director, reviewing succession plans, evaluation of Board performance, etc. The terms of reference of the Nomination and Remuneration Committee is outlined in the Corporate Governance section (Annexure I to this Report).

The NRC Terms of Reference cum Policy is available on Company's website at <https://akzonobel.co.in/pdf/policy/NRC-Terms-of-Reference-Policy.pdf>

Information required under Section 197(12) of the Act read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, forms part of this Report. However, in terms of the provisions of Section 136 of the Act, the Annual Report is being sent to members excluding the aforementioned information. Any member interested in obtaining such particulars, may inspect the same at the registered office of the Company by writing an email to [investor.india@akzonobel.com](mailto:investor.india@akzonobel.com). The disclosures below are made in terms of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended:

Name	Status	(i)	(ii)
		Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25	Percentage increase in remuneration during 2024-25 over 2023-24
Rajiv Rajgopal	Chairman & Managing Director	45.19	22% increase in base salary based on Industry benchmarking
Krishna Rallapalli	Wholetime Director and CFO	18.16	8% increase in base salary based on Industry benchmarking
Rohit Ghanshyamdas Totla <sup>§</sup>	Wholetime Director	25.29	15% increase in base salary based on Industry benchmarking

Name	Status	(i) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25	(ii) Percentage increase in remuneration during 2024-25 over 2023-24
Amit Jain*	Independent Director	N.A.	N.A.
Hemant Sahai	Independent Director	2.91	Increase in amount of sitting fees effective 1 <sup>st</sup> August 2024 and due to more no. of meetings during the year.
Smriti Rekha Vijay <sup>#</sup>	Independent Director	N.A.	N.A.
Namrata Kaul <sup>%</sup>	Independent Director	N.A.	N.A.
Anil Chaudhry <sup>§</sup>	Independent Director	N.A.	N.A.
Rajiv L. Jha <sup>^</sup>	Company Secretary & Compliance Officer	7.23	10.17% increase in base salary based on Industry benchmarking

\* ceased to be an Independent Director of the Company on expiry of his term of office (effective 13<sup>th</sup> August 2024, close of business hours)

<sup>#</sup> resigned from the Independent Directorship of the Company on account of health challenges (effective 22<sup>nd</sup> November 2024)

<sup>%</sup> appointed as an Independent Director of the Company effective 5<sup>th</sup> August 2024

<sup>§</sup> appointed as an Independent Director of the Company effective 22<sup>nd</sup> November 2024

Description	Remark
iii. Percentage increase in the median remuneration of employees in the financial year	8.22%
iv. Number of permanent employees on the rolls of the Company	1,577 as on 31 <sup>st</sup> March 2025
v. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average increase in base salary of non-managerial personnel was 6.28% which is considered in line with the prevailing market conditions and other relevant factors.

It is hereby affirmed that the remuneration to managerial personnel referred to above is as per the Nomination and Remuneration Policy of the Company.

#### Notes:

- The aforesaid details are calculated on the basis of remuneration paid for the financial year 2024-25
- Median remuneration in the Company (Base Salary) for all its employees was ₹ 1.04 million for the financial year 2024-25.
- Remuneration to Directors includes sitting fees paid to them for the financial year 2024-25.
- Remuneration to Directors is within the overall limits approved by the shareholders.

## Corporate governance

Maintaining high standards of Corporate Governance has been fundamental to the business of your Company since its inception. In compliance with Regulation 34 read with Schedule V of the Listing Regulations, a Report on Corporate Governance for the year under review is presented in a separate section as Annexure I to this Annual Report.

## Board evaluation

Your Company has a robust mechanism to evaluate the performance of all Board members. A detailed disclosure regarding the parameters and process of Board evaluation, along with the outcomes, has been provided in the Report on Corporate Governance.

## Vigil mechanism / whistle blower policy

Your Company has a Vigil Mechanism / Whistle Blower Policy, which lays down the process to convey genuine concerns and

seek resolution towards the same without fear of retaliation. The Policy requires the Investigation team of AkzoNobel to investigate such incidents, when reported, in an impartial manner and take appropriate action to ensure that the requisite standards of professional and ethical conduct shall remain intact. It is your Company's Policy to ensure that no complainant is victimised or harassed for bringing such incidents to the attention of your Company or the Chairman/Chairperson of Audit Committee, and to keep the information disclosed during the investigation as confidential. The implementation of the Vigil Mechanism / Whistle Blower Policy is overseen by the Audit Committee and no employee was denied access to the Committee during the year under review.

A detailed update on the functioning of the Vigil Mechanism / Whistle Blower Policy has been provided in the Report on Corporate Governance. The Policy is available on the company's website [www.akzonobel.co.in](http://www.akzonobel.co.in) and can be accessed from [https://akzonobel.co.in/pdf/policy/Whistle\\_Blower\\_Policy.pdf](https://akzonobel.co.in/pdf/policy/Whistle_Blower_Policy.pdf).

## Sustainability

Sustainability is considered as a fundamental driver of value by the Board of your Company. We strongly believe that integrating the creation of societal value into our corporate strategy not only fosters innovation but also ensures sustainable growth for all stakeholders.

In order to remain the best in class on Sustainability and Governance by adopting various ESG initiatives to build a better tomorrow, our focus is on providing pioneering paints and coatings that not only protect the world today but also safeguard it for generations to come. Furthermore, our sustainable business approach aligns with the global agenda outlined in the United Nations Sustainable Development Goals (SDGs).

We are committed to pursuing economic growth while minimizing our ecological footprint and maximizing our positive social impact. This commitment forms the foundation of our company's purpose, brands, core principles, and employee value proposition. It continues to serve as a catalyst for growth, innovation, and productivity.

Company's policy on Sustainability is available on Company website [www.akzonobel.co.in](http://www.akzonobel.co.in) and can be accessed from <https://akzonobel.co.in/pdf/policy/Sustainability-Policy.pdf>

For the information summarised in Annexure II-A to this report, the criteria used is the "BRSR Core" (mandatory since FY 2023-24), which is a subset of the BRSR, consisting of a set of Key Performance Indicators ("KPIs")/ metrics under Nine Environmental, Social and Governance ("ESG") attributes, as per the format of BRSR Core specified in Annexure 17A read with the format of BRSR and the guidance note given in Annexure 16 and 17, respectively, of the SEBI Master Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, and the 'Industry Standards on Reporting of BRSR Core' issued by SEBI vide circular SEBI/HO/CFDPoD- 1/P/CIR/2024/177 dated December 20, 2024 (collectively referred to as the "SEBI Circulars").

## Corporate social responsibility

Your Company fully understands its role and responsibilities when it comes to society and contributing to the communities in which it operates. This forms an integral part of its sustainability agenda. Your Company engages with people and partners with various non-governmental organizations, corporates, government bodies, NGOs, self-help groups, Govt.-backed projects, in order to support sustainable projects and causes within its CSR realm. The CSR agenda of your Company is based on economic development through the broad pillars of skill building, education and community healthcare and is governed by the CSR Policy of the Company read with Schedule VII to the Act and monitored by the CSR Committee and Board.

### Community healthcare (Arogya Disha and Arogya Sakha)

Your company has provided preventive and curative healthcare facilities to community through Arogya Disha and Arogya Sakha projects. Arogya Disha operates 5 community healthcare e-clinics which provide OPD facility along with tests and medicine. The

centres have benefited around 15,000 individuals this year. Arogya Sakha is a Tele consultation clinic which provides on call OPD consultation to painter community across India. Over 6,000 individuals from 5 States of India availed the facility in the year.

- 21,000 OPD provided in the year through Arogya Disha and Arogya Sakha.
- 98 Kids diagnosed with retinoblastoma were supported with drugs, diagnostics, surgery and prosthesis & implants. Another 133 kids supported with non-formal education.
- Karnataka State Health Department has provided Appreciation Letter for providing healthcare support to community through the community healthcare clinic and tele clinic.
- Community Healthcare project completed its 5 years of service and provided healthcare services to more than 90K people during the period.

### Parivartan project

Parivartan (Change) project has been supporting more than 7,000 kids from their elementary education to higher secondary education. The project is running in partnership with government schools, Anganwadi centres and local communities in Bengaluru (Karnataka), Hyderabad (Telangana), Mohali (Punjab), Navi Mumbai (Maharashtra), Gwalior (Madya Pradesh) and Gurugram (Haryana).

The project has been providing enabling and interactive environments for the kids. Further self-defence training has been included at Gwalior and Gurgaon centres where 200 girl children benefitted in the year.

- Project operational in 25 government schools and 6 special centres in community.



Celebrating half a decade of Project Parivartan in Mohali in partnership with the Department of School Education (Govt. of Punjab), Akzo Nobel India gifted a new dose of joy to nearly 750 children of two Government High Schools. Eight inspiring wall murals were created with nearly 700 liters of Dulux paint. Benefitting over 2,000 children annually in the district, Project Parivartan is not only enabling academic enrichment but going beyond to unlock holistic development and access to quality healthcare for the children and their families

## Skill Development

Your company has been instrumental in promoting skill development, employability skilling and entrepreneurship development in youth and women. Skilling has been provided through paint academies, partnership, Deco Kaushal Vahan (Skill Van) and community based training. Indradhanush project provides opportunity to bring entrepreneur skill of women in life.

- More than 3,700 trainings provided in the year which includes 200 prison inmates and 154 drug addiction rehabilitated youth.
- Two new Kaushal Vahan's for Deco and Vehicle Refinishing launched at Uttar Pradesh and Rajasthan. In 2024-25, Deco Kaushal Vahan upskilled 2,000 painters while the VR Vahan has upskilled 360 painters.
- Indradhanush Project footprint now covers more than 2,000 villages across India through 683 NCPO's.
- 3,000+ rural women painters and entrepreneurs increase their income by 20-25% (Average women NCPO's profit has increased by ₹ 1,000-1,500/- month).

The additional income has improved their socio-economic condition significantly.

- The project reached the milestone of 1,000 women-led stores in December 2024.
- Appreciation letter received from Maharashtra Prison Department for our livelihood rehabilitation for prison inmates.

## Awards

Your Company has been recognised with various excellence in CSR projects award.

- has received Certificate of Achievement at 2<sup>nd</sup> North-East CSR Award 2024 organised by TISS (Guwahati) for providing Skill training to youth rehabilitated from drug use.
- has received 2024 CII CII-ITC Sustainability Award-significant excellence in CSR Domain.
- is in final jury round of FICCI CSR Award 2024 (Skill Training Category).



With the power of our paint, Project Indradhanush is driving a more sustainable livelihood-linked future for women in rural India. Over 3,100 women micro-entrepreneurs across 940 villages in seven states of India have carved out new careers as skilled professional painters and paint entrepreneurs. For many like 40-year-old Avanti Bai, a seasonal agricultural labourer in Ratlam district, Project Indradhanush means a new sense of confidence in their abilities and financial empowerment for their families. It's also going beyond to paint a more equitable future for the Indian paints and coatings industry.



## Conservation of energy, technology absorption and forex earnings and outgo

Your Company continues to use its research and development base to bring to consumers new products with improved performance features and for special applications. The details of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required under section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as Annexure III to this report.

## Information technology/digitalisation

Our digitalization initiative acts as a means to maintain competitiveness and leverage emerging technologies which, in turn, has brought about transformative changes in our business cycle, resulting in factory automation, advanced analytics, and improved customer experiences and at the same time driving productivity. We are also using Advanced Planning Transformation (APT) tool to optimize our supply chain, enabling enhanced connectivity and improving demand and supply planning which has ultimately led to higher service levels, reduced inventory, and cost savings.

Automation and advanced analytics have been playing a pivotal role in achieving our Distribution 2.0 goals. Our tailored replenishment tool enhances demand management, optimizes stock tracking, and ensures efficient network management, guaranteeing product availability even in remote locations.

We are focused on implementing smart factory initiatives to enhance manufacturing competitiveness. By incorporating Internet of Things (IoT) technologies, we are improving production efficiencies, enabling predictive debottlenecking, and enhancing safety measures across our sites.

We have a portal on Overall Equipment Effectiveness (OEE) for our critical equipment in our manufacturing facilities which help us drive the efficiency improvement. Also, we have installed Automated Guided Vehicles (AGV) in 2 of our manufacturing facilities as part of automation and the implementation of Automated Storage and Retrieval System (ASRS) is in progress at Gwalior facility.

To ensure compliance with the AkzoNobel Code of Conduct, industrial hygiene and occupational health standards, Insider Trading policy, and statutory requirements, we have been utilizing digital assurance and compliance platforms.

## Policy against sexual harassment

The Company has implemented a comprehensive Prevention of Sexual Harassment at Workplace Policy pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2023 ("POSH Act"). This inclusive policy addresses governance mechanisms and prevention measures for the women employees. It is accessible on the Company's website at [www.akzonobel.co.in/corporate-governance.php#policy](http://www.akzonobel.co.in/corporate-governance.php#policy). The policy aims to prevent and discourage sexual harassment, outlining procedures for resolution and settlement. The Internal Complaints Committee as constituted in compliance with the POSH Act is functioning properly. Awareness workshops and programs are conducted throughout the organization to promote understanding and prevent sexual harassment.

Two complaints were reported during FY 2024-25 which stands disposed off as on 31<sup>st</sup> March 2025, and further disclosures in this regard can be found in the Corporate Governance Report.

## Related Party Transactions (RPTs)

The Company's Policy on Related Party Transactions (RPTs) can be found on the company's website at [www.akzonobel.co.in/pdf/policy/Related\\_Party\\_Transactions\\_Policy.pdf](http://www.akzonobel.co.in/pdf/policy/Related_Party_Transactions_Policy.pdf).

This Policy ensures proper reporting, approval, and disclosure processes for all transactions between the Company and Related Parties.

All Related Party Transactions, along with any material modifications, are reviewed and approved by the Audit Committee including by way of grant of omnibus approval within the Related Party Transactions Policy framework for repetitive transactions in the ordinary course of business and at arm's length.

Independent review by a reputable accounting firm is conducted for these Related Party Transactions including aspects of ordinary course of business and at arms' length to ensure compliance with the applicable provisions under the Companies Act, 2013 and the Listing Regulations.

### During the period under report:

- (a) all the related party transactions were conducted in the Ordinary Course of Business and at Arm's Length basis.
- (b) No Material Related Party Transactions, as per the Board's materiality threshold, were entered into by the Company except with the prior approvals of the Audit Committee and the shareholders of the Company, as the case may be.
- (c) No materially significant related party transactions were entered into with the Promoters, Directors, and/or Key Management Personnel that could potentially conflict with the Company's interests at large.

Please refer Note No. 34 in the Financial Statements for related party disclosures in accordance with IND AS 24. In compliance with Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, a statement of contracts/arrangements with related parties, including certain arm's length transactions, are disclosed in Form AOC-2, which is included in this report.

## Particulars of loans, guarantees or investments

There are no loans given or guarantees issued that are covered under Section 186 of the Act read with the Rules made thereunder. Details of investments made under the said Section are covered in Note No 5.1 of the Financial Statements for the year under Report.

## Auditors & audit report

### Statutory auditors

M/s. Price Waterhouse Chartered Accountants LLP continue as the Statutory Auditors of the Company and shall hold office till conclusion of the Annual General Meeting to be held in the

year 2026 and they have confirmed that they duly fulfil the requirements under applicable laws and regulations to continue as the Auditors of the Company.

The Statutory Auditor's report does not contain any qualifications, reservations, or adverse remarks or disclaimer except two factual reporting which are self-explanatory.

### Secretarial auditors

In terms of Section 204 of the Act, Secretarial Audit was conducted for the financial year 2024-25 by M/s A K Labh & Co., Company Secretaries, Kolkata. Their report is appended to the Board's Report, and it does not contain any qualification, reservation or adverse remarks.

Pursuant to the Regulation 24A of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Third Amendment Regulations, 2024, a listed company needs to appoint a Secretarial Auditor in the Annual General Meeting for a period not exceeding five years at a time. Accordingly, it was decided by the Audit Committee and Board to recommend the appointment of the existing Secretarial Auditor M/s A K Labh & Co., Company Secretaries, Kolkata, as the Secretarial Auditor of the Company for a period of 5 (Five) years for approval of the shareholders at the ensuing 71<sup>st</sup> Annual General Meeting to conduct the Secretarial Audit of the Company commencing from the financial year 2025-26 till the financial year 2029-30 and his appointment shall remain valid till the Annual General Meeting to be held in the year 2030. Written consent of the Secretarial Auditor and confirmation to the effect that they are eligible and not disqualified to be appointed as the Secretarial Auditor of the Company in the terms of the provisions of the Listing Regulations, the Companies Act, 2013 and the rules made thereunder, has been received.

Additionally, in compliance with Regulation 24A of the Listing Regulations, the Secretarial Compliance Report for the Financial Year 2024-25 was received from M/s. A. K Labh & Co., Company Secretaries. This report pertains to the Company's adherence to the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, and the Rules, Regulations, Circulars, and Guidelines issued thereunder, as applicable.

The Secretarial Compliance Report is available on the Company's website and can be accessed at the following weblink: <https://akzonobel.co.in/investors.php#scr>

### Cost auditors

In terms of Section 148 of the Companies Act 2013, Cost Audit was conducted for the year 2024-25 by M/s Chandra Wadhwa & Co., New Delhi. The Cost Audit report for the year 2023-24 was filed with MCA within the stipulated time.

The Board has re-appointed M/s Chandra Wadhwa & Co., New Delhi as the Cost Auditors for conducting Cost Audit for the financial year 2025-26, whose remuneration is subject to ratification by the shareholders at the forthcoming AGM.

### Cost records

The Cost Accounts and records as required under Section 148(1) of the Act are duly maintained by the Company and audited by the Cost Auditors.

### Annual return

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, as amended, the Annual Return of the Company is available on the website of the Company at [www.akzonobel.co.in](http://www.akzonobel.co.in) and can be accessed from [www.akzonobel.co.in/investors.php#anr](http://www.akzonobel.co.in/investors.php#anr).

### Directors & key management personnel

The Board composition has undergone changes since the last Board's report. Mr. Amit Jain and Ms. Smriti Rekha Vijay ceased to be the independent directors of the Company effective 13<sup>th</sup> August 2024 (end of business hours) and 22<sup>nd</sup> November 2024, respectively, whereas Ms. Namrata Kaul and Mr. Anil Chaudhry had been appointed as the Independent Directors of the Company for a period of 3 (three) years each, effective 5<sup>th</sup> August 2024 and 22<sup>nd</sup> November 2024, respectively and such appointments got subsequently approved by the shareholders of the Company on 12<sup>th</sup> September 2024, and 2<sup>nd</sup> January 2025, respectively.

Mr. Krishna Rallapalli will retire by rotation at the upcoming 71<sup>st</sup> Annual General Meeting (AGM) and has offered himself for re-appointment. The AGM Notice includes the appointment of Mr. Krishna Rallapalli, along with his brief profile as required by Listing Regulations.

Mr. Rajiv Rajgopal, Chairman & Managing Director, Mr. Krishna Rallapalli, Wholetime Director and CFO, and Mr. Rajiv L Jha, Company Secretary and Compliance Officer, serve as the whole-time Key Managerial Personnel of the Company under Section 203 of the Act.

### Committees of the board

The terms of reference and composition of all the Committees of the Board has been provided in the Corporate Governance Report.

### Board meetings

There were 10 (Ten) Board Meetings held during the year under review. The Board Meeting dates and the attendance of the Directors at the meetings have been provided in the Corporate Governance Report.

### Directors' responsibility statement

As required under section 134(5) of the Act, the Directors confirm that:

- a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March 2025, the applicable Indian accounting standards have been followed and with proper explanation relating to material departures, if any;

- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of your Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## General

Your Directors state that no disclosure or reporting is required in respect of the following items, as there were no transactions on these items during the year under review:

1. The Company has issued only one class of equity shares with equal voting rights.
2. The Company has not issued shares with differential voting rights and sweat equity shares during the year under review.
3. The Chairman/Managing Director or Whole time Director/s of the Company did not receive any remuneration or commission from any other company belonging to AkzoNobel Group or associate / subsidiary companies.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals, which could impact the going concern status of your Company and its future operations.
5. There has been no change in the nature of business of your Company during the financial year under report.
6. There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report except to the extent disclosed in the Annual Report.
7. Your Company did not accept any public deposit within the meaning of the Companies (Acceptance of Deposits) Rules, 2014 and accordingly, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.
8. Your Company has complied with the applicable Secretarial Standards for the Board of Directors and General Meetings (SS-1 and SS-2), issued by The Institute of Company

Secretaries of India from time to time and for the time being in force.

9. Your Company has neither made any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 with any Tribunals.
10. Your Company has not made any one-time settlement against loans taken from the Banks or Financial Institutions.
11. Independent Directors have confirmed that they meet the criteria of independence in terms of Section 149(6) of the Companies Act, 2013.
12. No fraud has been detected during the year under report. None of the auditors of the Company has reported any fraud in the Company during the year under report.

## Cautionary statement

Some of the statements in this report, describing your Company's objectives and expectations expressed in good faith, may constitute 'forward-looking statements' within the meaning of applicable laws and regulations and may involve risks and uncertainties. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

All amounts in this report and annexures thereto are in Rupees ('₹') million, unless specified otherwise.

## Acknowledgements

We thank our shareholders, our suppliers, distributors, retailers, and business partners whose continuous support and feedback helps us gain a deeper insight into the evolving needs and newer market trends, fuelling innovation and enhanced product portfolio and empowering us to stay ahead of the curve in terms of premiumisation of product. We express deep appreciation to the employees of your Company for their hard work, commitment and dedication. We also acknowledge our parent company's valuable contributions in technology and marketing, enabling improved and innovative products and enhanced customer satisfaction. We sincerely appreciate the regulatory and government authorities, bankers, stock exchanges, depositories, auditors, legal advisors, and consultants and other stakeholders. Your relentless dedication to foster a fair and ethical business environment and responsible business practices drives integrity, accountability and transparency across our business operations.

**For and On behalf of the Board of Directors**

**Rajiv Rajgopal**

Place: Gurugram  
Date: 14<sup>th</sup> May 2025

Chairman & Managing Director  
DIN: 06685599

# Annexure I

## Report on Corporate Governance

### 1. Company's philosophy on Corporate Governance

At Akzo Nobel India, we are committed to uphold the high standards of corporate governance and ethical behaviour. We maintain a zero-tolerance policy for any deviation from these standards, making them an integral part of our day-to-day business operations.

Your Company's corporate governance philosophy aims to support the efficient conduct of its business and fulfill obligations to all stakeholders. Your Company recognizes that the success of the organization is a direct reflection of professionalism, conduct, and ethical values demonstrated by its management and employees. To achieve this, your Company implements and strive for robust policies and guidelines, communicates and trains its employees, and fosters a culture of compliance.

Safeguarding the interests of all our stakeholders is of utmost importance to us. Your Company believe that a dynamic, diverse, and experienced Board, focused on excellence, plays a pivotal role in our corporate governance aspirations and commitments. Accordingly, your Company strives to maintain a Board composition that brings in a healthy balance of skills, experience, independence, assurance, a growth mindset, diversity, and deep knowledge of the sector.

The Board holds the responsibility for strategic supervision and oversight of the Company on behalf of the shareholders and other stakeholders. It represents the shareholders' and stakeholders' interests in optimizing long-term financial and non-financial returns. All significant matters are thoroughly

examined by the Board, with the full participation of non-executive and independent directors exercising independent judgment and leveraging their extensive experience and skills to enhance the decision-making process.

To fulfill our obligations and to comply with statutory requirements, the Board has established Five (5) Committees namely Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, and Corporate Social Responsibility Committee. These Committees are entrusted with overseeing specific areas, as defined in their respective Terms of Reference as determined by the Board from time to time.

The principles and policies guiding our corporate governance goals are available on your Company's website, [www.akzonobel.co.in](http://www.akzonobel.co.in), and can be accessed from <https://akzonobel.co.in/corporate-governance.php#principle> and <https://akzonobel.co.in/corporate-governance.php#policy>.

Your Company has adopted a Code of Conduct based on three core principles: Safety, Integrity, and Sustainability, to foster a culture of good governance.

Your Company adheres to the corporate governance requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'), and as reported below.

By adhering to these principles, policies, and regulations, we ensure the effective implementation of corporate governance practices and uphold the trust placed on us by our valued shareholders and stakeholders.

### 2. Board of Directors

#### Composition

The composition of the Board adheres to the relevant provisions outlined in the Companies Act and the Listing Regulations. We present below the names and categories of the Directors, along with the number of Directorships and Committee Memberships they currently hold, as of the date of this report:

Name of the Director	Category of Directorship in the Company	Directorship held in other listed entities	Directorship in other Companies# (Chairmanship)	Membership in specified* committees (Chairmanship)
Rajiv Rajgopal	Chairman and Managing Director	-	-	1
Krishna Rallapalli	Wholetime Director	-	-	1
Rohit Ghanshyamdas Totla	Wholetime Director	-	-	-
Amit Jain <sup>§</sup>	Independent Director	3**	3(1)	2
Hemant Sahai	Independent Director	2^	3	5(3)

Name of the Director	Category of Directorship in the Company	Directorship held in other listed entities	Directorship in other Companies# (Chairmanship)	Membership in specified* committees (Chairmanship)
Smriti Rekha Vijay <sup>¶</sup>	Independent Director	-	-	1(1)
Namrata Kaul <sup>§</sup>	Independent Director	4	4	8(4)
Anil Chaudhry <sup>®</sup>	Independent Director	4	5	1

<sup>#</sup> Private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 have not been considered.

<sup>\*</sup> Specified committees include only Audit and Stakeholders Relationship committees

<sup>§</sup> ceased to be an independent director of the Company effective 13<sup>th</sup> August 2024

<sup>¶</sup> ceased to be an independent director of the Company effective 22<sup>nd</sup> November 2024

<sup>®</sup> appointed as an Independent Director of the Company effective 5<sup>th</sup> August 2024 as subsequently approved by the shareholders vide postal ballot on 12 September 2024. She is holding Independent Directorship of Havells India Ltd., Vivriti Capital Limited, Schneider Electric Infrastructure Ltd., Fusion Microfinance Ltd.

<sup>®</sup> appointed as an Independent Director of the Company effective 22<sup>nd</sup> November 2024 as subsequently approved by the shareholders vide postal ballot on 2<sup>nd</sup> January 2025. He is also holding Independent Directorship of GMR Airports Ltd., Schneider Electric Infrastructure Ltd., Titan Company Ltd., Crompton Greaves Consumer Electricals Ltd.

<sup>\*\*</sup> Independent Director of Jubilant Foodworks Limited & Chairman of Sanofi Consumer Healthcare India Ltd. on the date of cessation

<sup>^</sup> Independent Director of Polyplex Corporation Limited & Acme Solar Holdings Ltd.

<sup>®</sup> Member/Chairperson of Audit Committee of Akzo Nobel India Ltd. on the date of cessation

## Board procedures

The Board of Directors, as of 31<sup>st</sup> March 2025, comprises of a suitable mix of executive, non-executive, and independent directors, in compliance with the requirements of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Regular board meetings are scheduled once every quarter to review the Company's operations and financial results. An annual calendar of meetings is circulated well in advance to all directors in order to ensure their availability. Notices for Board and Committee meetings are provided in a timely manner. In urgent cases, specific matters are addressed through additional meetings or resolutions circulated among the directors. Meetings of the Board are usually held in Gurugram, with provisions for video/audio-conferencing to enable participation by directors who may be traveling or located elsewhere.

The Board Meetings follow a structured agenda. The Company Secretary, in consultation with the Chairman, finalizes the agenda, which is shared with the Board and Committee members at least one week before the meeting. The Company has established a system of providing additional information and clarifications on agenda items before the meeting to the directors to facilitate their effective participation. All Board members have access to accurate, relevant, and timely information necessary to carry out their responsibilities.

For Committees' meetings, the respective Committee Chairperson is consulted when finalizing the agenda. In special circumstances, with the permission of the Chairperson and consent of the majority of Board or

Committee members present, additional items may be included as "any other item" during the meeting, subject to compliance with the applicable regulations.

Agendas, minutes, and related documents for Board and Committee meetings are circulated to all the Directors and Committee members, as the case may be, through a secure digital platform. This online platform facilitates seamless and paperless communication among Board members, granting them access to historical agendas, minutes, and related documents.

All Board members receive necessary documents, reports, and internal policies to familiarize themselves with the Company's business, policies, and procedures. The Board, inter alia, reviews corporate strategy, performance, annual operating and capital expenditure plans, financial statements, press releases, quarterly compliance certificates, appointment and remuneration of Directors and key managerial personnel, significant legal and tax matters, regular functional updates, relevant statutory changes, impact of judicial pronouncements on the Company, details of foreign exchange exposures and hedging, fatal or serious accidents, CSR matters, sustainability initiatives, risk management framework, appointment of auditors, statutory disclosures received from the directors, and oversight of subsidiaries' operations. All relevant information specified in the Listing Regulations is also circulated to the Board members.

To enhance their understanding of the business, various sessions related to the strategy of different businesses/ functions are conducted for the Directors. Similar sessions are organized for different functions within the Company. Pre-read materials are shared in advance to ensure these sessions are meaningful and insightful.

## Meetings and attendance

Given below is the consolidated list of meetings of the shareholders, Board and committees held during April 2024 to March 2025 and attendance details of Directors:

Meeting	Date
70 <sup>th</sup> Annual General Meeting (AGM)	1 <sup>st</sup> August 2024
Board of Directors	16 <sup>th</sup> May 2024, 1 <sup>st</sup> August 2024, 4 <sup>th</sup> October 2024, 7 <sup>th</sup> November 2024, 22 <sup>nd</sup> November 2024, 11 <sup>th</sup> December 2024, 6 <sup>th</sup> January 2025, 7 <sup>th</sup> February 2025, 19 <sup>th</sup> February 2025, and 24 <sup>th</sup> February 2025
Audit Committee	16 <sup>th</sup> May 2024, 1 <sup>st</sup> August 2024, 7 <sup>th</sup> November 2024, 6 <sup>th</sup> January 2025, 7 <sup>th</sup> February 2025, 19 <sup>th</sup> February 2025, and 24 <sup>th</sup> February 2025
Stakeholders Relationship Committee (SRC)	25 <sup>th</sup> March 2025
Nomination and Remuneration Committee (NRC)	4 <sup>th</sup> July 2024, 22 <sup>nd</sup> November 2024, 11 <sup>th</sup> December 2024, and 6 <sup>th</sup> February 2025
CSR Committee	13 <sup>th</sup> September 2024 and 31 <sup>st</sup> January 2025
Risk Management Committee (RMC)	13 <sup>th</sup> September 2024 and 25 <sup>th</sup> March 2025
Independent Directors Meeting	25 <sup>th</sup> March 2025

## Attendance in meetings

No. of Meetings held	Directors	Date of joining the Board	Date of cessation	AGM	Board	Audit	RMC	NRC	SRC	CSR
				1	10	7	2	4	1	2
	Rajiv Rajgopal	1 <sup>st</sup> Nov 2018	Continuing	1	10	NA	2	NA	1	2
	Krishna Rallapalli	1 <sup>st</sup> Dec 2021	Continuing	1	10	NA	2	NA	1	2
	Amit Jain*	2 <sup>nd</sup> Jan 2014	13 <sup>th</sup> Aug 2024	1	2	2	NA	1	NA	NA
	Hemant Sahai	3 <sup>rd</sup> Aug 2018	Continuing	1	10	6	2	4	1	NA
	Smriti R. Vijay#	16 <sup>th</sup> Aug 2019	22 <sup>nd</sup> Nov 2024	1	4	3	1	2	NA	1
	Rohit G. Totla	16 <sup>th</sup> Nov 2023	Continuing	1	10	NA	2	NA	NA	2
	Namrata Kaul®	5 <sup>th</sup> Aug 2024	Continuing	NA	8	5	2	3	NA	2
	Anil Chaudhry^	22 <sup>nd</sup> Nov 2024	Continuing	NA	5	4	1	2	NA	1

\* ceased as independent director effective 13<sup>th</sup> August 2024, close of business hours

# ceased as independent director effective 22<sup>nd</sup> November 2024



@ appointed as Independent Director effective 5<sup>th</sup> August 2024

^ appointed as Independent Director effective 22<sup>nd</sup> November 2024

'NA' signifies not a member of the relevant committee.

## Core skills for board members

The main business of the Company comprises of the manufacturing, distribution, and sale of Paints and Coatings products. In accordance with the provisions of the Listing Regulations, 2015, the Board has identified the following essential skills, expertise, and competencies of the Directors, specifically tailored to the Company's business, to ensure effective functioning of its operations:

Skills & its description	Rajiv Rajgopal	Krishna Rallapalli	Amit Jain*	Hemant Sahai	Smriti R. Vijay#	Rohit G. Totla	Namrata Kaul®	Anil Chaudhry^
 <b>Sales &amp; Marketing</b> Experience in developing strategies to grow sales & market share, build brand awareness and equity and enhance reputation based on understanding of the consumer and consumer goods industry.	✓	✓	✓	-	-	✓	✓	✓
 <b>Technical</b> Significant background in technology resulting in knowledge of how to anticipate technological trends, generate disruptive innovation.	✓	-	✓	-	-	-	-	✓

Skills & its description	Rajiv Rajgopal	Krishna Rallapalli	Amit Jain*	Hemant Sahai	Smriti R. Vijay#	Rohit G. Totla	Namrata Kaul®	Anil Chaudhry^
 <b>General Management and Leadership</b> Protect interest of all stakeholders, observing appropriate governance practices while nurturing talent to create strong & competent future business leaders.	✓	✓	✓	✓	✓	✓	✓	✓
 <b>Legal and Governance or Corporate Governance</b> Professional skills & knowledge of changing regulatory frameworks.	✓	✓	✓	✓	✓	-	✓	✓
 <b>Strategic thinking and decision making</b> Ability to review & guide strategy by analysing Companies Competitive position & benchmarking, taking into account market & Industry trends while consistently growing profitability in the diverse business environments.	✓	✓	✓	✓	✓	✓	✓	✓
 <b>Financial expertise</b> Ability to comprehend, interpret & guide on the financial statements, financial controls, risk management, mergers and acquisition, etc.	✓	✓	✓	-	✓	✓	✓	✓
 <b>International Business</b> Experience in leading & driving businesses success in geographies/markets around the world with an understanding of diverse business environments, economic conditions.	✓	✓	✓	-	-	✓	✓	✓

\* ceased as independent director effective 13<sup>th</sup> August 2024, close of business hours

# ceased as independent director effective 22<sup>nd</sup> November 2024

@ appointed as Independent Director effective 5<sup>th</sup> August 2024

^ appointed as Independent Director effective 22<sup>nd</sup> November 2024

### Familiarization programme for independent directors

The Company has adopted a policy on familiarization programme for Independent Directors. Upon their appointment/re-appointment, all directors receive a formal letter of appointment outlining their roles, duties, and other terms and conditions. The familiarization sessions encompass four main areas as follows:

- Induction**

During the induction phase, newly inducted directors are provided with an overview of the Company's history, organizational structure, business operations, current and past performance, shareholding and beneficial ownership structure, and the Board's procedures. They are also introduced to the Company's Policy/Code of Conduct for Prevention of Insider Trading Policy to ensure their understanding and adherence to these essential guidelines.

- Immersion sessions on functional updates**

To ensure ongoing familiarization, business and functional heads periodically deliver presentations at review meetings. These presentations cover important regulatory amendments, developments in the industry and economic environment, as well as matters significantly impacting the Company.

- Strategy sessions**

Strategy sessions provide directors with a deeper understanding of the Company's strategic direction, including long-term goals, growth plans, and key priorities.

- Sessions by external consultants**

The Company also arranges sessions facilitated by external consultants. These sessions cover various topics of relevance, such as data privacy, industry best practices, etc.

Throughout the familiarization program, directors are continually updated on all business-related matters. This includes risk assessment and mitigation, corporate social responsibility ('CSR') and sustainability interventions, and new initiatives proposed by the Company.

The Company's familiarization program ensures that independent directors are equipped with the necessary knowledge and insights to actively contribute to the Company's growth, governance, and overall success. For more details, refer section on Board procedures above.

Details of the familiarization programme for Independent Directors is available on the Company's website [www.akzonobel.co.in](http://www.akzonobel.co.in) and can be accessed from [www.akzonobel.co.in/familiarization.php](http://www.akzonobel.co.in/familiarization.php)

### Declaration by independent directors

The Company has received necessary declarations from each Independent Director that he/ she meets the criteria of independence, as laid down in Section 149(6) of the Act and the Listing Regulations.

## 3. Audit committee

### Composition

Namrata Kaul* (Chairperson)	Independent Director
Smriti Rekha Vijay <sup>§</sup> (Chairperson)	Independent Director
Hemant Sahai	Independent Director
Anil Chaudhry <sup>#</sup>	Independent Director

\*onboard effective from 14<sup>th</sup> August 2024

<sup>§</sup>ceased to be an independent director/Chairperson of the Committee effective 22<sup>nd</sup> November 2024

<sup>#</sup>onboard effective from 26<sup>th</sup> November 2024

The terms of reference of the Audit Committee covers the matters specified for Audit Committee under Regulation 18 read with Part C of Schedule II to the Listing Regulations (as amended and for the time being in force) and Section 177 and 188 of the Act.

The Role of the Audit Committee include the following:

- (1) oversight of the entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions; and
  - (g) modified opinion(s) in the draft audit report.
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;

- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background of the candidate;
- (20) carrying out any other function as mentioned in the terms of reference of the audit committee;
- (21) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision; and
- (22) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (3) internal audit reports relating to internal control mechanism and processes;
- (4) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- (5) statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

Additionally, the Audit Committee discharges such other functions as may be required under the relevant provisions of the Companies Act, 2013, the Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and various circulars issued by the regulatory authorities thereof, as amended from time to time and as may be specifically delegated to the Audit Committee by the Board from time to time.

The Audit Committee is a three-member committee, comprising of Independent Directors only, most of whom possess necessary knowledge in financial management, core principles of accounting, internal controls, compliance and governance, and business matters. The composition of Audit Committee complies with the requirements of the Act and the Listing Regulations. The Chairman & Managing Director, Wholetime Director(s), CFO, Internal Auditors, Statutory Auditors, Lead Accounting Controller and Tax Lead are the invitees to the meetings of the Audit Committee. Any other person / executive, when required, also attends the meetings of the Audit Committee.

The Audit Committee also meets the internal and external auditors separately, without the presence of Management.

Minutes of the Audit Committee meetings are circulated to all the Board members.

The terms of reference of the Audit Committee are in alignment with the norms specified in the Listing Regulations and relevant provisions of the Act.

Ms. Smriti R. Vijay, previous Chairperson of the Committee, attended the AGM of the Company held on 1<sup>st</sup> August 2024. Ms. Vijay ceased to be an independent director of the Company effective 22<sup>nd</sup> November 2024 and, in her place, Ms. Namrata Kaul has been on-boarded as the Chairperson of the Committee effective 22<sup>nd</sup> November 2024. Ms. Kaul was appointed as an independent director of the Company effective 5<sup>th</sup> August 2024.

The Company Secretary functions as the Secretary to the Audit Committee.

For details of meetings of the Audit Committee held during the year under report and attendance therein, please refer Sl. No. 2 above.

#### 4. Risk management committee

##### Composition

Amit Jain* (Chairman)	Independent Director
Hemant Sahai* (Chairman)	Independent Director
Rajiv Rajgopal	Chairman & Managing Director
Krishna Rallapalli	Wholetime Director and CFO
Rohit G. Totla	Wholetime Director
Smriti Rekha Vijay <sup>s</sup>	Independent Director
Namrata Kaul <sup>@</sup>	Independent Director
Anil Chaudhry <sup>%</sup>	Independent Director
Neelima Kataria	HR Director

### Composition

Sumit Khatuja	Hub Manager
Dipanjan Mitra <sup>1</sup>	Sales Manager, ASC
Kumar Iyer <sup>2</sup>	ASC

<sup>1</sup> ceased effective 13<sup>th</sup> August 2024

<sup>2</sup> appointed/designated as Chairman of the committee effective 26<sup>th</sup> November 2024

<sup>3</sup> ceased effective 22<sup>nd</sup> November 2024

<sup>4</sup> onboarded effective 14<sup>th</sup> August 2024

<sup>5</sup> onboarded effective 26<sup>th</sup> November 2024

<sup>6</sup> ceased effective 18<sup>th</sup> March 2025

<sup>7</sup> onboarded effective 18<sup>th</sup> March 2025.

The Risk Management Committee comprises of six directors, of whom three are independent directors, three are executive directors besides three members from the functional teams.

The roles and responsibilities of the Risk Management Committee are as prescribed under Regulation 21 of the Listing Regulations read with Part D of Schedule II to the Listing Regulations (as in force for the time being) commensurate with the provisions of Section 134(3) (n) of the Companies Act, 2013 mandating development and implementation of a risk management policy for the Company including identification therein of elements of risk, which in the opinion of the Board may threaten the integrity of operations of the Company.

The role of the Risk Management Committee, inter alia, include the following:

- (1) To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks, and
  - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and
- (7) Discharging such other functions as may be required under the relevant provisions of the Companies Act, 2013, the Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and various circulars issued by the regulatory authorities thereof, as amended from time to time and as may be specifically delegated to the Risk Management Committee by the Board from time to time.

The Risk Management Committee discharges such duties and functions as indicated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and the rules made thereunder from time to time and for the time being in force.

Minutes of the Risk Management Committee meetings are circulated to all the Board members.

The terms of reference of the Committee are in alignment with the norms specified in the Listing Regulations (for the time being in force) and relevant provisions of the Act.

Mr. Amit Jain, the erstwhile Chairman of the Risk Management Committee, was present at the AGM of the Company held on 1<sup>st</sup> August 2024.

After cessation of office of Mr. Amit Jain effective 13<sup>th</sup> August 2024, Mr. Hemant Sahai was appointed/nominated as the Chairman on the Risk Management Committee effective 14<sup>th</sup> August 2024.

The Company Secretary functions as the Secretary to the Risk Management Committee and the Risk Officer/Chief Internal Auditor is an invitee to its meetings.

For details of meetings of the Risk Management Committee held during the year under report and attendance therein, please refer Sl. No. 2 above.

## 5. Nomination and remuneration committee

### Composition

Amit Jain (Chairman) <sup>1</sup>	Independent Director
Anil Chaudhry (Chairman) <sup>2</sup>	Independent Director
Hemant Sahai	Independent Director
Smriti R. Vijay <sup>3</sup>	Independent Director
Namrata Kaul <sup>4</sup>	Independent Director
Rajiv Rajgopal (Permanent Invitee)	Chairman & Managing Director

<sup>1</sup> ceased effective from 13<sup>th</sup> August 2024

<sup>2</sup> onboard effective from 26<sup>th</sup> November 2024.

<sup>3</sup> ceased effective from 22<sup>nd</sup> November 2024

<sup>4</sup> onboard effective from 14<sup>th</sup> August 2024

The role and terms of reference of the Nomination and Remuneration Committee cover the areas as contemplated under Regulation 19 read with Part D of Schedule II to

the Listing Regulations commensurate with the provisions of Section 178 of the Act, besides other terms as referred by the Board.

The Role of the Nomination and Remuneration Committee, inter alia includes:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (1a) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (6) recommend to the board, all remuneration, in whatever form, payable to senior management; and
- (7) Discharging such other functions as may be required under the relevant provisions of the Companies Act, 2013, the Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and various circulars issued by the regulatory authorities thereof, as amended from time to time and discharge such other functions as may be specifically delegated to the Committee by the Board from time to time.

Minutes of the Nomination and Remuneration Committee meetings are circulated to all the Board members.

The terms of reference of the Nomination and Remuneration Committee are in alignment with the norms specified in the Listing Regulations and relevant provisions of the Act.

Pursuant to the terms of reference of the Nomination and Remuneration Committee read with the Nomination and Remuneration Policy of the Company, senior management of the Company means such members of core management team, as determined by the Human

Resources Department of the Company in consultation with the Chairman & Managing Director, whose appointment and remuneration are considered and approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.

Mr. Amit Jain, the erstwhile Chairman of the Nomination and Remuneration Committee (NRC) was present at the AGM of the Company held on 1<sup>st</sup> August 2024. Post-cessation of office of Mr. Amit Jain effective 13<sup>th</sup> August 2024, Mr. Hemant Sahai was appointed/ designated as the Chairman of the NRC effective 14<sup>th</sup> August till 26<sup>th</sup> November 2024. Effective, 26<sup>th</sup> November 2024, the Board re-constituted the NRC by appointing/designating Mr. Anil Chaudhry as the Chairman of NRC while Mr. Hemant Sahai continued as a Member of the NRC since such re-constitution.

The Company Secretary functions as the Secretary to this Committee.

For details of meetings of the Nomination and Remuneration Committee held during the year under report and attendance therein, please refer to Sl. No. 2 above.

### Board evaluation

In terms of the requirements of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken to formally assess the performance of the Board, its Committees, and its individual members with an objective to improve the effectiveness of the Board and its Committees.

For the financial year 2024-25, the evaluation was undertaken internally in compliance with the SEBI Guidance Note on Board Evaluation dated 5<sup>th</sup> January 2017 for evaluation of the Board as a whole, Board Committees and Peer Evaluation of the Directors. The NRC approved a framework in the form of a detailed digital questionnaire for the annual evaluation of the Board, Board Committees and the individual directors.

The evaluation process focused on various aspects of the functioning of the Board and Committees such as composition, experience and competencies of members, preparedness for discussion, performance of specific duties and obligations, governance structure, participation of all board members in the decision-making process, independence from the Company for Independent directors, succession planning and talent management, etc.

The Chairman of the Board/Company led the board evaluation process with support from the Company Secretary. All the directors participated in the evaluation process (to the extent applicable as on 31<sup>st</sup> March 2025).

The findings from the aforesaid evaluation process were shared with the Chairman, who in turn, placed the same before the Board after having discussions with the Chairman of the Nomination and Remuneration Committee and individual Board members. Individual evaluations were in line with the full Board evaluation. The responses for the

Board and Committees were compiled and a consolidated report was presented before the Board. As an outcome of the above exercise, it was noted that the Board, as a whole, is comprehensive with diverse expertise, experience and knowledge and sharing of information by management is transparent with independent directors and Board while integrity, compliance and sustainable business are the priorities of the Board.

The outcomes of the performance evaluation process for FY 2023-24 and the actions taken thereafter by the management were shared every quarter with the NRC/ Board and were brought to a logical closure to the satisfaction of the NRC/Board.

One mandatory separate meeting of the Independent Directors of the Company was held on 25<sup>th</sup> March 2025 to inter alia discuss the matters as per the mandate provided under the Act. Further, the performance of non-independent directors, the Board as a whole and the Chairman of the Company was also evaluated.

## 6. Stakeholders relationship committee

### Composition

Hemant Sahai (Chairman)	Independent Director
Rajiv Rajgopal	Chairman & Managing Director
Krishna Rallapalli	Wholetime Director and CFO

The role and terms of reference of the Stakeholders Relationship Committee cover the areas as contemplated under Regulation 20 read with Part D of Schedule II to the Listing Regulations commensurate with the provisions of Section 178 of the Act, besides other terms as referred by the Board.

The role of the Stakeholders Relationship Committee inter alia includes:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.;
- (2) Review of measures taken for effective exercise of voting rights by shareholders;
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- (5) Reviewing the engagement with security holders including institutional investors and identify the actionable points for implementation;
- (6) Reviewing movement in shareholdings and ownership structure; and
- (7) Discharging such other functions as may be required under the relevant provisions of the Companies Act, 2013, the Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and various circulars issued by the regulatory authorities thereof, as amended from time to time and discharge such other functions as may be specifically delegated to the Committee by the Board from time to time.

The Company received 14 complaints from its investors during FY 2024-25, 12 (Twelve) of them have been resolved and 2 (Two) complaints were pending as on 31<sup>st</sup> March 2025, though subsequently resolved. Routine queries/ service requests received from the shareholders are normally addressed within 7 days of receipt of complete details/documents.

Minutes of the Stakeholders Relationship Committee meetings are circulated to all the Board members.

The terms of reference of the Stakeholders Relationship Committee are in alignment with the norms specified in the Listing Regulations and relevant provisions of the Act.

Mr. Hemant Sahai, Chairman of the Stakeholders Relationship Committee, was present at the AGM of the Company held on 1<sup>st</sup> August 2024.

The Company Secretary functions as the Secretary to this Committee and as the Compliance Officer of the Company.

For details of meeting of the Committee held during the year under report and attendance therein, please refer to Sl. No. 2 above.

## 7. Corporate social responsibility committee

### Composition

Smriti R. Vijay (Chairperson) <sup>1</sup>	Independent Director
Namrata Kaul (Chairperson) <sup>2</sup>	Independent Director
Rajiv Rajgopal	Chairman & Managing Director
Krishna Rallapalli	Wholetime Director and CFO
Rohit G. Totla	Wholetime Director

<sup>1</sup> ceased to be the independent director and consequently as Chairperson effective from 22<sup>nd</sup> November 2024

<sup>2</sup> Onboarded as the Chairperson effective 26<sup>th</sup> November 2024

The Corporate Social Responsibility Committee oversees, inter-alia, corporate social responsibility and other related matters as may be referred by the Board of Directors and discharges the roles as prescribed under Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time and as in force for the time being.

The terms of reference of the Corporate Social Responsibility Committee include:

- Formulation of CSR policy;
- Recommending the amount of expenditure to be incurred on CSR activities;
- Monitoring the programs from time to time as per the CSR policy;
- Reviewing the performance of the Company in the areas of CSR; and
- Discharging such other functions as may be required under the relevant provisions of the Companies Act, 2013, the Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and various circulars issued by the regulatory authorities thereof, as amended from time to time and discharge such other functions as may be specifically delegated to the Committee by the Board from time to time.

Minutes of the Corporate Social Responsibility Committee meetings are circulated to all the Board members.

Mrs. Smriti R. Vijay, Chairperson of the Corporate Social Responsibility Committee, attended the AGM of the Company held on 1<sup>st</sup> August 2024.

The Company Secretary functions as the Secretary to this Committee.

For details of meeting of the Corporate Social Responsibility Committee held during the year under report and attendance therein, please refer to Sl. No. 2 above.

Highlights of CSR activities conducted during the year as per the applicable Annual Action Plan of the Company are given in the Corporate Social Responsibility section of the Board's Report and details of the amount spent under the head CSR during the year in the CSR Report (Annexure II-B).

## 8. Remuneration of directors

The remuneration of the Managing Director and Wholtime Directors as well as that of the NEDs are recommended by the NR Committee for approval by the Board and by the shareholders (to the extent applicable) as recommended by the Board). The NEDs/IDs were paid sitting fees of ₹ 50,000/- per meeting and ₹ 75,000/- (effective 1<sup>st</sup> August 2024) for attending Board/Committee meetings as held during the year under report, of which they are the Chair/ members, respectively, and Commission as approved by the Board (on recommendation of the NR Committee) / shareholders (to the extent applicable on recommendation by the Board) from time to time. Criteria of making payments to NEDs (including Independent Directors) have been uploaded on the website of the Company at [www.akzonobel.co.in](http://www.akzonobel.co.in) and can be accessed from <https://akzonobel.co.in/pdf/policy/Policy-on-Remuneration.pdf>.

During the year under report, no Non-Executive Director/ Independent Director has been paid in excess of fifty percent of the total amount paid to all the non-executive directors of the Company. The details of remuneration paid/ payable to the Directors for the financial year 2024-25 are given below:

	Fixed component Salary and allowances (a)	Performance linked bonus Performance Pay (b)	Total remuneration (c) (c = a+b)
<b>Managing/Wholtime Directors</b>			
Rajiv Rajgopal	28.85	18.15	47.00
Krishna Rallapalli	12.82	6.07	18.89
Rohit G Totla	19.06	7.24	26.30
<b>Total</b>	<b>60.73</b>	<b>31.46</b>	<b>92.19</b>
<b>Non-Executive/Independent Directors</b>			
	<b>Sitting fees</b>	<b>Commission</b>	<b>Total</b>
Amit Jain <sup>1</sup>	0.30	0.48	0.78
Hemant Sahai	1.73	1.30	3.03
Smriti Rekha Vijay <sup>2</sup>	0.75	0.84	1.59
Namrata Kaul <sup>3</sup>	1.50	0.85	2.35
Anil Chaudhry <sup>4</sup>	0.98	0.46	1.44
<b>Total</b>	<b>5.26</b>	<b>3.93</b>	<b>9.19</b>

<sup>1</sup> ceased effective from 13<sup>th</sup> August 2024

<sup>2</sup> ceased effective from 22<sup>nd</sup> November 2024

<sup>3</sup> onboard effective from 5<sup>th</sup> August 2024

<sup>4</sup> onboard effective from 22<sup>nd</sup> November 2024

### Notes:

- Service contracts with the Managing Director and Wholtime Directors are terminable by notice of three months.
- No severance fee was paid to any Director during the year under report.
- Performance linked bonus was paid to the Managing Director and to the Wholtime Director/s based on pre-agreed parameters and pursuant to the recommendations of the NR Committee.

- d) Currently, the Company does not have any employee stock option scheme, though few senior managers of the Company are eligible for long-term incentives, which are treated as share-based payments.
- e) The remuneration includes the post retirement and long-term benefits for the Managing/Wholetime Director/s.
- f) Remuneration paid to the directors are within the stipulated limits as specified vide Regulation 17 to SEBI (LODR) Regulations, 2015 read with Section 197 of the Act including applicable Rules thereunder.
- g) None of the directors are above 70 years of age during the year under report.

## 9. Particulars of senior management

Particulars of senior management (as per listing regulations, as amended, whose appointment and remuneration are approved by the Board of Directors based on recommendation of the Nomination and Remuneration Committee), as on 31<sup>st</sup> March 2025, including the changes therein since the close of the previous financial year on 31<sup>st</sup> March 2024:

Sl No.	Name*	Designation
1.	Mr. Krishna Rallapalli	Wholetime Director and CFO
2.	Ms. Neelima Kataria	HR Director
3.	Mr. Rajiv L. Jha	Company Secretary & Compliance Officer

\*In alphabetical order

During the Financial Year 2024-25, there has been no changes in the Senior Management of the Company as mentioned in the table above.

### CEO / CFO certificate

A certificate from the Managing Director and the Chief Financial Officer on the financial statements and other matters of the Company as provided in Regulation 17(8) and Part B of Schedule II of the SEBI Listing Regulations for the financial year ended 31<sup>st</sup> March 2025 was placed before the Board at its meeting held on 14<sup>th</sup> May 2025 and the same is also annexed to this Report.

## 10. General body meetings

- (i) Details of the last three Annual General Meetings of the Company are given below:

Date of AGM	Time	Venue
1 <sup>st</sup> August 2024	2.30 pm	Video Conferencing / Other Audio Visual Means ('VC/OAVM')
3 <sup>rd</sup> August 2023	2.30 pm	Video Conferencing / Other Audio Visual Means ('VC/OAVM')
5 <sup>th</sup> August 2022	2.30 pm	Video Conferencing / Other Audio Visual Means ('VC/OAVM')

- (ii) No special resolution was passed by the shareholders at the 70<sup>th</sup> AGM held on 1<sup>st</sup> August 2024. One special resolution for appointment of Mr. Hemant Sahai as an Independent Director for the second term was passed by the shareholders at the 69<sup>th</sup> AGM held on 1<sup>st</sup> August 2023.
- (iii) There were three instances of e-voting through the process of postal ballot as conducted during FY 2024-25 as follows:

Financial year	Date of passing resolution/s	Resolutions (Ordinary / Special) passed through postal ballot	Votes in favour of the resolution (% of total number of valid votes)	Votes against the resolution (% of total number of valid votes)	Result
2024-25	12.09.2024	Special resolution: Appointment of Ms. Namrata Kaul (DIN 00994532) as an Independent Director of the Company for a period of 3 (Three) years effective 5 <sup>th</sup> August 2024	99.9914	0.0086	Passed by more than requisite majority
2024-25	02.01.2025	Special resolution: Appointment of Mr. Anil Chaudhry (DIN 03213517) as an Independent Director of the Company for a period of 3 (Three) years effective 22 <sup>nd</sup> November 2024	99.9690	0.0310	Passed by more than requisite majority

Financial year	Date of passing resolution/s	Resolutions (Ordinary / Special) passed through postal ballot	Votes in favour of the resolution (% of total number of valid votes)	Votes against the resolution (% of total number of valid votes)	Result
2024-25	02.04.2025	Special resolution: (a) approval for slump sale of the powder coatings business of the company	99.9960	0.0040	All the ordinary and special resolutions nos. (A) through (e) were passed by more than requisite majority
		Ordinary resolution: (b) approval for entering into material related party transaction for sale of powder coatings business of the company	99.9623	0.0377	
		Special resolution: (c) approval for slump sale of the international research centre (r&d) business of the company	99.9960	0.0040	
		Ordinary Resolution: (d) approval for entering into material related party transaction for sale of international research centre (r&d) business of the company	99.9624	0.0376	
		Ordinary resolution: (e) approval for entering into a material related party transaction in connection with acquisition of the intellectual property pertaining to the decorative paints business of the company	99.9637	99.9637	

- (iv) No proposal is pending as on date of this report for approval as a special resolution through postal ballot.  
(v) No Extraordinary General Meeting of the Members was held during the year under Report.

## 11. Means of communication

i	Quarterly results	
ii	Newspapers wherein results are normally published	The quarterly results of the Company are published and disclosed to the Stock Exchanges where the Company's shares are listed in the manner as prescribed.
iii	Any website, where results are displayed	Business Standard / The Mint (English), Aajkaal (Bengali)
iv	Whether it also displays official news releases	The results, press releases, presentations to investors and other relevant information are simultaneously uploaded on the Company's website at <a href="http://www.akzonobel.co.in">www.akzonobel.co.in</a> alongwith disclosure to the Stock Exchanges with which the Company is listed.
v	Presentations made to institutional investors or to the analysts	

## 12. General shareholder information

### i. AGM: date, time and venue

4<sup>th</sup> August 2025 at 2:30 P.M. (IST) through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')

### ii. Financial year

1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025

### iii. Financial calendar (Tentative)

Quarterly / annual results	Publication on or before
1 <sup>st</sup> quarter ending 30 <sup>th</sup> June 2025	14 <sup>th</sup> August 2025
2 <sup>nd</sup> quarter ending 30 <sup>th</sup> September 2025	15 <sup>th</sup> November 2025
3 <sup>rd</sup> quarter ending 31 <sup>st</sup> December 2025	15 <sup>th</sup> February 2026
Year ending 31 <sup>st</sup> March 2026	30 <sup>th</sup> May 2026

[As per Regulation 33 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for Corporates. The Shareholding Pattern, Corporate Governance Report, Reconciliation of Share Capital Audit and various other corporate announcements are filed electronically on NEAPS.

BSE Listing Centre:

The electronic system introduced by BSE Limited for submission of Quarterly/ Half Yearly / yearly compliance like Shareholding Pattern, Corporate Governance Report, Board

Meeting intimation of the company and other corporate announcements in E-Mode. BSE Listing Centre is web-based application designed by BSE for Corporates.

SEBI Complaints Redressal System (SCORES):

Securities Exchange Board of India introduced for quick resolution of investors grievances SEBI Complaints Redress System (SCORES). The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

### iv. Book closure period

26<sup>th</sup> July 2025 to 4<sup>th</sup> August 2025 (both days inclusive)

### v. Dividend (Final) payment date

By 28<sup>th</sup> August 2025 (after approval at the AGM)

### vi. Listing on stock exchange

The Company's equity shares are listed on BSE Limited ('BSE'), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 and National Stock Exchange of India Limited ('NSE'), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051.

Listing fees for the period 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025 have been paid.

### vii. Stock code

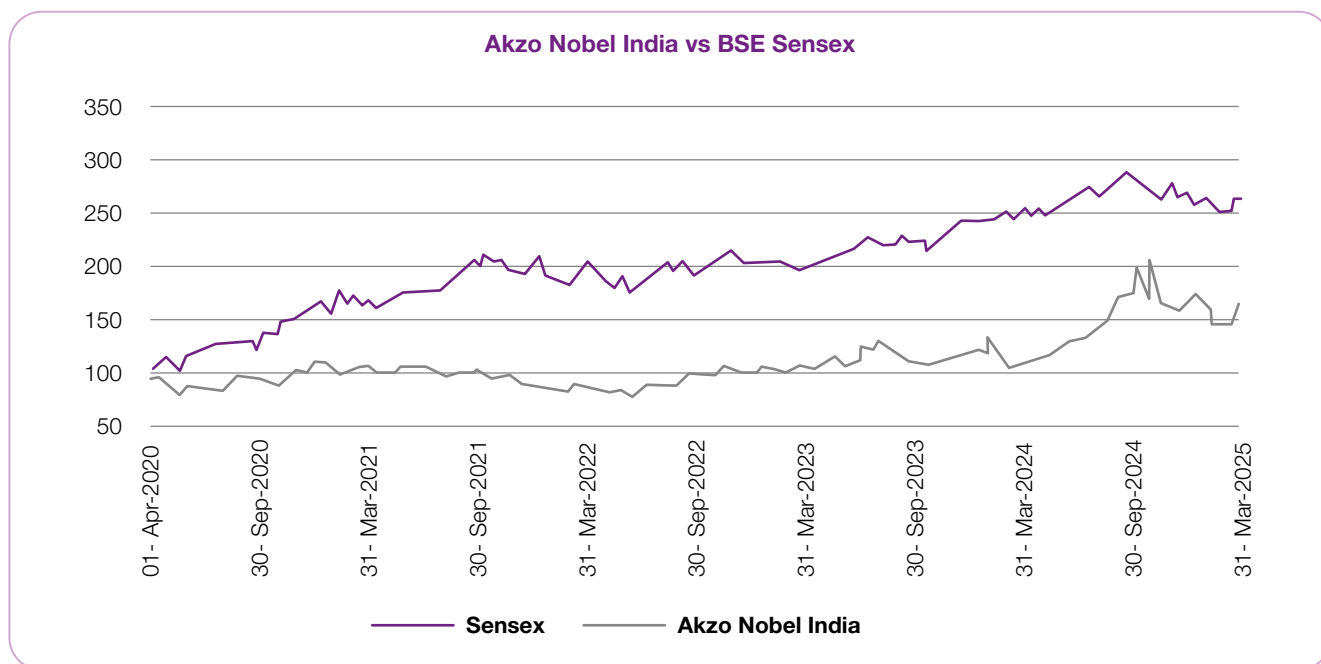
BSE: 500710

- NSE: AKZOINDIA-EQ  
ISIN: INE133A01011

### viii. Market price data and stock performance during the Financial Year 2024-25

Month	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
Apr-24	2,510.55	2,385.00	20,726	2,499.80	2,382.05	2,13,342
May-24	2,665.65	2,450.40	25,223	2,634.95	2,441.50	2,83,444
Jun-24	2,944.10	2,483.00	33,234	2,947.25	2,469.05	3,48,916
Jul-24	3,037.85	2,775.00	21,477	3,032.95	2,752.00	2,80,438
Aug-24	3,577.80	2,969.10	28,978	3,578.80	2,957.95	5,70,892
Sep-24	3,960.00	3,406.95	36,662	3,971.25	3,400.00	3,81,792
Oct-24	4,649.00	3,622.65	53,294	4,649.00	3,620.00	9,24,278
Nov-24	4,623.00	3,573.95	35,147	4,674.00	3,562.25	5,48,297
Dec-24	3,795.00	3,367.45	43,850	3,800.25	3,372.65	4,06,811
Jan-25	3,942.15	3,396.00	29,466	3,957.90	3,393.60	5,10,173
Feb-25	3,859.90	3,075.05	14,403	3,895.00	3,072.90	2,82,486
Mar-25	3,812.75	3,045.95	13,387	3,812.00	3,022.00	2,87,398

## ix. Stock performance in comparison to BSE sensex



**Note:** Comparison is made by anchoring the share price and Sensex value at a base value of 100 as on 1<sup>st</sup> April 2020. The movements in the BSE Sensex and the Company's share price have been displayed in the graph with reference to that base.

### x. In case the securities are suspended from trading, the directors report shall explain the reason thereof:

Not Applicable

### xi. Registrar and share transfer agent

M/s C B Management Services (P) Limited  
Rasoi Court, 5<sup>th</sup> Floor, 20 Sir R N Mukherjee Road,  
Kolkata - 700 001  
Tel: 033-6906 6200 Email: [rtc@cbmsl.com](mailto:rtc@cbmsl.com)

### xii. Code of conduct for prevention of insider trading

The Company has adopted an updated/amended Policy/Code of Conduct for Prohibition Insider Trading in accordance with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013.

### xiii. Disclosure of accounting treatment in preparation of Financial Statement

Your Company has followed all relevant Ind-AS laid down by the Institute of Chartered Accountants of India (ICAI) while preparing Financial Statements.

### xiv. Share transfer system

Share transfers in physical form has been discontinued from 1<sup>st</sup> April 2019. Further, as per SEBI Circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022, any request for issue of Duplicate Securities Certificate, claim from unclaimed Suspense Account,

renewal/exchange of Securities Certificate, endorsement, Sub-division/Splitting of Securities Certificate, Consolidation of Securities Certificates/folios, transmission, transposition and similar other requests shall be processed by the Company/RTA only in dematerialised form. Hence, all the shareholders holding shares in physical mode are requested to convert your holding into Dematerialised form immediately to avoid any inconvenience.

All requisitions for transmission or transposition of the shares of the Company are completed in compliance with the requirement of the Regulation 40 of SEBI Listing Regulations. The Stakeholders Relationship Committee reviews and takes on record the process of share transmission, etc.

### xv. Updation of KYC details

SEBI (vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16<sup>th</sup> March, 2023) had prescribed common and simplified norms for processing investors' service requests by RTAs and norms for furnishing PAN, KYC and Nomination details. As per the said Circular, it was mandatory for the shareholders holding securities in physical form to inter alia furnish PAN, KYC and Nomination details. Physical folios wherein the PAN, KYC and Nomination details are not available on or after 1<sup>st</sup> October, 2023, were mandated to be frozen by the RTA and will be eligible for lodging any service request or receiving payment including dividend only after registering the required details. Further, the said physical folios shall be referred by the Company or RTA to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on 31<sup>st</sup> December, 2025. However, SEBI (vide Circular No. SEBI/HO/MIRSD/POD-

1/P/CIR/2023/181 dated 17<sup>th</sup> November 2023) has decided to do away with the aforesaid requirements of freezing of folios and referral of such frozen folios to administering authority effective 17<sup>th</sup> November 2023.

However, in compliance with the aforesaid SEBI Circular of 3<sup>rd</sup> November 2021 and 16<sup>th</sup> March 2023, the Company had sent individual letters/emails to all the members holding shares of the Company in physical form who are non-compliant for furnishing their PAN, KYC and Nomination details.

Still, the necessary forms in this regard can be downloaded from the website of the Company at <https://akzonobel.co.in/investors.php#kyc> or our RTA at <http://www.cbmsl.com/services/details/sebi-download-forms>.

Also, Shareholder(s) holding shares in dematerialised form are requested to notify change in their bank details / address / email Id etc., directly with their respective Depository Participants.

#### xiv. Distribution of shareholding as on 31<sup>st</sup> March 2025

Range (No. of shares)	No. of shareholders	% of shareholders	No. of shares	% of total shares
1-50	36,417	73.1	618,274	1.4
51-500	12,327	24.8	1,685,394	3.7
501-5000	973	2.0	1,106,853	2.4
5001-50000	60	0.1	899,408	2.0
50001-1000000	24	-	5,175,424	11.4
1000001 & Above	3	-	36,054,961	79.2
<b>Total</b>	<b>49,804</b>	<b>100</b>	<b>45,540,314</b>	<b>100.0</b>

#### xv. Shareholding pattern as on 31<sup>st</sup> March 2025

Category of shareholders	No. of shares	%
(A) Promoter and Promoter Group	34,044,335	74.76
<b>Total Promoter Shareholding</b>	<b>34,044,335</b>	<b>74.76</b>
(B) Public Shareholding		
(a) Mutual funds	2,811,542	6.17
(b) Insurance companies	997,181	2.19
(c) Nationalised Banks	17,897	0.03
(d) Other Banks	672	-
(e) Foreign Portfolio Investors	1,673,517	3.67
(f) Alternate Investment Funds	41,983	0.09
(g) NRIs	163,931	0.36
(h) Bodies Corporate	2,212,426	4.87
(i) Individuals/others	3,576,830	7.68
<b>Total Public Shareholding</b>	<b>11,495,979</b>	<b>25.24</b>
<b>Total (A) + (B)</b>	<b>45,540,314</b>	<b>100.00</b>

#### xvi. Dematerialisation of shares and liquidity

The Company's equity shares have been notified for trading only in demat form with effect from 17<sup>th</sup> January 2000. As of 31<sup>st</sup> March 2025, 99.16% of the Company's equity shares involving 45.16 million shares have been dematerialised (No. of demat accounts: 43,308).

The Company has entered into necessary agreements with the authorised depositories NSDL & CDSL to enable smooth operation of demat mode of shareholding/trading.

All demat requests received during the year were serviced within the normal service time.

#### xvii. Outstanding GDRs/ ADRs/warrants or any convertible instruments, conversion date and likely impact on equity

None issued/outstanding in the past 10 years.

#### xviii. Commodity price risk or foreign exchange risk and hedging activities

The Company's business operations are subject to commodity as well as foreign exchange risks. Commodity price risk is managed by adhering to inventory norms. Foreign exchange risk is managed in accordance with Company's policy for foreign exchange management.

**xix. Plant locations**

The Company's plants are located at:

1. Plot No 9-29, Narsapur Road, Balanagar, Hyderabad, Telangana - 500 037
2. Plot No 62, Hoskote Industrial Area, Bengaluru, Karnataka - 562 114
3. Plot No. GAE-1 (PART) GAF-1 GAF-2 Ghirongi, Industrial Area, Malanpur, Bhind, Madhya Pradesh 477 117
4. Plot No. A-42, Phase-VIII-B, Focal Point, SAS Nagar, Mohali, Punjab - 160 059
5. Plot No.1/1, TTC Industrial Area, Thane Belapur Road, Koparkhairne, Navi Mumbai, Maharashtra - 400 709

**xx. Address for correspondence**

Shareholders' correspondence may be addressed to:

**1. C B Management Services (P) Ltd**

Unit: Akzo Nobel India Limited  
Rasoi Court, 5<sup>th</sup> Floor, 20 Sir R N Mukherjee Road,  
Kolkata - 700 001  
Tel: +91 33 6906 6200  
Email: [rt@cbmsl.com](mailto:rt@cbmsl.com)

OR

**2. The Company Secretary**

Akzo Nobel India Limited  
9<sup>th</sup> Floor, Magnum Towers  
Golf Course Extension Road  
Sector 58, Gurugram 122 011  
Tel: +91 124 4852400  
Email: [investor.india@akzonobel.com](mailto:investor.india@akzonobel.com)

**xxi. Unclaimed dividend and shares**

In terms of the applicable provisions of the Act, read with the Investor Education & Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all dividends remaining unclaimed for a period of seven years along with the corresponding shares are required to be transferred by the Company to the IEPF Authority.

The Company has sent individual intimation to the concerned shareholders at their latest available address where dividends/shares are liable to be transferred to IEPF as well as through a Press advertisement. Details of such dividends/shares, including the names of shareholders, Folio number or DP ID-Client ID and the number of shares and dividend amount have also been uploaded on the website of the Company [www.akzonobel.co.in](http://www.akzonobel.co.in) and can be accessed from [www.akzonobel.co.in/investors.php#unclaim](http://www.akzonobel.co.in/investors.php#unclaim).

Your Company has transferred a sum of ₹ 13.05 million and 16,694 shares, after 140 and 181 days respectively of aforesaid intimation, to the IEPF Authority being unclaimed dividend for seven consecutive years and corresponding shares in respect of the financial year ended 31 March 2017, within the due dates. Amounts of unclaimed dividend as on 31<sup>st</sup> March 2025 and the due dates for transfer to IEPF are:

Financial Year	Amount (₹ million)	Due date for transfer to IEPF (excluding the period allowed for remittance under Rule 3 of the IEPF Rules, 2001)
2017-18	7.1	2 <sup>nd</sup> September 2025
2018-19	7.0	8 <sup>th</sup> September 2026
2019-20	3.7	28 <sup>th</sup> September 2027
2020-21 (Interim)	3.4	9 <sup>th</sup> March 2028
2020-21 (Final)	6.0	13 <sup>th</sup> September 2028
2021-22 (Interim)	6.9	11 <sup>th</sup> March 2029
2021-22 (Final)	6.4	5 <sup>th</sup> September 2029
2022-23 (Interim)	5.1	9 <sup>th</sup> March 2030
2022-23 (Final)	8.2	3 <sup>rd</sup> September 2030
2023-24 (Interim)	8.0	6 <sup>th</sup> March 2031
2023-24 (Final)	9.2	6 <sup>th</sup> September 2031
2024-25 (Interim)	49.1	13 <sup>th</sup> December 2031
<b>Total</b>	<b>120.0</b>	

**xxii. Compliance officer**

Name: Mr. Rajiv L. Jha

Designation: Company Secretary & Compliance Officer

Tel: +91 124 4852400

E-mail: [rajiv.jha@akzonobel.com](mailto:rajiv.jha@akzonobel.com)

**xxiv. Green initiative**

As a socially responsible corporate citizen, the Company wholeheartedly embraces and endorses the 'Green Initiative' initiated by the Ministry of Corporate Affairs, Government of India. This initiative promotes the electronic delivery of various documents, including the Annual Report, to shareholders to their registered email addresses with the Depository Participants ('DP') and/or Registrars and Transfer Agents ('RTA').

By participating in this initiative, the Company actively contributes to reducing paper consumption, promoting sustainability, and minimizing its ecological/carbon footprint. Electronic delivery of documents not only ensures convenience and timely access for shareholders but also aligns with the Company's commitment to environmental preservation.

Shareholders who have not registered their e-mail addresses so far, are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DP.

Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting their Folio number.

**13. Other disclosures**

- a. The Company does not have any material subsidiary as of March 31, 2025. The Company's policy on material subsidiary is available on Company's website [www.akzonobel.co.in](http://www.akzonobel.co.in) under the Corporate Governance/Policies Section and can be accessed at [https://akzonobel.co.in/pdf/policy/Policy\\_Determining\\_Material\\_Subsiidiaries.pdf](https://akzonobel.co.in/pdf/policy/Policy_Determining_Material_Subsiidiaries.pdf)
- b. The Company has updated its policy for dealing with Related Party Transactions, which has been duly approved and adopted by the Board. The Policy is available on the website of the Company [www.akzonobel.co.in](http://www.akzonobel.co.in) in the 'Corporate Governance/Policies' section. All the transactions of the Company with its related parties were on arms' length basis and in the ordinary course of business. All the related party transactions have been approved by the Audit Committee and the Board of the Company. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board for its approval at every Board Meeting. Transactions with Related Parties as per requirements of IND-AS are disclosed in Note No. 34 to the Standalone Financial Statements in the Annual Report and they are not in conflict with the interest of the Company.
- c. The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India (SEBI) and other statutory authorities on all matters relating to capital markets during the last three years. No strictures or penalties have been imposed on the Company either by SEBI or the Stock Exchanges or any other statutory authority for non-compliance of any matter related to the capital markets.
- d. The Company has its Whistle Blower/Vigil Mechanism Policy which provides adequate safeguards against victimization of Employee(s)/Director(s)/3<sup>rd</sup> parties who avail of the mechanism and also provides direct access to the Chairman of the Audit Committee in exceptional cases as detailed in the Policy. The details of the Whistle Blower Policy are available on the website of the Company [www.akzonobel.co.in](http://www.akzonobel.co.in) in the 'Corporate Governance' section. No person has been denied access to the Chairman of the Audit Committee.
- e. The Company has complied with all the mandatory requirements of Corporate Governance as stipulated under Schedule V of the SEBI Listing Regulations.
- f. Risk Management: The Company has a mechanism in place to inform the Board about the risk assessment and minimization procedures and periodical review to ensure that management controls risk through means of a properly defined framework.
- g. The Company manages its foreign exchange risks by hedging its net exposure with the use of appropriate hedging instruments (e.g. forward contracts). The derivatives are used only for hedging purposes and speculation is strictly prohibited.
- h. The Management Discussion & Analysis Report forms part of this Annual Report.
- i. The Company has complied with the corporate governance requirements specified in Regulations 17 to 27 and the mandatory requirements under Schedule II and Regulation 46 of the SEBI Listing Regulations as amended.
- j. The Corporate Governance Report of the Company for the financial year ended March 31, 2025 is in compliance with the SEBI Listing Regulations. The Company has complied with and disclosed all the mandatory corporate governance requirements mentioned under sub-para (2) to (10) of part C of Schedule V of the SEBI Listing Regulations.
- k. There were no materially significant related party transactions entered into by the Company with its Promoters, Directors or the Management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company except as disclosed here. The Directors periodically disclose their interests in different companies, which are noted by the Board. The Register of Contracts containing the transactions with companies in which Directors are interested is placed before the Board periodically.

## I. Compliance to mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all the mandatory requirements of corporate governance. Details of compliance with non-mandatory requirements as specified in Part E of Schedule II of the Listing Regulations are given below:

Description	Status as on 31 <sup>st</sup> March 2025
(i) Non-Executive Chairman's office and expenses	During the year under review and as on 31 <sup>st</sup> March 2025, the Company does not have a Non-Executive Chairman.
(ii) Sending of half-yearly declaration of financial performance including summary of the significant events during the past six months to each household of shareholders	As required under the Listing Regulations, summary of the Company's quarterly financial results are published in leading newspapers and detailed results (including through QR Code) as well as major developments through press releases are sent to the Stock Exchanges (which are available on Stock Exchange websites as well as Company's website).
(iii) Audit qualifications	There is no audit qualification in the report of the statutory auditors for the current financial year.
(iv) Reporting of Internal Auditor	The Internal Auditor directly reports to the Audit Committee
m. CEO / CFO certification in respect of Financial Statements pursuant to Regulation 17(8) of Listing Regulations has been provided.	t. All Directors have confirmed that they do not hold any shares in the Company.
n. The Policy on dealing with related party transactions (as revised) is uploaded on the Company's website <a href="http://www.akzonobel.co.in">www.akzonobel.co.in</a> and can be accessed from <a href="https://akzonobel.co.in/pdf/policy/Related_Party_Transactions_Policy.pdf">https://akzonobel.co.in/pdf/policy/Related_Party_Transactions_Policy.pdf</a> .	u. None of the Directors are related to one another.
o. The Policy on materiality of related party transactions (as revised) is uploaded on the Company's website <a href="http://www.akzonobel.co.in">www.akzonobel.co.in</a> and can be accessed from <a href="https://akzonobel.co.in/pdf/policy/Related_Party_Transactions_Policy.pdf">https://akzonobel.co.in/pdf/policy/Related_Party_Transactions_Policy.pdf</a> .	v. There was no instance of non-acceptance of any recommendation by the Committees of the Board which was mandatorily required to be accepted by the Board.
p. The Policy on determining material subsidiaries (as revised) is uploaded on the Company's website <a href="http://www.akzonobel.co.in">www.akzonobel.co.in</a> and can be accessed from <a href="https://akzonobel.co.in/pdf/policy/Policy_Determining_Material_Subsidiaries.pdf">https://akzonobel.co.in/pdf/policy/Policy_Determining_Material_Subsidiaries.pdf</a> . The Company did not have any Material Subsidiary during the year under report.	w. It is hereby confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the management.
q. None of the Non-Executive Directors/Independent Directors had any materially significant pecuniary relationship or transaction vis-à-vis the Company, which may have a potential conflict with the interests of the Company.	x. All Independent Directors ('IDs') have confirmed their independent status to the Company. In terms of Regulation 25(8) of the Listing Regulations, the IDs have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Company has issued formal letters of appointment to the IDs. As required under Regulation 46 of the SEBI Listing Regulations, as amended, the terms and conditions of appointment of IDs including their role, responsibility and duties are available on our website at <a href="https://akzonobel.co.in/pdf/policy/Model-Appointment-Letter-to-ID.pdf">https://akzonobel.co.in/pdf/policy/Model-Appointment-Letter-to-ID.pdf</a> .
r. None of the Directors of the Company receive any remuneration or commission from its subsidiary.	y. All the Independent Directors have also confirmed that their names are duly registered in the data bank of Independent Directors as maintained by The Indian Institute of Corporate Affairs in terms of Rule 6 of The Companies (Appointment and Qualification of Directors) Rules, 2014 and also that their Director Identification Numbers are in Active status as on 31 <sup>st</sup> March 2025.
s. As per disclosures received from Senior Management Personnel, they have not entered into any material, financial or commercial transactions which may have a potential conflict with interests of the Company at large.	

- z. A certificate from a Company Secretary in Practice stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by SEBI or Ministry of Corporate Affairs or any such statutory authority is appended herewith.
- aa. The Company has not raised any funds through preferential allotment or qualified institution placement as specified under Regulation 32(7A).
- ab. The Company does not have any debt instrument; hence, no credit rating was obtained during the year.
- ac. Total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part are given below:

Financial year	(₹ million)
Statutory audit for the year (including limited reviews)	8.0
Other audit related services	7.0
Reimbursement of expenses	0.7
<b>Total#</b>	<b>15.7</b>

#Excluding Goods and Service Tax

- ad. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- Number of complaints filed during the financial year: 2
  - Number of complaints disposed off during the financial year: 2
  - Number of complaints pending as on end of the financial year: Nil
- ae. Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:
- There are no loans and advances in the nature of loans to firms/companies in which Directors are interested.
- af. Management Discussion and Analysis is annexed to the Board's Report and forms part of this Annual Report.
- ag. Web link where details of familiarisation programmes imparted to Independent Directors: [www.akzonobel.co.in/familiarization.php](http://www.akzonobel.co.in/familiarization.php)
- ah. All the Directors of the Company are covered under Directors' and Officers' Insurance Policy taken by the Company.
- ai. Dividend Distribution Policy of the Company has been uploaded on the Company's website at [www.akzonobel.co.in](http://www.akzonobel.co.in) and may be accessed at <https://akzonobel.co.in/pdf/policy/Dividend-Distribution-Policy.pdf>.
- aj. The Company is a subsidiary of Imperial Chemical Industries Ltd. (UK) and Akzo Nobel Coatings International B.V. (The Netherlands) while Akzo Nobel N.V. (The Netherlands) is the ultimate holding company of the Company. The Company has a subsidiary namely ICI India Research & Technology Centre Private Limited, a private company limited by shares (previously a Sec. 8 company limited by guarantee).
- ak. Disclosure of certain types of agreements binding listed entities
- No Information to be disclosed under clause 5A of paragraph A of Part A of Schedule III to SEBI – LODR Regulations for FY 2024-25

## 14. Compliance

The Company is in full compliance with all the requirements specified in regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 of the Listing Regulations as amended.

## 15. Code of conduct

Your Company has in place a comprehensive Code of Conduct applicable to all the employees and Non-executive Directors including Independent Directors. The Code of Conduct gives guidance and support needed for ethical conduct of business and compliance with law. Copy of the Code of Conduct is posted on the website of the Company [www.akzonobel.co.in](http://www.akzonobel.co.in) and can be accessed from [www.akzonobel.co.in/corporate-governance.php#policy](http://www.akzonobel.co.in/corporate-governance.php#policy). This has also been circulated to Directors and senior management personnel, and its compliance is affirmed by them annually. A declaration in this regard by the Chairman & Managing Director is given below:

### Code of conduct declaration

I hereby confirm that the Company has obtained affirmation from all the members of the Board and senior management personnel that they have complied with the Code of Conduct of the Company in respect of the financial year ended 31<sup>st</sup> March 2025.

Place: Gurugram  
Date: 14<sup>th</sup> May 2025

**Rajiv Rajgopal**  
Chairman & Managing Director  
DIN: 06685599

## 16. Certificate of compliance

A certificate from a practicing Company Secretary on the Company's compliance with corporate governance norms as required under Listing Regulations is appended.

## 17. Certificate of non-disqualification of directors

A certificate from a Practicing Company Secretary pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) is appended.

## 18. Unclaimed suspense accounts

In terms of the Listing Regulations, the Company has dematerialised and kept the unclaimed shares in 'Akzo Nobel India Limited- Unclaimed Suspense Account'. Disclosure in respect of the equity shares kept in this account is given below:

i) Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	67 shareholders and 2,604 shares
ii) Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year	1 shareholder and 72 shares
iii) Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	1 shareholder and 72 shares
iv) Number of shareholders whose shares were transferred from the Unclaimed Suspense Account to IEPF Authority	1 shareholder and 109 shares
v) Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year	65 shareholders and 2,423 shares

As per SEBI Notification no. SEBI/LAD-NRO/GN/2022/66 dated 24.01.2022, the securities where the securities holder/claimant fails to submit the Demat request within 120 days from the date of issuance of Letter of Confirmation is liable for transfer to the Suspense Escrow Demat Account. In terms of this notification the Company has dematerialized and kept the pending Demat requests in 'Akzo Nobel India Limited- Unclaimed Securities-Suspense Escrow Account'. Disclosure in respect of the equity shares kept in this account is given below:

i) Aggregate number of shareholders and the outstanding shares lying in the Suspense Escrow Demat Account at the beginning of the year	4 shareholders and 113 shares
ii) Aggregate number of shareholders and the outstanding shares transferred to the Suspense Escrow Demat Account during the year	1 shareholder and 136 shares
iii) Number of shareholders who approached the issuer for transfer of shares from the Suspense Escrow Demat Account during the year	1 shareholder and 70 shares
iv) Aggregate number of shareholders and the outstanding shares lying in the Suspense Escrow Demat Account at the end of the year	4 shareholders and 179 shares

Place: Gurugram  
Date: 14<sup>th</sup> May 2025

**Rajiv Rajgopal**  
Chairman & Managing Director  
DIN: 06685599

# Certificate on Corporate Governance

## To the members of Akzo Nobel India Limited

We have examined the compliance of conditions of Corporate Governance by **Akzo Nobel India Limited** ("the Company") in terms of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the year ended 31.03.2025.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **A. K. LABH & Co.**  
Company Secretaries

**( CS A. K. LABH )**  
Practicing Company Secretary  
FCS : 4848 / CP No : 3238  
UIN : S1999WB026800  
PRCN : 1038/2020  
UDIN : F004848G000330866

Place : Kolkata  
Dated : 14.05.2025

# Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**Akzo Nobel India Limited**  
801A, South City Business Park,  
770, Anandapur, Eastern Metropolitan By Pass,  
Near Fortis Hospital, E. K. T.  
Kolkata – 700 107  
West Bengal

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Akzo Nobel India Limited having CIN : L24292WB1954PLC021516** and having registered office at 801A, South City Business Park, 770, Anandapur, Eastern Metropolitan Bypass, Near Fortis Hospital, Kolkata – 700 107, West Bengal (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Hemant Sahai	00088238	03.08.2018
2.	Anil Chaudhry	03213517	22.11.2024
3.	Namrata Kaul	00994532	05.08.2024
4.	Krishna Rallapalli	03384607	01.12.2021
5.	Rajiv Rajgopal	06685599	01.11.2018
6.	Rohit Ghanshyamdas Totla	10391749	16.11.2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This Certificate has been issued relying on the documents and information as mentioned herein above and as were made available to us or as came to our knowledge for verification without taking any cognizance of any legal dispute(s) or sub-judice matters which may have effect otherwise, if ordered so, by any concerned authority(ies). This certificate is also neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata  
Date : 14.05.2025

Name : **CS Atul Kumar Labh**  
Membership No. : FCS 4848  
CP No. : 3238  
PRCN : 1038/2020  
UIN : S1999WB026800  
UDIN : F004848G000330767

## Annexure II-A

# Business Responsibility and Sustainability Report (BRSR)

(In terms of Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We are pleased to share our 3<sup>rd</sup> Business Responsibility and Sustainability Report ("BRSR") for the financial year 2024-25 which is in alignment with the nine principles of the National Guidelines on Responsible Business Conduct (NGRBC) notified by the Ministry of Corporate Affairs, Government of India. The Report mentions our sustainability performance, providing a comprehensive overview of our efforts and achievements in this critical area. Given our product mix, our objective is to make sustainable living a commonplace, ensuring that our actions of today contribute significantly to a better tomorrow. While minimizing the impact of our products on environment, we are committed to adoption of innovative approaches to product quality, manufacturing, and distribution, all aimed at reducing our ecological footprint. We always strive to integrate sustainable policies and practices into our business model thereby protecting our planet and driving long-term value creation and enhancement for our various stakeholders. Our initiatives include reducing waste, conserving resources, material circularity, and promoting ethical sourcing. We also engage with our consumers encouraging them to make environmentally conscious choices.

This report covers various aspects of our sustainability journey, including environmental stewardship, social responsibility,

and governance practices. We believe that by sharing our progress, challenges, and future goals, we can foster a culture of continuous improvement and innovation.

During FY 2024-25, we undertook several key measures to reduce our carbon footprint, increase energy efficiency, and minimize waste generation. At Akzo Nobel, our plants are deeply committed to sustainability, incorporating energy-efficient manufacturing processes and leveraging in-house capabilities in production. One of our significant achievements in this area has been the installation of solar panels at our manufacturing facilities. From reducing carbon emissions and increasing energy efficiency to marching towards achieving zero waste continuously and enhancing ESG criteria in line with our global standards, we are dedicated to making a positive impact on the environment and society. Our efforts not only contribute to a more sustainable future but also reinforce our position as a thoughtful player in the paints and coatings industry.

We also believe that sustainability has been a continuous journey, and we all are responsible for ensuring that our growth is sustainable and inclusive.

### Principles

**1** Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

**2** Businesses should provide goods and services in a manner that is sustainable and safe

**3** Businesses should respect and promote the well-being of all employees, including those in their value chains

**4** Businesses should respect the interests of and be responsive to all its stakeholders

**5** Businesses should respect and promote human rights

**6** Businesses should respect and make efforts to protect and restore the environment

**7** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

**8** Businesses should promote inclusive growth and equitable development

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

## SECTION

## A

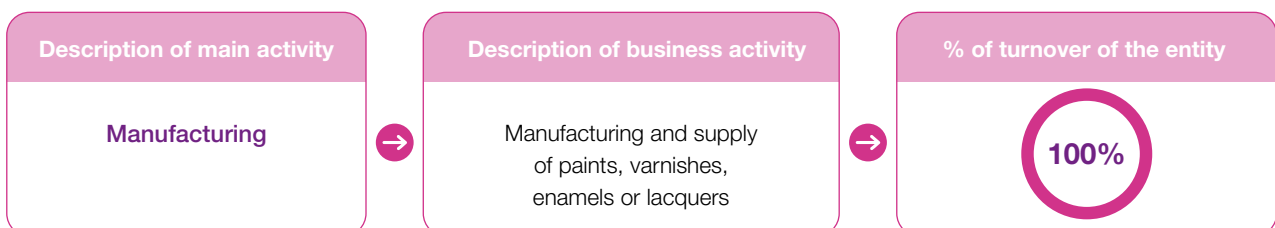
## GENERAL DISCLOSURES

## I. Details of the listed entity

1	<b>Corporate Identity Number (CIN) of the Listed Entity</b>	:	L24292WB1954PLC021516
2	<b>Name of the Listed Entity</b>	:	Akzo Nobel India Limited
3	<b>Year of Incorporation</b>	:	1954
4	<b>Registered Office address</b>	:	801A, South City Business Park, 770, Anandapur, Eastern Metropolitan Bypass, Near Fortis Hospital, Kolkata – 700 107
5	<b>Corporate Office address</b>	:	9 <sup>th</sup> Floor, Magnum Towers 1, Sector 58, Gurugram 122 011
6	<b>E-mail id</b>	:	<a href="mailto:investor.india@akzonobel.com">investor.india@akzonobel.com</a>
7	<b>Telephone</b>	:	0124 4852400
8	<b>Website</b>	:	<a href="http://www.akzonobel.co.in">www.akzonobel.co.in</a>
9	<b>Financial year for which reporting is being done</b>	:	April 2024-March 2025
10	<b>Name of the Stock Exchange(s) where shares are listed</b>	:	BSE Limited and The National Stock Exchange of India Limited
11	<b>Paid-up Capital</b>	:	455.4 million
12	<b>Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR</b>	:	Name: Rajiv L. Jha Designation: Company Secretary and Compliance Officer Telephone number: 0124-4852400 Email: <a href="mailto:investor.india@akzonobel.com">investor.india@akzonobel.com</a>
13	<b>Reporting boundary</b>	:	Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):  The reporting boundary covers the operations of Akzo Nobel India Limited on a consolidated basis and includes all its five manufacturing facilities at Thane, Mohali, Bengaluru, Hyderabad and Gwalior.
14	<b>Name of Assurance provider</b>	:	N.A.
15	<b>Type of Assurance obtained</b>	:	N.A.

## II. Products/ Services

## 16. Details of business activities (accounting for 90% of the turnover):

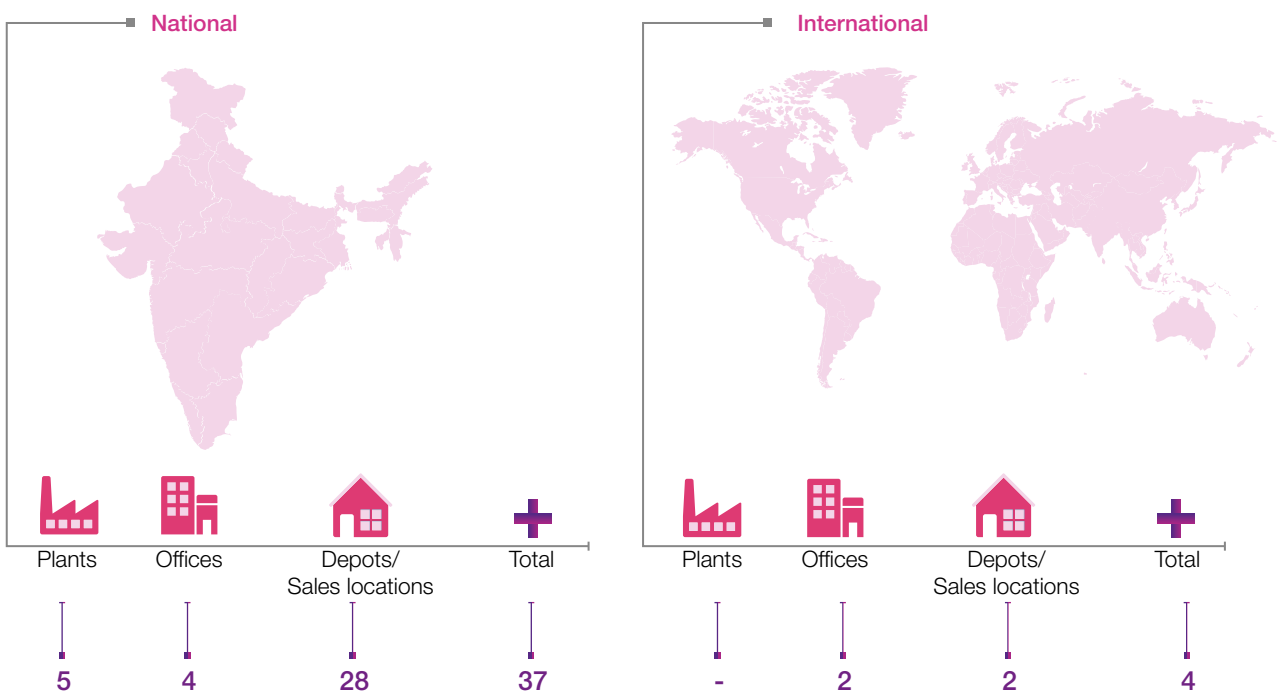


17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):



III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:



19. Markets served by the entity:

a. Number of locations

Location	Number of locations
National (No. of States)	24
International (No. of Countries)	4 (Bhutan, Nepal, Bangladesh, Sri Lanka)

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contribute ~5% of the total turnover of the entity.

c. A brief on types of customers

We serve broadly 3 types of consumers as below:

- Homeowners/Dealers/Distributors/Painters: We offer a wide range of essential products for every situation and surface, including paints, lacquers and varnishes
- Institutions/Builders/Contractors: Dulux professional range of products serve the builder segment & other institutional decorative paint users.
- Industrial users: The industrial paints cater to the needs of automotive, consumer durables, structures, machinery, equipment etc.

#### IV. Employees

##### 20. Employees and workers, including differently-abled

	2024-25					
	Workforce			Differently-abled		
	Male	Female	Total	Male	Female	Total
No. of Employees	1,096	171	1,267	3	0	3
Permanent	1,096	171	1,267	3	0	3
Others	0	0	0	0	0	0
No. of Workers	618	16	634	0	0	0
Permanent	310	0	310	0	0	0
Others	308	16	324	0	0	0
<b>Total</b>	<b>1,714</b>	<b>187</b>	<b>1,901</b>	<b>3</b>	<b>0</b>	<b>3</b>
Permanent	1,406	171	1,577	0	0	0
Others	308	16	324	0	0	0

##### 21. Participation/inclusion/representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	17%
Key Management Personnel	3	0	-

##### 22. Turnover rate for permanent employees and workers

	2024-25			2023-24			2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Turnover Rate – Permanent Employees	19%	16%	19%	18%	19%	18%	15%	11%	15%
Turnover Rate – Permanent Workers	3%	-	3%	0%	-	0%	1%	-	1%

#### V. Holding, subsidiary and associate companies (including joint ventures):

##### 23. a. Names of holding subsidiary / associate companies / joint ventures

S. No	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
	Imperial Chemical Industries Limited, United Kingdom	Holding company	50.46%	Yes
	Akzo Nobel Coatings International B.V., The Netherlands	Holding Company	24.30%	Yes
	Akzo Nobel NV, The Netherlands	Ultimate Holding Company	Nil*	Yes
	ICI India Research & Technology Centre Private Limited	Subsidiary	99.99%	Yes

\*Both the holding companies are wholly owned subsidiaries of Akzo Nobel N.V.

## VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in INR mn): 40,912

(iii) Net worth (in INR mn): 13,198

## VII. Transparency and disclosures compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	2024-25			2023-24		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Email: <a href="mailto:customercare.india@akzonobel.com">customercare.india@akzonobel.com</a> Helpline: 180030004455; Through local NGO partners	0	0	-	0	0	-
Investors (other than shareholders)	Email: <a href="mailto:investor.india@akzonobel.com">investor.india@akzonobel.com</a>	0	0	-	0	0	-
Shareholders	SEBI, Stock Exchange, Registrar and Share Transfer Agent, Email: <a href="mailto:investor.india@akzonobel.com">investor.india@akzonobel.com</a>	14	2	-	15	0	-
Employees and workers	Speak up (Vigil Mechanism)	11	3	-	11	3	-
Customers	Email: <a href="mailto:customercare.india@akzonobel.com">customercare.india@akzonobel.com</a> Helpline: 180030004455	2,373	737	-	1,498	646	-
Value Chain Partners	Email: <a href="mailto:customercare.india@akzonobel.com">customercare.india@akzonobel.com</a> Helpline: 180030004455	0	0	-	0	0	-

Grievance redressal policy to be found on the link: <https://akzonobel.co.in/pdf/policy/CodeOfConduct.pdf>

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications.

Please refer Risks & Opportunities in the Management Discussion and Analysis section.

**SECTION**  
**B**
**MANAGEMENT AND PROCESS DISCLOSURES**

Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1 a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs <sup>#</sup>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<a href="https://akzonobel.co.in/corporate-governance.php#policy">https://akzonobel.co.in/corporate-governance.php#policy</a>								
2 Whether the entity has translated the policy into procedures*	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3 Do the enlisted policies extend to your value chain partners?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4 Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Your Company's manufacturing facilities and office premises have well defined Environment, Health, Safety and Quality Management systems in place with stringent internal standards and are also certified with international standards. ISO 45001 (OHSAS)- Occupational Health and safety Management system ISO 9001- Quality Management system ISO 14001- Environmental Management system Our products are certified as per BIS								
5 Specific commitments, goals and targets set by the entity with defined timelines, if any.	Globally, AkzoNobel is committed to the following by 2030 <ul style="list-style-type: none"> <li>• reduce our carbon emissions by 50%</li> <li>• utilize 100% of our energy requirements from renewable sources</li> <li>• move towards zero waste</li> </ul>								
6 Performance of the entity against the specific commitments, goals and targets alongwith reasons in case the same are not met	Your Company follows a series of Environmental Performance Indicators (as referred in various places of this report) to monitor its efforts for sustainable use of natural resources in manufacturing.								
<b>Governance, leadership and oversight</b>									
7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Refer Chairman and MD statement								
8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board of Directors of the Company oversee the implementation of the Business Responsibility Policy(ies). The sustainability agenda of your Company is spread across various Board Committees.								
9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues?	No specified committee. However, the Chairman and Managing Director is responsible for decision making on sustainability related issues.								

# Principle	Policy description
P1	Code of Conduct Policy; Whistle blower Policy
P2	Health, Safety and Environment and Security (HSES) Policy; Responsible Procurement Policy; Sustainability policy
P3	Whistle blower Policy; Human Rights Policy; Diversity & Inclusion Policy; Equal Opportunity Policy
P4	HSES Policy; Responsible Procurement Policy
P5	Code of Conduct Policy; Human Rights Policy
P6	HSES Policy; Sustainability Policy
P7	Code of Conduct Policy
P8	Human Rights Policy; Diversity & Inclusion Policy; Corporate Social Responsibility Policy
P9	Code of Conduct Policy; HSES Policy; Responsible Procurement-policy; Sustainability Policy; Whistleblower Policy

## 10. Details of Review of NGRBCs by the Company:

Disclosure questions	Indicate whether review was undertaken by																	
	Director / Committee of the Board/Any other									Frequency								
	Committee									P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action**	C/B	C/B	C/B	C/B	C/B	C/B	C/B	C/B	C/B	A	A	A	A	A	A	A	A	A
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	C/B	C/B	C/B	C/B	C/B	C/B	C/B	C/B	C/B	A	A	A	A	A	A	A	A	A

\*\* C/B- Committee of the Board/Board of Directors as may be relevant; A- Annual

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? If yes, provide name of the agency.									

Refer note below

Lloyd's Register Quality Assurance Limited conducted an independent assessment of our health, safety and environment management system. We have a responsible procurement policy, business partner code of conduct, and use EcoVadis for third-party assessments to ensure alignment with our principles. Additionally, our internal audit program reviews compliance with relevant policies.

## 12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

N.A

## SECTION

## C

## PRINCIPLE-WISE PERFORMANCE

## PRINCIPLE

## 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

## Essential indicators

## 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of trainings and awareness programmes held	Topics/principles covered under training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	3	Strategy review of Paints, Powder and ASC Businesses and HR Function	100%
Key Managerial Personnel	3	Strategy review of Paints, Powder and ASC Businesses and HR Function	100%
Employees other than BOD and KMPs	175	Code of Conduct, POSH, health & wellbeing sessions, Communication, AI, Competition Law, Life Saving Rules, Data Privacy, Sustainability among others	79%
Workers		Health & Safety related trainings, Wellness sessions and Skill upgradation	41%

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

## Monetary

	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NA		NA	NA	- NA
Settlement	NA		NA	NA	- NA
Compounding fee	NA		NA	NA	- NA

## Non-monetary

	NGRBC principle	Name of the regulatory/enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	No		No	No
Punishment	No		No	No

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory/enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The entity has a strict anti-bribery and anti-corruption policy. We strictly prohibit making, offering, authorizing, or accepting bribes or facilitation payments. We expect all employees and business partners representing AkzoNobel to adhere to the highest ethical standards in all business dealings and relationships. The policy explaining our compliance policy with regards to anti-bribery, anti-corruption, gifts and hospitality is available at <https://www.akzonobel.com/en/about-us/governance-/policies---procedures/anti-bribery-and-corruption-policy>.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

There were no Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

	2024-25	2023-24
Directors	None	None
KMPs	None	None
Employees	None	None
Workers	None	None

6. Details of complaints with regard to conflict of interest:

	2024-25		2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of KMPs	None	NA	None	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

There were no cases of corruption and conflicts of interest and therefore, corrective actions taken or pending from any regulator/ law enforcement agencies/ judicial institutions are not applicable.

8. Number of days of accounts payables (Payables \* 365/ COGS) in the following format:

	2024-25	2023-24
Number of days of accounts payables	159	164

9. Openness of business

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along with loans and advances & investments with related parties in the following format:

Parameter	Metrics	2024-25	2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	5%	7%
	b. Number of trading houses where purchases are made from	24	21
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	88%	85%
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	73%	74%
	b. Number of dealers/ distributors to whom sales are made	4,778	4,365
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	10%	11%
Share of RPTs in	a. Purchases (Purchases with related parties/ Total purchases)	7%	7%
	b. Sales (Sales to related parties/ Total Sales)	2%	2%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	0%	-
	d. Investments (Investments in related parties/ Total investments made)	-	-

Note: Only Primary Sales considered

## Leadership indicators

### 1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

We continued to improve our suppliers' sustainability practices by using and building on Ecovadis and Together for Sustainability (TfS) programs and partnerships. Suppliers are encouraged to participate in webinars and trainings through TfS Academy in categories of Health & Safety, Environment, Sustainable Procurement, Labour & Human Rights, Management and Governance.

Around two-third of our vendors were covered under this program.

### 2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

The entity has processes to prevent/manage conflicts of interest among Board members by way of recusal on any agenda item in which he/she is interested. All related party transactions are put up for approval/ratification before the Audit Committee and thereafter, recorded in the Register of Contracts on a quarterly basis and presented to the Board for review. All Directors sign the said Register to acknowledge their awareness of and concurrence on these transactions.

Apart from that, the Company has a Code of Conduct which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company and in any transaction in which the Company has any interest, directly or indirectly. The Company obtains an annual declaration from its Board of Directors and all its employees certifying adherence to the Code of Conduct.

## PRINCIPLE

## 2

## Businesses should provide goods and services in a manner that is sustainable and safe.

### Essential Indicators

#### 1. Percentage of r&d and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

We're driven to find innovative, more sustainable solutions for our customers, communities and the planet. All our expenditure towards R&D is in a manner that is sustainable and safe to improve the environmental and social impacts of product and processes. Our areas of innovation include the use of bio-based materials, water-based paints and the phasing out of hazardous materials.

Around 56% of our capex investments during the year was invested towards improving our own processes and towards developing solutions to meet our customers' needs in more sustainable ways. Some of these projects included expanding our Powder coatings capacity, tinting technology, investing in renewable energy and energy management system etc.

#### 2. Does the entity have procedures in place for sustainable sourcing? If yes, what percentage of inputs were sourced sustainably?

Our global ambition is to achieve a 50% reduction in carbon emissions throughout the value chain by 2030 (with a 2018 baseline). We have established procedures for sustainable sourcing and strive to create long-term value for AkzoNobel stakeholders in social, environmental, and economic terms. In this, AkzoNobel has partnered with Ecovadis and Together for Sustainability (TfS) to build and improve our suppliers' sustainability practices.

Currently, around two-third of our inputs are procured from sources assessed for sustainability.

Company's policy on Responsible Procurement is available on Company website [www.akzonobel.co.in](http://www.akzonobel.co.in).

#### 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life.

##### (a) *Plastics (including packaging):*

As a responsible manufacturer of Paints and Coatings, we comply with post-consumer waste management through authorized waste management service providers. This is part of our Extended Producer Responsibility (EPR) to collect, segregate, and sustainably recycle/recover waste. This initiative ensures compliance with the "Plastic Waste Management Rules" and reinforces our commitment to sustainability.

##### (b) *E-waste:*

New E-waste (Management) Rules, 2022 were made effective from 1<sup>st</sup> April 2023, and sets specific targets for the collection and disposal of e-waste. As a responsible organization, Akzo Nobel India has been partnering with SPCB-authorized agencies for safe disposal of electric and electronic equipment/devices.

##### (c) *Hazardous waste:*

The hazardous waste generated in the manufacturing plant are segregated at source and disposed in scientific manner engaging authorized agencies for reuse, recycle, recovery or incineration. As a commitment towards environment we adopt reuse, recycle and recovery as the most preferred method of disposal while incineration is the least preferred method. This ensures compliance to "Hazardous Waste Management and transboundary rules 2016"

**(d) Other wastes:**

Other wastes generated from the manufacturing plant are segregated at source and disposed to registered agencies for reuse, recycle and recovery to ensure compliance to “Solid Waste Management rules 2016”.

**4. Whether Extended Producer Responsibility (‘EPR’) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, EPR is applicable to the Company. As a responsible manufacturer, the Company remains compliant with the obligations as stipulated under the Plastic Waste management amended rules 2022.

**Leadership indicators**

**1. Has the entity conducted Life Cycle Perspective / Assessments (‘LCA’) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

We partner with Ecomatters to mainstream Lifecycle Assessment for buildings and infrastructure projects. The Cradle-to-Gate assessment evaluates the environmental impact of our products, and we provide the results through EPDs for key brands like International and Interpon. EPDs for our Decorative Paints are certified by UL Solutions.

These allow our customers to make informed choices aligned with their sustainability objectives. These EPDs may be accessed at ECO PORTAL - Eco Platform en ([eco-platform.org](https://eco-platform.org)) and [www.spot.ul.com](https://www.spot.ul.com). Presently, EPDs cover products which contribute ~11% to the overall portfolio.

Several of our Decorative Paints products are also Greenpro Ecolabel certified. The GreenPro Ecolabel, developed by the Confederation of Indian Industry’s Green Business Centre and accredited by Global Ecolabelling Network, recognises the highest standards of environmental sustainability and product performance in the Indian building and manufacturing sector. Including these, the contribution of certified products is ~15%.

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (‘LCA’) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

There were no significant social & environmental concerns identified in LCA.

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

We use ~10% of recycled plastic in our containers.

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

metric tonnes	2024-25			2023-24		
	Reused	Recycled	Safely disposed	Reused	Recycled	Safely disposed
Plastics		473.7			260.8	
E-Waste		0.0			0.0	
Hazardous waste		2,032.0			902.8	
Other waste		1,366.4			596.4	

The plastic details above pertain to only manufacturing process and exclude post-consumer plastic waste. Last year numbers have been accordingly restated.

Increase in hazardous waste in CY is on account of change in reporting methodology to CSRD (Corporate Sustainability Reporting Directive), and therefore not comparable.

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:**

Product category	Reclaimed products and their packaging materials	Total Product sold	% Reclaimed 2024-25
Category I (Rigid Plastic)	1,523	1,523	100%
Category II (Flexible Plastic)	19	19	100%

## PRINCIPLE

## 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

## Essential indicators

## 1. a. Details of measures for the well-being of employees:

For 2024-25

	% of Employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent employees</b>											
Male	1,096	1,096	100%	1,096	100%	0	0%	1,096	100%	1,096	100%
Female	171	171	100%	171	100%	171	100%	0	0%	171	100%
<b>Total</b>	<b>1,267</b>	<b>1,267</b>	<b>100%</b>	<b>1,267</b>	<b>100%</b>	<b>171</b>	<b>13%</b>	<b>1,096</b>	<b>87%</b>	<b>1,267</b>	<b>100%</b>
<b>Other than permanent employees</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## b. Details of measures for the well-being of workers:

For 2024-25

	% of Workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent workers</b>											
Male	310	310	100%	310	100%	0	0%	310	100%	100%	100%
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>310</b>	<b>310</b>	<b>100%</b>	<b>310</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>310</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Other than permanent workers</b>											
Male	308	308	100%	308	100%	0	0%	0	0%	308	100%
Female	16	16	100%	16	100%	16	100%	0	0%	16	100%
<b>Total</b>	<b>324</b>	<b>324</b>	<b>100%</b>	<b>324</b>	<b>100%</b>	<b>16</b>	<b>5%</b>	<b>0</b>	<b>0%</b>	<b>324</b>	<b>100%</b>

## c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent):

	2024-25	2023-24
Cost incurred on well-being measures % Revenue	0.2%	0.3%

## 2. Details of retirement benefits:

	2024-25			2023-24		
	No. of Employees covered	No. of Workers covered	Deducted & Deposited with Authority (Y/N/NA)	No. of Employees covered	No. of Workers covered	Deducted & Deposited with Authority (Y/N/NA)
PF	1,267	310	Y	1,250	283	Y
Gratuity	1,267	310	Y	1,250	283	Y
ESI	0	0	NA	0	0	NA
Others (pls. specify)	NA	NA	NA	NA	NA	NA

3. Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

We are striving to ensure all our offices, factories and RD&I labs are accessible to differently abled employees and workers. We are progressing/ progressed towards upgrading the infrastructure in a phased manner. This plan includes installation of signages, ramps and handrails, dedicated parking and washrooms, wherever possible/ applicable.

4. Does the entity have Equal Opportunity policy as per requirements of Rights of Persons with Disabilities Act, 2016?

We ensure that employees of all backgrounds feel equally valued, receive the right opportunities to progress their careers and have the freedom to be their best selves at work. The entity has an Equal Opportunity policy registered in accordance with the Rights of Persons with Disabilities Act, 2016. The policy may be accessed through the following link: Akzo Nobel India Equal Opportunity Policy.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	2024-25					
	Permanent Employees			Permanent Workers		
	Male	Female	Total	Male	Female	Total
Return to Work rate	100%	71%	97%	100%	-	100%
Retention rate	98%	100%	98%	100%	-	100%

There is no woman worker who availed parental leave under permanent workers category.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

**Yes/No, (If yes, give details of the mechanism in brief)**

Permanent Workers	Yes, there is a Speak Up or vigil mechanism for employees and workers to address grievances. Please refer to the Vigil Mechanism - Whistleblower Policy and Other Disclosure section of the Corporate Governance Report for more information.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

	2024-25			2023-24		
	Total employees / workers in respective category	No. of employees / workers who are part of association(s) or Union	%	Total employees / workers in respective category	No. of employees / workers who are part of association(s) or Union	%
Total Permanent Employees	1,267	0	0	1,250	0	0
- Male	1,096	0	0	1,084	0	0
- Female	171	0	0	166	0	0
Total Permanent Workers	310	186	60	283	189	67%
- Male	310	186	60	283	189	67%
- Female	0	0	-	0	0	-

8. Details of trainings given to employees and workers:

	2024-25					2023-24				
	Total		Number	% Number	% Number	Total		Number	% Number	Number
<b>Employees</b>										
Male	1,096	1,096	100%	1,017	93%	1,084	868	80%	741	68%
Female	171	171	100%	134	78%	166	150	90%	138	83%
<b>Total</b>	<b>1,267</b>	<b>1,267</b>	<b>100%</b>	<b>1,151</b>	<b>91%</b>	<b>1,250</b>	<b>1,018</b>	<b>81%</b>	<b>879</b>	<b>70%</b>
<b>Workers</b>										
Male	618	618	100%	252	41%	570	570	100%	172	30%
Female	16	16	100%	0	0%	12	12	100%	0	0%
<b>Total</b>	<b>634</b>	<b>634</b>	<b>100%</b>	<b>252</b>	<b>40%</b>	<b>582</b>	<b>582</b>	<b>100%</b>	<b>172</b>	<b>30%</b>

We designed our learning and development framework according to our learning formula of 70:20:10. During the year, we provided ~3400 training hours to employees equipping them with skills and knowledge necessary to excel in their roles and contribute to the success of our organization.

We continued with our GMIT program (Grow manufacturing India Talent) by multiple upskilling initiatives and training programs at the site level focused on building the managerial capability.

The commercial world witnessed initiatives like Gurukul 2.0, aimed at creating a strong bench of full-time frontline salespeople while engaging potential contingent workforce to give suitable opportunities with us. We also conducted multiple assessment centres for frontline sales.

Lot of training both on the job and classroom saw investment from the organization in form of Dulux Pitch Perfect, Dulux Advantage Day program wherein employees were empowered to continue invest towards Product knowledge and application. Some of the programs attended by employees included Leadership essentials, Courageous conversation at AkzoNobel, effective communication skills, Diversity and inclusion sessions on moments that matter, unconscious bias, gender, LGBTQIA+.

#### 9. Details of performance & career development reviews of employees and workers:

	2024-25			2023-24		
	Number	PD&D conducted	%	Number	PD&D conducted	%
<b>Employees</b>						
Male	1,096	1,096	100%	1,084	1,084	100%
Female	171	171	100%	166	162	98%
<b>Total</b>	<b>1,267</b>	<b>1,267</b>	<b>100%</b>	<b>1,250</b>	<b>1,246</b>	<b>100%</b>
<b>Workers</b>						
Male	618	298	48%	570	283	50%
Female	16	0	0%	12	0	0%
<b>Total</b>	<b>634</b>	<b>298</b>	<b>47%</b>	<b>582</b>	<b>283</b>	<b>49%</b>

#### 10. Health and safety management system:

- a. *Whether an occupational health & safety mgmt. system has been implemented by the entity? If yes, coverage of such system?*

Yes. All manufacturing, offices and RD&I labs are certified for ISO14001 (Environment), ISO45001 (Health & Safety) Management system and ISO9001.

- b. *What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?*

We are committed to running our operations safely by providing adequate resources, necessary equipment, procedures, and training to prevent injuries. We investigate HSE&S incidents (and implement corrective actions to continuously improve our safety performance.

Identifying work related hazards related to routine and non-routine activities and taking corrective measures are key steps involved in hazard elimination. AkzoNobel follows a structured approach which are detailed below:

- Hazard Identification and Risk Assessment (HIRA) for all the activities, products and services
- Process Hazard Study (PHA) is performed by a team of experts to identify hazard related to process and design.

- the chemical compatibility study is performed to analyze the chemical interaction and the risks identified to establish control measures.
- System based employee engagement on hazard reporting & other leading indicators through Enablon HSES suite as defined by Global HSES.

The control measures are applied as per the hierarchy of controls and engineering controls are most preferred while Personal Protective Equipment's are used as last line of defence.

In addition to the above, we also perform specific risk assessments on process and people safety such as below:

- Static risk assessment is performed to identify the static electricity hazards and control measures are adopted
- Fire Risk Assessment is performed for identifying fire hazards and control measures established.
- Ergonomic risk assessment is performed using AkzoNobel tool to identify hazards related to manual material handling and control measures established.

c. *Whether you have processes for workers to report the work-related hazards and to remove themselves from such risk?*

Yes. There is a system in place for reporting all hazards encountered in the workplace, and all employees are encouraged to report work related hazards and near miss. These events are reported into a software called Enablon, and they are monitored and analyzed to implement appropriate measures to eliminating or reducing the risk.

d. *Do the employees/worker of the entity have access to non-occupational medical and healthcare services?*

Yes, the employees/workers of the entity have access to non-occupational medical and healthcare services.

Employees and workers can avail cashless medical services from the hospital chains which are covered under insurance coverage. Health camps, fitness challenges and mental wellness programs are offered to employees.

## 11. Details of safety-related incidents

	2024-25		2023-24			Total
	Employees	Workers	Employees	Workers	Employees	
LTI Frequency Rate (LTIFR)	0	0	0	0	0	0
Recordable work-related injuries	1	0	1	1	0	1
No. of fatalities	0	0	0	0	0	0
High consequence work-related injury/ill-health	0	0	0	0	0	0

LTIFR: per one million-person hours worked

- Lost Time Injury for contractors and workers has remained zero for last two years.
- There have been no fatalities and High consequence work-related injury/ill-health in the last three years.

## 12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

The health and well-being of our employees, customers, stakeholders, and communities is a top priority. Our vision is to achieve zero injuries and harm through operational excellence. To uphold the highest safety standards, we have established comprehensive management programs covering occupational health, personal safety, process safety, and security. Our commitment to safety is reinforced by our Life-Saving Rules and Golden Principle, which empowers employees to stop work in the event of unsafe conditions or behaviours.

Over the past year, we continued implementing our life-critical procedures and HSE&S roadmap program. We identified improvement areas within our operations and address them through a roadmap with targeted action plans and strong governance. Additionally, we invested in functional excellence and enhanced our HSE&S capability framework to further strengthen our safety culture.

We continued the implementation of our lift truck/ pedestrian segregation program and Behaviour Based Safety (BBS), with a focus on improving quality through more coached observations and strengthening the capability in this area.

We launched company-wide monthly Safety Moments to raise safety awareness. These are used by people managers during their team meetings to engage colleagues across all functions and levels of our organization, keeping them informed about everyday safety hazards and safe behaviours.

We strengthened our Timeout for Gemba principles to encourage and engage employees in daily dialog, fostering learning and improving the context in which work occurs, while ensuring that capabilities, systems and processes are in place.

We also continued our industrial hygiene and ergonomic programs, and actively managed absenteeism related to occupational illness.

### Safety day 2025

National Safety Day served as a meaningful opportunity to raise safety awareness among employees while celebrating and reinforcing our commitment to a safe workplace through engaging activities. This year's theme, "Safety & Well-Being: Crucial for Viksit Bharat," underscored the essential role safety plays in national development. It reminds us that a nation's progress is not solely defined by economic or industrial growth, but also by the health, safety, and well-being of its people.

The awareness campaign encouraged employees to participate in a variety of programs designed to inspire self-reflection, promote safe behaviors, and foster a culture of safety leadership. The message was clear: safety should be embedded in everything we do—both during work and outside of it.

The celebrations concluded with recognition and rewards for employee participation, outstanding safety practices, and impactful safety improvements carried out throughout the year.

## 13. Number of complaints on the following made by employees and workers:

	2024-25		Remarks	2023-24		Remarks
	Filed during the year	Pending resolution at year-end		Filed during the year	Pending resolution at year-end	
Working conditions	1	0		0	0	
Health & safety	0	0		6	2	

## 14. Assessments for the year

	% of plants & offices assessed
Health & Safety practices	100%
Working conditions	100%

HSE&S audits are performed in three-year (for high hazard sites) to five-year (other sites) cycles. During the year, 2 corporate audits were conducted. Compliance assurance is a key HSE&S priority because it ensures our license to operate and our business continuity in a fast-changing regulatory environment. Our company wide HSE&S compliance assurance process is proactive and digitally supported by tools from a leading third-party supplier.

The main cause of the incident was a lapse in judgment while placing materials on racks in the warehouse. While substantial measures were implemented in the previous year to reduce such incidents, we remain focused on executing targeted improvement plans. These include employee training and efforts to enhance competency, specifically aimed at addressing underlying root causes and upskilling employees involved in critical safety tasks.

## 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

We take a proactive approach to identifying potential risks and near misses, conducting root cause analyses for first aid cases and the top three near misses to implement corrective actions and prevent recurrence.

During 2024-25, we continued the deployment of our Basis of Safety standards, with a focus on aluminum bonding and high-speed dispersers, in alignment with AkzoNobel global safety initiatives. Several engineering standards have been adopted, including those for grounding and bonding; flexible hose management; and maintenance of solvent storage tanks. Our sites continue to implement equipment modifications using a risk-based approach.

In 2024-25, we recorded a total of 1 Loss of Primary Containment (LoPC), compared to 5 in 2023-24—marking a significant decline from the previous financial year.

## Leadership indicators

## 1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the Company has arranged for life insurance cover in the event of death of its employees and workers.

## 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

At the time of entering into a contract, on case-to-case basis, AkzoNobel seeks to ensure compliance with our core values of safety, integrity and sustainability from our business partners. Through the Business Partner Code of Conduct, we expect that all our business partners conduct business fairly and with integrity and comply with all laws and regulations applicable to the business they conduct for AkzoNobel. In some cases, we partner with D&B to undertake due diligence and risk assessment and also enter into contractual agreements before onboarding vendors.

## 3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total No. of affected Employee/Worker		No. of Employees/Worker who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	2024-25	2023-24	2024-25	2023-24
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management career endings resulting from retirement or termination of employment? (Yes/ No)

No.

5. Details of assessment of value chain partners on health & safety practices and working conditions

The TfS initiative provides infrastructure for online assessments carried out by EcoVadis – the partner of TfS and AkzoNobel – and on-site audits. Both programs are based on international standards and cover key sustainability areas like Environment, Labor and Human Rights, Health and Safety, Ethics and Responsible Supply Chains. The results of audits and assessments are reviewed and closed at the earliest.

During the year, around two-third of the suppliers were assessed for these parameters.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

TfS conducts audits from time to time. Audit observations, if any, are reviewed and closed at the earliest.

PRINCIPLE

4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

We have engaged with our stakeholders to understand areas of interest and material matters. Despite unprecedented times, we continued to deliver on interests of stakeholders and engaged with them for this. Material matters are topics which influence an organisation's ability to create sustainable value not only for itself, but also for the stakeholders, over the short, medium and long term. These topics are mapped on a matrix to show their relevance to 'Influence on stakeholder assessments and decisions' and 'Significance of economic, environmental, and social impacts' to create a predictive model of value creation.

Material matters are defined in line with ESG principles in line with the group assessment. These material matters are identified, prioritised, and monitored as part of our operational, financial, and social activities and are closely linked with our value creation process. These have been identified as High, Medium and Low per the chart below. These issues are contextual and may have positive as well as adverse impacts.

High	Medium	Low
Innovating Sustainable product(s)	Waste management	Protection of human rights
Emissions and energy	Diversity & inclusion	Community involvement
Employee health & safety	Water management	
Responsible procurement		
Business ethics and corporate governance		

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as vulnerable & marginalised group	Channels of communication	Frequency of engagement (annually/half yearly/ quarterly/ others -please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagements
Local Communities	Yes	Field visits; interactions; CSR initiatives for welfare of community; Local authority meetings; Focus group discussions	Program based	Collaboration with NGOs; Skill development; provision of health facilities; Health and safety; promoting Education; Local employment; grievance redressal
Government/ Regulatory bodies	No	Email, Newspaper advertisements, Website, Regulatory filings, representations, Industry forums	Need based	Local development; Adherence to regulatory requirements; sustainability; make in India

Stakeholder Group	Whether identified as vulnerable & marginalised group	Channels of communication	Frequency of engagement (annually/half yearly/ quarterly/ others -please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Customers/Paint Contractors/Paint Applicators	No	Interaction through digital media; customer satisfaction survey; Email, SMS, pamphlets, advertisements, meetings, website, grievance redressal	Monthly	Product Safety; Customer service; quality; customer satisfaction; new launches and product innovations; schemes; Health and Safety concerns at their workplace etc.
Employees	No	Emails; Review Meetings; Learning & development programmes; performance appraisal & feedback; surveys; employee engagement initiatives; policies in Intranet; Townhall meetings; training programs	Regular	Wellbeing; Occupational Health and safety; Career progression; diversity; Skill development; Training; Company strategy, policy changes, amongst others
Value Chain Partners/Vendors	No	Emails; Meetings; Supplier audits; Sustainable Supply Chain	Need based	Vendor servicing; value creation; long term commitment
Shareholders and Investors	No	Advertisements, Annual General meetings, Investor / Analyst enlargements; media releases, website; Newspaper publications; Annual Report	Quarterly/Annually	Company financial performance and business strategy; Operational performance; Corporate Governance any other material information

## Leadership indicators

### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

For CSR initiatives, at the beginning of the year, basis the program objectives and annual action plan in the areas as approved by the Corporate Social Responsibility Committee pursuant to Schedule VII to Companies Act, 2013, challenges, or inputs received during NGOs reviews and stakeholders interactions, any major change/s required is informed to the Corporate Social Responsibility Committee for its guidance, wherever needed.

### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the necessary guidance provided by the CSR Committee (if any) is considered for identification and management of the environmental and social initiatives by the Company. CSR Projects are selected in alignment

with Company's CSR focus areas and its ability to provide innovative solutions to social problems. For example, through our flagship "Indradhanush" programme under CSR domain, we have been continuously changing lives of women folks of the small villages/towns by making them self-reliant thereby contributing towards women empowerment in a socially responsible manner under the overall supervision and guidance of the stakeholders including the CSR Committee.

### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The Company engages with various communities across its Manufacturing Plant sites to serve the vulnerable/marginalised stakeholder groups. The Company has many initiatives in place like providing vocational skill training for youth, education to children from underprivileged sections of the society, painting of schools, provision of infrastructure in schools, health care initiatives for villagers and painter community.

All our CSR areas impact the vulnerable sections of the society. For more details, please refer to the Management Discussion and Analysis Section and Annexure II B of the Board's Report.

## PRINCIPLE

## 5

## Businesses should respect and promote human rights

## Essential indicators

## 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

No. of people given trainings on Human Rights issues and policies	2024-25		2023-24	
	Total no.	No. trained	Total no.	No. trained
Employees				
- Permanent	1,267	1,267	1,250	1,246
- Others	0	0	0	0
Workers				
- Permanent	310	310	283	283
- Others	324	324	299	299

## 2. Details of minimum wages paid to employees and workers:

All the employees and workers have been paid minimum wages.

Employees	2024-25			2023-24		
	Male	Female	Total	Male	Female	Total
No. of Permanent Employees = Min. wage	0	0	0	0	0	0
%	0%	0%	0%	0%	0%	0%
No. of Permanent Employees > Min. wage	1,096	171	1,267	1,084	166	1,250
%	100%	100%	100%	100%	100%	100%
<b>Total no. of Permanent Employees</b>	<b>1,096</b>	<b>171</b>	<b>1,267</b>	<b>1,084</b>	<b>166</b>	<b>1,250</b>
No. of Temporary Employees = Min. wage	0	0	0	0	0	0
%	-	-	-	-	-	-
No. of Temporary Employees > Min. wage	0	0	0	0	0	0
%	-	-	-	-	-	-
Total no. of Temporary Employees	0	0	0	0	0	0

Workers	2024-25			2023-24		
	Male	Female	Total	Male	Female	Total
No. of Permanent Workers = Min. wage	0	0	0	0	0	0
%	0%	0%	0%	0%	0%	0%
No. of Permanent Workers > Min. wage	310	0	310	283	0	283
%	100%	0%	100%	100%	0%	100%
<b>Total no. of Permanent Workers</b>	<b>310</b>	<b>0</b>	<b>310</b>	<b>283</b>	<b>0</b>	<b>283</b>
No. of Temporary Workers = Min. wage	228	12	240	272	10	282
%	74%	75%	74%	95%	83%	94%
No. of Temporary Workers > Min. wage	80	4	84	15	2	17
%	26%	25%	26%	5%	17%	6%
Total no. of Temporary Workers	<b>308</b>	<b>16</b>	<b>324</b>	<b>287</b>	<b>12</b>	<b>299</b>

## 3. Details of remuneration/ salary/ wages

## a. Median remuneration/ wages:

	Male		Female	
	No.	Median remuneration	No.	Median remuneration
Board of Directors	5	10.64	1	2.27#
KMP	3	10.64	-	-
Employees other than BoD & KMPs	1400	1.00	172	1.17
Workers	305	0.57	-	-

# for part of the year since her appointment

## b. Gross wages paid to females as % of total wages paid by the entity:?

	2024-25	2023-24
Gross wages paid to females as % of total wages	11.0%	11.0%

**4. Do you have a focal point responsible for addressing human rights impacts or issues caused or contributed to by the business?**

Yes. The Head HR is responsible for addressing impacts or issues caused or contributed to by the business with respect to Human Rights.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

As part of our core principles, we are committed to respecting internationally recognized human rights in all our operations and throughout our value chain. This commitment is in line with the applicable Indian labour legislations.

Our Code of conduct outlines the responsibility we take for avoiding the infringement of human rights, and for remediating any human rights impact resulting from our activities, our products, or any activities that our business partners conduct on our behalf. We also have speak up forum to register any grievances.

More details may be found in our position paper on Human Rights on our website.

**6. Number of Complaints on the following made by employees and workers:**

	2024-25		Remarks	2023-24		Remarks
	Filed during the year	Pending resolution at year-end		Filed during the year	Pending resolution at year-end	
Working conditions	0	0		0	0	
Health & safety	0	0		6	2	
Sexual Harassment	2	0		2	0	
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

	2024-25	2023-24
Total complaints reported under POSH	2	2
Complaints on POSH as a % of female employees/ workers	1.1%	1.1%
Complaints on POSH upheld	0	1

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Our whistle blower policy includes a global SpeakUp! Mechanism that safeguards complainants from adverse consequences. The platform allows anonymous reporting, ensuring confidentiality for the complainant. The investigating officer maintains the confidentiality of the complainant, and the policy provides protection against any retaliatory action.

In case of sexual harassment cases, the Company is committed to providing an enabling working environment for its employees which is equitable, free of unlawful discrimination or harassment. The Company has an Internal Complaints Committee ('ICC'). The Presiding officer of the ICC is a senior female official having experience as well as perspective on the course of action required in sexual harassment cases. The decision on the action to be taken against the employee in a sexual harassment case is in consultation with the External ICC member. Overall, the ICC ensures that Principle of Natural Justice is followed in the entire process and full confidentiality of complainant is maintained during and after resolution of complaint.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, human rights requirements form part of our business agreements and contracts.

**10. Assessments for the year:**

% of plants & offices assessed	2024-25
Child labour	100%
Forced/ involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

- All sites/offices strictly adhere to relevant policies and have been assessed for child labour and forced labor. The company prohibits such practices within its premises.
- Sexual harassment prevention and redressal methodologies are implemented across all sites/offices in accordance with local laws and group guidelines.
- As an equal opportunity employer, no discrimination is tolerated in any aspect.
- Payment of wages is ensured on time at all sites/offices, following local practices and legislative requirements.

**11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.**

No corrective action was required to be undertaken and hence not applicable.

**Leadership indicators**

**1. Details of a business process being modified/ introduced as a result of addressing human rights grievances/complaints.**

As there has been no Human rights grievances/complaints, there has been neither a process modification, nor a process introduction.

**2. Details of the scope and coverage of any Human rights due-diligence conducted.**

Embedding a continuous human rights due diligence process to determine a company's salient human rights issues is at the core of the UNGPs. Results of our ongoing due diligence are used to update our global salient human rights issues assessment every year. In addition, we operate continuous topic-specific due diligence processes that help us identify (potential) human rights impacts, on which we both engage and communicate. For example, our Health, Safety, Environment and Security (HSE&S) audits assess the health and safety conditions at our manufacturing sites.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

We are striving to ensure all our offices, factories and RD&I labs are accessible to differently abled employees and workers. We are progressing towards upgrading the infrastructure in a phased manner. This plan includes installation of signages, ramps and handrails, dedicated parking and washrooms, wherever possible/ applicable.

**4. Details on assessment of value chain partners**

The TfS initiative provides infrastructure for online assessments carried out by EcoVadis – the partner of TfS and AkzoNobel – and on-site audits. Both programs are based on international standards and cover key sustainability areas like Environment, Labor and Human Rights, Health and Safety, Ethics and Responsible Supply Chains. The results of audits and assessments are reviewed and closed at the earliest.

During the year, around two-third of the suppliers were assessed for these parameters.

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

NIL

**PRINCIPLE**

**6**

**Businesses should respect and make efforts to protect and restore the environment**

**Essential indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

GJ	2024-25	2023-24
<b>From renewable sources</b>		
Total electricity consumption (A)		
Total fuel consumption (B)		
Energy consumption through other sources (C)	38,224	33,177
<b>Total energy consumption from renewable sources (A+B+C)</b>	<b>38,224</b>	<b>33,177</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	35,326	30,662
Total fuel consumption (E)	3,603	5,552
Energy consumption through other sources (F)		
<b>Total energy consumption from non-renewable sources (D+E+F)</b>	<b>38,929</b>	<b>36,214</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>77,152</b>	<b>69,391</b>
<b>Energy intensity per mn rupee of turnover</b>	<b>1.9</b>	<b>1.8</b>
Energy intensity per mn rupee of turnover adjusted for Purchasing Power Parity (Total energy consumption/ Revenue from operations adjusted for PPP)	39.0	36.2

We invest in energy reduction programs, improve energy monitoring, and enhance governance structure. Our renewable energy salience during 2024-25 was ~50%, achieving our 2025 target. We continue to utilize in-house rooftop solar panels and procure renewable energy externally (where permitted) to strengthen our commitment to renewables.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, the entity does not have any site/facility identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the disclosures related to water, in the following format:

Parameter	2024-25	2023-24
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Ground water	29,250	27,760
(iii) Third-party water	101,110	91,570
(iv) Seawater/ desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>130,360</b>	<b>119,330</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>130,360</b>	<b>119,330</b>
Water intensity per mn rupee of turnover (Total water consumption/Revenue from operations)	3.2	3.0
Water intensity per mn rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	66	62

4. Provide the following details related to water discharged:

	2024-25	2023-24	Specify level of treatment
<b>Water discharged by destination and level of treatment (in kilolitres)</b>			
Sent to third parties	439	178	
No treatment			
With treatment	439	178	Pretreated before sending to Common Effluent Treatment Plant (CETP)
Others			
No treatment	13,770	11,949	
With treatment	13,770	11,949	Treated in the inhouse STP/ ETP
<b>Total Water discharged</b>	<b>14,209</b>	<b>12,127</b>	

Note: water discharged differs from water consumption due to evaporation, transportation losses etc

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The entity has a Zero Liquid Discharge mechanism in place at all its factories. Sewage Treatment Plants (STPs) treat domestic effluent for reuse in gardening. Effluent Treatment Plants (ETPs) are installed to treat process effluent, which is either reused in the process or for other purposes within the premises, following the approved method stated in the Consent Order.

6. Please provide details of air emissions (other than GHG emissions) by the entity.

	2024-25	2023-24
NOx (tons)	0.66	0.94
SOx (tons)	1.43	2.02
Particulate Matter (PM)		-
Persistent organic pollutants (POP)		-
Volatile organic compounds (VOC)	54.77	47.61
Hazardous air pollutants (HAP)	-	-
Others - please specify	-	-

VOC emission abatement systems are being installed to reduce VOC emissions.

## 7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity.

Parameter/Metric tonnes of CO2 equivalent	2024-25	2023-24
Total Scope 1 emissions	304	429
Total Scope 2 emissions	8,133	6,838
Total Scope 1 and Scope 2 emissions per mn rupee of turnover	0.2	0.2
Total Scope 1 and Scope 2 emissions per mn rupee of turnover adjusted for PPP	4.3	3.8
Total Scope 1 and Scope 2 emission intensity in terms of physical output (volume -mn lts)	34	30

There is an increase in scope 2 emissions in 2024-25 compared to previous financial year as the powder coating facility was newly commissioned and operational since Q4 2024.

## 8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The first key decarbonization lever for our Scope 1 and 2 emissions is reducing the amount of energy we consume.

We've identified several programs to help us achieve this:

- Operational excellence that will apply energy management to our daily operations and reduce our energy use in production, warehouses and offices
- Upgrading inefficient assets such as chillers, air compressors and furnaces to best-in-class and improve HVAC systems for our buildings and

### Warehouses

Our second key lever is maximizing renewable electricity, with a priority to produce on-site with solar panels and with renewable purchasing agreements. We also have a renewable electricity target of 50% for 2025 and 100% for 2030. We purchase Renewable Electricity Certificates or Guarantees of Origin and actively look for off-site power purchasing agreements (PPAs) where possible.

## 9. Provide details related to waste management by the entity.

In line with our strategy of reducing, reusing and recycling materials, our material optimization process focuses on diverting slow-moving and obsolete materials from incineration to internal reuse and third-party recyclers and outlets. We drive waste reduction through multi-disciplinary collaboration between our commercial teams, supply chain, manufacturing, HSE&S and our innovation teams.

We continued to achieve our ambition of zero waste to landfill (defined as <1% of total waste) in 2024-25.

## 10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Switching gears towards a circular economy means reducing waste and increasing circularity throughout our value chain. We're driven by 3R's reduce, reuse, and recycle, while our products seek to protect and give longer life to surfaces and materials. Reducing waste at source and increasing circularity we're on a journey towards achieving 100% circular use of materials in our own operations by 2030 which is in line with AkzoNobel global targets. To reach there, we're focused on reducing the amount of waste and increasing the circular use of materials. By March 2025, we achieved circular use of materials for 88.6% of our obsolete material and waste streams.

Product stewardship policy is followed to eliminate/ substitute/reduce toxic chemicals with specific timelines to eliminate or reduce toxicity. Eg. increasing use of powder coatings/ low VOC products manufactured in liquid coatings for industrial applications. The household products follow the same hierarchy of controls.

## 11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

The entity does not have operations/offices in/around ecologically sensitive areas.

## 12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

No new site constructed during the year under review.

## 13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).

Yes, the entity is compliant with the applicable environmental law/regulations/guidelines in India.

## Leadership indicators

### 1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

None of the sites operate in water-stress zones. However, all sites monitor water footprint and are implementing measures for conservation.

### 2. Please provide details of total Scope 3 emissions & its intensity, in the following format

Metric tonnes of CO2 equivalent	2024-25	2023-24
Total Scope 3 emissions	777	726
Total Scope 3 emissions (kg) per rupee of turnover (INR)	0.0	0.0

The Scope 3 greenhouse gas (GHG) emissions are calculated as per AkzoNobel Carbon Reporting in accordance with the Greenhouse Gas Protocol. The results in the Annual report only include the GHG protocol scope 3 emission categories that are included as part of the AkzoNobel carbon reporting. The results are given in kilo tonnes of carbon dioxide equivalents, independent of any GHG trades, such as purchases, sales, or transfers of offsets or allowances.

Our Scope 3 carbon footprint is currently at 777 kilo tonnes, reflecting a YoY increase in tandem with higher sales volume. It includes:

- Upstream: Category 1 – purchased goods (including packaging);
- Downstream: Category 10 & 11 – processing and use of sold products; Category 12 – end-of- life treatment of sold products and VOC emissions in processing/ use through to end-of-life.

AkzoNobel has identified four key levers that should enable us to achieve 50% reduction in carbon emissions across our value chain:

- Energy transition: When suppliers and customers choose to switch to greener forms of energy, we group those initiatives under the Energy transition carbon reduction lever. Through our projects and programs on energy transition, we aim to offer our customers lower carbon footprint solutions.
- Process efficiency: In our Automotive and Specialty Coatings business, demand for ambient and UV curing coatings – which don't require gas to cure – is rising. We are also increasingly tapping collaboration opportunities in EV space in ASC and Powder coatings.
- Reduced solvent emissions: This can be done by switching to water-based products, increasing use of Powder coatings and reduction of solvents in our formulations.
- Circular solutions: This lever focuses on reducing the end-of-life impact of the fossil-based materials in our products. Our packaging is already utilizing ~10% recycled plastic, and we strive to gradually increase this going forward, without compromising on the quality of the containers.

### 3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable.

### 4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives.

S. No	Initiative undertaken	Details of the initiative	Outcome of the initiative
1	Carbon emission reduction	Please refer P6.7 and P6(L).2	
2	Renewable energy	Please refer P6.1	
3	Circular use of materials	Please refer P6.10	

Further details are available in the Sustainability Policy which is available on our website.

### 5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The entity has in place a documented framework and a process for managing critical activities during occurrence of a disaster or a high impact risk event across its manufacturing sites, RD&I Labs, Offices, Warehouses and key processes.

The business continuity plans are integrated in our Enterprise-wide Risk Management program. It ensures continuity of delivery of products or services at pre-defined acceptable levels following a disruptive incident.

### 6. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Around two-third of value chain partners were assessed for impacts through the Ecovadis assessment and TfS audit.

### 7. How many Green Credits have been generated or procured:

- By the listed entity
- By the top ten (in terms of value of purchases and sales, respectively) value chain partners

None/NA

## PRINCIPLE

## 7

**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

## Essential indicators

1. a. *Number of affiliations with trade and industry chambers/ associations.*

We currently have five affiliations with state/national trade and industry chambers/ associations.

- b. *List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/affiliated to.*

We are currently associated with the following Industry chambers/associations:

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Indian Paints Association (IPA)	National
3	Paints & Coatings Skill Council (PCSC)	National
4	Federation of Indian Export Organisations(FIEO)	National
5	The National Association of Software and Service Companies	National

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities**

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

Your Company has not engaged in anti-competitive conduct and hence no such adverse orders have been issued on the company in the past 10 years.

## Leadership indicators

1. **Details of public policy positions advocated by the entity**

Your Company participates in various programmes of the Industry/Trade associations for development of balanced regulations by engaging with the regulatory bodies in a responsible manner. The Company has advocated upon the following public policies on:

- Anti-dumping duty on TiO<sub>2</sub>

This information is not available in public domain as these representations have been through Industry Associations.

## PRINCIPLE

## 8

**Businesses should promote inclusive growth and equitable development**

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of the project	SIA notification number	Date of Notification	Whether conducted by independent external agency? (Yes/No)	Results communicated in public domain (Yes/No)	Web link, if available
Not Applicable					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S.No	Name of the project for which R & R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R & R	Amount paid to PAFs in FY (in J)
There is no ongoing Rehabilitation and Resettlement (R&R) being undertaken by the entity						

### 3. Describe the mechanisms to receive and redress grievances of the community.

We generally address all grievances through local community institutions represented by community leaders. In case of villages, Panchayats acts as a platform to receive and address grievances and at cities it is done through Government municipalities.

Also, as a part of our CSR program, our employees periodically interact with the local community to understand and address community concerns. Based on these interactions, we have not encountered any specific grievance from the community at present.

### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Metric tonnes of CO <sub>2</sub> equivalent	2024-25	2023-24
Directly sourced from MSMEs/ small producers	~5%	~5%
Directly from within India	>50%	>50%

We optimize the sourcing mix – making use of global, regional and local sources – to meet the needs of our Business Units across all the regions and markets in which we operate. More than 50% of our input material is sourced from within India based on local availability.

Around 5% of our inputs are sourced from MSMEs. The Company actively collaborates with MSME suppliers located near its manufacturing sites, in alignment with the product requirements. To enhance the capacity and capability of its suppliers, the following steps have been taken:

- Conducting improvement trainings in areas such as technology, quality, health and safety, environment, productivity, and capacity.
- Assisting suppliers in upgrading their overall capabilities by leveraging global best practices.
- Benchmarking to ensure the delivery of world-class products with the highest quality standards.

### 5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/ contract basis) in the following locations, as a % of total wage cost:

Location	2024-25	2023-24
Rural	27%	24%
Semi-urban	0%	-
Urban	12%	12%
Metropolitan	62%	64%
Total wages paid	100%	100%

## Leadership indicators

### 1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments

Details of negative social impact identified	Corrective action taken
	Not applicable

### 2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No	State	Aspirational District	Amount Spent (in ₹)
1	West Bengal	Birbhum	14,883,275
2	Jharkhand	East Singbhum	1,299,629

We have undertaken project for providing Vocational Skill Training to rural women and youth in three aspirational districts.

- ### 3.
- Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No).
  - From which marginalised/vulnerable groups do you procure?
  - What percentage of total procurement (by value) does it constitute?

AkzoNobel aims work together with suppliers as partners. Suppliers are expected to adhere to our company's core values of safety, integrity and sustainability, and are selected through a rigorous, fair and non-preferential process. Currently, no inputs are sourced from marginalized or vulnerable groups. Our policy statement on responsible procurement may be accessed on our website.

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No	Intellectual property based on traditional knowledge	Owned/acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
		Not applicable		

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

There were no issues/ disputes reported regarding intellectual property during the reporting period.

The AkzoNobel IP team initiated 9 new matters in the reporting period against a 3<sup>rd</sup> party to enforce AkzoNobel's trademark rights and copyrights. In addition, the IP team is investigating the validity of 1 potential claim against AkzoNobel relating to copyright infringement. This means the IP team will follow up on these matters and take the necessary legal actions to enforce AkzoNobel's IP rights and defend AkzoNobel's position.

10 corrective actions were started in the reporting period in relation to intellectual property:

- 3 copyright rectification actions are started against a 3<sup>rd</sup> party.
- 5 trademark oppositions are filed against the registration of a trademark by a 3<sup>rd</sup> party at the India Trademarks Registry.
- 1 trademark cancellation request was filed to cancel a 3<sup>rd</sup> party trademark registration.
- In addition, a potential claim against AkzoNobel relating to copyright infringement is being investigated.

**6. Details of beneficiaries of CSR Projects:**

S. No	CSR Project	No. of persons benefited from CSR project	% of beneficiaries from vulnerable and marginalised groups
1.	Skill Training to youth/painters to provide Livelihood	3,792	100%
2.	Providing Education for children	6,500	100%
3.	Providing access of Health care through tele medicine	15,660	100%

Your Company's key community initiatives focus on beneficiaries belonging to vulnerable and marginalized groups, hence the entire coverage numbers qualify to be included under 'beneficiaries from vulnerable and marginalized groups'.

Please also refer to the Corporate Social Responsibility update in the Management Discussion and Analysis section and Annexure II B of the Directors Report.

**PRINCIPLE**

**9**

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

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

There is a well-publicized mechanism for customers to voice their grievances, and our company is committed to resolving consumer complaints transparently and in a solution-oriented manner. We have a robust customer care and response management system in place to address customer queries, feedback, and concerns promptly. Our focus on new technologies, integration, and standardization ensures a delightful consumer experience. We strive to serve customers with courtesy, respect, and understanding at all times.

We have established multiple lines of communication for a customer to reach us:

Toll Free Number: 1800 3000 4455

Website(s): [www.dulux.in](http://www.dulux.in) and [www.akzonobel.co.in](http://www.akzonobel.co.in)

Email: [customercare.india@akzonobel.com](mailto:customercare.india@akzonobel.com)

Sales touch point for the dealer

We utilize an IT-enabled Customer Relationship Management (CRM) tool to capture and track all complaints received through various communication channels. This ensures that every query is responded to and monitored until it is successfully resolved.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	<b>As a percentage to total turnover</b>
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

**3. Number of consumer complaints in respect of the following:**

	<b>2024-25</b>		<b>Remarks</b>	<b>2023-24</b>		<b>Remarks</b>
	<b>Received during the year</b>	<b>Pending resolution at end of year</b>		<b>Received during the year</b>	<b>Pending resolution at end of year</b>	
Data Privacy	-	-		-	-	
Advertising	-	-		-	-	
Cyber-Security	-	-		-	-	
Delivery of essential services	-	-		-	-	
Restrictive Trade practice	-	-		-	-	
Unfair trade practice	-	-		-	-	
Others	2,373	737		1,498	646	Complaints relating products, packaging, technical and colour

**4. Details of instances of product recalls on account of safety issues:**

	<b>No. of instances</b>	<b>Reasons for recall</b>
Voluntary recalls	0	N/A
Forced recalls	0	N/A

There have been no product recalls on account of safety issues. Our products undergo quality assurance from safe usage and handling perspective. In addition, our product packaging carry safe usage instructions.

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Our Company has a comprehensive framework in place to manage cybersecurity and data privacy in alignment with Group policies. Cybersecurity and data privacy are identified as risks in our Risk Management framework. We are committed to protecting the personal data of our consumers, employees, and business partners, adhering to global standards on data privacy. Regular awareness and training sessions are conducted for our employees to ensure compliance with these standards.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

There were no such instances occurred during the reporting year.

**7. Provide the following information relating to data breaches:**

a. No. of instances	2
b. % of data breaches involving personally identifiable information of customers	0
c. Impact, if any	None

We had 2 instances of data breaches in FY 2024-25 due to wrongly sending emails and were only relating to employee's personal data. Both incidents were minor with no real impact on privacy rights of the involved individuals

**Leadership indicators**

**1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The platforms used for the information are the Company's website, Annual Report, social media platforms and media advertisement/publications. Information relating to all the products and services provided by the Company are available on the Company's websites at [dulux.in](http://dulux.in) and [akzonobel.co.in](http://akzonobel.co.in)

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Safety applications and procedures are clearly stated on our livery and websites. Additionally, we conducted awareness campaigns for painters and contractors as well as application trainings and workshops for B2B customers from time to time to ensure their understanding and adherence to safety protocols.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

There was no risk of disruption/discontinuation of essential services and hence no requirement of informing consumers on actions required in such an eventuality.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

The entity complies with the local laws by displaying mandated information on product labels. In addition to the

required declarations, additional information related to the products and their usage is provided on the labels.

Apart from the Packaged Commodities Rule & Lead Content declaration (for Architectural paints) which are mandatory, the application and usage details are also provided along with the product proposition.

A centralized survey is conducted by an external agency with a random sample of outlets, covering multiple touch points including Customer Satisfaction. We work upon how we can improve and measures are implemented accordingly.

**For and on behalf of the Board of Directors**

**Rajiv Rajgopal**

Chairman & Managing Director

DIN: 06685599

Place: Gurugram

Date: 14<sup>th</sup> May 2025

## Annexure II-B

# Corporate Social Responsibility (CSR) Report

[Pursuant to clause (o) of sub-Section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

### 1. Brief outline on the CSR policy of the company

Akzo Nobel India is deeply committed to conducting its business in a socially and environmentally responsible manner, benefiting all stakeholders. In line with the Companies Act, 2013, and subsequent amendments, the Company prioritizes areas and activities outlined in Schedule VII. The CSR policy provides guiding principles for the selection, implementation, and monitoring of activities, as well as the formulation of an annual action plan.

### 2. Composition of CSR committee

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee held in the Year	Number of Meetings of CSR Committee attended in the Year
1	Smriti Rekha Vijay*	Independent Director & Chairperson of the Committee	2	2
2	Namrata Kaul ^	Independent Director & Chairperson of the Committee	2	2
3	Rajiv Rajgopal	Chairman & Managing Director	2	2
4	Krishna Rallapalli	Whole time Director and CFO	2	2
5	Rohit G. Totla	Whole time Director	2	1
6	Anil Chaudhry	Independent Director	2	1

\* ceased as an independent director and consequently from the chair of the CSR Committee effective 22<sup>nd</sup> November 2024

^ on-boarded as a member and chairperson of CSR Committee effective 26<sup>th</sup> November 2024

### 3. Provide the web-link(s) where composition of CSR committee, CSR policy and CSR Projects approved by the Board are disclosed on the website of the Company

Sl. No.	Particulars	Weblink
i)	Composition of CSR committee	<a href="https://akzonobel.co.in/management-board-of-directors.php">https://akzonobel.co.in/management-board-of-directors.php</a>
ii)	CSR Policy	<a href="https://akzonobel.co.in/corporate-governance.php#policy">https://akzonobel.co.in/corporate-governance.php#policy</a>
iii)	CSR Projects	<a href="https://akzonobel.co.in/corporate-social-responsibility.php">https://akzonobel.co.in/corporate-social-responsibility.php</a>

### 4. Impact Assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable – Not Applicable

5. (a) Average net profit of the Company for last three financial years was ₹ 4,667 million, computed under Section 198 of the Act
- (b) Two percent of average net profit of the company as per section 135(5): ₹ 93.34 million
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (d) Amount required to be set off for the financial year: ₹ 3.53 million
- (e) Total CSR Obligation for the financial year (a+b-c): ₹ 89.81 million
6. (a) CSR Amount spent for the financial year: ₹ 88.19 million
- (b) Amount spent on Administrative Overheads: ₹ 4.41 million
- (c) Amount spent on Impact Assessment: NA
- (d) Total amount spent for the financial year [(a+b+c)]: ₹ 92.60 million

**(e) CSR amount spent/unused for the financial year:**

Total Amount Spent for the Financial Year	Amount Unspent (₹ million)		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
92.60	NA	NA	NA	NA	NA

**(f) Excess amount for set-off, if any:**

Sl. No.	Particulars	(₹ million)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	93.34
(ii)	Total amount spent for the Financial Year	92.60*
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	2.79
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	2.79

\* post-setting-off of excess amount available for set off in the financial year amounting to ₹ 3.53 million

**7. Details of unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

NA

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**

**If Yes, enter the number of Capital assets created/ acquired:** Not Applicable

**Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility:**

None

Sl. No.	Short particular of the asset	Pin code of the Property/ Asset (s)	Date of creation	Amount of CSR spent	Details of entity/ authority/ beneficiary of the registered owner		
1)	2)	3)	4)	5)	6)		
					CSR registration number if applicable	Name	Registered Address
Not applicable							

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.**

Not Applicable.

Place: Gurugram  
Date: 14<sup>th</sup> May 2025

**Namrata Kaul**  
Chairperson - CSR Committee  
DIN: 00994532

**Rajiv Rajgopal**  
Chairman & Managing Director  
DIN: 06685599

## Annexure III

### Disclosure of particulars with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to section 134(3)(m) of the Companies Act 2013:

#### A. Conservation of energy

During the financial year 2024-25, various energy conservation measures were implemented by your Company:

i. Conservation measures taken	<p>Energy saving measures were adopted across all offices &amp; manufacturing facilities with continued efforts towards technological upgradation and optimization of processes to reduce carbon footprint. Some of the key measures are:</p> <ol style="list-style-type: none"> <li>1. Shut down management system implemented for various energy saving measures in the plant and utilities such as air compressors, chillers etc.</li> <li>2. Training imparted to all employees on shut down management and save energy.</li> <li>3. Lighting upgraded to LED for reduced energy consumption across all the offices, manufacturing plants and warehouses.</li> <li>4. Harvested the exhaust air wastage released to atmosphere from Discharge valve (DV) dust collector air purging system.</li> <li>5. Timers installed in dust collectors, spray booth exhaust, process equipment and various other utilities to automatically to locally operate for optimum utilization and reduce idle running.</li> <li>6. Separate control switch for plant individual lights to avoid excess running of lights</li> <li>7. Switching off utilities such as compressor, chiller, cooling water pump and cooling tower 15 min prior to plant shutdown, thus saving energy.</li> <li>8. Operational improvements by switching off chiller 30 mins earlier during shift change over to use chilling water in the buffer tank.</li> <li>9. Phase wise replacement of motors with high energy efficiency motors</li> <li>10. Replacement of chilled water motors and cooling water motor from conventional motor to save energy.</li> <li>11. Scheduling the air leakage test to reduce leakages</li> <li>12. Air Compressor performance monitoring and control</li> <li>13. Efficient chillers installed to save energy in MPY, Bangalore</li> <li>14. Natural light sheets and turbo ventilators in place of lights and exhaust fans at DG room and Fini warehouse, Bangalore. Replacement of roof sheets with 4 to 6% of skylight roofs to avoid usage of lightings during day time in Thane.</li> <li>15. High efficiency bead mills(AP20&amp;UBM) in-place of conventional bead mills(KD-25/45) in MPY plants resulting in lower energy consumption, Bangalore</li> <li>16. Dedicated air compressor for powder plant to reduce line losses, Bangalore</li> <li>17. Replacement of conventional HT switching yard to RMU to reduce breakdowns and increase onsite solar generation, Bangalore</li> <li>18. Timer control hopper view lights for auto shutdown, Bangalore</li> <li>19. HVLS Fan Installation in Powder Plant in place of AHU unit resulting in energy savings, Thane</li> <li>20. Special Insulation on chiller pipeline to reduce cooling losses</li> <li>21. Auto cutoff actuator valve at chilled water lines for extruder and mills to integrate with machine</li> <li>22. Installation of EODD pumps for filling line infeed work streams to save 10 to 15% energy</li> <li>23. Auto spray booths and interlock with local exhaust ventilation system to avoid manual intervention and use optimum energy, Thane</li> </ol>
--------------------------------	--

ii. Steps taken by the Company for utilizing alternate sources of energy	The Company has taken initiatives to use non-conventional energy like solar panel and, as part of the initiative, roof top solar panels have been installed by third party. First preference is given for usage of non-conventional energy in place of conventional source. We have been expanding the renewable energy consumption in all our manufacturing facilities with 46.43% for FY 2024-25.
	<ol style="list-style-type: none"> <li>1. The total installed capacity of solar energy in all manufacturing sites in India is 2,757 KWA.</li> <li>2. Solar Tubes (which converts Direct sunlight to light without using any Energy source)</li> <li>3. Solar water heaters installed in the place of conventional water heaters.</li> </ol>
iii. Capital investment on energy conservation equipment	During the year under report, we have executed Energy Monitoring System project for automation, monitoring and control of power system across site.
	<ol style="list-style-type: none"> <li>1. Proposal to enhance the renewable energy with an additional 226 KW is in progress in Hyderabad</li> <li>2. Installation of VFD for higher capacity motors to save energy by optimum usage for HSD's Deco, Thane</li> <li>3. Replacement of very old inefficient Chiller into Energy efficient chiller for Deco, Dramatone process, Thane</li> </ol>

## B. Absorption of Technology

i. Efforts made towards technology absorption	The R&D centres of the Company focus on development of innovative products & techniques The R & D works to incorporate new technologies into products & processes, leading to improved efficiency, innovation, and competitiveness.
ii. Benefits derived as a result of the above efforts like product improvement, cost reduction, product development or import substitution	<p>Major benefits derived from the above initiatives are cost reduction &amp; enhanced competitiveness, quality improvement, import substitution, improvement of efficiency, sustainable solutions, and complexity reduction during the year.</p> <p>Launched a series of new products in Paints &amp; Coatings offering differentiated benefits to customers while strengthening DULUX's super premium interior wall paint category with differentiated proposition of <b>"PURE Acrylic Dust resistance technology with Antioxidants"</b> to have long lasting Colour" for Dulux Velvet Touch Eterna under aesthetic pillar with performance, which offers a performance warranty of 10 years. This product offers two sheen ranges (Sheen version &amp; Matt version) and comes with a unique concept of Dulux Velvet Touch Eterna basecoat which further enhance the performance &amp; life of Topcoat and comes with excellent efflorescence resistance technology.</p> <p>Also to enhance the current offering in Premium interior segment two existing products were re- launched with Enhanced proposition, i.e. "Dulux Superclean 3 in 1" with 7 years of performance warranty backed with the <b>Mark resistance Anti-Scuff technology</b> &amp; "Dulux Superclean" with 6 years of performance warranty backed with the <b>Superior sheen &amp; Excellent washability equipped with silver ion technology</b> for interior walls.</p> <p>Launch of differentiated new product in waterproof range under Dulux AquaTech brand i.e. Dulux Aquatech Damp protect 2 IN 1 launched with <b>"Damp Resist technology"</b> which offers 8 years of waterproofing performance warranty for both Horizontal &amp; vertical wall application. This made the Dulux brand entry to dual application waterproofing products that can be applied to both Roof &amp; Vertical Walls.</p> <p>New product "Dulux Weathershield Protect Dust proof" in the premium Exterior category was launched with differentiated proposition of advanced Dust shield technology, Performance backing with special surface slip Technology, which is new to the portfolio with superior performance and offers a performance warranty of 6 years.</p> <p>In the professional product portfolio, to further enhance the offering, - "Dulux Professional Weathershield TRE2000" was relaunched with enhanced performance life of 15 years backed with PU technology. And "Dulux Professional Weathershield sealer E900" was relaunched with new proposition of Enhanced efflorescence resistance. Another New Product "Dulux Professional M900 premium Gloss Enamel" was launched in the entry premium in Enamel category with a multi surface application &amp; tough, durable proposition. New Product "Dulux Professional Interior A100" was launched in the economy distemper category with Good Opacity &amp; Good Coverage formula. Dulux Professional EXTERIOR Texture is launched to be more competitive in key account customer.</p>

New universal tinting system under “Dulux Acotone Colourants” were launched in market to provide vibrant and classic colours to all the Dulux range of products replacing the conventional “Dulux Dramatone colourant system”. This helped to provide all the range of opaque colours in just 3 base system via point of sales tinting, which helps in reducing the SKU complexity as well as excellent durable, long lasting colours. This New water-based colourant technology from AkzoNobel Global Colour R&D was adapted for India to offer better proposition of low VOC, durable colourant on point of sales tinting route. These colourants will offer better sustainable solution for the stakeholders.

To refresh & enhance the offering in Economy segment, New Products Dulux Promise Freedom Interior Emulsion & Dulux Promise Freedom Exterior Emulsion were launched with the “Latex Technology” which offers good opacity & good coverage.

Focussed R&D efforts are made in the year to improve sustainable solutions for products by reducing VOCs or better process development or substitution to sustainable alternatives.

- iii. In case of imported technology, imported during the last 3 years (reckoned from the beginning of the financial year)

N.A.

#### iv. Expenditure On R&D

Parameter	(₹ million)	
	2024-25	2023-24
Recurring*	135	114
Capital	-	-
<b>Total</b>		<b>114</b>

\*Excludes Royalty Charge and recoveries

### C. Foreign exchange earnings and outgo

Parameter	(₹ million)	
	2024-25	2023-24
Earnings	2,313	2,060
Outgo <sup>®</sup>	9,080	6,276

Outgo of foreign exchange by the Company is higher than earnings mainly on account of import of raw materials and services. Besides, the nature of the Company's product lines is such that it is not commercially viable to build a large export portfolio.

**For and on behalf of the Board of Directors**

Place: Gurugram  
Date: 14<sup>th</sup> May 2025

**Rajiv Rajgopal**  
Chairman & Managing Director  
DIN: 06685599

## Form AOC – 1

### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

#### Part A: Subsidiaries

(₹ million)

1	Name of the subsidiary	ICI India Research & Technology Centre Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as holding Company
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	₹
4	Share capital	₹ 1,250,100
5	Reserves & surplus	₹ 15,661,023
6	Total assets	₹ 23,546,944
7	Total liabilities (excluding 5 above)	₹ 6,635,921
8	Investments	Nil
9	Turnover (excluding other Income)	₹ 17,842,461
10	Profit before taxation	₹ 2,113,478
11	Provision for taxation	₹ 6,975,994
12	Profit after taxation	₹ 9,089,472
13	Proposed Dividend	Nil
14	% of shareholding	99.99%

#### Part B: Associates and joint ventures Nil

- Names of subsidiaries which are yet to commence operations: Nil
- Names of subsidiaries which have been liquidated or sold during the year: Nil

For and on behalf of the Board of Directors of

**Akzo Nobel India Limited**

CIN: L24292WB1954PLC021516

**Rajiv Rajgopal**

Chairman & Managing Director  
DIN: 06685599  
Place: Gurugram  
Date: 14<sup>th</sup> May 2025

**Krishna Rallapalli**

Wholetime Director and CFO  
DIN: 03384607  
Place: Gurugram  
Date: 14<sup>th</sup> May 2025

**Rajiv L. Jha**

Company Secretary & Compliance Officer  
Membership No.: F5948  
Place: Gurugram  
Date: 14<sup>th</sup> May 2025

## Form AOC – 2

### Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto.

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis
  - (a) Name(s) of the related party and nature of relationship: **Not Applicable**
  - (b) Nature of contracts/arrangements/transactions: **Not Applicable**
  - (c) Duration of the contracts/arrangements/transactions: **Not Applicable**
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Not Applicable**
  - (e) Justification for entering into such contracts or arrangements or transactions: **Not Applicable**
  - (f) Date of approval by the Board: **Not Applicable**
  - (g) Amount paid as advances, if any: **None**
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **Not Applicable**
  
2. Details of material\* contracts or arrangement or transactions at arm's length basis – **Not Applicable**
  - (a) Name(s) of the related party and nature of relationship:
  - (b) Nature of contracts/arrangements/transactions:
  - (c) Duration of the contracts/arrangements/transactions:
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
  - (e) Date(s) of approval by the Board, if any:
  - (f) Amount paid as advances, if any:

\*As per the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, and Related Party Policy of the Company, no material contracts or arrangements or transactions were entered into with any related party of the Company during the financial year 2024-25.

**Note:** All related party transactions are in the ordinary course of business and on arm's length basis and are approved by Audit Committee of the Company.

**For and on behalf of the Board of Directors of**

**Akzo Nobel India Limited**

CIN: L24292WB1954PLC021516

**Rajiv Rajgopal**

Chairman & Managing Director

DIN: 06685599

Place: Gurugram

Date: 14<sup>th</sup> May 2025

**Krishna Rallapalli**

Wholetime Director and CFO

DIN: 03384607

Place: Gurugram

Date: 14<sup>th</sup> May 2025

**Rajiv L. Jha**

Company Secretary & Compliance Officer

Membership No.: F5948

Place: Gurugram

Date: 14<sup>th</sup> May 2025

# Secretarial Audit Report

## for the financial year ended 31.03.2025

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To  
The Members,  
**Akzo Nobel India Limited**  
801A, South City Business Park,  
770, Anandapur, Eastern Metropolitan By Pass,  
Near Fortis Hospital, E. K. T.  
Kolkata – 700 107  
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Akzo Nobel India Limited** having its Registered Office at 801A, South City Business Park, 770, Anandapur, Eastern Metropolitan By Pass, Near Fortis Hospital, E.K.T., Kolkata – 700 107, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31.03.2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

### Auditors' responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by

the Board and by various committees of the Company during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

**We report that**, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2025 according to the provisions of (as amended) :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (as amended) :
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");

**We further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Acts :

- (i) The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008;
- (ii) The Petroleum Act, 1934 and The Petroleum Rules, 2002;
- (iii) Explosives Act, 1884;
- (iv) The Environment (Protection) Act, 1986;
- (v) Air (Prevention and Control of Pollution) Act, 1981; and
- (vi) Water (Prevention and Control of Pollution) Act, 1974

to the extent of its applicability to the Company during the financial year ended 31.03.2025 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environmental laws, etc.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (iv) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

#### **We further report that :**

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (iii) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- (iv) There are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

#### **We further report that :**

- (i) The Company has made investments in ICI India Research and Technology Centre Private Limited during the year and the said company has become a subsidiary of the Company.
- (ii) The Registered Office of the Company has been shifted from "Geetanjali Apartment", 1<sup>st</sup> Floor, 8-B, Middleton Street, Kolkata – 700 071, West Bengal to 801A, South City Business Park, 770, Anandapur, Eastern Metropolitan By Pass, Near Fortis Hospital, E. K. T. Kolkata – 700 107, West Bengal.
- (iii) The Company has obtained the approval of the shareholders for the following items through postal ballot concluded on 02.04.2025 :

- (a) Slump Sale of the Powder Coatings Business under Section 180(1)(a) of the Act and Regulation 37A of the Listing Regulations and for entering into any material related party transaction in this connection under Section 188(1)(b) of the Act and Regulation 23 of the Listing Regulations;
- (b) Slump Sale of the International Research Centre (R&D) Business under Section 180(1)(a) of the Act and Regulation 37A of the Listing Regulations and for entering into any material related party transaction in this connection under Section 188(1)(b) of the Act and Regulation 23 of the Listing Regulations;
- (c) Entering into any material related party transaction in connection with acquisition of the intellectual property pertaining to the decorative paints business of the Company under Section 188(1)(b) of the Act and Regulation 23 of the Listing Regulations.

This report is to be read with our letter of even date which is annexed as **Annexure – A**, which forms an integral part of this report.

For **A. K. LABH & Co.**  
Company Secretaries

**( CS A. K. LABH )**

Proprietor  
FCS : 4848 / CP No. : 3238  
UIN : S1999WB026800  
PRCN : 1038/2020  
UDIN : F004848G000330844

Place : Kolkata  
Dated : 14.05.2025

## Annexure – A

To,  
The Members,  
**Akzo Nobel India Limited**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **A. K. LABH & Co.**  
Company Secretaries

**( CS A. K. LABH )**  
Proprietor  
FCS : 4848 / CP No. : 3238  
UIN : S1999WB026800  
PRCN : 1038/2020  
UDIN : F004848G000330844

Place : Kolkata  
Dated : 14.05.2025

# STANDALONE FINANCIAL STATEMENTS

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**Preserving  
Spiti's  
spiritual  
and cultural  
tapestry**

The transformative power of our paint has brought new joy to monks of the 14<sup>th</sup> century Komic Monastery. Perched at 15,049 feet in the towering Himalayas, this ancient refuge has withstood the test of time in cold desert of Spiti valley. Revitalized in red, the Tibetan Buddhist symbolic hue for blessings, this beloved monastery now stands tall with renewed resilience, safeguarding its history and preserving the very essence of Spiti's culture for future generations.

# Independent Auditor's Report

To the Members of **Akzo Nobel India Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

1. We have audited the accompanying Standalone Financial Statements of Akzo Nobel India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Key audit matter

#### How our audit addressed the key audit matter

#### A. Revenue recognition including variable consideration

##### [Refer to Note 18 (Revenue from operations) to the Standalone Financial Statements]

The Company recognises revenue when control of the goods is transferred to the customer at an amount that reflects the net consideration, which the Company expects to receive for those goods from customers. The sales arrangements are voluminous and in determining the sales price, the Company considers the effects of variable consideration, which requires estimation, leading to complexities and application of significant effort and judgment.

Considering these significant judgements, estimates and the risk associated with revenue recognition, the matter has been determined to be a key audit matter.

Our audit procedures included the following:

- Obtained an understanding of the process and internal financial controls designed and implemented by the management and tested the design and operating effectiveness of relevant internal financial controls;
- We tested sales of goods transactions on a sample basis, by comparing the underlying sales invoices, sales orders and dispatch documents to assess whether revenue was recognised appropriately.
- We assessed the underlying assumptions and estimates used for determination of variable consideration.
- We tested rebates and discounts provided to the customers on a sample basis, comparing the same with underlying approvals and terms of the contracts and schemes offered to customers.
- We assessed the adequacy of the disclosures made in the Standalone Financial Statements in respect of revenue recognition.

#### B. Assessment of ongoing income tax and indirect tax litigations

##### [Refer to Note 27(b) (Contingent liabilities), Note 7 [Non-current tax assets (net)] and Note 13 (Provisions) to the Standalone Financial Statements]

Our procedures included the following:

- Obtained an understanding of the process and internal financial controls designed and implemented by the management and tested the design and operating effectiveness of relevant internal financial controls;

**Key audit matter**

As at 31 March 2025, the Company is subjected to a number of significant income tax litigations relating to disallowance of expenses, transfer pricing adjustments etc. and indirect tax litigations relating to various indirect tax statutes (together referred to as "tax litigations"). These matters are in appeal before various judicial forums.

The eventual outcome of tax litigations is uncertain and the positions taken by the management are based on the application of significant judgement and estimation. The assessment of the tax matters requires application and interpretation of tax laws and reference to applicable judicial pronouncements.

Based on management judgement and advice from external legal and tax consultants and considering the merits of the case, the Company has recognised provisions wherever required and for the balance matters, where the outflow of economic resources is not probable, the tax litigations have been disclosed as contingent liabilities in the Standalone Financial Statements unless the possibility of outflow of resources is considered to be remote.

We identified this matter as a key audit matter as the ultimate outcome of matters is uncertain and the positions taken by the management are based on the application of significant judgement, related legal advice including those relating to interpretation of laws and regulations.

**How our audit addressed the key audit matter**

- Obtained an understanding of the tax litigations through enquiry with the management, including the significant developments, additions and settlements during the year and subsequent to the year-end;
- Inspected demand notices received from the tax authorities and evaluated the Company's response to those matters;
- Obtained independent confirmations from the Company's external tax experts including the status of the significant tax litigations, their views regarding the likely outcome and magnitude of the potential exposure;
- Involved specialists to evaluate the management's assessment on the likely outcome and potential magnitude on complex or significant tax matters as considered necessary; and
- Assessed the adequacy of the Company's disclosures in respect of tax litigations.

**C. Appropriateness of the classification and valuation of disposal groups held for sale****[Refer to Note 9.1 (Assets classified as held for sale and Liabilities relating to assets classified as held for sale) to the Standalone Financial Statements]**

During the year, the Company announced its intention to sell its Powder Coatings Business and the International Research Center (together, the "disposal groups") as a going concern, which have been classified as "Assets classified as held for sale and Liabilities relating to assets classified as held for sale" in accordance with Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations' as at 31 March 2025.

As at 31 March 2025, the carrying amount of these assets was ₹ 3,293 million, representing approximately 11% of the total assets of the Company and the carrying amount of these liabilities was ₹ 811 million, representing 5% of the total liabilities of the Company.

The classification and valuation of disposal groups in accordance with Ind AS 105 was considered to be a key audit matter because of the complexities involved and significant management judgement, including in respect of assessment of the likelihood of shareholders' approval for the proposed disposals, determination of the dates of classification of the non-current assets as held for sale and the valuation of the disposal groups at the lower of carrying amount and fair value less costs to sell.

Our procedures included the following:

- Obtained an understanding of management's process around identifying and classifying assets/ disposal groups as held for sale.
- Evaluated appropriateness of the classification of the disposal groups based on the criteria set forth in Ind AS 105.
- Perused the approval of the Audit Committee and Board of Directors of the Company and read the minutes of their meetings.
- Inspected the Company's correspondence (i.e., binding offers etc. for the sale of respective disposal groups) with the potential buyer.
- Evaluated management's assessment of whether the disposal groups held for sale were measured at the lower of the carrying amount and fair value less cost to sell.
- Perused the valuation report obtained by the management from a valuation expert ("management's expert") and evaluated the independence, competence, capabilities and objectivity of the management's expert.
- Evaluated the appropriateness of the basis for management's determination of the fair value less costs to sell, including assessing the methodology used by management's expert and corroborating the key assumptions, with the involvement of our valuation expert, wherever considered necessary.
- Assessed the adequacy of the disclosures in the Standalone Financial Statements.

## Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Responsibilities of Management and Those Charged With Governance for the Standalone Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Standalone Financial Statements,

including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended). Further, in the absence of sufficient appropriate audit evidence, we are unable to verify whether the backup of books of account and other books and papers maintained in electronic mode has been maintained on a daily basis on servers physically located in India during the period 1 April 2024 to 25 March 2025.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of

Cash Flows dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31 March 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) above on reporting under Section 143(3)(b) and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (g) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 27 to the Standalone Financial Statements;
  - ii. The Company was not required to recognise a provision as at 31 March 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contracts. The Company did not have any long-term derivative contracts as at 31 March 2025.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 38(vi) to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding,

- whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 38(vi) to the financial statements);
- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 38(vi) to the Standalone Financial Statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 38(vi) to the financial statements); and
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations
- under sub-clause (a) and (b) contain any material misstatement.
- v. The dividend declared and paid by the Company during the year is in compliance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that (a) the audit trail at the application level is not maintained in case of modification by certain users with specific access and (b) the audit log of modification at the database level does not contain pre-modified values and the changes made by certain users. During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.
15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration Number: 012754N/N500016

**Amitesh Dutta**

Partner

Membership Number: 058507

UDIN: 25058507BMOCAU6115

Place: Gurugram  
Date: 14 May 2025

## Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Akzo Nobel India Limited on the Standalone Financial Statements as of and for the year ended 31 March 2025

### Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to Standalone Financial Statements of Akzo Nobel India Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and

perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Standalone Financial Statements.

### Meaning of Internal Financial Controls with reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place: Gurugram  
Date: 14 May 2025

### **Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

### **For Price Waterhouse Chartered Accountants LLP**

Firm Registration Number: 012754N/N500016

**Amitesh Dutta**

Partner

Membership Number: 058507

UDIN: 25058507BMOCAU6115

## Annexure B to Independent Auditor's Report

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Akzo Nobel India Limited on the Standalone Financial Statements as of and for the year ended 31 March 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, plant and equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible assets.
- (b) The Property, plant and equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, plant and equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3.1 on Property, plant and equipment to the Standalone Financial Statements, are held in the name of the Company, except for the following:

(Amount in ₹ Mn)

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Land acquired on lease-cum-sale basis at Mysore	166	Karnataka Industrial Area Development Board	No	2016 to 2018	The sale deed will be executed after the lease period upon fulfillment of the conditions specified in the allotment letter.
Leasehold land at Thane	7	Akzo Nobel India Limited	No	2013	Original title deed is not in the possession of the Company; certified true copy of the deed is available.

- (d) The Company has not revalued its Property, plant and equipment (including Right-of-use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, plant and equipment (including Right-of-use assets) or intangible assets does not arise.
- ii. (a) The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the management during the year and, in our opinion, the coverage and procedure of such verification by management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- (e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the Standalone Financial Statements does not arise.

- iii. (a) The Company has made investment in one company, one mutual fund scheme and granted unsecured loans to few employees. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to parties other than subsidiary, are as per the table given below:

Particulars	Loans (Amount in ₹ Mn)
Employee loans	7
Aggregate amount granted during the year	
Balance outstanding as at balance sheet date in respect of the above case	5

(Also, refer Note 5.2 to the Standalone Financial Statements)

The Company does not have any associate or joint venture. The Company has not made any other investments, granted secured/ unsecured loans/advances in nature of loans to companies / firms / Limited Liability Partnerships/ or any other parties, or stood guarantee, or provided security to companies / firms / Limited Liability Partnerships/ or any other parties.

- (b) In respect of the aforesaid investments /loans, the terms and conditions under which such loans were granted/investments were made are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
- (d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans which have fallen due during the year and were renewed/extended. Further, no
- (b) There are no statutory dues of provident fund, employees' state insurance and cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at 31 March 2025 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ Mn)	Amount paid under protest (₹ Mn)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	108	96	2003-04, 2010-11, 2011-12, 2012-13 and 2013-14	Assessing Officer
Income Tax Act, 1961	Income Tax	93	16	2008-09, 2009-10 and 2019-20	Commissioner of Income Tax (Appeals)

fresh loans were granted to same parties to settle the existing overdue loans.

- (f) There were no loans which were granted during the year, including to promoters/ related parties that were repayable on demand or without specifying any terms or period of repayment.

- iv. In our opinion, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the investments made. The Company has not granted any loans or provided any guarantees or security to the parties covered under Sections 185 and 186 and therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company to that extent.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance and professional tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including sales tax, income tax, service tax, duty of customs, goods and services tax, duty of excise, value added tax, cess and other statutory dues, as applicable, with the appropriate authorities. Also, refer Note 27(c) to the Standalone Financial Statements regarding management's assessment on certain matters relating to provident fund. However, there are no arrears of statutory dues outstanding as at 31 March 2025, for a period of more than six months from the date they became payable.

Name of the statute	Nature of dues	Amount (₹ Mn)	Amount paid under protest (₹ Mn)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	3,554	864	2007-08, 2008-09, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2020-21 and 2021-22	Income Tax Appellate Tribunal
The Central Excise Act, 1944	Excise Duty	17	2	2015-16 and 2016-17	Commissioner Appeal/ Joint Commissioner Appeal
The Central Excise Act, 1944	Excise Duty	10	4	1992 to 1994, 2005-06, 2007-08 and 2012-13	Customs Excise and Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	22	1	2012-13, 2013-14 and 2014-15	Customs Excise and Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	15	1	2013-14 to 2017-18	Commissioner Appeals
The Customs Act, 1962	Custom Duty	65	5	1997 to 2002	Commissioner Appeals
State Sales Tax / Value Added Tax as per statutes applicable in various states and The Central Sales Tax Act, 1956	Sales Tax	104	38	2005-06, 2007-08, 2008-09 and 2010-11 to 2017-18	First Appellate Authority
State Sales Tax / Value Added Tax as per statutes applicable in various states and The Central Sales Tax Act, 1956	Sales Tax	11	3	2005-06, 2006-07, 2009-10 to 2011-12 and 2014-15	Second Appellate Authority / Sales Tax Tribunal
State Sales Tax / Value Added Tax as per statutes applicable in various states and The Central Sales Tax Act, 1956	Sales Tax	52	3	1982-83, 2009-10, 2010-11 and 2012-13	Madhya Pradesh High Court and Allahabad High Court
The Goods and Service Tax Act, 2017	Goods and Service Tax	436	22	2017-18 to 2024-25	First Appellate Authority

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) On an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have any associate or joint venture.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company does not have any associate or joint venture.

- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause. As explained by the management, there were certain complaints in respect of which investigations are ongoing as on the date of our report, and our consideration of the complaints having any bearing on our audit is based on the information furnished to us by the management.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the Standalone Financial Statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.

- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration Number: 012754N/N500016

**Amitesh Dutta**

Partner

Membership Number: 058507

UDIN: 25058507BMOCAU6115

Place: Gurugram

Date: 14 May 2025

# Balance Sheet

AS AT 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

	Notes	As at 31 March 2025	As at 31 March 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.1	3,956	4,365
Right-of-use assets	3.2	837	863
Capital work-in-progress	3.3	667	1,191
Intangible assets	4	19	30
Financial assets			
(i) Investments	5.1	1	*
(ii) Loans	5.2	5	4
(iii) Other financial assets	5.3	101	97
Deferred tax assets (net)	14	307	320
Non-current tax assets (net)	7	1,968	1,726
Other non-current assets	6	1,151	1,225
<b>Total non-current assets</b>		<b>9,012</b>	<b>9,821</b>
<b>Current assets</b>			
Inventories	8	6,047	6,115
Financial assets			
(i) Trade receivables	5.4	5,849	5,754
(ii) Cash and cash equivalents	5.5	2,472	2,730
(iii) Bank balances other than (ii) above	5.6	523	2,502
(iv) Loans	5.2	*	*
(v) Other financial assets	5.3	89	110
Other current assets	9	1,731	1,998
<b>Total current assets excluding assets classified as held for sale</b>		<b>16,711</b>	<b>19,209</b>
Assets classified as held for sale	9.1	3,293	-
<b>Total current assets</b>		<b>20,004</b>	<b>19,209</b>
<b>Total assets</b>		<b>29,016</b>	<b>29,030</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	455	455
Other equity	11	12,832	12,837
<b>Total equity</b>		<b>13,287</b>	<b>13,292</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Lease liabilities	3.2	448	451
(ii) Other financial liabilities	12	2	20
Other non-current liabilities	15	91	91
Provisions	13	686	940
<b>Total non-current liabilities</b>		<b>1,227</b>	<b>1,502</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Lease liabilities	3.2	173	153
(ii) Trade payables	16.1		
(a) total outstanding dues of micro enterprises and small enterprises		353	321
(b) total outstanding dues other than (ii)(a) above		9,213	9,657
(iii) Other financial liabilities	16.2	977	1,008
Other current liabilities	17	2,586	2,687
Provisions	13	389	410
<b>Total current liabilities excluding liabilities relating to assets held for sale</b>		<b>13,691</b>	<b>14,236</b>
Liabilities relating to assets classified as held for sale	9.1	811	-
<b>Total current liabilities</b>		<b>14,502</b>	<b>14,236</b>
<b>Total liabilities</b>		<b>15,729</b>	<b>15,738</b>
<b>Total equity and liabilities</b>		<b>29,016</b>	<b>29,030</b>

\*Amount is below rounding off norms, adopted by the Company

The notes from note no. 1 to 42 form an integral part of these Standalone Financial Statements.

This is the Balance Sheet referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**

Firm Registration Number: 012754N/N500016

For and on behalf of the **Board of Directors of Akzo Nobel India Limited**

**Amitesh Dutta**

Partner  
Membership No. : 058507

**Rajiv Rajgopal**

Chairman and  
Managing Director  
DIN : 06685599

**Krishna Rallapalli**

Wholtime Director  
and CFO  
DIN : 03384607

**Rajiv L. Jha**

Company Secretary &  
Compliance Officer  
Membership No. : F5948

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

# Statement of Profit and Loss

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from operations	18	40,912	39,616
Other income	19	276	358
<b>Total income</b>		<b>41,188</b>	<b>39,974</b>
<b>Expenses</b>			
Cost of materials consumed	20	21,625	20,093
Purchases of stock-in-trade		2,119	2,083
Changes in inventories of work-in-progress, stock-in-trade and finished goods	21	(564)	52
Employee benefits expense	22	3,364	3,271
Finance costs	23	98	125
Depreciation and amortisation expense	24	893	823
Other expenses	25	7,956	7,796
<b>Total expenses</b>		<b>35,491</b>	<b>34,243</b>
<b>Profit before tax</b>		<b>5,697</b>	<b>5,731</b>
<b>Income tax expense:</b>			
Current tax	14	1,409	1,508
Deferred tax	14	2	(44)
<b>Total tax expense</b>		<b>1,411</b>	<b>1,464</b>
<b>Profit for the year (A)</b>		<b>4,286</b>	<b>4,267</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Remeasurements of post-employment benefit obligations	35	46	(42)
Income tax relating to these items	14	(11)	10
<b>Other comprehensive income for the year, net of tax (B)</b>		<b>35</b>	<b>(32)</b>
<b>Total comprehensive income for the year (A + B)</b>		<b>4,321</b>	<b>4,235</b>
<b>Earnings per equity share attributable to owners of Akzo Nobel India Limited:</b>	29		
Basic earnings per equity share (in ₹) [Face value of ₹ 10 each]		94.11	93.70
Diluted earnings per equity share (in ₹) [Face value of ₹ 10 each]		94.11	93.70

The notes from note no. 1 to 42 form an integral part of these Standalone Financial Statements.

This is the Statement of Profit and Loss (including Other Comprehensive Income) referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

For and on behalf of the **Board of Directors of Akzo Nobel India Limited**

**Amitesh Dutta**  
Partner  
Membership No. : 058507

**Rajiv Rajgopal**  
Chairman and  
Managing Director  
DIN : 06685599

**Krishna Rallapalli**  
Wholtime Director  
and CFO  
DIN : 03384607

**Rajiv L. Jha**  
Company Secretary &  
Compliance Officer  
Membership No. : F5948

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

# Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>A Cash flow from operating activities</b>			
<b>Profit before tax</b>		5,697	5,731
Adjustments for:			
Depreciation and amortisation expense	24	893	823
Loss on sale of property, plant and equipment (net)	25	7	11
Net gain on termination of leases	19	-	(2)
Provision for inventory obsolescence		20	65
Provision for doubtful debts and advances	25	31	40
Net foreign exchange differences		20	(11)
Provision/liabilities no longer required written back	18	(63)	(87)
Provision on indirect tax cases	13	8	1
Loss allowance on government grants	5.3	21	20
Interest income	19	(262)	(356)
Unwinding of discount on financial assets	19	(3)	-
Net gain on sale of investments	19	(11)	-
Finance costs	23	98	125
<b>Operating profit before change in operating assets and liabilities</b>		<b>6,456</b>	<b>6,360</b>
(Increase) in trade receivables		(1,258)	(269)
(Increase) in inventories		(759)	(201)
(Increase) / Decrease in loans		(1)	*
(Increase) / Decrease in other financial assets		*	2
(Increase) / Decrease in other assets		287	(977)
Increase in trade payables		95	1,447
(Decrease) in other financial liabilities		(84)	(7)
Increase in provisions		7	76
Increase in other liabilities		18	136
<b>Cash generated from operations</b>		<b>4,761</b>	<b>6,567</b>
Income taxes paid (net)		(1,653)	(1,708)
<b>Net cash inflow from operating activities (A)</b>		<b>3,108</b>	<b>4,859</b>
<b>B Cash flow from investing activities</b>			
Payments for purchase of property, plant and equipment		(1,065)	(1,185)
Payments for purchase of investments in subsidiary		(1)	-
Proceeds from sale of investments		11	-
Bank deposits		1,982	(12)
Interest received		299	337
<b>Net cash inflow / (outflow) from investing activities (B)</b>		<b>1,226</b>	<b>(860)</b>
<b>C Cash flow from financing activities</b>			
Principal element of lease payments		(178)	(175)
Dividend paid		(4,326)	(4,099)
Interest paid		(91)	(120)
<b>Net cash (outflow) from financing activities (C)</b>		<b>(4,595)</b>	<b>(4,394)</b>
<b>Net (decrease) in cash and cash equivalents (A+B+C)</b>		<b>(261)</b>	<b>(395)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>2,730</b>	<b>3,136</b>
Effect of exchange rate changes on cash and cash equivalents		3	(11)
<b>Cash and cash equivalents at the end of the year</b>		<b>2,472</b>	<b>2,730</b>
<b>Non-cash investing activities</b>			
- Acquisition of right-of-use assets		197	104

\*Amount is below rounding off norms, adopted by the Company

# Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Notes:

- (i) The above Statement of Cash Flows has been prepared under the indirect method as set out in "Ind AS 7 Statement of Cash Flows".
- (ii) Amounts in bracket represent outflows.

## Components of cash and cash equivalents are as under:

	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Balances with banks			
- In current accounts	5.5	961	1,166
- In EEFC accounts	5.5	227	159
Bank deposits with maturity of less than three months	5.5	1,284	1,405
<b>Cash and cash equivalents (Refer note 5.5)</b>		<b>2,472</b>	<b>2,730</b>

The notes from note no. 1 to 42 form an integral part of these Standalone Financial Statements.

This is the Statement of Cash Flows referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

For and on behalf of the **Board of Directors of Akzo Nobel India Limited**

### Amitesh Dutta

Partner

Membership No. : 058507

### Rajiv Rajgopal

Chairman and  
Managing Director  
DIN : 06685599

### Krishna Rallapalli

Wholetime Director  
and CFO  
DIN : 03384607

### Rajiv L. Jha

Company Secretary &  
Compliance Officer  
Membership No. : F5948

Place: Gurugram

Date: 14 May 2025

Place: Gurugram

Date: 14 May 2025

Place: Gurugram

Date: 14 May 2025

Place: Gurugram

Date: 14 May 2025

# Statement of Changes in Equity

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## (a) Equity share capital

	Number of Shares	Notes	Amount
<b>As at 31 March 2023</b>	<b>45,540,314</b>	10	<b>455</b>
Changes in equity share capital during 2023-24	-		-
<b>As at 31 March 2024</b>	<b>45,540,314</b>	10	<b>455</b>
Changes in equity share capital during 2024-25	-		-
<b>As at 31 March 2025</b>	<b>45,540,314</b>	10	<b>455</b>

## (b) Other equity

Description	Reserves and surplus						Total
	Capital reserve (Refer note 11 (a))	Capital redemption reserve (Refer note 11 (b))	Revaluation reserve (Refer note 11 (c))	Share based payment reserve (Refer note 11 (d))	General reserve (Refer note 11 (e))	Retained earnings (Refer note 11 (f))	
<b>Balance as at 31 March 2023</b>	<b>503</b>	<b>64</b>	<b>12</b>	<b>-</b>	<b>4,519</b>	<b>7,603</b>	<b>12,701</b>
Profit for the year	-	-	-	-	-	4,267	4,267
Other comprehensive income arising from remeasurement of post-employment benefit obligations	-	-	-	-	-	(32)	(32)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,235</b>	<b>4,235</b>
<b>Transactions with owners in their capacity as owners:</b>							
Dividends paid	-	-	-	-	-	(4,099)	(4,099)
Employee share-based payment expense	-	-	-	31	-	-	31
Transfer to Other non-current liabilities - Employees related payables and Other current liabilities - Employees related payables	-	-	-	(31)	-	-	(31)
<b>Balance as at 31 March 2024</b>	<b>503</b>	<b>64</b>	<b>12</b>	<b>-</b>	<b>4,519</b>	<b>7,739</b>	<b>12,837</b>
<b>Balance as at 1 April 2024</b>	<b>503</b>	<b>64</b>	<b>12</b>	<b>-</b>	<b>4,519</b>	<b>7,739</b>	<b>12,837</b>
Profit for the year	-	-	-	-	-	4,286	4,286
Other comprehensive income arising from remeasurement of post-employment benefit obligations	-	-	-	-	-	35	35
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,321</b>	<b>4,321</b>
<b>Transactions with owners in their capacity as owners:</b>							
Dividends paid	-	-	-	-	-	(4,326)	(4,326)
Employee share-based payment expense	-	-	-	28	-	-	28
Transfer to Other non-current liabilities - Employees related payables and Other current liabilities - Employees related payables	-	-	-	(28)	-	-	(28)
<b>Balance as at 31 March 2025</b>	<b>503</b>	<b>64</b>	<b>12</b>	<b>-</b>	<b>4,519</b>	<b>7,734</b>	<b>12,832</b>

The notes from note no. 1 to 42 form an integral part of these Standalone Financial Statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

For and on behalf of the **Board of Directors of Akzo Nobel India Limited**

**Amitesh Dutta**  
Partner  
Membership No. : 058507

**Rajiv Rajgopal**  
Chairman and  
Managing Director  
DIN : 06685599

**Krishna Rallapalli**  
Wholetime Director  
and CFO  
DIN : 03384607

**Rajiv L. Jha**  
Company Secretary &  
Compliance Officer  
Membership No. : F5948

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

# Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Note 1. Background and basis of preparation

### Background

Akzo Nobel India Limited ('the Company') was incorporated in India on 12 March 1954 as Indian Explosives Limited. It is currently known as Akzo Nobel India Limited with effect from 15 February 2010 under Section 23(1) of the Companies Act, 1956. The Company is domiciled in India and is limited by shares. The registered office of the Company is situated in Kolkata (West Bengal). The Company is engaged in the business of manufacturing, trading and selling of paints and related products. The Company also provides research and development services to its holding company and other group companies. The Company's equity shares are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Standalone Financial Statements for the year ended 31 March 2025 were approved by the Board of Directors and authorised for issue on 14 May 2025.

### Basis of preparation

#### (i) Compliance with Ind AS

The Standalone Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

#### (ii) Historical cost convention

The Standalone Financial Statements have been prepared on a historical cost convention on a going concern basis, except for the following:

- certain financial assets and financial liabilities are measured at fair value.
- defined benefit plans – plan assets are measured at fair value.
- share-based payments.

#### (iii) New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024,

respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024:

- Insurance contracts - Ind AS 117; and
- Lease liability in sale and leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

## Note 2. Critical estimates and judgements

The preparation of Standalone Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial Statements.

The areas involving critical estimates and judgements are:

- Useful life of property, plant and equipment (Refer note 3.1)
- Provision for employee benefits and fair value of plan assets (Refer note 35)
- Tax litigations/claims (Refer note 27)
- Customer incentives (Refer note 17)
- Allowance for doubtful debts (Loss allowance on trade receivables) (Refer note 5.4)
- Inventory obsolescence (Refer note 8)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 3.1. Property, plant and equipment

#### Accounting policy

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation.

#### Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Schedule II of the Companies Act, 2013 except in respect of the below mentioned assets where useful life is determined through technical evaluation and is different than those prescribed in Schedule II of the Companies Act, 2013.

Particulars	Estimated Useful Life (in Years)
Buildings	10-60
Plant and equipment	10-15
Furniture and fixtures	3-10
Motor vehicles	5-7

The residual values are not more than 5% of the original cost of the assets. Depreciation methods, useful lives and residual values are reviewed at least at each financial year end.

Leasehold improvements are amortised over the shorter of useful life and the period of lease including the optional period, if any, available to the Company, where it is reasonably certain at the inception of lease that such option would be exercised by the Company.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 3.1. Property, plant and equipment (Contd..)

See note 40 (l) and 40 (x) for the other accounting policies relevant to property, plant and equipment and note 40 (n) for the Company's policy regarding impairment.

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount				
	As at 1 April 2024	Additions	Disposals / Adjustments	Assets included in a disposal group classified as held for sale (see note 9.1)	As at 31 March 2025	As at 1 April 2024	Charge during the year	Disposals / Adjustments	Assets included in a disposal group classified as held for sale (see note 9.1)	As at 31 March 2024	As at 31 March 2025
Freehold land (Refer note 'a' and 'b' below)	265	-	35	-	300	-	-	-	-	265	300
Buildings	2,270	74	*	(483)	1,861	785	94	*	(196)	1,485	1,178
Plant and equipment											
- owned	4,038	711	(154)	(1,659)	2,936	2,447	367	(150)	(1,024)	1,640	1,296
- given under operating lease	1,643	342	(4)	-	1,981	854	154	(4)	-	1,004	977
Motor vehicles	2	2	-	-	4	1	*	-	-	1	3
Furniture and fixtures	418	22	(20)	(85)	335	316	29	(20)	(74)	251	102
Office equipment	160	34	(82)	(47)	65	109	19	(82)	(35)	11	54
Leasehold improvements	107	-	(11)	-	96	77	6	(9)	-	74	30
Data processing equipment	217	17	(43)	(4)	187	166	25	(42)	(4)	145	51
<b>Total</b>	<b>9,120</b>	<b>1,202</b>	<b>(279)</b>	<b>(2,278)</b>	<b>7,765</b>	<b>4,755</b>	<b>694</b>	<b>(307)</b>	<b>(1,333)</b>	<b>4,365</b>	<b>3,956</b>

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025  
(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 3.1. Property, plant and equipment (Contd..)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount			
	As at 1 April 2023	Additions	Disposals / Adjustments	Assets included in a disposal group classified as held for sale (see note 9.1)	As at 31 March 2024	As at 1 April 2023	Charge during the year	Disposals / Adjustments	Assets included in a disposal group classified as held for sale (see note 9.1)	As at 31 March 2024	As at 31 March 2023	
Freehold land (Refer note 'a' below)	265	-	-	-	265	-	-	-	-	-	265	265
Buildings	2,228	47	(5)	-	2,270	688	101	(4)	-	785	1,540	1,485
Plant and equipment												
- owned	3,628	513	(103)	-	4,038	2,217	329	(99)	-	2,447	1,411	1,591
- given under operating lease	1,456	232	(45)	-	1,643	774	119	(39)	-	854	682	789
Motor vehicles	3	-	(1)	-	2	2	*	(1)	-	1	1	1
Furniture and fixtures	373	47	(2)	-	418	289	29	(2)	-	316	84	102
Office equipment	133	31	(4)	-	160	98	15	(4)	-	109	35	51
Leasehold improvements	107	-	-	-	107	71	6	-	-	77	36	30
Data processing equipment	184	34	(1)	-	217	142	25	(1)	-	166	42	51
<b>Total</b>	<b>8,377</b>	<b>904</b>	<b>(161)</b>	<b>-</b>	<b>9,120</b>	<b>4,281</b>	<b>624</b>	<b>(150)</b>	<b>-</b>	<b>4,755</b>	<b>4,096</b>	<b>4,365</b>

\*Amount is below rounding off norms, adopted by the Company

- The Company had acquired revaluation reserve attributable to certain land as part of amalgamation done with various companies in the previous periods.
- Adjustment represents freehold land previously classified as right of use asset.
- Refer note 28 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Significant Estimates: The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset. The Company reviews the useful life of property, plant and equipment at the end of each reporting period.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 3.2. Right-of-use assets and Lease liabilities

#### Accounting policy

- (a) The Company leases various lands, buildings, warehouses and vehicles. Rental contracts are typically made for fixed periods of 2 years to 12 years except in case of leasehold land where it is upto 99 years, but may have extension options as described in (iv) below.
- (b) Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.
- (c) Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.
- (d) The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.
- (e) To determine the incremental borrowing rate, the Company obtains the general purpose borrowing rates and makes necessary adjustments specific to the lease e.g. lease term, security etc.
- (f) Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.
- (g) Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in the Statement of Profit and Loss. Short term leases are the leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.
- (h) See note 40 (f) for the other accounting policies relevant to leases.

#### (i) Amounts recognised in balance sheet

The balance sheet shows the following amounts relating to leases:

Right-of-use assets	As at 31 March 2025	As at 31 March 2024
Building and warehouse leases	506	491
Land leases (Refer note 'a' and 'b' below)	325	362
Vehicles leases	6	10
<b>Total</b>	<b>837</b>	<b>863</b>

Financial liabilities - Lease liabilities	As at 31 March 2025	As at 31 March 2024
Current lease liabilities	173	153
Non-current lease liabilities	448	451
<b>Total</b>	<b>621</b>	<b>604</b>

Additions to the right-of-use assets during the current financial year were ₹ 197 (31 March 2024 ₹ 104).

- (a) In March 2016, the Company had received the possession letter of final tranche of land from Karnataka Industrial Area Development Board (KIADB) as acquired by the Company on lease-cum-sale basis at Mysore (gross carrying value - ₹ 166). However, the execution and registration of lease deed in respect of the aforesaid land is pending finalisation with KIADB and the sale deed thereof will only be executed on/after the expiry of the lease term upon fulfilment of the conditions specified in the allotment letter/s and the lease deed, as the case may be.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 3.2. Right-of-use assets and Lease liabilities (Contd..)

(b) The Company has leasehold land at Thane (gross carrying value - ₹ 7) for which original lease deed is not in possession of the Company. However the Company is in possession of certified true copy of aforesaid lease deed.

#### (ii) Amounts recognised in the Statement of Profit and Loss

The Statement of Profit and Loss shows the following amounts relating to leases:

Depreciation charge on right-of-use assets	For the year ended 31 March 2025	For the year ended 31 March 2024
Building and warehouse leases	182	182
Land leases	2	2
Vehicles leases	4	4
<b>Total</b>	<b>188</b>	<b>188</b>

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest expense (included in finance costs) (Refer note '23')	74	71
Rent expenses relating to short term leases (included in other expenses) (Refer note '25')	37	28
<b>Total</b>	<b>111</b>	<b>99</b>

The total cash outflow for leases including interest and short term leases ₹ 289 (31 March 2024 ₹ 274).

#### (iii) Variable lease payments

The Company does not have any leases with variable lease payments.

#### (iv) Extension and termination options

Extension and termination options are included in a number of leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

#### (v) Residual value guarantees

There are no residual value guarantees in the lease contracts.

### Note 3.3. Capital work-in-progress

As at 31 March 2025

#### (a) Ageing of Capital work-in-progress:

	Amounts in capital work-in-progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	548	79	37	3	667
(ii) Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>548</b>	<b>79</b>	<b>37</b>	<b>3</b>	<b>667</b>

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 3.3. Capital work-in-progress (Contd..)

- (b) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan

	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in progress</b>					
Process improvement equipments	269	-	-	-	269
Colour solution systems	66	-	-	-	66
Supply chain and logistics optimization	33	-	-	-	33
Installation of new machinery and production lines	31	-	-	-	31
Research and development equipments	14	-	-	-	14
Automation and robotics integration	7	-	-	-	7
Safety upgrades and enhancements	2	-	-	-	2
<b>Total</b>	<b>422</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>422</b>

As at 31 March 2024

- (a) Ageing of Capital work-in-progress:

	Amounts in capital work-in-progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	997	180	14	-	1,191
(ii) Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>997</b>	<b>180</b>	<b>14</b>	<b>-</b>	<b>1,191</b>

- (b) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan

	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in progress</b>					
Installation of new machinery and production lines	917	-	-	-	917
Process improvement equipments	46	-	-	-	46
Supply chain and logistics optimization	33	-	-	-	33
Packaging and labelling equipments	23	-	-	-	23
Research and development equipments	23	-	-	-	23
Automation and robotics integration	9	-	-	-	9
<b>Total</b>	<b>1,051</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,051</b>

Capital work-in-progress mainly comprises plant and equipment and buildings.

### Note 4. Intangible assets

Particulars	Gross Carrying Amount			As at 31 March 2025	Accumulated Amortisation			Net Carrying Amount		
	As at 1 April 2024	Additions	Disposals / Adjustments		As at 1 April 2024	Charge during the year	Disposals / Adjustments	As at 31 March 2024	As at 31 March 2025	
<b>Intangible assets (Acquired)</b>										
Customer relationships	110	-	-	110	80	11	-	91	30	19
<b>Total</b>	<b>110</b>	<b>-</b>	<b>-</b>	<b>110</b>	<b>80</b>	<b>11</b>	<b>-</b>	<b>91</b>	<b>30</b>	<b>19</b>

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 4. Intangible assets (Contd..)

Particulars	Gross Carrying Amount			Accumulated Amortisation				Net Carrying Amount		
	As at 1 April 2023	Additions	Disposals / Adjustments	As at 31 March 2024	As at 1 April 2023	Charge during the year	Disposals / Adjustments	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024
<b>Intangible assets (Acquired)</b>										
Customer relationships	110	-	-	110	69	11	-	80	41	30
<b>Total</b>	<b>110</b>	<b>-</b>	<b>-</b>	<b>110</b>	<b>69</b>	<b>11</b>	<b>-</b>	<b>80</b>	<b>41</b>	<b>30</b>

Pursuant to business transfer agreement with BASF India Limited, the Company had acquired Intangible assets with respect to customer relationships during the year ended 31 March 2017. The estimate for the useful life for customer relationships is based on the expected economic benefits from such assets, however, which may be longer or shorter than 10 years, depending upon the customer attrition rate and competition. If it were only 5 years, the carrying amount would be ₹ Nil (₹ Nil as at 31 March 2024). If the useful life were estimated to be 15 years, the carrying amount would be ₹ 50 (₹ 57 as at 31 March 2024).

See note 40 (m) and 40 (x) for other accounting policies relevant to intangible assets and note 40 (n) for the Company's policy regarding impairment.

### Note. 5. Financial assets

#### Accounting policies

#### (i) Classification of financial assets at amortised cost

The Company classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets classified at amortised cost comprise trade receivables, loans and investment in debentures.

#### (ii) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities (unlisted) which are not held for trading, and for which the Company has irrevocably elected at initial recognition to recognise changes in fair value through OCI rather than profit or loss. These are strategic investments and the Company considers this classification to be more relevant.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets.

There are currently no equity or debt securities which are carried at FVOCI.

#### (iii) Classification of financial assets at fair value through profit or loss

The Company classifies the following financial assets at fair value through profit or loss (FVTPL):

- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

#### (iv) See note 40 (k) for the remaining relevant accounting policies

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 5.1. Non current investments

	Number as at 31 March 2025	Number as at 31 March 2024	Face value ₹ per unit	As at 31 March 2025	As at 31 March 2024
<b>(a) Investment in equity instruments</b>					
<b>Unquoted</b>					
<b>i. Subsidiary (measured at cost)</b>					
ICI India Research and Technology Centre Private Limited (formerly known as ICI India Research and Technology Centre) (fully paid up)	1,250,050	-	1	1	-
<b>ii. Others (measured at FVTPL)</b>					
Adyar Property Holding Company Limited (paid up ₹ 65 per share)	105	105	100	*	*
Paints and Coatings Skill Council (fully paid up)	17	17	25,000	*	*
<b>(b) Investment in debentures (measured at Amortised cost)</b>					
<b>Unquoted</b>					
6.5% Bengal Chamber of Commerce and Industry	19	19	1,000	*	*
				<b>1</b>	<b>*</b>

	As at 31 March 2025	As at 31 March 2024
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	1	*
Aggregate amount of impairment in the value of investments	-	-

\*Amount is below rounding off norms, adopted by the Company

- (a). Information about the Company's exposure to credit and market risk and fair value measurement is included in note 31.
- (b). The Company has a subsidiary – ICI India Research and Technology Centre Private Limited (hereinafter "ICI R&T") (formerly known as ICI India Research and Technology Centre) which was earlier registered as a Section 8 company limited by guarantee. During the financial year 2022–2023, ICI R&T applied to the Ministry of Corporate Affairs (MCA) for conversion from a Section 8 company to a private limited company.

Pursuant to MCA approval dated 10 May 2024, ICI R&T was converted into a private company limited by guarantee from a Section 8 company. Subsequently, pursuant to the necessary statutory filings and approvals, MCA further approved its conversion into a private company limited by shares vide a fresh certificate of incorporation dated 22 August 2024. Consequent to such conversion, 100 equity shares of INR 1/- each of ICI R&T have been allotted to the guarantor-members in the proportion of their respective amounts of guarantee (aggregating to INR 100/-) as held by them prior to such conversion.

Subsequently, Akzo Nobel India Limited has invested INR 1,250,000/- in ICI R&T by subscribing to 1,250,000 equity shares of face value of INR 1/- each under its Rights Issue @INR 1/- each. The Company, on 31 March 2025, had been allotted 1,250,000 equity shares at par, thereby leading to Company's shareholding aggregating to 1,250,050 equity shares (constituting ~99.99% shareholding), both directly and through nominee, in ICI R&T.

The subsidiary continues to undertake research activities on behalf of Akzo Nobel India Limited and receives contributions from the Company to the extent of costs incurred for such activities and an agreed mark up.

There is no impact of the said conversion on the Standalone Financial Statements of the Company for the year ended 31 March 2025 except to the extent as aforesaid, if any.

# Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Note 5.2. Loans

	As at 31 March 2025		As at 31 March 2024	
	Current	Non- current	Current	Non- current
Loan to employees	*	5	*	4
	*	<b>5</b>	*	<b>4</b>
<b>Break - up of security details</b>				
Loans considered good - Secured	-	-	-	-
Loans considered good - Unsecured	*	5	*	4
Loans which have significant increase in credit risk	-	-	-	-
Loans credit impaired	-	-	-	-
<b>Total</b>	*	<b>5</b>	*	<b>4</b>
Less : Loss allowance	-	-	-	-
	*	<b>5</b>	*	<b>4</b>

**Note:** The carrying value of loans and advances may be affected by changes in the credit risk of the counterparties. Refer note 31 for the credit risk exposure.

\* Amount is below rounding off norms, adopted by the Company

## Note 5.3. Other financial assets

	As at 31 March 2025		As at 31 March 2024	
	Current	Non- current	Current	Non- current
Security deposits	7	102	7	99
Less : Loss allowance	-	(9)	-	(9)
Bank deposits with more than 12 months maturity (Refer note 'a' below)	-	8	-	7
Government grant receivable (Refer note 'b' below)	123	-	123	-
Less : Loss allowance	(41)	-	(20)	-
	<b>89</b>	<b>101</b>	<b>110</b>	<b>97</b>

(a) The above bank deposits are held as margin money against various guarantees issued by banks on behalf of the Company in favour of Government authorities.

(b) Government grant relates to tax incentives receivable from the State Government of Madhya Pradesh in respect of investments of the Company in property, plant and equipment of the manufacturing plant set up in a backward area at Malanpur, Gwalior, India. There are no unfulfilled conditions or other contingencies attached to this grant. The Company did not benefit directly from any other forms of government assistance. Also refer note 15.

## Note. 5.4. Trade receivables

### Accounting policy

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Company's unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 5.4. Trade receivables (Contd..)

See note 40 (i) for the other accounting policies relevant to trade receivables.

Trade receivables	As at 31 March 2025	As at 31 March 2024
Trade receivables from contracts with customers	5,198	5,416
Trade receivables from contracts with customers - related parties (Refer note 34)	781	495
Less: Loss allowance	(130)	(157)
	<b>5,849</b>	<b>5,754</b>
<b>Break - up of security details</b>		
Trade receivables considered good - Secured	256	277
Trade receivables considered good - Unsecured	5,723	5,634
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit impaired	-	-
<b>Total</b>	<b>5,979</b>	<b>5,911</b>
Less: Loss allowance	(130)	(157)
	<b>5,849</b>	<b>5,754</b>

### Ageing of trade receivables

As at 31 March 2025

Particulars	Unbilled	Not due	Outstanding for following periods from the due date of payment					Total
			Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>								
considered good	-	4,872	931	111	21	23	21	5,979
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
<b>Disputed trade receivables</b>								
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>4,872</b>	<b>931</b>	<b>111</b>	<b>21</b>	<b>23</b>	<b>21</b>	<b>5,979</b>

As at 31 March 2024

Particulars	Unbilled	Not due	Outstanding for following periods from the due date of payment					Total
			Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>								
considered good	-	5,074	629	88	63	26	31	5,911
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
<b>Disputed trade receivables</b>								
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>5,074</b>	<b>629</b>	<b>88</b>	<b>63</b>	<b>26</b>	<b>31</b>	<b>5,911</b>

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 5.5. Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Balances with banks:		
- In current accounts	961	1,166
- In EEFC accounts	227	159
Bank deposits with maturity of less than three months	1,284	1,405
	<b>2,472</b>	<b>2,730</b>

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior period.

### Note 5.6. Bank balances other than cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Bank deposits (Refer note 'a' below)	403	2,424
Unpaid dividend accounts (Refer note 'b' below)	120	78
	<b>523</b>	<b>2,502</b>

(a) Bank deposits include deposits held as margin money amounting to ₹ 17 (31 March 2024 ₹ 19) against various guarantees issued by banks on behalf of the Company in favour of Government authorities.

(b) The Company can utilise these balances only towards settlement of unclaimed dividend.

### Note 6. Other non-current assets

	As at 31 March 2025	As at 31 March 2024
Capital advances	38	60
<b>Advances other than capital advances</b>		
Indirect taxes recoverable		
- Considered good	118	111
- Considered doubtful	31	31
Less: Provision for doubtful indirect taxes recoverable	(31)	(31)
Retirement benefit trusts surplus (Refer note 35)	52	57
Advance to customers	941	992
Prepaid expenses	2	5
	<b>1,151</b>	<b>1,225</b>

### Note 7. Non current tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Income tax {net of provision ₹ 14,739 (31 March 2024 ₹ 18,392)}	1,968	1,726
	<b>1,968</b>	<b>1,726</b>

### Note 8. Inventories

#### Accounting policy

The costs of individual items of inventory are determined on a moving weighted average basis. Volume rebates or discounts are taken into account when estimating the cost of inventory if it is probable that they have been earned and will take effect.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 8. Inventories (Contd..)

See note 40 (j) for the Company's other accounting policies for inventories.

Inventories	As at 31 March 2025	As at 31 March 2024
Raw materials (Refer note 'a' below)	2,248	2,452
Work-in-progress	116	123
Finished goods (Refer note 'b' and 'c' below)	1,886	1,851
Stock-in-trade (in respect of goods acquired for trading) (Refer note 'a' and 'b' below)	1,788	1,682
Stores and spares	9	7
	<b>6,047</b>	<b>6,115</b>
(a) Includes in-transit inventory:		
Raw materials	301	312
Stock-in-trade (in respect of goods acquired for trading)	*	*

(b) Finished goods and stock-in-trade (in respect of goods acquired for trading) are written down by ₹ 18 (31 March 2024 ₹ 72) to bring them down to the lower of cost and net realisable value. These were recognised as an expense during the year and included in 'Changes in inventories of work-in-progress, stock-in-trade and finished goods' in the Statement of Profit and Loss.

(c) Includes right to returned goods amounting to ₹ 14 (31 March 2024 ₹ 24).

\* Amount is below rounding off norms, adopted by the Company

### Note 9. Other current assets

Advances other than capital advances	As at 31 March 2025	As at 31 March 2024
Advances to suppliers		
- Considered good	268	175
- Considered doubtful	31	24
Less: Provision for doubtful advances	(31)	(24)
Advances to employees		
- Considered good	5	1
- Considered doubtful	2	2
Less: Provision for doubtful advances	(2)	(2)
Advance to customers		
- Considered good	969	1,116
- Considered doubtful	24	24
Less: Provision for doubtful advances	(24)	(24)
Prepaid expenses	178	190
Indirect tax recoverable	311	516
	<b>1,731</b>	<b>1,998</b>

### Note 9.1. Assets classified as held for sale and Liabilities relating to assets classified as held for sale

#### (a) Description

On 24 February 2025, the Board of Directors of the Company approved the slump sale of Powder Coatings Business division and the International Research Center division, to an indirect wholly owned subsidiary of Akzo Nobel N.V. (Ultimate Holding Company) proposed to be incorporated in India, for a consideration of INR 20,730 and INR 700 respectively. On 4 March 2025, Akzo Nobel Powder Coatings India Private Limited has been incorporated to act as the purchaser for the purchase of powder coatings and international research center business of the Company. The aforesaid sale transactions were subject to the (i) approval of the shareholders of the Company; and (ii) approval of supervisory board of Akzo Nobel N.V.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 9.1. Assets classified as held for sale and Liabilities relating to assets classified as held for sale (Contd..)

Subsequent to the year end, the shareholders of the Company approved the aforesaid sale transactions on 02 April 2025. The approval of supervisory board of Akzo Nobel N.V. is expected before 1 July 2025 and the aforesaid sale transactions are expected to be completed by 31 December 2025. The associated assets and liabilities of the disposal groups (Powder Coatings Business division and the International Research Center division) are presented as 'Assets classified as held for sale' and 'Liabilities relating to assets classified as held for sale' respectively in the Standalone Financial Statements for the year ended 31 March 2025 as the aforesaid sale transactions were considered as highly probable as at 31 March 2025.

#### (b) Assets and liabilities of disposal group classified as held for sale

	Powder Coatings (i)	International Research Center (ii)	As at 31 March 2025 (i)+(ii)	As at 31 March 2024
<b>Assets classified as held for sale</b>				
Property, plant and equipment	736	209	945	-
Capital work-in-progress	312	90	402	-
Trade receivables	1,114	-	1,114	-
Inventories (Refer note below)	807	-	807	-
Other current assets	16	9	25	-
<b>Total assets of disposal group held for sale</b>	<b>2,985</b>	<b>308</b>	<b>3,293</b>	<b>-</b>
<b>Liabilities relating to assets classified as held for sale</b>				
Trade payables	446	65	511	-
Provisions for employee benefits (Refer note 35)	156	89	245	-
Other current liabilities	51	4	55	-
<b>Total liabilities of disposal group held for sale</b>	<b>653</b>	<b>158</b>	<b>811</b>	<b>-</b>
<b>Note: Inventories</b>				
Raw materials	377	-	377	-
Work-in-progress	8	-	8	-
Finished goods	422	-	422	-
	<b>807</b>	<b>-</b>	<b>807</b>	<b>-</b>

**Significant judgements:** Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. Significant management's judgements include the likelihood of shareholders' approval, determination of the dates of classification of the non-current assets as held for sale and the valuation of the disposal groups at the lower of carrying amount and fair value less costs to sell.

### Note 10. Equity share capital

	As at 31 March 2025	As at 31 March 2024
<b>Authorised:</b>		
126,690,000 (31 March 2024 - 126,690,000) equity shares of ₹ 10 each	1,267	1,267
<b>Issued, subscribed &amp; fully paid up:</b>		
45,540,314 (31 March 2024 - 45,540,314) equity shares of ₹ 10 each	455	455
	<b>455</b>	<b>455</b>

#### a. Reconciliation of equity shares outstanding at the beginning and at the end of the year:

	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
Opening balance	45,540,314	455	45,540,314	455
Add: Equity shares increased during the year	-	-	-	-
<b>Closing balance</b>	<b>45,540,314</b>	<b>455</b>	<b>45,540,314</b>	<b>455</b>

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 10. Equity share capital (Contd..)

#### b. Terms and rights attached to equity shares

The Company has only one class of equity shares, having a par value of ₹ 10 per share. Each shareholder is eligible to one vote per share held. The Company declares and pays dividend in Indian Rupees. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to their shareholding.

#### c. Shares of the Company held by holding/ultimate holding company or their subsidiaries

The ultimate holding company is Akzo Nobel N.V., The Netherlands, which does not hold any shares directly in the Company.

	As at 31 March 2025 No. of Shares	As at 31 March 2024 No. of Shares
Imperial Chemical Industries Limited, United Kingdom (Subsidiary of Ultimate Holding Company)	22,977,544	22,977,544
Akzo Nobel Coatings International B.V., The Netherlands (Subsidiary of Ultimate Holding Company)	11,066,791	11,066,791
	<b>34,044,335</b>	<b>34,044,335</b>

#### d. Details of shareholders holding more than 5% shares in the Company

	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	% holding	No. of Shares	% holding
Imperial Chemical Industries Limited, United Kingdom	22,977,544	50.46%	22,977,544	50.46%
Akzo Nobel Coatings International B.V., The Netherlands	11,066,791	24.30%	11,066,791	24.30%
	<b>34,044,335</b>	<b>74.76%</b>	<b>34,044,335</b>	<b>74.76%</b>

#### e. Details of shareholding of promoters

	As at 31 March 2025			As at 31 March 2024		
	No. of Shares	Percentage of total number of shares	Percentage of change during the year	No. of Shares	Percentage of total number of shares	Percentage of change during the year
Imperial Chemical Industries Limited, United Kingdom	22,977,544	50.46%	-	22,977,544	50.46%	-
Akzo Nobel Coatings International B.V., The Netherlands	11,066,791	24.30%	-	11,066,791	24.30%	-
<b>Total</b>	<b>34,044,335</b>	<b>74.76%</b>	<b>-</b>	<b>34,044,335</b>	<b>74.76%</b>	<b>-</b>

f. There are no shares reserved for issue under options and contracts or commitments for sale of shares or disinvestment.

### Note 11. Other equity

	As at 31 March 2025	As at 31 March 2024
<b>Reserves and surplus</b>		
Capital reserve (refer note 'a' below)	503	503
Capital redemption reserve (refer note 'b' below)	64	64
Revaluation reserve (refer note 'c' below)	12	12

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 11. Other equity (Contd..)

	As at 31 March 2025	As at 31 March 2024
Share based payment reserve (refer note 'd' below)	-	-
General reserve (refer note 'e' below)	4,519	4,519
Retained earnings (refer note 'f' below)	7,734	7,739
	<b>12,832</b>	<b>12,837</b>

	As at 31 March 2025	As at 31 March 2024
<b>a Capital reserve</b>	503	503
Pursuant to various amalgamation schemes executed in the previous years as per the requirement of Companies Act, 1956 and Court orders, the Company had created capital reserve based on the differential between the net assets and liabilities acquired from the other party. There is no movement during the year.		
<b>b Capital redemption reserve</b>	64	64
Pursuant to the buy back scheme for purchase of equity shares offered by the Company during earlier years, the Company had created a capital redemption reserve in those years as per the regulatory requirements. There is no movement during the year.		
<b>c Revaluation reserve</b>	12	12
It represents revaluation of certain land acquired as part of amalgamation done with various companies in the previous periods. This reserve is not available for distribution of the balance to shareholders. There is no movement during the year.		
<b>d Share based payment reserve</b>		
It represents reserve on account of the shares to be issued to certain employees under restricted share plans. Refer note 39.		
Balance at the beginning of the year	-	-
Employee share-based payment expense	28	31
Transfer to Other non-current liabilities / Other current liabilities - Employees related payables	(28)	(31)
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>
<b>e General reserve</b>	4,519	4,519
The General reserve is used from time to time to transfer profit from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserves will not be reclassified subsequently to profit and loss. There is no movement during the year.		
<b>f Retained earnings</b>		
Balance at the beginning of the year	7,739	7,603
Net profit for the year	4,286	4,267
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax*	35	(32)
Dividends	(4,326)	(4,099)
<b>Balance at the end of the year</b>	<b>7,734</b>	<b>7,739</b>

\*Remeasurements of post-employment benefit obligation / (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

### Note 12. Non current financial liabilities - Others

	As at 31 March 2025	As at 31 March 2024
Security deposits (Refer note below)	2	20
	<b>2</b>	<b>20</b>

**Note :** It represents deposits received from customers under operating lease arrangement, refer note 30.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 13. Provisions

	Non- current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Employee benefits (Refer note 35)				
Pension	*	1	-	-
Gratuity	322	509	3	3
Leave obligations (Refer note 'c' below)	-	-	159	190
Post retirement medical and others	349	322	31	28
Provident fund	-	89	-	-
Long service award	11	15	1	2
Indirect taxes (Refer note 'a' and 'b' below)	-	-	149	141
Divested businesses (Refer note 'a' and 'b' below)	-	-	38	38
Others (Refer note 'a' and 'b' below)	4	4	8	8
	<b>686</b>	<b>940</b>	<b>389</b>	<b>410</b>

#### Additional disclosure relating to provisions:

##### (a) Movement in provisions:

###### For the year ended 31 March 2025

Particulars	Class of provisions		
	Indirect taxes	Divested business	Others
Opening balance as at 1 April 2024	141	38	12
Provision created during the year	8	-	-
Provision utilised / written back during the year	-	-	-
<b>Closing balance as at 31 March 2025</b>	<b>149</b>	<b>38</b>	<b>12</b>

###### For the year ended 31 March 2024

Particulars	Class of provisions		
	Indirect taxes	Divested business	Others
Opening balance as at 1 April 2023	140	38	12
Provision created during the year	1	-	-
Provision utilised / written back during the year	-	-	-
<b>Closing balance as at 31 March 2024</b>	<b>141</b>	<b>38</b>	<b>12</b>

##### (b) Nature of provisions:

###### (i) Indirect taxes

Provisions relating to indirect taxes are in respect of proceedings of various sales tax, excise duty and other indirect tax cases, including those relating to divested businesses. Outflows in all these cases, including their timing and certainty, would depend on the developments/outcome in these cases, though, presently classified as short term due to uncertainty of the timing.

###### (ii) Divested businesses

Provisions relating to divested businesses (other than any indirect tax cases relating to such businesses) are in respect of existing / anticipated costs arising from divestment of businesses. Outflows in these cases, including their timing and certainty, would depend upon settlement of claims, though, presently classified as short term due to uncertainty of the timing.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 13. Provisions (Contd..)

#### (iii) Others

Others include various claims arising during the course of the business. Outflows in these cases will depend upon settlement of claims, if any for which timing and amount of outflow is not certain.

- (c) The entire amount of leave obligations provision of ₹ 159 (31 March 2024 ₹ 190) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

\* Amount is below rounding off norms, adopted by the Company

### Note 14. Income tax

#### A. Income tax expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Current tax expense</b>		
Current tax on profits for the year	1,477	1,521
Adjustments for current tax of prior periods	(68)	(13)
<b>Total current tax expense</b>	<b>1,409</b>	<b>1,508</b>
<b>Deferred tax</b>		
Decrease/(increase) in deferred tax assets	26	8
(Decrease)/increase in deferred tax liabilities	(24)	(52)
<b>Total deferred tax charge/(credit)</b>	<b>2</b>	<b>(44)</b>
<b>Income tax expense</b>	<b>1,411</b>	<b>1,464</b>

#### B. Reconciliation of effective tax rate

	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	5,697	5,731
Tax at the Indian tax rate of 25.168% (31 March 2024 - 25.168%)	1,434	1,442
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Corporate social responsibility expenditure	23	19
Adjustment for current tax of prior periods	(68)	(13)
Tax effects of assets classified as held for sale and liabilities relating to assets classified as held for sale	22	-
Tax effects of other amounts which are not deductible in calculating taxable income	2	11
Others	(2)	5
	<b>1,411</b>	<b>1,464</b>

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 14. Income tax (Contd..)

#### C. Movement in deferred tax balances

	As at 1 April 2024	Recognised in P&L	Recognised in OCI	As at 31 March 2025
<b>Deferred tax liabilities</b>				
Property, plant and equipment	131	(25)	-	106
Surplus payments to retirement trusts	14	(1)	-	13
Right-of-use assets	133	2	-	135
Others	*	*	-	*
<b>Sub- total (a)</b>	<b>278</b>	<b>(24)</b>	<b>-</b>	<b>254</b>
<b>Deferred tax assets</b>				
Provision for doubtful debts and advances	62	(3)	-	59
Expenditure disallowed u/s 43B of Income Tax Act, 1961	300	(15)	(11)	274
Expenditure deductible u/s 35 DDA of the Income Tax Act, 1961	5	(5)	-	-
Lease liabilities	152	4	-	156
Other disallowances under the Income Tax Act, 1961	79	(7)	-	72
<b>Sub- total (b)</b>	<b>598</b>	<b>(26)</b>	<b>(11)</b>	<b>561</b>
<b>Net deferred tax liabilities/(assets) (a)-(b)</b>	<b>(320)</b>	<b>2</b>	<b>11</b>	<b>(307)</b>

\*Amount is below rounding off norms, adopted by the Company

#### D. Movement in deferred tax balances

	As at 1 April 2023	Recognised in P&L	Recognised in OCI	As at 31 March 2024
<b>Deferred tax liabilities</b>				
Property, plant and equipment	158	(27)	-	131
Surplus payments to retirement trusts	13	1	-	14
Right-of-use assets	159	(26)	-	133
Others	*	*	-	*
<b>Sub- total (a)</b>	<b>330</b>	<b>(52)</b>	<b>-</b>	<b>278</b>
<b>Deferred tax assets</b>				
Provision for doubtful debts and advances	62	*	-	62
Expenditure disallowed u/s 43B of Income tax Act, 1961	266	24	10	300
Expenditure deductible u/s 35 DDA of the Income Tax Act, 1961	9	(4)	-	5
Lease liabilities	176	(24)	-	152
Other disallowances under the Income Tax Act, 1961	83	(4)	-	79
<b>Sub- total (b)</b>	<b>596</b>	<b>(8)</b>	<b>10</b>	<b>598</b>
<b>Net deferred tax liabilities/(assets) (a)-(b)</b>	<b>(266)</b>	<b>(44)</b>	<b>(10)</b>	<b>(320)</b>

\*Amount is below rounding off norms, adopted by the Company

### Note 15. Other non-current liabilities

	As at 31 March 2025	As at 31 March 2024
Deferred lease rentals (Refer note 'a' below)	-	1
Deferred government grant (Refer note 'b' below)	62	62
Employees related payables (Refer note 'c' below)	29	28
	<b>91</b>	<b>91</b>

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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### Note 15. Other non-current liabilities (Contd..)

(a) Represents fair valuation of security deposits received from customers, Refer note 31.

	As at 31 March 2025	As at 31 March 2024
(b) Opening balance of Deferred/(Accrued) Government grant	62	62
Add : Government grant receivable	-	-
Less : Government grant recognised during the year	-	-
<b>Closing balance of (Deferred) /Accrued Government grant</b>	<b>62</b>	<b>62</b>

(c) It includes balance payable to ultimate holding Company in relation to the equity-settled restricted share plans. Refer note 39.

### Note 16.1. Current financial liabilities - Trade payables

	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro enterprises and small enterprises (Refer note 'b' below)	353	321
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Payables to related parties (Refer note 34)	2,016	2,017
- Acceptances	290	301
- Others	6,907	7,339
	<b>9,213</b>	<b>9,657</b>
	<b>9,566</b>	<b>9,978</b>

(a) Refer note 31 for explanations on the Company's liquidity risk management process.

#### (b) Additional disclosure as per Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:

	As at 31 March 2025	As at 31 March 2024
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	293	268
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	60	53
(iii) Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	366	640
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year"	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year"	-	-
(vi) Interest due and payable towards suppliers registered under MSMED Act for payments already made	7	16
(vii) Further interest remaining due and payable for earlier years	53	30

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 16.1. Current financial liabilities - Trade payables (Contd..)

#### (c) Ageing of trade payables

As at 31 March 2025

Particulars	Unbilled	Not due	Outstanding for following periods from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade payables</b>							
Micro enterprises and small enterprises	-	14	338	1	*	*	353
Others	2,884	307	5,638	161	68	155	9,213
<b>Disputed trade payables</b>							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
<b>Total</b>	<b>2,884</b>	<b>321</b>	<b>5,976</b>	<b>162</b>	<b>68</b>	<b>155</b>	<b>9,566</b>

As at 31 March 2024

Particulars	Unbilled	Not due	Outstanding for following periods from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade payables</b>							
Micro enterprises and small enterprises	135	1	185	*	*	*	321
Others	3,720	653	4,981	112	47	144	9,657
<b>Disputed trade payables</b>							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
<b>Total</b>	<b>3,855</b>	<b>654</b>	<b>5,166</b>	<b>112</b>	<b>47</b>	<b>144</b>	<b>9,978</b>

\*Amount is below rounding off norms, adopted by the Company

### Note 16.2. Current financial liabilities - Other financial liabilities

	As at 31 March 2025	As at 31 March 2024
Security Deposits (Refer note 'a' below)	534	590
<b>Others</b>		
Unpaid dividends (Refer note 'b' below)	120	78
Payable to employees	203	226
Capital creditors	104	110
Derivatives not designated as hedges- forward contracts (Refer note 31)	5	3
Retention money payable	11	1
	<b>977</b>	<b>1,008</b>

(a) It represents deposits received from customers under operating lease arrangement, refer note 30.

(b) There are no amounts due to be credited to the Investor Education and Protection Fund.

#### Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents	2,472	2,730
Lease liabilities	(621)	(604)
	<b>1,851</b>	<b>2,126</b>

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TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 16.2. Current financial liabilities - Other financial liabilities (Contd..)

Particulars	Other assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Lease liabilities	
<b>Balance as at 1 April 2023</b>	<b>3,136</b>	<b>(697)</b>	<b>2,439</b>
Cash flow	(406)	175	(231)
Net acquisition lease	-	(82)	(82)
Interest expense	-	(71)	(71)
Interest paid	-	71	71
<b>Balance as on 31 March 2024</b>	<b>2,730</b>	<b>(604)</b>	<b>2,126</b>
<b>Balance as at 1 April 2024</b>	<b>2,730</b>	<b>(604)</b>	<b>2,126</b>
Cash flow	(258)	178	(80)
Net acquisition lease	-	(195)	(195)
Interest expense	-	(74)	(74)
Interest paid	-	74	74
<b>Balance as on 31 March 2025</b>	<b>2,472</b>	<b>(621)</b>	<b>1,851</b>

### Note 17. Other current liabilities

	As at 31 March 2025	As at 31 March 2024
Statutory dues payable	549	617
Liability towards customers	80	90
Deferred revenue (Refer note 'a' below)	316	367
Deferred lease rental (Refer note 'b' below)	1	2
Refund liabilities (Refer note 'c' below)	1,612	1,592
Employees related payables (Refer note 'd' below)	28	19
	<b>2,586</b>	<b>2,687</b>

- (a) Invoicing in excess of revenue are classified as contract liabilities which we refer to as deferred revenue. Revenue recognised during the year that was included in the deferred revenue balances at the beginning of the period amounting to ₹ 367 (31 March 2024 ₹ 341).
- (b) It includes fair valuation of security deposits received from customers, as explained in note 31.
- (c) When a customer has a right to return product within a given period, the Company recognises a refund liability for the amount of consideration received for which it does not expect to be entitled amounting to ₹ 22 (31 March 2024 ₹ 39). Refund Liabilities are also recognised for expected volume discount and other incentives payable to customers amounting to ₹ 1,590 (31 March 2024 ₹ 1,553) pending settlement.

The Company has shown liabilities relating to expected returns, volume discounts and other incentives payable as refund liabilities.

- (d) It includes balance payable to ultimate holding Company in relation to the equity-settled restricted share plans. Refer note 39.

### Note 18. Revenue from operations

#### Accounting policy

#### Sale of goods

- (i) The Company manufactures and sells a range of decorative and coating paints. Sales are recognised when control of the products is transferred, which happens when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the acceptance of the products by the customer. Delivery occurs when the products have been shipped to the specific location, the risk of obsolescence and loss have

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 18. Revenue from operations (Contd..)

been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

- (ii) Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts and incentive schemes. Accumulated experience is used to estimate and provide for such variable consideration, and the revenue is only recognised to the extent that it is highly probable that a significant reversal in the revenue will not occur. A refund liability (included in other current liabilities) is recognised for the variable consideration payable to the customer in relation to sales made until the end of the reporting period. Refund liability is also recognised for expected return of products as at the period end with corresponding recognition of right to recover the returned goods. Revenue is net of sales returns. The validity of assumptions used to estimate variable consideration and expected return of products is reassessed annually.
- (iii) A receivable is recognised when the goods are delivered as this is the point in time when the consideration is unconditional because only passage of time is required before the payment is due.

#### Service revenue

- (iv) The Company provides research and development services under cost plus agreed mark-up basis to its related parties. Service income is recognised on accrual basis in the accounting period in which the services are rendered as per the contractual terms with the customers.

#### Financing components

- (v) The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

The Company derives the following types of revenue :

#### Revenue from operations

	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from contracts with customers		
- Sale of products	39,804	38,517
- Sale of services	844	850
Other operating revenue	264	249
	<b>40,912</b>	<b>39,616</b>

- (a) The customer incentive is recognised based on purchases made by the customers in line with ongoing schemes and incentive programmes rolled out by the Company. Judgements include past history of incentive, likelihood of achieving targets, other variable inputs etc. Changes in assumptions about these factors could affect the reported accrual of customer incentive.

#### Reconciliation of revenue recognised with contract price

	For the year ended 31 March 2025	For the year ended 31 March 2024
Contract price	51,293	50,162
<b>Adjustments for :</b>		
Deferred revenue	51	(26)
Refund liabilities / Incentive to customers	(10,696)	(10,769)
<b>Revenue from operations</b>	<b>40,648</b>	<b>39,367</b>

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 18. Revenue from operations (Contd..)

#### (b) Breakup of other operating revenue

	For the year ended 31 March 2025	For the year ended 31 March 2024
Duty drawback on exports	5	4
Lease rentals	136	101
Scrap sales	40	33
Business auxiliary services	19	22
Provision/liabilities no longer required written back	63	87
Miscellaneous income	1	2
	<b>264</b>	<b>249</b>

### Note 19. Other income

#### Accounting policy

##### Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest rate method and is recognised in the Statement of Profit and Loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of loss allowance).

	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Interest income:</b>		
- on financial assets at amortized cost	238	332
- on income tax refund	21	21
- on others	3	-
Unwinding of discount on financial assets	3	3
<b>Other non-operating income:</b>		
Net gain on termination of leases	-	2
Net gain on sale of investments	11	-
	<b>276</b>	<b>358</b>

### Note 20. Cost of materials consumed

	For the year ended 31 March 2025	For the year ended 31 March 2024
Raw materials as at the beginning of the year	2,452	2,262
Add: Purchases	21,798	20,283
Less: Raw materials as at the end of the year		
- Held as inventories (refer note 8)	(2,248)	(2,452)
- Held for sale (refer note 9.1)	(37)	-
<b>Total cost of materials consumed</b>	<b>21,625</b>	<b>20,093</b>

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 21. Changes in inventories of work-in-progress, stock-in-trade and finished goods

	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventory at the beginning of the year		
- Work-in-progress	123	135
- Stock-in-trade (in respect of goods acquired for trading)	1,682	642
- Finished goods	1,851	2,931
	<b>3,656</b>	<b>3,708</b>
Inventory at the end of the year		
- Work-in-progress		
a. Held as inventories (refer note 8)	116	123
b. Held for sale (refer note 9.1)	8	-
- Stock-in-trade (in respect of goods acquired for trading)		
Held as inventories (refer note 8)	1,788	1,682
- Finished goods		
a. Held as inventories (refer note 8)	1,886	1,851
b. Held for sale (refer note 9.1)	422	-
	<b>4,220</b>	<b>3,656</b>
(Increase)/decrease in inventories of work-in-progress, stock-in-trade and finished goods	<b>(564)</b>	<b>52</b>

### Note 22. Employee benefits expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	3,002	2,925
Contribution to provident and other funds (Refer note 35)	233	210
Employee share based payment expense	28	31
Other long-term employee benefits	11	2
Staff welfare expenses	90	103
	<b>3,364</b>	<b>3,271</b>

### Note 23. Finance costs

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest and finance charges on financial liabilities not at FVTPL	17	26
Interest and finance charges on lease liabilities (Refer note 3.2)	74	71
Unwinding of discount on security deposits	*	5
Others	7	23
	<b>98</b>	<b>125</b>

\*Amount is below rounding off norms, adopted by the Company

### Note 24. Depreciation and amortisation expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of property, plant and equipment (Refer note 3.1)	694	624
Depreciation of right-of-use-assets (Refer note 3.2)	188	188
Amortisation of intangible assets (Refer note 4)	11	11
	<b>893</b>	<b>823</b>

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 25. Other expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Stores and spare parts consumed	27	39
Repairs and maintenance		
- Plant and machinery	388	354
- Buildings	31	43
- Others	*	*
Power and fuel	200	177
Travelling	367	355
Rates and taxes	30	25
Rent	37	28
Insurance	118	120
Freight and transport	1,621	1,590
Advertisement and publicity	1,152	1,192
Royalty	1,398	1,411
Consultancy charges	279	140
Net foreign exchange differences	*	5
Payments to auditors (Refer note 'a' below)	16	15
Corporate social responsibility expenditure (Refer note 'b' below)	93	77
IT support and maintenance	480	435
Warehouse charges	314	227
Provision for doubtful debts and advances (Refer note 'c' below)	31	40
Loss on sale of property, plant and equipment (net)	7	11
Sub contracting charges	648	803
Miscellaneous expenses	719	709
	<b>7,956</b>	<b>7,796</b>

\*Amount is below rounding off norms, adopted by the Company

#### (a) Details of payments to auditors #

	For the year ended 31 March 2025	For the year ended 31 March 2024
Statutory audit (including limited reviews)	8	8
Other audit related services	7	7
Reimbursement of expenses	1	*
	<b>16</b>	<b>15</b>

# Excluding goods and service tax

\*Amount is below rounding off norms, adopted by the Company

#### (b) Corporate social responsibility expenditure

	For the year ended 31 March 2025	For the year ended 31 March 2024
Vocational skill training	66	55
Promoting education	13	12
Promoting preventive healthcare	7	5
Others	7	5
	<b>93</b>	<b>77</b>
Amount required to be spent as per Section 135 of the Act	93	74
Amount spent during the year on		
i) Construction/acquisition of an asset	-	-
ii) On purposes other than (i) above	93	77

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 25. Other expenses (Contd..)

Details of ongoing CSR Projects under Section 135 (6) of the Act

Balance as at 1 April 2023		Amount required to be spent during the year	Amount spent during the year		Balance as at 31 March 2024	
With the Company	In separate CSR unspent account		From the Company's bank account	From separate CSR unspent Account	With the Company	In separate CSR unspent account
-	-	-	-	-	-	-

Balance as at 1 April 2024		Amount required to be spent during the year	Amount spent during the year		Balance as at 31 March 2025	
With the Company	In separate CSR unspent account		From the Company's bank account	From separate CSR unspent Account	With the Company	In separate CSR unspent account
-	-	-	-	-	-	-

Details of CSR expenditure under Section 135 (5) of the Act in respect to other than ongoing projects

Balance unspent as on 1 April 2023	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as on 31 March 2024	Balance unspent as on 1 April 2024	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as on 31 March 2025
-	-	74	77	-	-	-	93	93	-

Details of excess CSR expenditure under Section 135 (5) of the Act

Balance excess spent as at 1 April 2023	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as on 31 March 2024	Balance excess spent as at 1 April 2024	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as on 31 March 2025
-	74	77	3	3	93	93	3

(c) Excluding bad debts written off during the year amounting to ₹ 40 (31 March 2024 ₹ 33).

**Note 26.** The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of The Income Tax Act, 1961. Since the law requires such information and documentation to be contemporaneous in nature, the Company is in process of updating the documentation of international transactions with the Associated Enterprises during the financial year and expects such records to be in existence latest by the due date of filing the return of income. The management is of the opinion that its international transactions are at arm's length so that aforesaid legislation will not have any material impact on the Standalone Financial Statements, particularly on the amount of tax expense and that of provision for taxation.

### Note 27. Contingent liabilities

	As at 31 March 2025	As at 31 March 2024
(a) Claims against the Company not acknowledged as debts	57	59

The Company is contesting certain claims filed against the Company by past employees and external parties in various forums. Based on the available documentation and experts view, the Company has created provisions wherever required and for the balance matters, it believes that more likely than not, these disputes would not result in additional outflow of resources.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 27. Contingent liabilities (Contd..)

	As at 31 March 2025	As at 31 March 2024
(b) Contingent liability of direct and indirect tax (Refer note below)		
Income tax matters in dispute / under appeal	253	395
Sales tax/VAT matters in dispute / under appeal	75	46
Custom, Excise and Service tax matters in dispute / under appeal	118	118
GST (Goods and service tax) matters in dispute / under appeal	3	2
	<b>449</b>	<b>561</b>

**Note:** The Company is contesting certain claims raised by authorities towards income tax, excise, service tax, sales tax/VAT, custom and GST (Goods and service tax) dues at various forums. Based on the available documentation and experts view, the Company has created provisions wherever required and for the balance matters, it believes that more likely than not, these disputes would not result in additional outflow of resources.

It is not practicable for the Company to estimate the timings and amount of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above contingent liabilities.

Significant Estimates: The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events requires best judgement by management considering the probability of exposure to potential loss. Judgement includes consideration of experts opinion, facts of the matter, underlying documentation and historical experience. Changes in assumptions about these factors could affect the reported value of contingencies and provisions.

- (c) The Supreme Court of India has passed an order dated 28 February 2019 in the matter of The Regional Provident Fund Commissioner (II) West Bengal vs. Vivekananda Vidyamandir & Ors in Civil Appeal No. 6221 of 2011 and few other linked cases. In the said order, the Supreme Court has clarified the definition of the Basic Wage under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant financial impact and accordingly, no provision has been made in these Standalone Financial Statements. The Company will continue to monitor and evaluate its position based on future events and developments.
- (d) There are no contingent assets as at 31 March 2025 and as at 31 March 2024.

### Note 28. Capital and other commitments

	As at 31 March 2025	As at 31 March 2024
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	172	80
Liability on partly paid investment: Adyar Property Holding Company Limited	*	*

\*Amount is below rounding off norms, adopted by the Company

### Note 29. Earnings per share

	For the year ended 31 March 2025	For the year ended 31 March 2024
Weighted average number of shares outstanding the during the year	45,540,314	45,540,314
Net profit after tax available for equity shareholders	4,286	4,267
Basic earnings per equity share (in ₹) [Face value of ₹ 10 each]	94.11	93.70
Diluted earnings per equity share (in ₹) [Face value of ₹ 10 each]	94.11	93.70

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 30. Operating lease

The Company has given colour solution machines under operating leases to various dealers and customers. These have been disclosed under 'Plant and equipment -given under operating lease' in note 3.1 (Property, plant and equipment). The leases have varying terms with no escalation clause and no renewable rights. The leases are cancellable at the option of Company. The future lease rentals receivable in respect of these assets, based on the agreements in place, are as under :

	As at 31 March 2025	As at 31 March 2024
Within one year	60	55
Later than one year and not later than five years	76	69
Later than five years	*	1
	<b>136</b>	<b>125</b>

\*Amount is below rounding off norms, adopted by the Company

### Note 31. Fair value measurements

#### a) Financial instruments by category

Particulars	As at 31 March 2025			As at 31 March 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investment in equity shares	*	-	-	*	-	-
Investment in debentures	-	-	*	-	-	*
Loans	-	-	5	-	-	4
Other financial assets	-	-	182	-	-	200
Trade receivables	-	-	5,849	-	-	5,754
Cash and cash equivalents	-	-	2,472	-	-	2,730
Other bank balances	-	-	531	-	-	2,509
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>9,039</b>	<b>*</b>	<b>-</b>	<b>11,197</b>
<b>Financial liabilities</b>						
Trade payables	-	-	9,566	-	-	9,978
Other financial liabilities	-	-	974	-	-	1,025
Other financial liabilities - Foreign exchange forward contracts	5	-	-	3	-	-
<b>Total financial liabilities</b>	<b>5</b>	<b>-</b>	<b>10,540</b>	<b>3</b>	<b>-</b>	<b>11,003</b>

\*Amount is below rounding off norms, adopted by the Company.

#### b) Fair value measurement hierarchy for assets and liabilities

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

#### Financial assets and liabilities measured at fair value as at 31 March 2025

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial instruments at FVTPL				
- Unquoted equity shares	-	-	*	*
<b>Financial liabilities</b>				
Derivative not designated as hedges				
- Foreign exchange forward contracts	-	5	-	5

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 31. Fair value measurements (Contd..)

#### Financial assets and liabilities measured at fair value as at 31 March 2024

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial instruments at FVTPL				
- Unquoted equity shares	-	-	*	*
<b>Financial liabilities</b>				
Derivative not designated as hedges				
- Foreign exchange forward contracts	-	3	-	3

#### Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices. The quoted market price used for financial assets held by the Company is the current bid price.

Level 2 hierarchy includes the fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives). The fair value of such financial instruments is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. This includes foreign exchange forward contracts.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3. There are no transfers between levels 1 and 2 during the year. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

\*Amount is below rounding off norms, adopted by the Company.

#### c) Valuation techniques used to determine fair value

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods were used to estimate the fair values:

- Unquoted equity shares – The valuation model is based on market multiples derived from quoted prices and price earning multiples of companies comparable to the investee and the net assets value and price earning multiples of the investee. The estimate is adjusted for the effect of the non-marketability of the relevant equity securities.
- Other non-current financial assets and liabilities: Fair value is calculated using a discounted cash flow model with market assumptions, unless the carrying value is considered to approximate the fair value.
- Derivative financial assets/liabilities: The Company enters into derivative contracts with various counterparties, principally financial institutions with investment grade credit ratings. Forward foreign currency contracts are determined using forward exchange rates at the balance sheet date.
- Trade receivables, loans, other current financial assets, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.

#### d) Valuation processes

External valuers are involved for valuation of significant assets. The finance department of the Company assists the external valuers in the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The valuation processes and results are reviewed by CFO and finance team once every three months, in line with the Company's quarterly reporting periods.

The main level 3 inputs for unlisted equity securities, used by the Company are derived and evaluated as follows:

- the use of quoted market prices / dealer quotes / profit earning (PE) for similar instruments

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 31. Fair value measurements (Contd..)

- Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Company's internal credit risk management.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

#### e) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost

	As at 31 March 2025		As at 31 March 2024		Level
	Carrying amount	Fair value	Carrying amount	Fair value	
<b>Financial assets</b>					
Investment in debentures	*	*	*	*	3
Loans	5	5	4	4	3
Other financial assets	182	182	200	200	3
Trade receivables	5,849	5,849	5,754	5,754	3
<b>Total financial assets</b>	<b>6,036</b>	<b>6,036</b>	<b>5,958</b>	<b>5,958</b>	
<b>Financial liabilities</b>					
Trade payables	9,566	9,566	9,978	9,978	3
Other financial liabilities	974	975	1,025	1,028	3
<b>Total financial liabilities</b>	<b>10,540</b>	<b>10,541</b>	<b>11,003</b>	<b>11,006</b>	

- The carrying amounts of investment in debentures, loans, trade receivables, other financial assets and trade payables are considered to be the same as their fair values, due to their short-term nature.
- The fair values for security deposits are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.
- The fair values of financial assets and financial liabilities recorded in the balance sheet in respect of which quoted prices in active markets are available are measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

\*Amount is below rounding off norms, adopted by the Company

#### Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 31. Fair value measurements (Contd..)

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee.	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts

In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures on account of expenditure in foreign currencies and earnings in foreign exchange (export of goods, service income, etc.). The Company does not enter into any derivative instruments for trading or speculative purposes or for highly probable forecast transactions.

The Company follows a forex Risk Management policy under which all material foreign currency exposures are hedged through forward covers to protect against swings in exchange rates.

The Company's risk management is carried out by a central treasury department / finance team under policies approved by the board of directors.

#### i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amounts of financial assets represent the maximum credit risk exposure.

A default on a financial asset is when the counterparty fails to make contractual payments as per agreed terms. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

#### Trade and other receivables

Credit risk refers to the risk of default on its obligation by the counterparty resulting in financial loss. The maximum exposure to the credit risk at the reporting date is primarily from Trade receivables amounting to ₹ 5,849 and ₹ 5,754 as at 31 March 2025 and 31 March 2024 respectively. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company has a credit risk management policy in place to limit credit losses due to non-performance of financial counterparties and customers. The Company monitors its exposure to credit risk on an ongoing basis at various levels. The Company only deals with financial counterparties that have a sufficiently high credit rating. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The Company closely monitors the acceptable financial counterparty credit ratings and credit limits and revise where required in line with the market circumstances. Due to the geographical spread and the diversity of the Company 's customers, the Company is not subject to any significant concentration of credit risks at balance sheet date.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are combined into homogenous entities and assessed for impairment collectively. The calculation is based on credit losses historical data. The Company has evaluated that the concentration of risk with respect to trade receivables to be low.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 31. Fair value measurements (Contd..)

Trade and other receivables are written off when there is no reasonable expectation of recovery post identification on case to case basis.

On account of adoption of IndAS 109, the Company uses a simplified approach (lifetime expected credit loss model) for the purpose of computation of expected credit loss for trade receivables. Specific case to case provision is made in respect of credit impaired customers.

Reconciliation of loss allowance provision – Trade receivables

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance	157	150
Changes in loss allowance (net)	(27)	7
<b>Closing balance</b>	<b>130</b>	<b>157</b>

Reconciliation of loss allowance provision – Other receivables

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance	29	9
Changes in loss allowance (net)	21	20
<b>Closing balance</b>	<b>50</b>	<b>29</b>

Loss allowance as at 31 March 2025 and 31 March 2024 was determined as follows under the simplified approach:

For the year ended 31 March 2025	Not Due	0-90 days past due	91-180 days past due	181-270 days past due	271-360 days past due	More than 360 days past due	Total
Trade receivables - Considered good	4,872	665	266	57	54	65	5,979
Expected loss rate	0.41%	2.11%	4.51%	22.81%	24.07%	89.23%	2.17%
Expected credit losses- trade receivables	20	14	12	13	13	58	130
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>4,852</b>	<b>651</b>	<b>254</b>	<b>44</b>	<b>41</b>	<b>7</b>	<b>5,849</b>

For the year ended 31 March 2024	Not Due	0-90 days past due	91-180 days past due	181-270 days past due	271-360 days past due	More than 360 days past due	Total
Trade receivables - Considered good	5,074	563	66	50	38	120	5,911
Expected loss rate	0.51%	3.43%	17.86%	32.62%	27.60%	61.47%	2.65%
Expected credit losses- trade receivables	26	19	12	16	10	74	157
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>5,048</b>	<b>544</b>	<b>54</b>	<b>34</b>	<b>28</b>	<b>46</b>	<b>5,754</b>

Significant estimates: The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 31. Fair value measurements (Contd..)

at the end of each reporting period. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, "Financial Instruments", which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### Cash and cash equivalents, short term investments and derivatives

For short-term investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by international credit-rating agencies.

#### ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

As at 31 March 2025	Contractual cash flows					
	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Lease liabilities (including interest)	1,031	117	115	178	267	354
Trade and other payables	9,566	9,566	-	-	-	-
Other financial liabilities	974	773	199	2	-	-
<b>Derivative financial liabilities</b>						
Forward exchange contracts	5	5	-	-	-	-

As at 31 March 2024	Contractual cash flows					
	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Lease liabilities (including interest)	1,006	109	100	177	254	366
Trade and other payables	9,978	9,978	-	-	-	-
Other financial liabilities	1,025	828	177	19	1	-
<b>Derivative financial liabilities</b>						
Forward exchange contracts	3	3	-	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 31. Fair value measurements (Contd..)

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Borrowing facilities	As at 31 March 2025	As at 31 March 2024
- Expiring within one year (bank overdraft facilities)	892	826

#### iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk and the market value of the investments. Thus, the Company's exposure to market risk is a function of investing and revenue generating and operating activities. The objective of market risk management is to avoid excessive exposure in financial assets and unhedged foreign currency, revenues and costs.

##### Currency risk

The Company is exposed to currency risk on account of its receivables and payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to limit its exposure of currency risk, most with a maturity of less than one year from the reporting date. The Company does not use derivative financial instruments for trading or speculative purposes.

##### Exposure to currency risk

The currency profile of financial assets and financial liabilities (other than Indian Rupees) as at 31 March 2025 and 31 March 2024 are reinstated in millions Indian Rupees which is stated below :

As at 31 March 2025	USD	Euro	Other
<b>Financial assets</b>			
Trade and other receivables	923	2	40
Balance in EEFC account	227	-	-
<b>Derivative assets</b>			
Foreign exchange forward contracts-sell foreign currency	-	-	-
<b>Net exposure to foreign currency risk (Assets)</b>	<b>1,150</b>	<b>2</b>	<b>40</b>
<b>Financial liabilities</b>			
Trade and other payables	1,232	318	64
<b>Derivative liabilities</b>			
Foreign exchange forward contracts-buy foreign currency	(438)	(277)	-
<b>Net exposure to foreign currency risk (Liabilities)</b>	<b>794</b>	<b>41</b>	<b>64</b>

As at 31 March 2024	USD	Euro	Other
<b>Financial assets</b>			
Trade and other receivables	564	2	5
Balance in EEFC account	159	-	-
<b>Derivative assets</b>			
Foreign exchange forward contracts-sell foreign currency	-	-	-
<b>Net exposure to foreign currency risk (Assets)</b>	<b>723</b>	<b>2</b>	<b>5</b>
<b>Financial liabilities</b>			
Trade and other payables	1,310	367	96
<b>Derivative liabilities</b>			
Foreign exchange forward contracts-buy foreign currency	(834)	(274)	-
<b>Net exposure to foreign currency risk (Liabilities)</b>	<b>476</b>	<b>93</b>	<b>96</b>

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 31. Fair value measurements (Contd..)

#### Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars/EURO or other currencies as at year end would have affected the measurement of financial instruments denominated in US dollars /EURO or other currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect	Impact on Profit after tax	
	Increase	Decrease
<b>31 March 2025</b>		
10% movement		
USD	27	(27)
Euro	(3)	3
Others	(2)	2
	<b>22</b>	<b>(22)</b>

Effect	Impact on Profit after tax	
	Increase	Decrease
<b>31 March 2024</b>		
10% movement		
USD	18	(18)
Euro	(7)	7
Others	(7)	7
	<b>4</b>	<b>(4)</b>

#### iv. Price risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet as fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company. The Company considers factors such as long term credit rating, tenor of investment, minimum assured return, monetary limits, etc. while investing.

#### Sensitivity analysis

The table below summarises the impact of increases/decreases of the index on the Company's profit for the period. The analysis is based on the assumption that the equity index had increased by 10% or decreased by 10% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Effect	Impact on Profit after tax	
	31 March 2025	31 March 2024
Increase 10%	*	*
Decrease 10%	*	*

\*Amount is below rounding off norms, adopted by the Company.

Profit for the period would increase/decrease as a result of gains/losses on equity securities classified as fair value through profit or loss.

**Note:** The above note excludes fair value measurements for financial assets and financial liabilities included in 'Assets classified as held for sale' and 'Liabilities relating to assets classified as held for sale' respectively. Refer note 9.1.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 32. Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objectives of the Company's capital management are to safeguard the Company's ability to continue as a going concern.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2025 and 31 March 2024.

	For the year ended 31 March 2025	For the year ended 31 March 2024
The following dividends were declared and paid by the Company during the year:		
Final dividend for the year ended 31 March 2024 of ₹ 25 per equity share (31 March 2023 ₹ 40 per equity share)	1,139	1,822
Interim dividend for the year ended 31 March 2025 of ₹ 70 per share (31 March 2024 ₹ 50 per share)	3,187	2,277
	<b>4,326</b>	<b>4,099</b>

In addition to the above dividend, directors have recommended the payment of dividend of ₹ 30 per equity share (31 March 2024 ₹ 25 per equity share). The proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.

Dividend not recognised at the end of the year	For the year ended 31 March 2025	For the year ended 31 March 2024
31 March 2025 ₹ 30 per equity share (31 March 2024 ₹ 25 per equity share)	1,366	1,139
	<b>1,366</b>	<b>1,139</b>

### Note 33. Segment information

#### A. General information

The chief operating decision maker (CODM) (i.e. the country leadership team comprising Managing Director, Chief Financial Officer, Head HR, Company Secretary) examines the Company's performance as a single unit. The Company is principally engaged in the business of manufacturing paints, coatings and allied products in India with similar risk, returns and internal business reporting system. Accordingly, there are no reportable segment(s) other than "Paints", which singly or in aggregate qualify for separate disclosure as per provisions of Ind AS 108 "operating segments".

#### B. Entity wide disclosures

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Revenue from operations</b>		
Domestic	38,401	37,532
Overseas	2,511	2,084
<b>Total</b>	<b>40,912</b>	<b>39,616</b>

Revenue from overseas customers includes ₹ 636 from Akzo Nobel Coatings International B.V., Netherlands (31 March 2024 ₹ 597).

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Non current segment assets</b>		
Domestic	6,578	7,617
Overseas	-	-

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 33. Segment information (Contd..)

Break up of non current assets is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Property, plant and equipment	3,956	4,365
Right-of-use assets	837	863
Capital work-in-progress	667	1,191
Intangible assets	19	30
Other non-current assets (excluding retirement benefit trust surplus)	1,099	1,168
<b>Total</b>	<b>6,578</b>	<b>7,617</b>

### C. Information about major customers

No external customer individually accounted for more than 10% of the revenues during the year ended 31 March 2025 and 31 March 2024.

### Note 34. Related party disclosures

#### 1. (a) The Company is controlled by:

Akzo Nobel N.V., Netherlands (Ultimate Holding Company)

Imperial Chemical Industries Limited, United Kingdom, which is wholly owned by Akzo Nobel N.V., Netherlands

Akzo Nobel Coatings International B.V., Netherlands which is wholly owned by Akzo Nobel N.V., Netherlands

#### (b) The Company controls the following related party:

ICI India Research and Technology Centre Private Limited (formerly known as "ICI India Research and Technology Centre")

#### (c) Fellow subsidiaries:

Akzo Nobel Boya Sanayi ve Ticaret A.S.

Akzo Nobel Car Refinishes (Singapore) Pte Ltd

Akzo Nobel Chang Cheng Coatings (Guangdong) Co Ltd

Akzo Nobel Coatings AS

Akzo Nobel Coatings CZ a.s.

Akzo Nobel Coatings Inc.

Akzo Nobel Coatings K.K.

Akzo Nobel Coatings Limited

Akzo Nobel Coatings S.A.

Akzo Nobel Coatings S.P.A.

Akzo Nobel Coatings, S.L.U.

Akzo Nobel Decorative Coatings B.V.

Akzo Nobel Global Business Services LLP

Akzo Nobel Hilden GmbH

Akzo Nobel HK (Holdings) Limited

Akzo Nobel Industrial Coatings AB

Akzo Nobel Industrial Coatings Korea Ltd.

Akzo Nobel Industrial Coatings Sdn Bhd

Akzo Nobel International Paint (Suzhou) Co. Ltd.

Akzo Nobel LLC

Akzo Nobel Oman SAOC

Akzo Nobel Packaging Coatings Limited

Akzo Nobel Car Refinishes B.V.

Akzo Nobel Coatings (Dongguan) Co. Ltd.

Akzo Nobel Coatings (Jiaxing) Co. Ltd.

Akzo Nobel Ltda

Akzo Nobel Paints (Malaysia) Sdn. Bhd.

Akzo Nobel Paints (Thailand) Limited

Akzo Nobel Paints Lanka (Pvt) Ltd

Akzo Nobel Paints Taiwan Limited

Akzo Nobel Powder Coatings Korea Co., Ltd.

Akzo Nobel UAE Paints L.L.C.

Akzo Nobel South Africa (Pty) Ltd

Compania Mexicana de Pinturas International S.A. de C.V.

Flexcrete Technologies Limited

ICI Dulux (Pty) Ltd

International Farbenwerke GmbH

International Farg AB

International Farvefabrik A/S

International Paint (East Russia) Limited

International Paint (Hong Kong) Ltd.

International Paint Limited

International Paint LLC

International Paint Pazarlama Limited Sirketi

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 34. Related party disclosures (Contd..)

Akzo Nobel Paints (Singapore) Pte Ltd.	International Paint Sdn Bhd
Akzo Nobel Paints Limited	International Paint (Korea) Ltd
Akzo Nobel Performance Coatings (Changzhou) Co., Ltd.	International Paint (Nederland) B.V.
Akzo Nobel Performance Coatings (Shanghai) Co Ltd	International Paint (Panama) Inc.
Akzo Nobel Powder Coatings (Langfang) Co Ltd.	International Paint (Taiwan) Ltd
Akzo Nobel Powder Coatings GMBH	International Paint of Shanghai Co Ltd
Akzo Nobel Powder Coatings Limited	International Paint Singapore Pte. Ltd.
Akzo Nobel Pty. Limited	Oy International Paint (Finland) AB
Akzo Nobel SAS	Pinturas Inca S.A.
Akzo Nobel Saudi Arabia Ltd.	PT Akzo Nobel Car Refinishes Indonesia
Akzo Nobel Sourcing B.V.	PT ICI Paints Indonesia
Akzo Nobel Vietnam Limited	PT International Paint Indonesia

#### (d) Key management personnel

Mr. Rajiv Rajgopal - Managing Director (upto 15 November 2023) and Chairman and Managing Director (from 16 November 2023)

Mr. Oscar Wezenbeek - Chairman (upto 15 November 2023)

Mr. Krishna Rallapalli - Wholetime Director and CFO

Mr. Rohit Ghanshyamdas Totla - Wholetime Director (from 16 November 2023)

Mr. Amit Jain - Independent Director (upto 13 August 2024)

Mr. Hemant Sahai - Independent Director

Ms. Smriti Rekha Vijay - Independent Director (upto 22 November 2024)

Ms. Namrata Kaul - Independent Director (from 5 August 2024)

Mr. Anil Chaudhry - Independent Director (from 22 November 2024)

Mr. Rajiv L. Jha - Company Secretary (from 24 August 2023)

Ms. Harshi Rastogi - Company Secretary (upto 7 July 2023)

#### (e) Employee benefit trusts

##### Pension trusts

ICI's Associated Companies in India Employees Pension Fund

ICI India Management Staff Pension Fund

Akzo Nobel India Employees Pension Scheme

Akzo Nobel Coatings Employees Superannuation Fund

##### Gratuity trusts

ICI India Limited Employees' Gratuity Fund

ICI India Management Staff Gratuity Fund

Akzo Nobel India Employees Gratuity Trust 2016

Akzo Nobel Coatings India P Ltd Employees Group Gratuity Cum Life Assurance Scheme

##### Provident fund trusts

The Alkali and Chemical Corporation of India Limited Provident Fund

ICI India Staff Provident Fund

ICI's Associated Companies in India Staff Provident Fund

# Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Note 34. Related party disclosures (Contd..)

### 2. The following transactions were carried out with related parties in the ordinary course of business:

	Akzo Nobel N.V., Netherlands	Imperial Chemical Industries Limited, United Kingdom	Akzo Nobel Coatings International B.V., Netherlands	Fellow subsidiaries of the company	Key management personnel	Employee benefit trusts	ICI India research and Technology Centre Private Limited	Total
	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)

#### a) Transactions during the year

Purchase of raw materials / finished goods	-	-	-	1,704	-	-	-	1,704
Sale of finished goods	(-)	(-)	(-)	(1,644)	(-)	(-)	(-)	(1,644)
Expenses incurred and recovered/recoverable from other Companies (Income)	-	-	-	2	-	-	5	7
Expenses reimbursed to other Companies (Expense)	9	-	-	*	-	-	18	27
Royalty	(-)	(-)	(1,411)	(-)	(-)	(-)	(-)	(1,411)
Dividend paid	-	2,183	1,051	-	-	-	-	3,234
Services provided (Income)	15	-	636	147	-	-	-	798
Services received (Expenses)	(22)	(-)	(597)	(207)	(-)	(-)	(-)	(826)
Managerial remuneration	313	-	-	281	-	-	-	594
Short-term employee benefits	(313)	(-)	(-)	(433)	(-)	(-)	(-)	(746)
Post employment benefits	-	-	-	-	87	-	-	87
Other long - term benefits	(-)	(-)	(-)	(-)	(63)	(-)	(-)	(63)
Contributions made	-	-	-	-	6	-	-	6
Purchase of property plant and equipment	(-)	(-)	(-)	(-)	(7)	(-)	(-)	(7)
Investment in equity share capital	-	-	-	-	15	-	-	15
Guarantee issued on behalf of the Company for credit facilities from banks	(-)	(-)	(-)	(-)	(13)	(-)	(-)	(13)
	-	-	-	-	-	257	-	257
	(-)	(-)	(-)	(-)	(-)	(260)	(-)	(260)
	(11)	(-)	(-)	(-)	(-)	(-)	(-)	(11)
	-	-	-	-	-	-	1	1
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	777	-	-	-	-	-	-	777
	(850)	(-)	(-)	(-)	(-)	(-)	(-)	(850)

\*Amount is below rounding off norms, adopted by the Company

	Akzo Nobel N.V., Netherlands	Imperial Chemical Industries Limited, United Kingdom	Akzo Nobel Coatings International B.V.	Fellow subsidiaries of the company	Key management personnel	Employee benefit trusts	ICI India research and Technology Centre Private Limited	Total
	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)

#### b) Balances as at the end of the year

Dues to related parties	398	-	705	909	63	-	4	2,079
	(393)	(-)	(646)	(975)	(52)	(-)	(3)	(2,069)

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 34. Related party disclosures (Contd..)

	Akzo Nobel N.V., Netherlands	Imperial Chemical Industries Limited, United Kingdom	Akzo Nobel Coatings International B.V.	Fellow subsidiaries of the company	Key management personnel	Employee benefit trusts	ICI India research and Technology Centre Private Limited	Total
	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)
Dues from related parties	36 (21)	- (-)	145 (146)	600 (328)	- (-)	- (-)	- (-)	781 (495)
Guarantee issued on behalf of the Company for credit facilities from banks	777 (850)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	777 (850)
<b>c) Share Capital outstanding as at end of the year</b>	- (-)	230 (230)	111 (111)	- (-)	- (-)	- (-)	- (-)	341 (341)

#### Terms and conditions of transactions with related parties

- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.
- There have been no guarantees provided or received for any related party receivables or payables.
- For the year ended 31 March 2025 (and any of the previous years), the Company has not recorded any impairment of receivables relating to amounts owed by related parties.
- Figures in bracket indicate transactions/balances relating to financial year 2023-24.

#### d) Disclosure in respect of transactions / balances which are more than 10% of the total transactions / balances of the same type with related parties.

	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Purchase of materials / finished goods</b>		
PT Akzo Nobel Car Refinishes Indonesia	521	556
Akzo Nobel Car Refinishes B.V.	151	211
Others	1,032	877
	<b>1,704</b>	<b>1,644</b>
<b>Sales of finished goods</b>		
Akzo Nobel Vietnam Limited	108	126
PT ICI Paints Indonesia	186	168
Akzo Nobel Paints (Malaysia) Sdn. Bhd.	146	85
Akzo Nobel Paints (Thailand) Limited	208	76
Others	436	213
	<b>1,084</b>	<b>668</b>
<b>Expenses incurred and recovered/recoverable from other companies (Income)</b>		
Akzo Nobel Global Business Services LLP	2	8
ICI India Research and Technology Centre Private Limited (formerly known as "ICI India Research and Technology Centre")	5	9
Others	*	1
	<b>7</b>	<b>18</b>
<b>Expenses reimbursed to other companies (Expense)</b>		
Akzo Nobel Paints (Singapore) Pte. Ltd.	*	18
Akzo Nobel N.V., Netherlands	9	18

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 34. Related party disclosures (Contd..)

	For the year ended 31 March 2025	For the year ended 31 March 2024
ICI India Research and Technology Centre Private Limited (formerly known as "ICI India Research and Technology Centre")	18	16
Others	-	7
	<b>27</b>	<b>59</b>
<b>Royalty</b>		
Akzo Nobel Coatings International B.V., Netherlands	1,398	1,411
	<b>1,398</b>	<b>1,411</b>
<b>Dividend paid</b>		
Imperial Chemical Industries Limited, United Kingdom	2,183	2,068
Akzo Nobel Coatings International B.V., Netherlands	1,051	996
	<b>3,234</b>	<b>3,064</b>
<b>Services provided (Income)</b>		
Akzo Nobel Coatings International B.V., Netherlands	636	597
Akzo Nobel Paints (Singapore) Pte Ltd.	148	206
Others	14	23
	<b>798</b>	<b>826</b>
<b>Services received (Expense)</b>		
Akzo Nobel N.V., Netherlands	313	313
Akzo Nobel Paints (Singapore) Pte Ltd.	148	305
Akzo Nobel Global Business Services LLP	133	128
	<b>594</b>	<b>746</b>
<b>Managerial remuneration</b>		
Mr. Rajiv Rajgopal	47	41
Mr. Krishna Rallapalli	19	18
Mr. Rohit Ghanshyamdas Totla	26	11
Others	16	13
	<b>108</b>	<b>83</b>
<b>Contributions made</b>		
The Alkali and Chemical Corporation of India Limited Provident Fund	201	196
Others	56	64
	<b>257</b>	<b>260</b>
<b>Purchase of property plant and equipment</b>		
Akzo Nobel N.V., Netherlands	-	11
	<b>-</b>	<b>11</b>
<b>Investment in equity share capital</b>		
ICI India Research and Technology Centre Private Limited (formerly known as "ICI India Research and Technology Centre")	1	-
	<b>1</b>	<b>-</b>
<b>Guarantee issued on behalf of the Company for credit facilities from banks</b>		
Akzo Nobel N.V., Netherlands	777	850
	<b>777</b>	<b>850</b>

\*Amount is below rounding off norms, adopted by the Company

	As at 31 March 2025	As at 31 March 2024
<b>Dues to related parties</b>		
Akzo Nobel Coatings International B.V., Netherlands	705	646
Akzo Nobel N.V., Netherlands	398	393
Others	976	1,030
	<b>2,079</b>	<b>2,069</b>

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 34. Related party disclosures (Contd..)

	As at 31 March 2025	As at 31 March 2024
<b>Dues from related parties</b>		
Akzo Nobel Coatings International B.V., Netherlands	145	146
PT ICI Paints Indonesia	137	46
Akzo Nobel Vietnam Limited	94	39
Akzo Nobel Saudi Arabia Ltd.	92	8
Akzo Nobel Paints (Thailand) Limited	82	19
Others	231	237
	<b>781</b>	<b>495</b>
<b>Share capital outstanding</b>		
Imperial Chemical Industries Limited, United Kingdom	230	230
Akzo Nobel Coatings International B.V., Netherlands	111	111
	<b>341</b>	<b>341</b>
<b>Guarantee issued on behalf of the Company for credit facilities from banks</b>		
Akzo Nobel N.V., Netherlands	777	850
	<b>777</b>	<b>850</b>

### Note 35. Employee benefits

#### Defined benefit plans

The Company makes specified monthly contributions towards employees' provident fund and pension to the trusts administered by the Company for certain employees. The minimum interest payable by the provident fund trusts to the beneficiaries every year is notified by the Government. The Company has an obligation to make good the shortfall of interest (basis the actuarial valuation), if any, as at the date of the Balance Sheet.

The Gratuity Plan provides a lump sum payment to vested employees as per Payment of Gratuity Act, 1972 at retirement, disability or termination of employment being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. Also Refer note 27 (c).

The liability or asset recognised in the balance sheet in respect of defined benefit pension, provident fund and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

#### Post-retirement medical benefits

The Company provides post-retirement healthcare benefits to its employees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit plans i.e. actuarial valuation using the projected unit credit method. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise.

#### Defined contribution plans

Defined contribution plans are provident fund scheme, superannuation scheme and part of the pension scheme for eligible employees. The Company recognises contribution payable to the respective employee benefit fund as an expenditure, as and when they are due. The Company has no further payment obligations once the contributions have been made. Also Refer note 27 (c).

#### Other long-term employee benefit obligations

The liabilities for annual leave, pension scheme for certain employees and long term service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore accrued using actuarial valuations and are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025  
(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 35. Employee benefits (Contd..)

Significant Estimates : Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making appropriate assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

	Gratuity		Pension		Post retirement medical benefit		Provident fund	
	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Current service cost	73	61	1	2	5	4	93	90
(b) Interest cost (net)	36	27	(3)	(4)	24	23	4	7
<b>Total expense / (gain)</b>	<b>109</b>	<b>88</b>	<b>(2)</b>	<b>(2)</b>	<b>29</b>	<b>27</b>	<b>97</b>	<b>97</b>
<b>Remeasurements recognised directly in other comprehensive income</b>								
(a) Return on plan assets (greater)/less than discount rate	(4)	(1)	(2)	(36)	-	-	(54)	(45)
(b) Actuarial (gains) / losses								
- from changes in demographic assumptions	(4)	2	(1)	(1)	(5)	(2)	(4)	*
- from changes in financial assumptions	(73)	31	0	1	19	4	2	1
- Experience adjustments	35	40	2	(1)	5	8	9	17
(c) Adjustment for limit on net asset	-	-	1	24	-	-	28	-
<b>Total expense / (gain)</b>	<b>(46)</b>	<b>72</b>	<b>*</b>	<b>(13)</b>	<b>19</b>	<b>10</b>	<b>(19)</b>	<b>(27)</b>

\*Amount is below rounding off norms, adopted by the Company.

	Gratuity		Pension		Post retirement medical benefit		Provident fund	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
<b>(B) Net Asset / (Liability) as at year end</b>								
(a) Present value of obligations as at year end	941	906	69	73	380	350	2,485	2,266
(b) Fair value of plan assets as at year end	409	394	287	285	-	-	2,513	2,177
(c) Fair value of plan assets, limited to present value of future contributions	409	394	121	130	-	-	2,485	2,177
<b>Net Asset / (Liability) (b)-(a)</b>	<b>(532)</b>	<b>(512)</b>	<b>218</b>	<b>212</b>	<b>(380)</b>	<b>(350)</b>	<b>28</b>	<b>(89)</b>
<b>Net Asset / (Liability) recognised in Balance Sheet (c)-(a)</b>	<b>(532)</b>	<b>(512)</b>	<b>52</b>	<b>57</b>	<b>(380)</b>	<b>(350)</b>	<b>-</b>	<b>(89)</b>

# Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025  
(All amounts are in millions Indian ₹, unless otherwise stated)

## Note 35. Employee benefits (Contd..)

	Gratuity		Pension		Post retirement medical benefit		Provident fund	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
<b>(Refer below details for amount recognised in balance sheet)</b>								
<b>Provisions in Balance Sheet (Refer note 13)</b>								
Current	(3)	(3)	-	-	(31)	(28)	-	-
Non-Current	(322)	(509)	-	-	(349)	(322)	-	(89)
	<b>(325)</b>	<b>(512)</b>	<b>-</b>	<b>-</b>	<b>(380)</b>	<b>(350)</b>	<b>-</b>	<b>(89)</b>
<b>Provisions in Balance Sheet (Refer note 9.1)</b>								
Current	(207)	-	-	-	-	-	-	-
<b>Retirement Benefit Trust Surplus (Refer note 6)</b>								
Current	-	-	-	-	-	-	-	-
Non-Current	-	-	52	57	-	-	-	-
	<b>-</b>	<b>-</b>	<b>52</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Company administers benefits through different trusts, which do not allow set off of asset and obligation inter-se. Accordingly, the net balance for each trust is disclosed for each benefit.

	Gratuity		Pension		Post retirement medical benefit		Provident fund	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
<b>(C) Change in defined benefit obligations during the year</b>								
Present value of obligations at beginning of the year	906	752	73	79	350	336	2,266	1,976
(a) Current service cost	73	61	1	2	5	4	93	90
(b) Interest cost	63	52	5	5	24	23	161	145
(c) Benefits paid	(66)	(33)	(11)	(13)	(18)	(23)	(197)	(179)
(d) Actuarial (gains) / losses	(42)	74	1	*	19	10	7	18
(e) Employee contributions	-	-	-	-	-	*	116	113
(f) Other adjustments	7	*	-	-	*	-	39	103
<b>Present value of obligations at end of the year</b>	<b>941</b>	<b>906</b>	<b>69</b>	<b>73</b>	<b>380</b>	<b>350</b>	<b>2,485</b>	<b>2,266</b>

\*Amount is below rounding off norms, adopted by the Company

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025  
(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 35. Employee benefits (Contd..)

	Gratuity		Pension		Post retirement medical benefit		Provident fund	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
<b>(D) Change in fair value of plan assets during the year</b>								
Fair value of plan assets as at beginning of the year	394	333	285	252	-	-	2,177	1,875
(a) Return on plan assets (greater)/less than discount rate	4	2	2	36	-	-	54	45
(b) Interest income on plan assets	27	25	19	18	-	-	157	137
(c) Company contributions	50	68	-	-	-	-	167	83
(d) Employee contributions	-	-	-	-	-	-	116	113
(e) Benefits paid	(66)	(34)	(11)	(12)	-	-	(197)	(179)
(f) Adjustment of defined contribution	-	-	(8)	(9)	-	-	-	-
(g) Acquisition cost	-	-	-	-	-	-	39	103
<b>Fair value of plan assets</b>	<b>409</b>	<b>394</b>	<b>287</b>	<b>285</b>	<b>-</b>	<b>-</b>	<b>2,513</b>	<b>2,177</b>
<b>(E) Change in irrevocable surplus</b>								
Irrevocable surplus as at the beginning of the year	-	-	155	123	-	-	-	-
(a) Interest in irrevocable surplus	-	-	10	9	-	-	-	-
(b) Change in irrevocable surplus in excess of interest	-	-	1	23	-	-	28	-
Irrevocable surplus as at the end of the year	-	-	166	155	-	-	28	-
<b>(F) Expected maturity analysis of undiscounted defined benefit plans</b>								
Less than a year	132	112	15	17	32	29	416	338
Between 1-2 years	141	111	14	16	32	29	388	317
Between 2-5 years	442	412	34	39	97	90	842	689
Over 5 years	627	647	35	42	156	146	1,755	1,436
<b>Total</b>	<b>1,342</b>	<b>1,282</b>	<b>98</b>	<b>114</b>	<b>317</b>	<b>294</b>	<b>3,401</b>	<b>2,780</b>
(G) Weighted average duration	7	6	7	6	7	6	7	6
<b>(H) Sensitivity analysis</b>								
Discount rate (%age)	-2.4%	-2.8%	-4.6%	-4.0%	-4.9%	-4.7%	-0.1%	*
Effect on DBO due to 0.5% increase in discount rate	2.7%	3.0%	5.1%	4.1%	5.2%	5.2%	0.1%	*
Effect on DBO due to 0.5% decrease in discount rate								
Salary escalation rate (%age)	2.6%	2.8%	-	-	-	-	-	-
Effect on DBO due to 0.5% increase in salary escalation rate	-2.4%	-2.7%	-	-	-	-	-	-
Effect on DBO due to 0.5% decrease in salary escalation rate								
Medical inflation rate (%)	-	-	-	-	-	-	-	-
Effect on DBO due to 0.5% increase in medical inflation	-	-	-	-	4.8%	4.6%	-	-
Effect on DBO due to 0.5% decrease in medical inflation	-	-	-	-	-4.4%	-4.2%	-	-
Mortality rate (%)	-	-	-	-	-	-	-	-
Effect on DBO if Post retirement medical rates are scaled up by one year	-	-	-	-	-5.3%	-5.3%	-	-
Effect on DBO if Post retirement medical rates are scaled down by one year	-	-	-	-	5.7%	5.7%	-	-

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 35. Employee benefits (Contd..)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The method and type of assumptions used in preparing the sensitivity analysis did not change as compared to previous year.

#### (I) Other long-term employee benefit obligations

	Long service award obligation		Pension obligation		Leave obligation	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Current	(5)	(2)	-	-	(193)	(190)
Non-Current	(11)	(15)	*	(1)	-	-
<b>Total</b>	<b>(16)</b>	<b>(17)</b>	<b>*</b>	<b>(1)</b>	<b>(193)</b>	<b>(190)</b>
<b>Provision in Balance Sheet (Refer note 13)</b>						
Current	(1)	(2)	-	-	(159)	(190)
Non-Current	(11)	(15)	*	(1)	-	-
<b>Provision in Balance Sheet (Refer note 9.1)</b>						
Current	(4)	-	-	-	(34)	-

\*Amount is below rounding off norms, adopted by the Company

(J) Expected contributions to defined benefit plans for the year ending on 31 March 2026 is ₹ 398 (31 March 2025 ₹ 512).

#### (K) Major category of plan assets

	Gratuity		Pension		Provident fund		
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	
	%	Amount	%	Amount	%	Amount	
Government of India Securities (Central and State)	2%	8	11%	18	34	55%	1,204
High Quality Corporate Bonds (including Public sector bonds)	4%	16	16%	16	44	33%	814
Mutual Funds	-	-	68%	196	-	6%	155
Cash (including special deposits)	25%	103	5%	15	21	6%	158
Scheme of Insurance-conventional Products	63%	257	48%	188	-	-	-
Other	6%	25	5%	22	-	65%	186
	<b>100%</b>	<b>409</b>	<b>100%</b>	<b>394</b>	<b>287</b>	<b>100%</b>	<b>2,513</b>
				<b>285</b>	<b>814</b>	<b>100%</b>	<b>2,177</b>

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 35. Employee benefits (Contd..)

#### Actuarial assumptions

	2024-25	2023-24
Discount rate (annual)	6.50%	7.00%
Salary growth rate	6.00%	8.00%
Expected rate of return (annualised)	7.60%	7.60%
Medical inflation rate	8.00%	8.00%

#### (L) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

**Asset volatility:-** The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a return lesser than the yield. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk to minimise risk to an acceptable level.

**Changes in bond yields :** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Inflation risks :** In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

**Life expectancy:** The pension and medical plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary conditions result in higher sensitivity to changes in life expectancy.

The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due.

(M) The impact on employee benefit obligations pursuant to change in actuarial assumptions is taken to other comprehensive income.

### Note 36. Analytical ratios

The following reflects the ratios and data used in the computation:

Ratio	Numerator		Denominator		Ratio		% Variance	Reason for variance above 25%
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024		
(a) Current ratio = Current assets / Current liabilities (times)	20,004	19,209	14,502	14,236	1.4	1.3	7.7%	Not applicable
(b) Debt-equity ratio = Total debt / Shareholder's equity (times)	621	604	13,287	13,292	0.0	0.0	0.0%	Not applicable
(c) Debt service coverage ratio = Earning available for debt service / Debt service (times)	5,292	5,232	252	246	21.0	21.3	(1.4%)	Not applicable
(d) Return on equity ratio = Net profits after taxes / Average shareholder's equity (%)	4,286	4,267	13,290	13,224	32.2%	32.3%	(0.3%)	Not applicable
(e) Inventory turnover ratio = Cost of goods sold / Average inventory (times)	23,180	22,228	6,081	6,047	3.8	3.7	2.7%	Not applicable

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 36. Analytical ratios (Contd..)

Ratio	Numerator		Denominator		Ratio		% Variance	Reason for variance above 25%
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024		
(f) Trade receivables turnover ratio = Total sales / Average trade receivables (times)	40,912	39,616	5,802	5,639	7.1	7.0	1.4%	Not applicable
(g) Trade payables turnover ratio = Total purchase / Average trade payables (times)	31,831	30,128	9,772	9,306	3.3	3.2	3.1%	Not applicable
(h) Net capital turnover ratio = Total sales / Working capital (times)	40,912	39,616	5,502	4,973	7.4	8.0	(7.5%)	Not applicable
(i) Net profit ratio = Net profit after tax / Total sales (%)	4,286	4,267	40,912	39,616	10.5%	10.8%	(2.8%)	Not applicable
(j) Return on capital employed = Earning before interest and taxes / Capital employed (%)	5,794	5,856	12,745	12,683	45.5%	46.2%	(1.5%)	Not applicable
(k) Return on investment = Earning before interest and taxes / Total assets (%)	5,794	5,856	29,016	29,030	20.0%	20.2%	(1.0%)	Not applicable

#### Notes:

- (i) Debt = Lease liabilities
- (ii) Earning available for debt service = Profit for the year + Finance costs + Depreciation and amortization expense - Provision/ liabilities no longer required written back +/- Provision for doubtful debts and advances +/- Provision for inventory obsolescence + Loss on sale of property, plant and equipment (net) +/- Net foreign exchange differences
- (iii) Debt service = Interest & principal repayments including lease payments
- (iv) Total sales = Revenue from operations
- (v) Total purchases = Purchase of stock-in-trade + Purchases of raw materials + Other expenses (excluding - Net foreign exchange differences, Corporate social responsibility expenditure, Provision for doubtful debts and advances and Loss on sale of property, plant and equipment) + staff welfare expenses
- (vi) Working capital = Current assets - Current liabilities
- (vii) Earning before interest and taxes = Profit before tax + Finance costs
- (viii) Capital employed = Tangible Net worth + Total debt - Deferred tax assets (net)
- (ix) Tangible Net worth = Total assets - Total liabilities - Intangible assets - Right-of-use assets
- (x) The analytical ratios computed above do not include assets classified as held for sale and the liabilities relating to assets classified as held for sale.

### Note 37. Disclosure of transactions with struck off companies

There are no transactions entered into by Company with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the current year and the previous year.

# Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Note 38. Additional regulatory information required by Schedule III

### (i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

### (ii) Borrowing secured against current assets

The Company does not have any borrowings from banks and financial institutions on the basis of security of current assets.

### (iii) Wilful defaulter

The Company is not declared wilful defaulter by any bank or financial institution or government or any government authority.

### (iv) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

### (v) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

### (vi) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

### (vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

### (viii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

### (ix) Valuation of property, plant and equipment and intangible assets

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

## Note 39. Share-based compensation

Certain executive and non-executive employees of the Company are eligible to participate in equity settled restricted share plans of Akzo Nobel N.V., Netherlands (Ultimate Holding Company). These plans are designed to reward long term commitment of executive and non-executive employees towards the Company. These plans are restricted share plans without any performance conditions, whereby the conditional grant of shares will vest upon the condition that they remain in service with the Company during the three-year vesting period. A one-year holding restriction after vesting applies for the executive employees.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 39. Share-based compensation (Contd..)

The shares granted under the aforementioned plans are measured at the fair value which is based on the share price of Akzo Nobel N.V., Netherlands (Ultimate Holding Company) at every grant date and are amortized over the three-year period during which the executive and non-executive employees become entitled to the shares unconditionally.

Charges recognized in the Statement of Profit and Loss for the year ended 31 March 2025 relating to share-based compensation amounted to ₹ 28 (31 March 2024 ₹ 31). Refer note 22.

#### A. Restricted share plan - Executives

Under this plan, executive employees are entitled to vesting restricted shares of the Ultimate Holding Company every year which gets converted to the ordinary shares of the Ultimate Holding Company subject to fulfilment of vesting conditions.

Details of the scheme are as under:

Particulars	For the year ended 31 March 2025		
	01-Apr-22	01-Apr-23	02-Apr-24
Grant date	01-Apr-22	01-Apr-23	02-Apr-24
Vesting date	31-Mar-25	31-Mar-26	31-Mar-27
Number of shares granted	1,765	3,283	3,740
Vesting conditions	Continued service till the vesting date	Continued service till the vesting date	Continued service till the vesting date
Exercise price (In INR)	Nil	Nil	Nil
Weighted average remaining period	-	1.0	2.0
Fair value of shares (In INR)	7,938	6,177	6,242

Particulars	For the year ended 31 March 2024		
	01-Apr-21	01-Apr-22	01-Apr-23
Grant date	01-Apr-21	01-Apr-22	01-Apr-23
Vesting date	31-Mar-24	31-Mar-25	31-Mar-26
Number of shares granted	1,336	1,765	3,283
Vesting conditions	Continued service till the vesting date	Continued service till the vesting date	Continued service till the vesting date
Exercise price (In INR)	Nil	Nil	Nil
Weighted average remaining period	-	1.0	2.0
Fair value of shares (In INR)	8,907	7,938	6,177

Restricted shares details as on the Balance Sheet date are as follows:

Particulars	(No. of Shares)	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Shares outstanding at the beginning of the year (A)	6,384	4,201
Granted during the year (B)	3,740	3,283
Exercised during the year (C)	1,336	1,100
Forfeited during the year (D)	-	-
<b>Shares outstanding / exercisable at the end of the year for vesting (A+B-C-D)</b>	<b>8,788</b>	<b>6,384</b>

#### B. Restricted share plan - Non executives

Under this plan, every year certain non-executive employees are entitled to vesting restricted shares of the Ultimate Holding Company which gets converted to the ordinary shares of the Ultimate Holding Company subject to fulfilment of vesting conditions.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 39. Share-based compensation (Contd..)

Details of the scheme are as under:

Particulars	For the year ended 31 March 2025		
Grant date	01-Apr-22	01-Apr-23	02-Apr-24
Vesting date	31-Mar-25	31-Mar-26	31-Mar-27
Number of shares granted	1,960	1,610	480
Vesting conditions	Continued service till the vesting date	Continued service till the vesting date	Continued service till the vesting date
Exercise price (In INR)	Nil	Nil	Nil
Weighted average remaining period	-	1.0	2.0
Fair value of shares (In INR)	7,938	6,177	6,242

Particulars	For the year ended 31 March 2024		
Grant date	01-Apr-21	01-Apr-22	01-Apr-23
Vesting date	31-Mar-24	31-Mar-25	31-Mar-26
Number of shares granted	840	1,960	1,610
Vesting conditions	Continued service till the vesting date	Continued service till the vesting date	Continued service till the vesting date
Exercise price (In INR)	Nil	Nil	Nil
Weighted average remaining period	-	1.0	2.0
Fair value of shares (In INR)	8,907	7,938	6,177

Restricted shares details as on the Balance Sheet date are as follows:

Particulars	(No. of Shares)	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Shares outstanding at the beginning of the year (A)	4,185	4,260
Granted during the year (B)	480	1,610
Exercised during the year (C)	743	1,460
Forfeited during the year (D)	677	225
<b>Shares outstanding / exercisable at the end of the year for vesting (A+B-C-D)</b>	<b>3,245</b>	<b>4,185</b>

### Note 40. Summary of other accounting policies

This note provides a list of other accounting policies adopted in the preparation of these Standalone Financial Statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Rounding of amounts

All amounts disclosed in the Standalone Financial Statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

#### (b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Results of the operating segments are reviewed regularly by the country leadership team (Managing Director, Chief Financial Officer, Head HR, Company Secretary) which has been identified as the chief operating decision maker (CODM), to assess the financial performance and position of the Company and make strategic decisions. Refer note 33 for reportable segments determined by the Company.

#### (c) Foreign currency translation

##### (i) Functional and presentation currency

Items included in the Standalone Financial Statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Standalone Financial Statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

# Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Note 40. Summary of other accounting policies (Contd..)

### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income / expenses. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

### (d) Government grants

Grants from the government are recognised at their fair value when there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grant relating to the purchase of property, plant and equipment is included in current financial assets as accrued receivable and is credited to profit or loss on a straight-line basis over the expected lives of the related asset and presented within other income.

### (e) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Tax expense comprises current and deferred tax. Current and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Standalone Financial Statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability that affects neither accounting profit nor taxable profit. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### (f) Leases

#### As a lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- a. fixed payments (including in-substance fixed payments), less any lease incentives receivable
- b. variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- c. amounts expected to be payable by the Company under residual value guarantees

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 40. Summary of other accounting policies (Contd..)

- d. the exercise price of a purchase option if the Company is reasonably certain to exercise that option and
- e. payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- a. the amount of the initial measurement of lease liability
- b. any lease payments made at or before the commencement date less any lease incentives received
- c. any initial direct costs, and
- d. restoration costs.

#### As a lessor

Lease income from operating leases where the Company is lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to carrying amount of underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective lease assets are included in Balance Sheet based on their nature.

Entity-specific details about the Company's leasing policy are provided in note 3.2.

#### (g) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, Cash and cash equivalents comprise cash on hand, bank deposits and other short-term highly liquid investments/deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### (h) Other bank balances

Other bank balances consist of term deposits with banks, which have original maturities of more than three months.

Such assets are recognised and measured at amortised cost (including directly attributable transaction cost) using effective interest method, less impairment losses, if any.

#### (i) Trade receivables

See note 5.4 for information about the Company's accounting for trade receivables and note 31 for a description of the Company's impairment policies.

#### (j) Inventories

Raw materials, stores and spare parts, work in progress, traded and finished goods

Raw materials, stores and spare parts, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials, stores and spare parts and traded goods comprises cost of purchases. Cost of work in progress and finished goods comprises cost of raw materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Obsolete, slow moving and defective stocks are identified on the basis of regular reviews by the management and, where necessary, adequate provision is made for such stock.

Entity-specific details about inventories are provided in note 8.

#### (k) Financial assets

##### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business

# Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Note 40. Summary of other accounting policies (Contd..)

model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

### (ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade date, on which the Company commits to purchase or sell the financial asset.

### (iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss in the other income on a net basis.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value

through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income on a net basis. Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income on a net basis and impairment expenses are presented as separate line item in the Statement of Profit and Loss.

- **Fair value through profit or loss (FVTPL):**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss within other income on a net basis in the period in which it arises. Interest income from these financial assets is included in other income.

### (iv) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### (v) Derecognition of financial assets

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 40. Summary of other accounting policies (Contd..)

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### (vi) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### (vii) Investment in subsidiary

The Company has elected to recognise its investment in subsidiary at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

Entity-specific details about investments and other financial assets are provided in note 5.

#### (l) Property, plant and equipment

The Company's accounting policy for land is explained in note 3.1. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost comprises the purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The assets' useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

#### (m) Intangible assets

(i) **Customer relationships:** Separately acquired customer relationships with finite useful life are shown at historical cost and are subsequently carried at cost less accumulated amortisation and impairment losses.

#### (ii) Amortisation method and useful lives

The Company amortises intangible assets with finite useful life using the straight-line method over the following periods:

Particulars	Estimated Useful Life (in Years)
Customer relationships	10

#### (n) Impairment of Property, plant and equipment and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### (o) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 40. Summary of other accounting policies (Contd..)

are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are initially recognised at their fair value and subsequently measured at amortised cost using the effective interest method.

#### (p) Provisions

A provision is recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is required even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The unwinding of the discount is recognised as finance cost. Provisions are reviewed by the management at each reporting date and adjusted to reflect the current best estimates.

#### (q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the Standalone Financial Statements.

#### (r) Employee benefits

##### (i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are classified as short-term employee benefits. These benefits include salaries and wages, short-term bonus, incentives etc. These are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

##### (ii) Post-employment benefits

###### Defined contribution plans

Defined contribution plans are provident fund scheme, superannuation scheme and part of the pension fund scheme for eligible employees. The Company recognises contribution payable to the respective employee benefit fund scheme as an expenditure, as and when they are due. The Company has no further payment obligations once the contributions have been made.

###### Defined benefit plans

###### Provident fund –

The Company makes specified monthly contributions towards employees' provident fund to Trusts administered by the Company for certain employees. The minimum interest payable by the provident fund trusts to the beneficiaries every year is notified by the Government. The Company has an obligation to make good the shortfall of interest (basis the actuarial valuation), if any, as at the date of the Balance Sheet. The defined benefit obligation is calculated annually by an actuary using the projected unit credit method.

###### Gratuity and Pension –

The liability or asset recognised in the Balance Sheet in respect of defined benefit pension fund and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 40. Summary of other accounting policies (Contd..)

cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

#### *Post-retirement medical benefits –*

The Company provides post-retirement medical benefits to certain categories of its employees. The entitlement to these benefits is conditional on the employee retiring from the services of the Company, after completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit plans. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise.

Liability for unfunded post-retirement medical benefit is accrued on the basis of actuarial valuation as at the year-end using the projected unit credit method.

#### (iii) Other long-term employee benefit obligations

The liabilities for annual leave, pension scheme for certain employees and long-term service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore accrued using actuarial valuations and are measured as the present value of expected future payments to be made in respect of services provided by employees up

to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The leave obligations are presented as current liabilities in the Balance Sheet as the Company does not have an unconditional legal and contractual right to defer settlement for a period beyond twelve months after the reporting period.

#### (s) Share-based payments

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of shares that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such shares are reversed effective from the date of the forfeiture.

#### (t) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### (u) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

#### (v) Earnings per share

##### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year (see note 29).

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 40. Summary of other accounting policies (Contd..)

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### (w) Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group)

to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

#### (x) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment and intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying values as the deemed cost of the property, plant and equipment and intangible assets.

## Notes

TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

**Note 41.** The Company has received a communication from Akzo Nobel N.V. (Ultimate Holding Company) on 03 October 2024 regarding conducting a strategic review to redeploy capital towards growing its core coatings businesses with initial focus on decorative paint positions in South Asia. The review will explore various strategic options ranging from partnerships or joint ventures through to mergers or divestments. The Company has intimated the above to the stock exchanges on 04 October 2024 considering the same as a material information as per Regulation 30(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There is no impact of the aforesaid strategic review on the Standalone Financial Statements of the Company for the year ended 31 March 2025.

**Note 42.** The Board of Directors of the Company has accepted a binding offer letter dated 24 February 2025 from Akzo Nobel N.V. ("ANNV"), the ultimate holding/promoter company, for the sale and transfer of all intellectual property rights in relation to decorative paints business of the Company in India, Bangladesh, Bhutan and Nepal by Akzo Nobel Coatings International B.V. at a purchase consideration of INR 11,520. The aforesaid transaction is subject to (i) approval of the shareholders of the Company; and (ii) approval of Supervisory Board of ANNV. Subsequent to the year end, the shareholders of the Company approved the aforesaid transaction on 02 April 2025. However, the approval of Supervisory Board of ANNV is expected to be obtained before 01 July 2025.

The notes from note no. 1 to 42 form an integral part of these Standalone Financial Statements.

As per our report of even date attached.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

For and on behalf of the **Board of Directors of Akzo Nobel India Limited**

**Amitesh Dutta**  
Partner  
Membership No. : 058507

**Rajiv Rajgopal**  
Chairman and  
Managing Director  
DIN : 06685599

**Krishna Rallapalli**  
Wholetime Director  
and CFO  
DIN : 03384607

**Rajiv L. Jha**  
Company Secretary &  
Compliance Officer  
Membership No. : F5948

Place: Gurugram  
Date: 14 May 2025

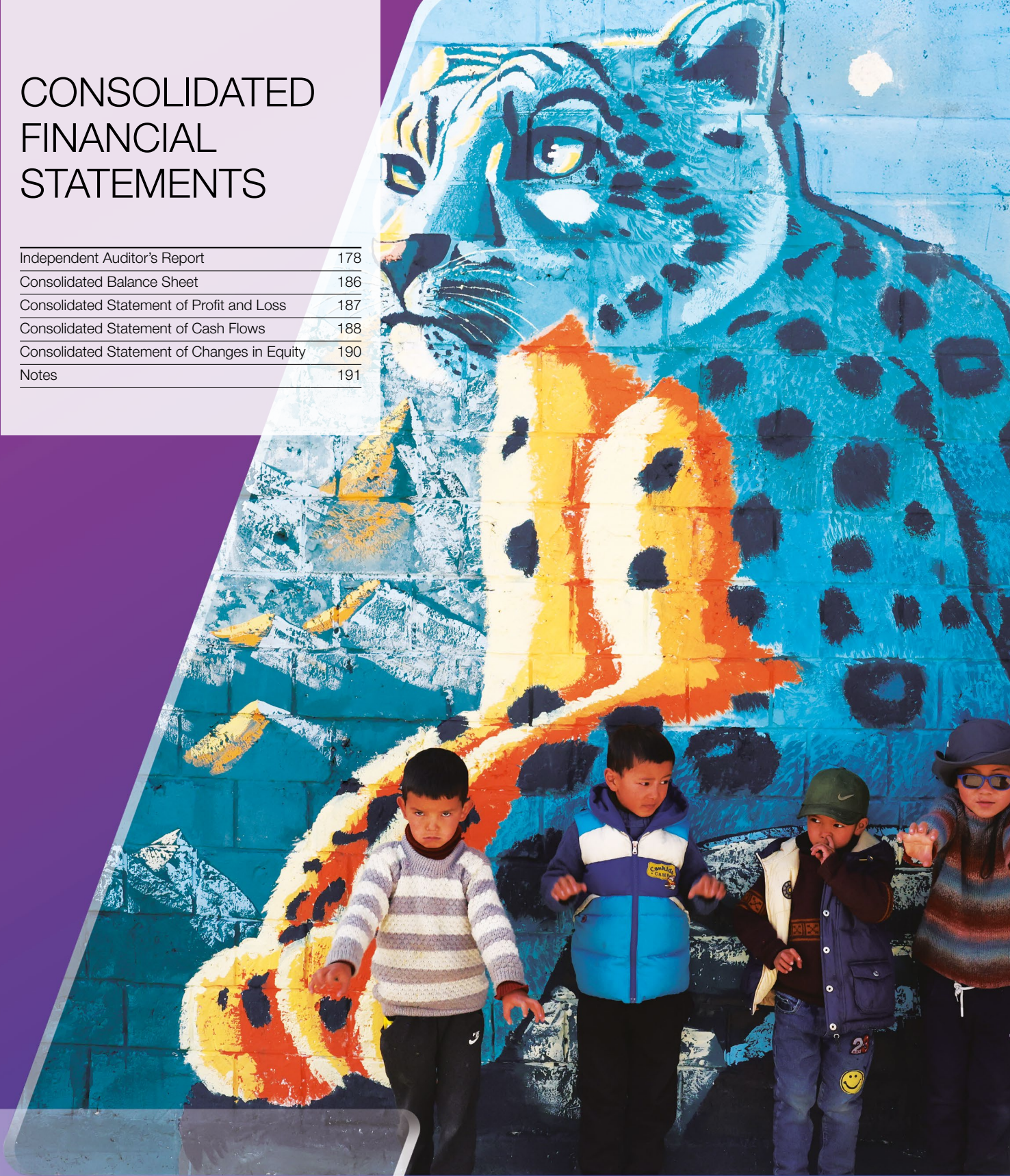
Place: Gurugram  
Date: 14 May 2025

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Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

# CONSOLIDATED FINANCIAL STATEMENTS

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**Paint has  
more power  
than we  
think!**

A series of purposeful murals – reflecting Buddhist culture and celebrating native species such as the snow leopard – by a local artist are designed to help boost tourism by creating a more colorful and inviting environment.

# Independent Auditor's Report

To the Members of **Akzo Nobel India Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

1. We have audited the accompanying Consolidated Financial Statements of Akzo Nobel India Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") (refer Note 1 to the attached Consolidated Financial Statements), which comprise the Consolidated Balance Sheet as at 31 March 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2025, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Key audit matter

##### A. Revenue recognition including variable consideration

##### [Refer to Note 18 (Revenue from operations) to the Consolidated Financial Statements]

The Holding Company recognises revenue when control of the goods is transferred to the customer at an amount that reflects the net consideration, which the Holding Company expects to receive for those goods from customers. The sales arrangements are voluminous and in determining the sales price, the Holding Company considers the effects of variable consideration, which requires estimation, leading to complexities and application of significant effort and judgment.

Considering these significant judgements, estimates and the risk associated with revenue recognition, the matter has been determined to be a key audit matter.

#### How our audit addressed the key audit matter

Our audit procedures included the following:

- Obtained an understanding of the process and internal financial controls designed and implemented by the management and tested the design and operating effectiveness of relevant internal financial controls;
- We tested sales of goods transactions on a sample basis, by comparing the underlying sales invoices, sales orders and dispatch documents to assess whether revenue was recognised appropriately.
- We assessed the underlying assumptions and estimates used for determination of variable consideration.
- We tested rebates and discounts provided to the customers on a sample basis, comparing the same with underlying approvals and terms of the contracts and schemes offered to customers.
- We assessed the adequacy of the disclosures made in the Consolidated Financial Statements in respect of revenue recognition.

**Key audit matter****How our audit addressed the key audit matter****B. Assessment of ongoing income tax and indirect tax litigations****[Refer to Note 27(b) (Contingent liabilities), Note 7 [Non-current tax assets (net)] and Note 13 (Provisions) to the Consolidated Financial Statements]**

As at 31 March 2025, the Holding Company is subjected to a number of significant income tax litigations relating to disallowance of expenses, transfer pricing adjustments etc. and indirect tax litigations relating to various indirect tax statutes (together referred to as "tax litigations"). These matters are in appeal before various judicial forums.

The eventual outcome of tax litigations is uncertain and the positions taken by the management are based on the application of significant judgement and estimation. The assessment of the tax matters requires application and interpretation of tax laws and reference to applicable judicial pronouncements.

Based on management judgement and advice from external legal and tax consultants and considering the merits of the case, the Holding Company has recognised provisions wherever required and for the balance matters, where the outflow of economic resources is not probable, the tax litigations have been disclosed as contingent liabilities in the Consolidated Financial Statements unless the possibility of outflow of resources is considered to be remote.

We identified this matter as a key audit matter as the ultimate outcome of matters is uncertain and the positions taken by the management are based on the application of significant judgement, related legal advice including those relating to interpretation of laws and regulations.

**C. Appropriateness of the classification and valuation of disposal groups held for sale****[Refer to Note 9.1 (Assets classified as held for sale and Liabilities relating to assets classified as held for sale) to the Consolidated Financial Statements]**

During the year, the Holding Company announced its intention to sell its Powder Coatings Business and the International Research Center (together, the "disposal groups") as a going concern, which have been classified as "Assets classified as held for sale and Liabilities relating to assets classified as held for sale" in accordance with Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations' as at 31 March 2025.

Our procedures included the following:

- Obtained an understanding of the process and internal financial controls designed and implemented by the management and tested the design and operating effectiveness of relevant internal financial controls;
- Obtained an understanding of the tax litigations through enquiry with the management, including the significant developments, additions and settlements during the year and subsequent to the year-end;
- Inspected demand notices received from the tax authorities and evaluated the Holding Company's response to those matters;
- Obtained independent confirmations from the Holding Company's external tax experts including the status of the significant tax litigations, their views regarding the likely outcome and magnitude of the potential exposure;
- Involved specialists to evaluate the management's assessment on the likely outcome and potential magnitude on complex or significant tax matters as considered necessary; and
- Assessed the adequacy of the Holding Company's disclosures in respect of tax litigations.

Our procedures included the following:

- Obtained an understanding of management's process around identifying and classifying assets/ disposal groups as held for sale.
- Evaluated appropriateness of the classification of the disposal groups based on the criteria set forth in Ind AS 105.
- Perused the approval of the Audit Committee and Board of Directors of the Holding Company and read the minutes of their meetings.
- Inspected the Holding Company's correspondence (i.e., binding offers etc. for the sale of respective disposal groups) with the potential buyer.
- Evaluated management's assessment of whether the disposal groups held for sale were measured at the lower of the carrying amount and fair value less cost to sell.

### Key audit matter

As at 31 March 2025, the carrying amount of these assets was ₹ 3,293 million, representing approximately 11% of the total assets of the Group and the carrying amount of these liabilities was ₹ 811 million, representing 5% of the total liabilities of the Group.

The classification and valuation of disposal groups in accordance with Ind AS 105 was considered to be a key audit matter because of the complexities involved and significant management judgement, including in respect of assessment of the likelihood of shareholders' approval for the proposed disposals, determination of the dates of classification of the non-current assets as held for sale and the valuation of the disposal groups at the lower of carrying amount and fair value less costs to sell.

### How our audit addressed the key audit matter

- Perused the valuation report obtained by the management from a valuation expert ("management's expert") and evaluated the independence, competence, capabilities and objectivity of the management's expert.
- Evaluated the appropriateness of the basis for management's determination of the fair value less costs to sell, including assessing the methodology used by management's expert and corroborating the key assumptions, with the involvement of our valuation expert, wherever considered necessary.
- Assessed the adequacy of the disclosures in the Consolidated Financial Statements.

### Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

14. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included in the CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.
15. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Holding Company so far as it appears from our examination of those books, except for the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended). Further, in the absence of sufficient appropriate audit evidence, we are unable to verify whether the backup of books of account and other books and papers maintained in electronic mode has been maintained on a daily basis on servers physically located in India during the period 1 April 2024 to 25 March 2025.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement

of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the Consolidated Financial Statements.

- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary as on 31 March 2025 taken on record by the Board of Directors of the Holding Company and its subsidiary incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above on reporting under Section 143(3)(b) and paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (g) With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated Financial Statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group— Refer Note 27 to the Consolidated Financial Statements.
  - ii. The Group was not required to recognise a provision as at 31 March 2025 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Group did not have any long-term derivative contracts as at 31 March 2025.
  - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year. During the year ended 31 March 2025, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company incorporated in India.
- iv. (a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in Note 38(vi) to the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 38(vi) to the Consolidated Financial Statements).
- (b) The respective Managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the Notes 38(vi) to the Consolidated Financial Statements, no funds have been received by the Company or its subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 38(vi) to the Consolidated Financial Statements).
- (c) Based on the audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The dividend declared and paid by the Holding Company is in compliance with Section 123

- of the Act. The subsidiary company has not declared or paid any dividend during the year.
- vi. Based on our examination, which included test checks, the Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that (a) the audit trail at the application level is not maintained in case of modification by certain users with specific access and (b) the audit log of modification at the database level does not contain pre-modified values and the changes made by certain users. During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Group as per the statutory requirements for record retention.
16. The Holding Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Further, the subsidiary is not a public company and accordingly, reporting under section 197(16) of the Act is not applicable to the subsidiary.

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration Number: 012754N/N500016

**Amitesh Dutta**

Partner

Place: Gurugram

Membership Number: 058507

Date: 14 May 2025

UDIN: 25058507BMOCAW8018

## Annexure A to Independent Auditor's Report

Referred to in paragraph 15(g) of the Independent Auditor's Report of even date to the members of Akzo Nobel India Limited on the Consolidated Financial Statements as of and for the year ended 31 March 2025

### Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the Consolidated Financial Statements of Akzo Nobel India Limited as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to Consolidated Financial Statements of Akzo Nobel India Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with

reference to Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to Consolidated Financial Statements.

### Meaning of Internal Financial Controls with reference to Financial Statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud

may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

with reference to Consolidated Financial Statements were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Opinion

8. In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls

### For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

**Amitesh Dutta**

Partner

Place: Gurugram

Membership Number: 058507

Date: 14 May 2025

UDIN: 25058507BMOCAW8018

# Consolidated Balance Sheet

AS AT 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

	Notes	As at 31 March 2025	As at 31 March 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.1	3,957	4,367
Right-of-use assets	3.2	837	863
Capital work-in-progress	3.3	667	1,191
Intangible assets	4	19	30
Financial assets			
(i) Investments	5.1	*	*
(ii) Loans	5.2	5	4
(iii) Other financial assets	5.3	101	97
Deferred tax assets (net)	14	314	320
Non-current tax assets (net)	7	1,969	1,726
Other non-current assets	6	1,151	1,225
<b>Total non-current assets</b>		<b>9,020</b>	<b>9,823</b>
<b>Current assets</b>			
Inventories	8	6,047	6,115
Financial assets			
(i) Trade receivables	5.4	5,849	5,754
(ii) Cash and cash equivalents	5.5	2,482	2,737
(iii) Bank balances other than (ii) above	5.6	523	2,502
(iv) Loans	5.2	*	*
(v) Other financial assets	5.3	89	110
Other current assets	9	1,731	1,998
<b>Total current assets excluding assets classified as held for sale</b>		<b>16,721</b>	<b>19,216</b>
Assets classified as held for sale	9.1	3,293	-
<b>Total current assets</b>		<b>20,014</b>	<b>19,216</b>
<b>Total assets</b>		<b>29,034</b>	<b>29,039</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	455	455
Other equity	11	12,847	12,844
<b>Equity attributable to owners of the Company</b>		<b>13,302</b>	<b>13,299</b>
Non-controlling interests		*	-
<b>Total equity</b>		<b>13,302</b>	<b>13,299</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Lease liabilities	3.2	448	451
(ii) Other financial liabilities	12	2	20
Other non-current liabilities	15	91	91
Provisions	13	690	943
<b>Total non-current liabilities</b>		<b>1,231</b>	<b>1,505</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Lease liabilities	3.2	173	153
(ii) Trade payables	16.1		
(a) total outstanding dues of micro enterprises and small enterprises		353	321
(b) total outstanding dues other than (ii)(a) above		9,210	9,654
(iii) Other financial liabilities	16.2	977	1,008
Other current liabilities	17	2,587	2,688
Provisions	13	390	411
<b>Total current liabilities excluding liabilities relating to assets held for sale</b>		<b>13,690</b>	<b>14,235</b>
Liabilities relating to assets classified as held for sale	9.1	811	-
<b>Total current liabilities</b>		<b>14,501</b>	<b>14,235</b>
<b>Total liabilities</b>		<b>15,732</b>	<b>15,740</b>
<b>Total equity and liabilities</b>		<b>29,034</b>	<b>29,039</b>

\*Amount is below rounding off norms, adopted by the Group

The notes from note no. 1 to 42 form an integral part of these Consolidated Financial Statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

For and on behalf of the **Board of Directors of Akzo Nobel India Limited**

**Amitesh Dutta**  
Partner  
Membership No. : 058507

**Rajiv Rajgopal**  
Chairman and  
Managing Director  
DIN : 06685599

**Krishna Rallapalli**  
Wholetime Director  
and CFO  
DIN : 03384607

**Rajiv L. Jha**  
Company Secretary &  
Compliance Officer  
Membership No. : F5948

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

# Consolidated Statement of Profit and Loss

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from operations	18	40,912	39,616
Other income	19	276	358
<b>Total income</b>		<b>41,188</b>	<b>39,974</b>
<b>Expenses</b>			
Cost of materials consumed	20	21,625	20,093
Purchases of stock-in-trade		2,119	2,083
Changes in inventories of work-in-progress, stock-in-trade and finished goods	21	(564)	52
Employee benefits expense	22	3,374	3,281
Finance costs	23	98	125
Depreciation and amortisation expense	24	894	823
Other expenses	25	7,943	7,787
<b>Total expenses</b>		<b>35,489</b>	<b>34,244</b>
<b>Profit before tax</b>		<b>5,699</b>	<b>5,730</b>
<b>Income tax expense:</b>			
Current tax	14	1,409	1,508
Deferred tax	14	(5)	(44)
<b>Total tax expense</b>		<b>1,404</b>	<b>1,464</b>
<b>Profit for the year (A)</b>		<b>4,295</b>	<b>4,266</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Remeasurements of post-employment benefit obligations	35	45	(41)
Income tax relating to these items	14	(11)	10
<b>Other comprehensive income for the year, net of tax (B)</b>		<b>34</b>	<b>(31)</b>
<b>Total comprehensive income for the year (A + B)</b>		<b>4,329</b>	<b>4,235</b>
<b>Profit for the year attributable to:</b>			
Owners of the Company		4,295	4,266
Non-controlling interests		*	-
<b>Other comprehensive income/ (loss) attributable to:</b>			
Owners of the Company		34	(31)
Non-controlling interests		*	-
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		4,329	4,235
Non-controlling interests		*	-
<b>Earnings per equity share attributable to owners of Akzo Nobel India Limited:</b>	29		
Basic earnings per equity share (in ₹) [Face value of ₹ 10 each]		94.31	93.68
Diluted earnings per equity share (in ₹) [Face value of ₹ 10 each]		94.31	93.68

The notes from note no. 1 to 42 form an integral part of these Consolidated Financial Statements.

This is the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

For and on behalf of the **Board of Directors of Akzo Nobel India Limited**

**Amitesh Dutta**  
Partner  
Membership No. : 058507

**Rajiv Rajgopal**  
Chairman and  
Managing Director  
DIN : 06685599

**Krishna Rallapalli**  
Wholtime Director  
and CFO  
DIN : 03384607

**Rajiv L. Jha**  
Company Secretary &  
Compliance Officer  
Membership No. : F5948

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

# Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>A Cash flow from operating activities</b>			
<b>Profit before tax</b>		5,699	5,730
Adjustments for:			
Depreciation and amortisation expense	24	894	823
Loss on sale of property, plant and equipment (net)	25	7	11
Net gain on termination of leases	19	-	(2)
Provision for inventory obsolescence		20	65
Provision for doubtful debts and advances	25	31	40
Net foreign exchange differences		20	(11)
Provision/liabilities no longer required written back	18	(63)	(87)
Provision on indirect tax cases	13	8	1
Loss allowance on government grants	5.3	21	20
Interest income	19	(262)	(356)
Unwinding of discount on financial assets	19	(3)	-
Net gain on sale of investments	19	(11)	-
Finance costs	23	98	125
<b>Operating profit before change in operating assets and liabilities</b>		<b>6,459</b>	<b>6,359</b>
(Increase) in trade receivables		(1,258)	(269)
(Increase) in inventories		(759)	(201)
(Increase) / Decrease in loans		(1)	*
(Increase) / Decrease in other financial assets		*	2
(Increase) / Decrease in other assets		287	(977)
Increase in trade payables		94	1,443
(Decrease) in other financial liabilities		(84)	(7)
Increase in provisions		8	77
Increase in other liabilities		18	136
<b>Cash generated from operations</b>		<b>4,764</b>	<b>6,563</b>
Income taxes paid (net)		(1,654)	(1,708)
<b>Net cash inflow from operating activities (A)</b>		<b>3,110</b>	<b>4,855</b>
<b>B Cash flow from investing activities</b>			
Payments for purchase of property, plant and equipment		(1,065)	(1,185)
Proceeds from sale of investments		11	-
Bank deposits		1,982	(12)
Interest received		299	337
<b>Net cash inflow / (outflow) from investing activities (B)</b>		<b>1,227</b>	<b>(860)</b>
<b>C Cash flow from financing activities</b>			
Principal element of lease payments		(178)	(175)
Dividend paid		(4,326)	(4,099)
Interest paid		(91)	(120)
<b>Net cash (outflow) from financing activities (C)</b>		<b>(4,595)</b>	<b>(4,394)</b>
<b>Net (decrease) in cash and cash equivalents (A+B+C)</b>		<b>(258)</b>	<b>(399)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>2,737</b>	<b>3,147</b>
Effect of exchange rate changes on cash and cash equivalents		3	(11)
<b>Cash and cash equivalents at the end of the year</b>		<b>2,482</b>	<b>2,737</b>
<b>Non-cash investing activities</b>			
- Acquisition of right-of-use assets		197	104

\*Amount is below rounding off norms, adopted by the Group

# Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Notes:

- (i) The above Statement of Cash Flows has been prepared under the indirect method as set out in "Ind AS 7 Statement of Cash Flows".
- (ii) Amounts in bracket represent outflows.

## Components of cash and cash equivalents are as under:

	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Balances with banks			
- In current accounts	5.5	971	1,173
- In EEFC accounts	5.5	227	159
Bank deposits with maturity of less than three months	5.5	1,284	1,405
<b>Cash and cash equivalents (Refer note 5.5)</b>		<b>2,482</b>	<b>2,737</b>

The notes from note no. 1 to 42 form an integral part of these Consolidated Financial Statements.

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

For and on behalf of the **Board of Directors of Akzo Nobel India Limited**

**Amitesh Dutta**  
Partner  
Membership No. : 058507

**Rajiv Rajgopal**  
Chairman and  
Managing Director  
DIN : 06685599

**Krishna Rallapalli**  
Wholetime Director  
and CFO  
DIN : 03384607

**Rajiv L. Jha**  
Company Secretary &  
Compliance Officer  
Membership No. : F5948

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

# Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## (a) Equity share capital

	Number of Shares	Notes	Amount
<b>As at 31 March 2023</b>	<b>45,540,314</b>	10	<b>455</b>
Changes in equity share capital during 2023-24	-		-
<b>As at 31 March 2024</b>	<b>45,540,314</b>	10	<b>455</b>
Changes in equity share capital during 2024-25	-		-
<b>As at 31 March 2025</b>	<b>45,540,314</b>	10	<b>455</b>

## (b) Other equity

Description	Attributable to owners of the Company							Total attributable to owners of the Company	Non controlling interests	Total
	Reserves and surplus									
	Capital reserve (Refer note 11 (a))	Capital redemption reserve (Refer note 11 (b))	Revaluation reserve (Refer note 11 (c))	Share based payment reserve (Refer note 11 (d))	General reserve (Refer note 11 (e))	Retained earnings (Refer note 11 (f))				
<b>Balance as at 1 April 2023</b>	<b>503</b>	<b>64</b>	<b>12</b>	-	<b>4,519</b>	<b>7,610</b>	<b>12,708</b>	-	<b>12,708</b>	
Profit for the year	-	-	-	-	-	4,266	4,266	-	4,266	
Other comprehensive income arising from remeasurement of post-employment benefit obligations	-	-	-	-	-	(31)	(31)	-	(31)	
<b>Total comprehensive income for the year</b>	-	-	-	-	-	<b>4,235</b>	<b>4,235</b>	-	<b>4,235</b>	
<b>Transactions with owners in their capacity as owners:</b>										
Dividends paid	-	-	-	-	-	(4,099)	(4,099)	-	(4,099)	
Employee share-based payment expense	-	-	-	31	-	-	31	-	31	
Transfer to Other non-current liabilities - Employees related payables and Other current liabilities - Employees related payables	-	-	-	(31)	-	-	(31)	-	(31)	
<b>Balance as at 31 March 2024</b>	<b>503</b>	<b>64</b>	<b>12</b>	-	<b>4,519</b>	<b>7,746</b>	<b>12,844</b>	-	<b>12,844</b>	
<b>Balance as at 1 April 2024</b>	<b>503</b>	<b>64</b>	<b>12</b>	-	<b>4,519</b>	<b>7,746</b>	<b>12,844</b>	-	<b>12,844</b>	
Profit for the year	-	-	-	-	-	4,295	4,295	*	4,295	
Other comprehensive income arising from remeasurement of post-employment benefit obligations	-	-	-	-	-	34	34	*	34	
<b>Total comprehensive income for the year</b>	-	-	-	-	-	<b>4,329</b>	<b>4,329</b>	<b>*</b>	<b>4,329</b>	
<b>Transactions with owners in their capacity as owners:</b>										
Dividends paid	-	-	-	-	-	(4,326)	(4,326)	-	(4,326)	
Employee share-based payment expense	-	-	-	28	-	-	28	-	28	
Transfer to Other non-current liabilities - Employees related payables and Other current liabilities - Employees related payables	-	-	-	(28)	-	-	(28)	-	(28)	
<b>Balance as at 31 March 2025</b>	<b>503</b>	<b>64</b>	<b>12</b>	-	<b>4,519</b>	<b>7,749</b>	<b>12,847</b>	<b>*</b>	<b>12,847</b>	

The notes from note no. 1 to 42 form an integral part of these Consolidated Financial Statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

For and on behalf of the **Board of Directors of Akzo Nobel India Limited**

**Amitesh Dutta**  
Partner  
Membership No. : 058507

**Rajiv Rajgopal**  
Chairman and  
Managing Director  
DIN : 06685599

**Krishna Rallapalli**  
Wholtime Director  
and CFO  
DIN : 03384607

**Rajiv L. Jha**  
Company Secretary &  
Compliance Officer  
Membership No. : F5948

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

Place: Gurugram  
Date: 14 May 2025

# Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Note 1. Background and basis of preparation

### Background

Akzo Nobel India Limited ("the Holding Company") was incorporated in India on 12 March 1954 as Indian Explosives Limited. It is currently known as Akzo Nobel India Limited with effect from 15 February 2010 under Section 23(1) of the Companies Act, 1956. The Holding Company is domiciled in India and is limited by shares. The registered office of the Holding Company is situated in Kolkata (West Bengal). The Group (The Holding Company and its subsidiary) is engaged in the business of manufacturing, trading and selling of paints and related products. The Group also provides research and development services to its Holding Company and other group companies. The Subsidiary Company - ICI India Research and Technology Centre Private Limited (formerly known as ICI India Research and Technology Centre) conducts research activity on behalf of the Holding Company and receives a fee from the Holding Company for such research activities. The Holding Company's equity shares are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Consolidated Financial Statements for the year ended 31 March 2025 were approved by the Board of Directors and authorised for issue on 14 May 2025.

### Basis of preparation

#### (i) Compliance with Ind AS

The Consolidated Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

#### (ii) Historical cost convention

The Consolidated Financial Statements have been prepared on a historical cost convention on a going concern basis, except for the following:

- certain financial assets and financial liabilities are measured at fair value.
- defined benefit plans – plan assets are measured at fair value.
- share-based payments.

#### (iii) New and amended standards adopted by the Group

The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024:

- Insurance contracts - Ind AS 117; and
- Lease liability in sale and leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

#### (iv) Principles of consolidation

The Consolidated Financial Statements have been prepared on the following basis:

**Subsidiary:** Subsidiary is an entity over which group has control. The Group controls an entity when the group is exposed to, or has rights to, variable return from its involvement with the entity and has the ability to affect those returns through its powers to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which the control is transferred to the group.

The Group (The Holding Company and its subsidiary) combines the financial statements of the parent and its subsidiary on line-by-line basis by adding together like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions and unrealised gains or losses.

## Note 2. Critical estimates and judgements

The preparation of Consolidated Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Consolidated Financial Statements.

The areas involving critical estimates and judgements are:

- Useful life of property, plant and equipment (Refer note 3.1)
- Provision for employee benefits and fair value of plan assets (Refer note 35)
- Tax litigations/claims (Refer note 27)
- Customer incentives (Refer note 17)
- Allowance for doubtful debts (Loss allowance on trade receivables) (Refer note 5.4)
- Inventory obsolescence (Refer note 8)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors including expectation of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 3.1. Property, plant and equipment

#### Accounting policy

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation.

#### Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Schedule II of the Companies Act, 2013 except in respect of the below mentioned assets where useful life is determined through technical evaluation and is different than those prescribed in Schedule II of the Companies Act, 2013.

Particulars	Estimated Useful Life (in Years)
Buildings	10-60
Plant and equipment	10-15
Furniture and fixtures	3-10
Motor vehicles	5-7

The residual values are not more than 5% of the original cost of the assets. Depreciation methods, useful lives and residual values are reviewed at least at each financial year end.

Leasehold improvements are amortised over the shorter of useful life and the period of lease including the optional period, if any, available to the Group, where it is reasonably certain at the inception of lease that such option would be exercised by the Group.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 3.1. Property, plant and equipment (Contd..)

See note 40 (l) and 40 (x) for the other accounting policies relevant to property, plant and equipment and note 40 (n) for the Group's policy regarding impairment.

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount		
	As at 1 April 2024	Additions	Disposals / Adjustments	Assets included in a disposal group classified as held for sale (see note 9.1)	As at 31 March 2025	As at 1 April 2024	Charge during the year	Disposals / Adjustments	Assets included in a disposal group classified as held for sale (see note 9.1)	As at 31 March 2024	As at 31 March 2025
Freehold land (Refer note 'a' and 'b' below)	265	-	35	-	300	-	-	-	-	265	300
Buildings	2,270	74	*	(483)	1,861	785	94	*	(196)	1,485	1,178
Plant and equipment											
- owned	4,038	711	(154)	(1,659)	2,936	2,447	367	(150)	(1,024)	1,591	1,296
- given under operating lease	1,643	342	(4)	-	1,981	854	154	(4)	-	1,004	977
Motor vehicles	2	2	-	-	4	1	*	-	-	1	3
Furniture and fixtures	418	22	(20)	(85)	335	316	29	(20)	(74)	102	84
Office equipment	160	34	(82)	(47)	65	109	19	(82)	(35)	51	54
Leasehold improvements	107	-	(11)	-	96	77	6	(9)	-	30	22
Data processing equipment	217	17	(43)	(4)	187	166	25	(42)	(4)	51	42
Laboratory equipment	2	-	-	-	2	*	1	-	-	2	1
<b>Total</b>	<b>9,122</b>	<b>1,202</b>	<b>(279)</b>	<b>(2,278)</b>	<b>7,767</b>	<b>4,755</b>	<b>695</b>	<b>(307)</b>	<b>(1,333)</b>	<b>4,367</b>	<b>3,957</b>

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025  
(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 3.1. Property, plant and equipment (Contd..)

Particulars	Gross Carrying Amount			Accumulated Depreciation				Net Carrying Amount				
	As at 1 April 2023	Additions	Disposals / Adjustments	Assets included in a disposal group classified as held for sale (see note 9.1)	As at 31 March 2024	As at 1 April 2023	Charge during the year	Disposals / Adjustments	Assets included in a disposal group classified as held for sale (see note 9.1)	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024
Freehold land (Refer note 'a' below)	265	-	-	-	265	-	-	-	-	-	265	265
Buildings	2,228	47	(5)	-	2,270	688	101	(4)	-	785	1,540	1,485
Plant and equipment												
- owned	3,628	513	(103)	-	4,038	2,217	329	(99)	-	2,447	1,411	1,591
- given under operating lease	1,456	232	(45)	-	1,643	774	119	(39)	-	854	682	789
Motor vehicles	3	-	(1)	-	2	2	*	(1)	-	1	1	1
Furniture and fixtures	373	47	(2)	-	418	289	29	(2)	-	316	84	102
Office equipment	133	31	(4)	-	160	98	15	(4)	-	109	35	51
Leasehold improvements	107	-	-	-	107	71	6	-	-	77	36	30
Data processing equipment	184	34	(1)	-	217	142	25	(1)	-	166	42	51
Laboratory equipment	2	-	-	-	2	*	*	-	-	*	2	2
<b>Total</b>	<b>8,379</b>	<b>904</b>	<b>(161)</b>	<b>-</b>	<b>9,122</b>	<b>4,281</b>	<b>624</b>	<b>(150)</b>	<b>-</b>	<b>4,755</b>	<b>4,098</b>	<b>4,367</b>

\*Amount is below rounding off norms, adopted by the Group

- (a) The Group had acquired revaluation reserve attributable to certain land as part of amalgamation done with various companies in the previous periods.
- (b) Adjustment represents freehold land previously classified as right of use asset.
- (c) Refer note 28 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Significant Estimates: The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset. The Group reviews the useful life of property, plant and equipment at the end of each reporting period.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 3.2. Right-of-use assets and Lease liabilities

#### Accounting policy

- (a) The Group leases various lands, buildings, warehouses and vehicles. Rental contracts are typically made for fixed periods of 2 years to 12 years except in case of leasehold land where it is upto 99 years, but may have extension options as described in (iv) below.
- (b) Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.
- (c) Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.
- (d) The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.
- (e) To determine the incremental borrowing rate, the Group obtains the general purpose borrowing rates and makes necessary adjustments specific to the lease e.g. lease term, security etc.
- (f) Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.
- (g) Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in the Statement of Profit and Loss. Short term leases are the leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.
- (h) See note 40 (f) for the other accounting policies relevant to leases.

#### (i) Amounts recognised in balance sheet

The balance sheet shows the following amounts relating to leases:

Right-of-use assets	As at 31 March 2025	As at 31 March 2024
Building and warehouse leases	506	491
Land leases (Refer note 'a' and 'b' below)	325	362
Vehicles leases	6	10
<b>Total</b>	<b>837</b>	<b>863</b>

Financial liabilities - Lease liabilities	As at 31 March 2025	As at 31 March 2024
Current lease liabilities	173	153
Non-current lease liabilities	448	451
<b>Total</b>	<b>621</b>	<b>604</b>

Additions to the right-of-use assets during the current financial year were ₹ 197 (31 March 2024 ₹ 104).

- (a) In March 2016, the Group had received the possession letter of final tranche of land from Karnataka Industrial Area Development Board (KIADB) as acquired by the Group on lease-cum-sale basis at Mysore (gross carrying value - ₹ 166). However, the execution and registration of lease deed in respect of the aforesaid land is pending finalisation with KIADB and the sale deed thereof will only be executed on/after the expiry of the lease term upon fulfilment of the conditions specified in the allotment letter/s and the lease deed, as the case may be.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 3.2. Right-of-use assets and Lease liabilities (Contd..)

(b) The Group has leasehold land at Thane (gross carrying value - ₹ 7) for which original lease deed is not in possession of the Group. However the Group is in possession of certified true copy of aforesaid lease deed.

#### (ii) Amounts recognised in the Statement of Profit and Loss

The Statement of Profit and Loss shows the following amounts relating to leases:

Depreciation charge on right-of-use assets	For the year ended 31 March 2025	For the year ended 31 March 2024
Building and warehouse leases	182	182
Land leases	2	2
Vehicles leases	4	4
<b>Total</b>	<b>188</b>	<b>188</b>

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest expense (included in finance costs) (Refer note '23')	74	71
Rent expenses relating to short term leases (included in other expenses) (Refer note '25')	37	28
<b>Total</b>	<b>111</b>	<b>99</b>

The total cash outflow for leases including interest and short term leases ₹ 289 (31 March 2024 ₹ 274).

#### (iii) Variable lease payments

The Group does not have any leases with variable lease payments.

#### (iv) Extension and termination options

Extension and termination options are included in a number of leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

#### (v) Residual value guarantees

There are no residual value guarantees in the lease contracts.

### Note 3.3. Capital work-in-progress

As at 31 March 2025

#### (a) Ageing of Capital work-in-progress:

	Amounts in capital work-in-progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	548	79	37	3	667
(ii) Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>548</b>	<b>79</b>	<b>37</b>	<b>3</b>	<b>667</b>

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 3.3. Capital work-in-progress (Contd..)

- (b) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan

	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in progress</b>					
Process improvement equipments	269	-	-	-	269
Colour solution systems	66	-	-	-	66
Supply chain and logistics optimization	33	-	-	-	33
Installation of new machinery and production lines	31	-	-	-	31
Research and development equipments	14	-	-	-	14
Automation and robotics integration	7	-	-	-	7
Safety upgrades and enhancements	2	-	-	-	2
<b>Total</b>	<b>422</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>422</b>

As at 31 March 2024

- (a) Ageing of Capital work-in-progress:

	Amounts in capital work-in-progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	997	180	14	-	1,191
(ii) Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>997</b>	<b>180</b>	<b>14</b>	<b>-</b>	<b>1,191</b>

- (b) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan

	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in progress</b>					
Installation of new machinery and production lines	917	-	-	-	917
Process improvement equipments	46	-	-	-	46
Supply chain and logistics optimization	33	-	-	-	33
Packaging and labeling equipments	23	-	-	-	23
Research and development equipments	23	-	-	-	23
Automation and robotics integration	9	-	-	-	9
<b>Total</b>	<b>1,051</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,051</b>

Capital work-in-progress mainly comprises plant and equipment and buildings.

### Note 4. Intangible assets

Particulars	Gross Carrying Amount			As at 31 March 2025	Accumulated Amortisation			As at 31 March 2025	Net Carrying Amount	
	As at 1 April 2024	Additions	Disposals / Adjustments		As at 1 April 2024	Charge during the year	Disposals / Adjustments		As at 31 March 2024	As at 31 March 2025
<b>Intangible assets (Acquired)</b>										
Customer relationships	110	-	-	110	80	11	-	91	30	19
<b>Total</b>	<b>110</b>	<b>-</b>	<b>-</b>	<b>110</b>	<b>80</b>	<b>11</b>	<b>-</b>	<b>91</b>	<b>30</b>	<b>19</b>

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 4. Intangible assets (Contd..)

Particulars	Gross Carrying Amount				Accumulated Amortisation				Net Carrying Amount	
	As at 1 April 2023	Additions	Disposals / Adjustments	As at 31 March 2024	As at 1 April 2023	Charge during the year	Disposals / Adjustments	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024
<b>Intangible assets</b>										
<b>(Acquired)</b>										
Customer relationships	110	-	-	110	69	11	-	80	41	30
<b>Total</b>	<b>110</b>	<b>-</b>	<b>-</b>	<b>110</b>	<b>69</b>	<b>11</b>	<b>-</b>	<b>80</b>	<b>41</b>	<b>30</b>

Pursuant to business transfer agreement with BASF India Limited, the Group had acquired Intangible assets with respect to customer relationships during the year ended 31 March 2017. The estimate for the useful life for customer relationships is based on the expected economic benefits from such assets, however, which may be longer or shorter than 10 years, depending upon the customer attrition rate and competition. If it were only 5 years, the carrying amount would be ₹ Nil (₹ Nil as at 31 March 2024). If the useful life were estimated to be 15 years, the carrying amount would be ₹ 50 (₹ 57 as at 31 March 2024).

See note 40 (m) and 40 (x) for other accounting policies relevant to intangible assets and note 40 (n) for the Group's policy regarding impairment.

### Note 5. Financial assets

#### Accounting policies

#### (i) Classification of financial assets at amortised cost

The Group classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets classified at amortised cost comprise trade receivables, loans and investment in debentures.

#### (ii) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities (unlisted) which are not held for trading, and for which the Group has irrevocably elected at initial recognition to recognise changes in fair value through OCI rather than profit or loss. These are strategic investments and the Group considers this classification to be more relevant.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets.

There are currently no equity or debt securities which are carried at FVOCI.

#### (iii) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVTPL):

- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

#### (iv) See note 40 (k) for the remaining relevant accounting policies

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 5.1. Non current investments

	Number as at 31 March 2025	Number as at 31 March 2024	Face value ₹ per unit	As at 31 March 2025	As at 31 March 2024
<b>(a) Investment in equity instruments (measured at FVTPL)</b>					
<b>Unquoted</b>					
Adyar Property Holding Company Limited (paid up ₹ 65 per share)	105	105	100	*	*
Paints and Coatings Skill Council (fully paid up)	17	17	25,000	*	*
<b>(b) Investment in debentures (measured at Amortised cost)</b>					
<b>Unquoted</b>					
6.5% Bengal Chamber of Commerce and Industry	19	19	1,000	*	*
				*	*

	As at 31 March 2025	As at 31 March 2024
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	*	*
Aggregate amount of impairment in the value of investments	-	-

\*Amount is below rounding off norms, adopted by the Group

Refer note 31 for the information about the Group's exposure to credit and market risk and fair value measurement.

### Note 5.2. Loans

	As at 31 March 2025		As at 31 March 2024	
	Current	Non- current	Current	Non- current
Loan to employees	*	5	*	4
	*	5	*	4
<b>Break - up of security details</b>				
Loans considered good - Secured	-	-	-	-
Loans considered good - Unsecured	*	5	*	4
Loans which have significant increase in credit risk	-	-	-	-
Loans credit impaired	-	-	-	-
<b>Total</b>	*	5	*	4
Less : Loss allowance	-	-	-	-
	*	5	*	4

**Note:** The carrying value of loans and advances may be affected by changes in the credit risk of the counterparties. Refer note 31 for the credit risk exposure.

\* Amount is below rounding off norms, adopted by the Group

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 5.3. Other financial assets

	As at 31 March 2025		As at 31 March 2024	
	Current	Non-current	Current	Non-current
Security deposits	7	102	7	99
Less : Loss allowance	-	(9)	-	(9)
Bank deposits with more than 12 months maturity (Refer note 'a' below)	-	8	-	7
Government grant receivable (Refer note 'b' below)	123	-	123	-
Less : Loss allowance	(41)	-	(20)	-
	<b>89</b>	<b>101</b>	<b>110</b>	<b>97</b>

- (a) The above bank deposits are held as margin money against various guarantees issued by banks on behalf of the Group in favour of Government authorities.
- (b) Government grant relates to tax incentives receivable from the State Government of Madhya Pradesh in respect of investments of the Group in property, plant and equipment of the manufacturing plant set up in a backward area at Malanpur, Gwalior, India. There are no unfulfilled conditions or other contingencies attached to this grant. The Group did not benefit directly from any other forms of government assistance. Also refer note 15.

### Note 5.4. Trade receivables

#### Accounting policy

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Group's unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

See note 40 (i) for the other accounting policies relevant to trade receivables.

Trade receivables	As at 31 March 2025	As at 31 March 2024
Trade receivables from contracts with customers	5,198	5,416
Trade receivables from contracts with customers - related parties (Refer note 34)	781	495
Less: Loss allowance	(130)	(157)
	<b>5,849</b>	<b>5,754</b>
<b>Break - up of security details</b>		
Trade receivables considered good - Secured	256	277
Trade receivables considered good - Unsecured	5,723	5,634
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit impaired	-	-
<b>Total</b>	<b>5,979</b>	<b>5,911</b>
Less: Loss allowance	(130)	(157)
	<b>5,849</b>	<b>5,754</b>

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 5.4. Trade receivables (Contd..)

#### Ageing of trade receivables

As at 31 March 2025

Particulars	Unbilled	Not due	Outstanding for following periods from the due date of payment					Total
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>								
considered good	-	4,872	931	111	21	23	21	5,979
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
<b>Disputed trade receivables</b>								
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>4,872</b>	<b>931</b>	<b>111</b>	<b>21</b>	<b>23</b>	<b>21</b>	<b>5,979</b>

As at 31 March 2024

Particulars	Unbilled	Not due	Outstanding for following periods from the due date of payment					Total
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>								
considered good	-	5,074	629	88	63	26	31	5,911
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
<b>Disputed trade receivables</b>								
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>5,074</b>	<b>629</b>	<b>88</b>	<b>63</b>	<b>26</b>	<b>31</b>	<b>5,911</b>

### Note 5.5. Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Balances with banks:		
- In current accounts	971	1,173
- In EEFC accounts	227	159
Bank deposits with maturity of less than three months	1,284	1,405
	<b>2,482</b>	<b>2,737</b>

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior period.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 5.6. Bank balances other than cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Bank deposits (Refer note 'a' below)	403	2,424
Unpaid dividend accounts (Refer note 'b' below)	120	78
	<b>523</b>	<b>2,502</b>

(a) Bank deposits include deposits held as margin money amounting to ₹ 17 (31 March 2024 ₹ 19) against various guarantees issued by banks on behalf of the Group in favour of Government authorities.

(b) The Group can utilise these balances only towards settlement of unclaimed dividend.

### Note 6. Other non-current assets

	As at 31 March 2025	As at 31 March 2024
Capital advances	38	60
<b>Advances other than capital advances</b>		
Indirect taxes recoverable		
- Considered good	118	111
- Considered doubtful	31	31
Less: Provision for doubtful indirect taxes recoverable	(31)	(31)
Retirement benefit trusts surplus (Refer note 35)	52	57
Advance to customers	941	992
Prepaid expenses	2	5
	<b>1,151</b>	<b>1,225</b>

### Note 7. Non current tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Income tax {net of provision ₹ 14,739 (31 March 2024 ₹ 18,392)}	1,969	1,726
	<b>1,969</b>	<b>1,726</b>

### Note 8. Inventories

#### Accounting policy

The costs of individual items of inventory are determined on a moving weighted average basis. Volume rebates or discounts are taken into account when estimating the cost of inventory if it is probable that they have been earned and will take effect.

See note 40 (j) for the Group's other accounting policies for inventories.

Inventories	As at 31 March 2025	As at 31 March 2024
Raw materials (Refer note 'a' below)	2,248	2,452
Work-in-progress	116	123
Finished goods (Refer note 'b' and 'c' below)	1,886	1,851
Stock-in-trade (in respect of goods acquired for trading) (Refer note 'a' and 'b' below)	1,788	1,682
Stores and spares	9	7
	<b>6,047</b>	<b>6,115</b>
(a) Includes in-transit inventory:		
Raw materials	301	312
Stock-in-trade (in respect of goods acquired for trading)	*	*

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 8. Inventories (Contd..)

- (b) Finished goods and stock-in-trade (in respect of goods acquired for trading) are written down by ₹ 18 (31 March 2024 ₹ 72) to bring them down to the lower of cost and net realisable value. These were recognised as an expense during the year and included in 'Changes in inventories of work-in-progress, stock-in-trade and finished goods' in the Statement of Profit and Loss.
- (c) Includes right to returned goods amounting to ₹14 (31 March 2024 ₹ 24).

\* Amount is below rounding off norms, adopted by the Group

### Note 9. Other current assets

	As at 31 March 2025	As at 31 March 2024
<b>Advances other than capital advances</b>		
Advances to suppliers		
- Considered good	268	175
- Considered doubtful	31	24
Less: Provision for doubtful advances	(31)	(24)
Advances to employees		
- Considered good	5	1
- Considered doubtful	2	2
Less: Provision for doubtful advances	(2)	(2)
Advance to customers		
- Considered good	969	1,116
- Considered doubtful	24	24
Less: Provision for doubtful advances	(24)	(24)
Prepaid expenses	178	190
Indirect tax recoverable	311	516
	<b>1,731</b>	<b>1,998</b>

### Note 9.1 Assets classified as held for sale and Liabilities relating to assets classified as held for sale

#### (a) Description

On 24 February 2025, the Board of Directors of the Holding Company approved the slump sale of Powder Coatings Business division and the International Research Center division, to an indirect wholly owned subsidiary of Akzo Nobel N.V. (Ultimate Holding Company) proposed to be incorporated in India, for a consideration of INR 20,730 and INR 700 respectively. On 4 March 2025, Akzo Nobel Powder Coatings India Private Limited has been incorporated to act as the purchaser for the purchase of powder coatings and international research center business of the Group. The aforesaid sale transactions were subject to the (i) approval of the shareholders of the Holding Company; and (ii) approval of supervisory board of Akzo Nobel N.V.

Subsequent to the year end, the shareholders of the Holding Company approved the aforesaid sale transactions on 02 April 2025. The approval of supervisory board of Akzo Nobel N.V. is expected before 1 July 2025 and the aforesaid sale transactions are expected to be completed by 31 December 2025. The associated assets and liabilities of the disposal groups (Powder Coatings Business division and the International Research Center division) are presented as 'Assets classified as held for sale' and 'Liabilities relating to assets classified as held for sale' respectively in the Consolidated Financial Statements for the year ended 31 March 2025 as the aforesaid sale transactions were considered as highly probable as at 31 March 2025.

#### (b) Assets and liabilities of disposal group classified as held for sale

	Powder Coatings (i)	International Research Center (ii)	As at 31 March 2025 (i)+(ii)	As at 31 March 2024
<b>Assets classified as held for sale</b>				
Property, plant and equipment	736	209	945	-
Capital work-in-progress	312	90	402	-
Trade receivables	1,114	-	1,114	-

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 9.1 Assets classified as held for sale and Liabilities relating to assets classified as held for sale (Contd.)

	Powder Coatings (i)	International Research Center (ii)	As at 31 March 2025 (i)+(ii)	As at 31 March 2024
Inventories (Refer note below)	807	-	807	-
Other current assets	16	9	25	-
<b>Total assets of disposal group held for sale</b>	<b>2,985</b>	<b>308</b>	<b>3,293</b>	<b>-</b>
<b>Liabilities relating to assets classified as held for sale</b>				
Trade payables	446	65	511	-
Provisions for employee benefits (Refer note 35)	156	89	245	-
Other current liabilities	51	4	55	-
<b>Total liabilities of disposal group held for sale</b>	<b>653</b>	<b>158</b>	<b>811</b>	<b>-</b>
<b>Note: Inventories</b>				
Raw materials	377	-	377	-
Work-in-progress	8	-	8	-
Finished goods	422	-	422	-
	<b>807</b>	<b>-</b>	<b>807</b>	<b>-</b>

**Significant judgements:** Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. Significant management's judgements include the likelihood of shareholders' approval, determination of the dates of classification of the non-current assets as held for sale and the valuation of the disposal groups at the lower of carrying amount and fair value less costs to sell.

### Note 10. Equity share capital

	As at 31 March 2025	As at 31 March 2024
<b>Authorised:</b>		
126,690,000 (31 March 2024 - 126,690,000) equity shares of ₹ 10 each	1,267	1,267
<b>Issued, subscribed &amp; fully paid up:</b>		
45,540,314 (31 March 2024 - 45,540,314) equity shares of ₹ 10 each	455	455
	<b>455</b>	<b>455</b>

#### a. Reconciliation of equity shares outstanding at the beginning and at the end of the year:

	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
Opening balance	45,540,314	455	45,540,314	455
Add: Equity shares increased during the year	-	-	-	-
<b>Closing balance</b>	<b>45,540,314</b>	<b>455</b>	<b>45,540,314</b>	<b>455</b>

#### b. Terms and rights attached to equity shares

The Group has only one class of equity shares, having a par value of ₹ 10 per share. Each shareholder is eligible to one vote per share held. The Group declares and pays dividend in Indian Rupees. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group, after distribution of all preferential amounts, if any, in proportion to their shareholding.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 10. Equity share capital (Contd..)

#### c. Shares of the Group held by holding/ultimate holding Company or their subsidiaries

The ultimate holding Company is Akzo Nobel N.V., The Netherlands, which does not hold any shares directly in the Group.

	No. of Shares	
	As at 31 March 2025	As at 31 March 2024
Imperial Chemical Industries Limited, United Kingdom (Subsidiary of Ultimate Holding Company)	22,977,544	22,977,544
Akzo Nobel Coatings International B.V., The Netherlands (Subsidiary of Ultimate Holding Company)	11,066,791	11,066,791
	<b>34,044,335</b>	<b>34,044,335</b>

#### d. Details of shareholders holding more than 5% shares in the Group

	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	% holding	No. of Shares	% holding
Imperial Chemical Industries Limited, United Kingdom	22,977,544	50.46%	22,977,544	50.46%
Akzo Nobel Coatings International B.V., The Netherlands	11,066,791	24.30%	11,066,791	24.30%
	<b>34,044,335</b>	<b>74.76%</b>	<b>34,044,335</b>	<b>74.76%</b>

#### e. Details of shareholding of promoters

	As at 31 March 2025			As at 31 March 2024		
	No. of Shares	Percentage of total number of shares	Percentage of change during the year	No. of Shares	Percentage of total number of shares	Percentage of change during the year
Imperial Chemical Industries Limited, United Kingdom	22,977,544	50.46%	-	22,977,544	50.46%	-
Akzo Nobel Coatings International B.V., The Netherlands	11,066,791	24.30%	-	11,066,791	24.30%	-
<b>Total</b>	<b>34,044,335</b>	<b>74.76%</b>	<b>-</b>	<b>34,044,335</b>	<b>74.76%</b>	<b>-</b>

f. There are no shares reserved for issue under options and contracts or commitments for sale of shares or disinvestment.

### Note 11. Other equity

	As at 31 March 2025	As at 31 March 2024
<b>Reserves and surplus</b>		
Capital reserve (refer note 'a' below)	503	503
Capital redemption reserve (refer note 'b' below)	64	64
Revaluation reserve (refer note 'c' below)	12	12
Share based payment reserve (refer note 'd' below)	-	-
General reserve (refer note 'e' below)	4,519	4,519
Retained earnings (refer note 'f' below)	7,749	7,746
	<b>12,847</b>	<b>12,844</b>

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 11. Other equity (Contd..)

	As at 31 March 2025	As at 31 March 2024
<b>a Capital reserve</b>	503	503
Pursuant to various amalgamation schemes executed in the previous years as per the requirement of Companies Act, 1956 and Court orders, the Group had created capital reserve based on the differential between the net assets and liabilities acquired from the other party. There is no movement during the year.		
<b>b Capital redemption reserve</b>	64	64
Pursuant to the buy back scheme for purchase of equity shares offered by the Group during earlier years, the Group had created a capital redemption reserve in those years as per the regulatory requirements. There is no movement during the year.		
<b>c Revaluation reserve</b>	12	12
It represents revaluation of certain land acquired as part of amalgamation done with various companies in the previous periods. This reserve is not available for distribution of the balance to shareholders. There is no movement during the year.		
<b>d Share based payment reserve</b>		
It represents reserve on account of the shares to be issued to certain employees under restricted share plans. Refer note 39.		
Balance at the beginning of the year	-	-
Employee share-based payment expense	28	31
Transfer to Other non-current liabilities / Other current liabilities - Employees related payables	(28)	(31)
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>
<b>e General reserve</b>	4,519	4,519
The General reserve is used from time to time to transfer profit from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserves will not be reclassified subsequently to profit and loss. There is no movement during the year.		
<b>f Retained earnings</b>		
Balance at the beginning of the year	7,746	7,610
Net profit for the year	4,295	4,266
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax*	34	(31)
Dividends	(4,326)	(4,099)
<b>Balance at the end of the year</b>	<b>7,749</b>	<b>7,746</b>

\*Remeasurements of post-employment benefit obligation / (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

### Note 12. Non current financial liabilities - Others

	As at 31 March 2025	As at 31 March 2024
Security deposits (Refer note below)	2	20
	<b>2</b>	<b>20</b>

**Note :** It represents deposits received from customers under operating lease arrangement, refer note 30.

# Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Note 13. Provisions

	Non- current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Employee benefits (Refer note 35)				
Pension	*	1	-	-
Gratuity	325	511	3	3
Leave obligations (Refer note 'c' below)	-	-	160	191
Post retirement medical and others	350	323	31	28
Provident fund	-	89	-	-
Long service award	11	15	1	2
Indirect taxes (Refer note 'a' and 'b' below)	-	-	149	141
Divested businesses (Refer note 'a' and 'b' below)	-	-	38	38
Others (Refer note 'a' and 'b' below)	4	4	8	8
	<b>690</b>	<b>943</b>	<b>390</b>	<b>411</b>

### Additional disclosure relating to provisions:

#### (a) Movement in provisions:

For the year ended 31 March 2025

Particulars	Class of provisions		
	Indirect taxes	Divested business	Others
Opening balance as at 1 April 2024	141	38	12
Provision created during the year	8	-	-
Provision utilised / written back during the year	-	-	-
<b>Closing balance as at 31 March 2025</b>	<b>149</b>	<b>38</b>	<b>12</b>

For the year ended 31 March 2024

Particulars	Class of provisions		
	Indirect taxes	Divested business	Others
Opening balance as at 1 April 2023	140	38	12
Provision created during the year	1	-	-
Provision utilised / written back during the year	-	-	-
<b>Closing balance as at 31 March 2024</b>	<b>141</b>	<b>38</b>	<b>12</b>

#### (b) Nature of provisions:

##### (i) Indirect taxes

Provisions relating to indirect taxes are in respect of proceedings of various sales tax, excise duty and other indirect tax cases, including those relating to divested businesses. Outflows in all these cases, including their timing and certainty, would depend on the developments/outcome in these cases, though, presently classified as short term due to uncertainty of the timing.

##### (ii) Divested businesses

Provisions relating to divested businesses (other than any indirect tax cases relating to such businesses) are in respect of existing / anticipated costs arising from divestment of businesses. Outflows in these cases, including their timing and certainty, would depend upon settlement of claims, though, presently classified as short term due to uncertainty of the timing.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 13. Provisions (Contd..)

#### (iii) Others

Others include various claims arising during the course of the business. Outflows in these cases will depend upon settlement of claims, if any for which timing and amount of outflow is not certain.

- (c) The entire amount of leave obligations provision of ₹ 160 (31 March 2024 ₹ 191) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

\* Amount is below rounding off norms, adopted by the Group

### Note 14. Income tax

#### A. Income tax expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Current tax expense</b>		
Current tax on profits for the year	1,477	1,521
Adjustments for current tax of prior periods	(68)	(13)
<b>Total current tax expense</b>	<b>1,409</b>	<b>1,508</b>
<b>Deferred tax</b>		
Decrease/(increase) in deferred tax assets	19	8
(Decrease)/increase in deferred tax liabilities	(24)	(52)
<b>Total deferred tax charge/(credit)</b>	<b>(5)</b>	<b>(44)</b>
<b>Income tax expense</b>	<b>1,404</b>	<b>1,464</b>

#### B. Reconciliation of effective tax rate

	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	5,699	5,730
Tax at the Indian tax rate of 25.168% (31 March 2024 - 25.168%)	1,434	1,442
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Corporate social responsibility expenditure	23	19
Adjustment for current tax of prior periods	(68)	(13)
Tax effects of assets classified as held for sale and liabilities relating to assets classified as held for sale	22	-
Tax effects of other amounts which are not deductible in calculating taxable income	2	11
Previously unrecognised tax losses and unabsorbed depreciation used to reduce deferred tax expense (refer note below)	(6)	-
Others	(3)	5
	<b>1,404</b>	<b>1,464</b>

**Note:** Following the conversion of subsidiary from Section 8 company to a private limited company in the current year, the group reviewed previously unrecognised deferred tax on the tax losses and unabsorbed depreciation of the subsidiary and it is determined that it is now probable that future taxable profits will be available against which such tax losses and unabsorbed depreciation can be utilised. As a consequence, a deferred tax asset of ₹ 6 is recognised for the tax losses and unabsorbed depreciation as at 31 March 2025.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 14. Income tax (Contd..)

#### C. Movement in deferred tax balances

	As at 1 April 2024	Recognised in P&L	Recognised in OCI	As at 31 March 2025
<b>Deferred tax liabilities</b>				
Property, plant and equipment	131	(25)	-	106
Surplus payments to retirement trusts	14	(1)	-	13
Right-of-use assets	133	2	-	135
Others	*	*	-	*
<b>Sub- total (a)</b>	<b>278</b>	<b>(24)</b>	<b>-</b>	<b>254</b>
<b>Deferred tax assets</b>				
Provision for doubtful debts and advances	62	(3)	-	59
Expenditure disallowed u/s 43B of Income Tax Act, 1961	300	(14)	(11)	275
Expenditure deductible u/s 35 DDA of the Income Tax Act, 1961	5	(5)	-	-
Lease liabilities	152	4	-	156
Tax losses and unabsorbed depreciation under the Income Tax Act, 1961	-	6	-	6
Other disallowances under the Income Tax Act, 1961	79	(7)	-	72
<b>Sub- total (b)</b>	<b>598</b>	<b>(19)</b>	<b>(11)</b>	<b>568</b>
<b>Net deferred tax liabilities/(assets) (a)-(b)</b>	<b>(320)</b>	<b>(5)</b>	<b>11</b>	<b>(314)</b>

\*Amount is below rounding off norms, adopted by the Group

#### D. Movement in deferred tax balances

	As at 1 April 2023	Recognised in P&L	Recognised in OCI	As at 31 March 2024
<b>Deferred tax liabilities</b>				
Property, plant and equipment	158	(27)	-	131
Surplus payments to retirement trusts	13	1	-	14
Right-of-use assets	159	(26)	-	133
Others	*	*	-	*
<b>Sub- total (a)</b>	<b>330</b>	<b>(52)</b>	<b>-</b>	<b>278</b>
<b>Deferred tax assets</b>				
Provision for doubtful debts and advances	62	*	-	62
Expenditure disallowed u/s 43B of Income tax Act, 1961	266	24	10	300
Expenditure deductible u/s 35 DDA of the Income Tax Act, 1961	9	(4)	-	5
Lease liabilities	176	(24)	-	152
Tax losses and unabsorbed depreciation under the Income Tax Act, 1961	-	-	-	-
Other disallowances under the Income Tax Act, 1961	83	(4)	-	79
<b>Sub- total (b)</b>	<b>596</b>	<b>(8)</b>	<b>10</b>	<b>598</b>
<b>Net deferred tax liabilities/(assets) (a)-(b)</b>	<b>(266)</b>	<b>(44)</b>	<b>(10)</b>	<b>(320)</b>

\*Amount is below rounding off norms, adopted by the Group

### Note 15. Other non-current liabilities

	As at 31 March 2025	As at 31 March 2024
Deferred lease rentals (Refer note 'a' below)	-	1
Deferred government grant (Refer note 'b' below)	62	62
Employees related payables (Refer note 'c' below)	29	28
	<b>91</b>	<b>91</b>

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 15. Other non-current liabilities (Contd..)

(a) Represents fair valuation of security deposits received from customers, Refer note 31.

	As at 31 March 2025	As at 31 March 2024
(b) Opening balance of Deferred/(Accrued) Government grant	62	62
Add : Government grant receivable	-	-
Less : Government grant recognised during the year	-	-
<b>Closing balance of (Deferred) /Accrued Government grant</b>	<b>62</b>	<b>62</b>

(c) It includes balance payable to ultimate holding Company in relation to the equity-settled restricted share plans. Refer note 39.

### Note 16.1. Current financial liabilities - Trade payables

	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro enterprises and small enterprises (Refer note 'b' below)	353	321
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Payables to related parties (Refer note 34)	2,012	2,014
- Acceptances	290	301
- Others	6,908	7,339
	<b>9,210</b>	<b>9,654</b>
	<b>9,563</b>	<b>9,975</b>

(a) Refer note 31 for explanations on the Group's liquidity risk management process.

#### (b) Additional disclosure as per Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:

	As at 31 March 2025	As at 31 March 2024
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	293	268
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	60	53
(iii) Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	366	640
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(vi) Interest due and payable towards suppliers registered under MSMED Act for payments already made	7	16
(vii) Further interest remaining due and payable for earlier years	53	30

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 16.1. Current financial liabilities - Trade payables (Contd..)

#### (c) Ageing of trade payables

As at 31 March 2025

Particulars	Unbilled	Not due	Outstanding for following periods from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade payables</b>							
Micro enterprises and small enterprises	-	14	338	1	*	*	353
Others	2,884	307	5,635	161	68	155	9,210
<b>Disputed trade payables</b>							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
<b>Total</b>	<b>2,884</b>	<b>321</b>	<b>5,973</b>	<b>162</b>	<b>68</b>	<b>155</b>	<b>9,563</b>

As at 31 March 2024

Particulars	Unbilled	Not due	Outstanding for following periods from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade payables</b>							
Micro enterprises and small enterprises	135	1	185	*	*	-	321
Others	3,720	653	4,978	112	47	144	9,654
<b>Disputed trade payables</b>							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
<b>Total</b>	<b>3,855</b>	<b>654</b>	<b>5,163</b>	<b>112</b>	<b>47</b>	<b>144</b>	<b>9,975</b>

\*Amount is below rounding off norms, adopted by the Group

### Note 16.2. Current financial liabilities - Other financial liabilities

	As at 31 March 2025	As at 31 March 2024
Security Deposits (Refer note 'a' below)	534	590
<b>Others</b>		
Unpaid dividends (Refer note 'b' below)	120	78
Payable to employees	203	226
Capital creditors	104	110
Derivatives not designated as hedges- forward contracts (Refer note 31)	5	3
Retention money payable	11	1
	<b>977</b>	<b>1,008</b>

- (a) It represents deposits received from customers under operating lease arrangement, refer note 30.
- (b) There are no amounts due to be credited to the Investor Education and Protection Fund.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 16.2. Current financial liabilities - Other financial liabilities (Contd..)

#### Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents	2,482	2,737
Lease liabilities	(621)	(604)
	<b>1,861</b>	<b>2,133</b>

Particulars	Other assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Lease liabilities	
<b>Balance as at 1 April 2023</b>	<b>3,147</b>	<b>(697)</b>	<b>2,450</b>
Cash flow	(410)	175	(235)
Net acquisition lease	-	(82)	(82)
Interest expense	-	(71)	(71)
Interest paid	-	71	71
<b>Balance as on 31 March 2024</b>	<b>2,737</b>	<b>(604)</b>	<b>2,133</b>
<b>Balance as at 1 April 2024</b>	<b>2,737</b>	<b>(604)</b>	<b>2,133</b>
Cash flow	(255)	178	(77)
Net acquisition lease	-	(195)	(195)
Interest expense	-	(74)	(74)
Interest paid	-	74	74
<b>Balance as on 31 March 2025</b>	<b>2,482</b>	<b>(621)</b>	<b>1,861</b>

### Note 17. Other current liabilities

	As at 31 March 2025	As at 31 March 2024
Statutory dues payable	550	618
Liability towards customers	80	90
Deferred revenue (Refer note 'a' below)	316	367
Deferred lease rental (Refer note 'b' below)	1	2
Refund liabilities (Refer note 'c' below)	1,612	1,592
Employees related payables (Refer note 'd' below)	28	19
	<b>2,587</b>	<b>2,688</b>

- (a) Invoicing in excess of revenue are classified as contract liabilities which we refer to as deferred revenue. Revenue recognised during the year that was included in the deferred revenue balances at the beginning of the period amounting to ₹ 367 (31 March 2024 ₹ 341).
- (b) It includes fair valuation of security deposits received from customers, as explained in note 31.
- (c) When a customer has a right to return product within a given period, the Group recognises a refund liability for the amount of consideration received for which it does not expect to be entitled amounting to ₹ 22 (31 March 2024 ₹ 39). Refund Liabilities are also recognised for expected volume discount and other incentives payable to customers amounting to ₹ 1,590 (31 March 2024 ₹ 1,553) pending settlement.

The Group has shown liabilities relating to expected returns, volume discounts and other incentives payable as refund liabilities.

- (d) It includes balance payable to ultimate holding Company in relation to the equity-settled restricted share plans. Refer note 39.

# Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Note 18. Revenue from operations

### Accounting policy

#### Sale of goods

- (i) The Group manufactures and sells a range of decorative and coating paints. Sales are recognised when control of the products is transferred, which happens when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the acceptance of the products by the customer. Delivery occurs when the products have been shipped to the specific location, the risk of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.
- (ii) Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts and incentive schemes. Accumulated experience is used to estimate and provide for such variable consideration, and the revenue is only recognised to the extent that it is highly probable that a significant reversal in the revenue will not occur. A refund liability (included in other current liabilities) is recognised for the variable consideration payable to the customer in relation to sales made until the end of the reporting period. Refund liability is also recognised for expected return of products as at the period end with corresponding recognition of right to recover the returned goods. Revenue is net of sales returns. The validity of assumptions used to estimate variable consideration and expected return of products is reassessed annually.
- (iii) A receivable is recognised when the goods are delivered as this is the point in time when the consideration is unconditional because only passage of time is required before the payment is due.

#### Service revenue

- (iv) The Group provides research and development services under cost plus agreed mark-up basis to its related parties. Service income is recognised on accrual basis in the accounting period in which the services are rendered as per the contractual terms with the customers.

#### Financing components

- (v) The Group does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

The Group derives the following types of revenue :

#### Revenue from operations

	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from contracts with customers		
- Sale of products	39,804	38,517
- Sale of services	844	850
Other operating revenue	264	249
	<b>40,912</b>	<b>39,616</b>

- (a) The customer incentive is recognised based on purchases made by the customers in line with ongoing schemes and incentive programmes rolled out by the Group. Judgements include past history of incentive, likelihood of achieving targets, other variable inputs etc. Changes in assumptions about these factors could affect the reported accrual of customer incentive.

#### Reconciliation of revenue recognised with contract price

	For the year ended 31 March 2025	For the year ended 31 March 2024
Contract price	51,293	50,162
<b>Adjustments for :</b>		
Deferred revenue	51	(26)
Refund liabilities / Incentive to customers	(10,696)	(10,769)
<b>Revenue from operations</b>	<b>40,648</b>	<b>39,367</b>

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 18. Revenue from operations (Contd..)

(b) Breakup of other operating revenue

	For the year ended 31 March 2025	For the year ended 31 March 2024
Duty drawback on exports	5	4
Lease rentals	136	101
Scrap sales	40	33
Business auxiliary services	19	22
Provision/liabilities no longer required written back	63	87
Miscellaneous income	1	2
	<b>264</b>	<b>249</b>

### Note 19. Other income

#### Accounting policy

#### Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest rate method and is recognised in the Statement of Profit and Loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of loss allowance).

	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Interest income:</b>		
- on financial assets at amortized cost	238	332
- on income tax refund	21	21
- on others	3	-
Unwinding of discount on financial assets	3	3
<b>Other non-operating income:</b>		
Net gain on termination of leases	-	2
Net gain on sale of investments	11	-
	<b>276</b>	<b>358</b>

### Note 20. Cost of materials consumed

	For the year ended 31 March 2025	For the year ended 31 March 2024
Raw materials as at the beginning of the year	2,452	2,262
Add: Purchases	21,798	20,283
Less: Raw materials as at the end of the year		
- Held as inventories (refer note 8)	(2,248)	(2,452)
- Held for sale (refer note 9.1)	(377)	-
<b>Total cost of materials consumed</b>	<b>21,625</b>	<b>20,093</b>

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 21. Changes in inventories of work-in-progress, stock-in-trade and finished goods

	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventory at the beginning of the year		
- Work-in-progress	123	135
- Stock-in-trade (in respect of goods acquired for trading)	1,682	642
- Finished goods	1,851	2,931
	<b>3,656</b>	<b>3,708</b>
Inventory at the end of the year		
- Work-in-progress		
a. Held as inventories (refer note 8)	116	123
b. Held for sale (refer note 9.1)	8	-
- Stock-in-trade (in respect of goods acquired for trading)		
Held as inventories (refer note 8)	1,788	1,682
- Finished goods		
a. Held as inventories (refer note 8)	1,886	1,851
b. Held for sale (refer note 9.1)	422	-
	<b>4,220</b>	<b>3,656</b>
<b>(Increase)/decrease in inventories of work-in-progress, stock-in-trade and finished goods</b>	<b>(564)</b>	<b>52</b>

### Note 22. Employee benefits expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	3,011	2,934
Contribution to provident and other funds (Refer note 35)	234	211
Employee share based payment expense	28	31
Other long-term employee benefits	11	2
Staff welfare expenses	90	103
	<b>3,374</b>	<b>3,281</b>

### Note 23. Finance costs

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest and finance charges on financial liabilities not at FVTPL	17	26
Interest and finance charges on lease liabilities (Refer note 3.2)	74	71
Unwinding of discount on security deposits	*	5
Others	7	23
	<b>98</b>	<b>125</b>

\*Amount is below rounding off norms, adopted by the Group

### Note 24. Depreciation and amortisation expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of property, plant and equipment (Refer note 3.1)	695	624
Depreciation of right-of-use-assets (Refer note 3.2)	188	188
Amortisation of intangible assets (Refer note 4)	11	11
	<b>894</b>	<b>823</b>

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 25. Other expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Stores and spare parts consumed	30	41
Repairs and maintenance		
- Plant and machinery	388	354
- Buildings	31	43
- Others	*	*
Power and fuel	200	177
Travelling	367	355
Rates and taxes	30	25
Rent	37	28
Insurance	118	120
Freight and transport	1,621	1,590
Advertisement and publicity	1,152	1,192
Royalty	1,398	1,411
Consultancy charges	281	140
Net foreign exchange differences	*	5
Payments to auditors (Refer note 'a' below)	16	15
Corporate social responsibility expenditure (Refer note 'b' below)	93	77
IT support and maintenance	480	435
Warehouse charges	314	227
Provision for doubtful debts and advances (Refer note 'c' below)	31	40
Loss on sale of property, plant and equipment (net)	7	11
Sub contracting charges	648	803
Miscellaneous expenses	701	698
	<b>7,943</b>	<b>7,787</b>

\*Amount is below rounding off norms, adopted by the Group

#### (a) Details of payments to auditors #

	For the year ended 31 March 2025	For the year ended 31 March 2024
Statutory audit (including limited reviews)	8	8
Other audit related services	7	7
Reimbursement of expenses	1	*
	<b>16</b>	<b>15</b>

# Excluding goods and service tax

\*Amount is below rounding off norms, adopted by the Group

#### (b) Corporate social responsibility expenditure

	For the year ended 31 March 2025	For the year ended 31 March 2024
Vocational skill training	66	55
Promoting education	13	12
Promoting preventive healthcare	7	5
Others	7	5
	<b>93</b>	<b>77</b>
Amount required to be spent as per Section 135 of the Act	93	74
Amount spent during the year on		
i) Construction/acquisition of an asset	-	-
ii) On purposes other than (i) above	93	77

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 25. Other expenses (Contd..)

Details of ongoing CSR Projects under Section 135 (6) of the Act

Balance as at 1 April 2023		Amount required to be spent during the year	Amount spent during the year		Balance as at 31 March 2024	
With the Group	In separate CSR unspent account		From the Group's bank account	From separate CSR unspent Account	With the Group	In separate CSR unspent account
-	-	-	-	-	-	-

Balance as at 1 April 2024		Amount required to be spent during the year	Amount spent during the year		Balance as at 31 March 2025	
With the Group	In separate CSR unspent account		From the Group's bank account	From separate CSR unspent Account	With the Group	In separate CSR unspent account
-	-	-	-	-	-	-

Details of CSR expenditure under Section 135 (5) of the Act in respect to other than ongoing projects

Balance unspent as on 1 April 2023	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as on 31 March 2024	Balance unspent as on 1 April 2024	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as on 31 March 2025
-	-	74	77	-	-	-	93	93	-

Details of excess CSR expenditure under Section 135 (5) of the Act

Balance excess spent as at 1 April 2023	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as on 31 March 2024	Balance excess spent as at 1 April 2024	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as on 31 March 2025
-	74	77	3	3	93	93	3

(c) Excluding bad debts written off during the year amounting to ₹ 40 (31 March 2024 ₹ 33).

**Note 26.** The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of The Income Tax Act, 1961. Since the law requires such information and documentation to be contemporaneous in nature, the Group is in process of updating the documentation of international transactions with the Associated Enterprises during the financial year and expects such records to be in existence latest by the due date of filing the return of income. The management is of the opinion that its international transactions are at arm's length so that aforesaid legislation will not have any material impact on the Consolidated Financial Statements, particularly on the amount of tax expense and that of provision for taxation.

### Note 27. Contingent liabilities

	As at 31 March 2025	As at 31 March 2024
(a) Claims against the Group not acknowledged as debts	57	59

The Group is contesting certain claims filed against the Group by past employees and external parties in various forums. Based on the available documentation and experts view, the Group has created provisions wherever required and for the balance matters, it believes that more likely than not, these disputes would not result in additional outflow of resources.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 27. Contingent liabilities (Contd..)

	As at 31 March 2025	As at 31 March 2024
(b) Contingent liability of direct and indirect tax (Refer note below)		
Income tax matters in dispute / under appeal	253	395
Sales tax/VAT matters in dispute / under appeal	75	46
Custom, Excise and Service tax matters in dispute / under appeal	118	118
GST (Goods and service tax) matters in dispute / under appeal	3	2
	<b>449</b>	<b>561</b>

**Note:** The Group is contesting certain claims raised by authorities towards income tax, excise, service tax, sales tax/VAT, custom and GST (Goods and service tax) dues at various forums. Based on the available documentation and experts view, the Group has created provisions wherever required and for the balance matters, it believes that more likely than not, these disputes would not result in additional outflow of resources.

It is not practicable for the Group to estimate the timings and amount of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Group does not expect any reimbursements in respect of the above contingent liabilities.

Significant Estimates: The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events requires best judgement by management considering the probability of exposure to potential loss. Judgement includes consideration of experts opinion, facts of the matter, underlying documentation and historical experience. Changes in assumptions about these factors could affect the reported value of contingencies and provisions.

- (c) The Supreme Court of India has passed an order dated 28 February 2019 in the matter of The Regional Provident Fund Commissioner (II) West Bengal vs. Vivekananda Vidyamandir & Ors in Civil Appeal No. 6221 of 2011 and few other linked cases. In the said order, the Supreme Court has clarified the definition of the Basic Wage under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant financial impact and accordingly, no provision has been made in these Consolidated Financial Statements. The Group will continue to monitor and evaluate its position based on future events and developments.
- (d) There are no contingent assets as at 31 March 2025 and as at 31 March 2024.

### Note 28. Capital and other commitments

	As at 31 March 2025	As at 31 March 2024
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	172	80
Liability on partly paid investment: Adyar Property Holding Company Limited	*	*

\*Amount is below rounding off norms, adopted by the Group

### Note 29. Earnings per share

	For the year ended 31 March 2025	For the year ended 31 March 2024
Weighted average number of shares outstanding the during the year	45,540,314	45,540,314
Net profit after tax available for equity shareholders	4,295	4,266
Basic earnings per equity share (in ₹) [Face value of ₹ 10 each]	94.31	93.68
Diluted earnings per equity share (in ₹) [Face value of ₹ 10 each]	94.31	93.68

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 30. Operating lease

The Group has given colour solution machines under operating leases to various dealers and customers. These have been disclosed under 'Plant and equipment -given under operating lease' in note 3.1 (Property, plant and equipment). The leases have varying terms with no escalation clause and no renewable rights. The leases are cancellable at the option of Group. The future lease rentals receivable in respect of these assets, based on the agreements in place, are as under :

	As at 31 March 2025	As at 31 March 2024
Within one year	60	55
Later than one year and not later than five years	76	69
Later than five years	*	1
	<b>136</b>	<b>125</b>

\*Amount is below rounding off norms, adopted by the Group

### Note 31. Fair value measurements

#### a) Financial instruments by category

Particulars	As at 31 March 2025			As at 31 March 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investment in equity shares	*	-	-	*	-	-
Investment in debentures	-	-	*	-	-	*
Loans	-	-	5	-	-	4
Other financial assets	-	-	182	-	-	200
Trade receivables	-	-	5,849	-	-	5,754
Cash and cash equivalents	-	-	2,482	-	-	2,737
Other bank balances	-	-	531	-	-	2,509
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>9,049</b>	<b>*</b>	<b>-</b>	<b>11,204</b>
<b>Financial liabilities</b>						
Trade payables	-	-	9,563	-	-	9,975
Other financial liabilities	-	-	974	-	-	1,025
Other financial liabilities - Foreign exchange forward contracts	5	-	-	3	-	-
<b>Total financial liabilities</b>	<b>5</b>	<b>-</b>	<b>10,537</b>	<b>3</b>	<b>-</b>	<b>11,000</b>

\*Amount is below rounding off norms, adopted by the Group.

#### b) Fair value measurement hierarchy for assets and liabilities

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

#### Financial assets and liabilities measured at fair value as at 31 March 2025

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial instruments at FVTPL				
- Unquoted equity shares	-	-	*	*
<b>Financial liabilities</b>				
Derivative not designated as hedges				
- Foreign exchange forward contracts	-	5	-	5

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 31. Fair value measurements (Contd..)

#### Financial assets and liabilities measured at fair value as at 31 March 2024

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Financial instruments at FVTPL				
- Unquoted equity shares	-	-	*	*
<b>Financial liabilities</b>				
Derivative not designated as hedges				
- Foreign exchange forward contracts	-	3	-	3

#### Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices. The quoted market price used for financial assets held by the Group is the current bid price.

Level 2 hierarchy includes the fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives). The fair value of such financial instruments is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. This includes foreign exchange forward contracts.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3. There are no transfers between levels 1 and 2 during the year. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

\*Amount is below rounding off norms, adopted by the Group.

#### c) Valuation techniques used to determine fair value

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods were used to estimate the fair values:

- Unquoted equity shares – The valuation model is based on market multiples derived from quoted prices and price earning multiples of companies comparable to the investee and the net assets value and price earning multiples of the investee. The estimate is adjusted for the effect of the non-marketability of the relevant equity securities.
- Other non-current financial assets and liabilities: Fair value is calculated using a discounted cash flow model with market assumptions, unless the carrying value is considered to approximate the fair value.
- Derivative financial assets/liabilities: The Group enters into derivative contracts with various counterparties, principally financial institutions with investment grade credit ratings. Forward foreign currency contracts are determined using forward exchange rates at the balance sheet date.
- Trade receivables, loans, other current financial assets, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.

#### d) Valuation processes

External valuers are involved for valuation of significant assets. The finance department of the Group assists the external valuers in the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

The valuation processes and results are reviewed by CFO and finance team once every three months, in line with the Group's quarterly reporting periods.

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TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 31. Fair value measurements (Contd..)

The main level 3 inputs for unlisted equity securities, used by the Group are derived and evaluated as follows:

- the use of quoted market prices / dealer quotes / profit earning (PE) for similar instruments
- Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Group's internal credit risk management.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

#### e) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost

	As at 31 March 2025		As at 31 March 2024		Level
	Carrying amount	Fair value	Carrying amount	Fair value	
<b>Financial assets</b>					
Investment in debentures	*	*	*	*	3
Loans	5	5	4	4	3
Other financial assets	182	182	200	200	3
Trade receivables	5,849	5,849	5,754	5,754	3
<b>Total financial assets</b>	<b>6,036</b>	<b>6,036</b>	<b>5,958</b>	<b>5,958</b>	
<b>Financial liabilities</b>					
Trade payables	9,563	9,563	9,975	9,975	3
Other financial liabilities	974	975	1,025	1,028	3
<b>Total financial liabilities</b>	<b>10,537</b>	<b>10,538</b>	<b>11,000</b>	<b>11,003</b>	

- a) The carrying amounts of investment in debentures, loans, trade receivables, other financial assets and trade payables are considered to be the same as their fair values, due to their short-term nature.
- b) The fair values for security deposits are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.
- c) The fair values of financial assets and financial liabilities recorded in the balance sheet in respect of which quoted prices in active markets are available are measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

\*Amount is below rounding off norms, adopted by the Group

#### Risk management framework

The Holding Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 31. Fair value measurements (Contd..)

The Group's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee.	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts

In order to minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures on account of expenditure in foreign currencies and earnings in foreign exchange (export of goods, service income, etc.). The Group does not enter into any derivative instruments for trading or speculative purposes or for highly probable forecast transactions.

The Group follows a forex Risk Management policy under which all material foreign currency exposures are hedged through forward covers to protect against swings in exchange rates.

The Group's risk management is carried out by a central treasury department / finance team under policies approved by the board of directors.

#### i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. The carrying amounts of financial assets represent the maximum credit risk exposure.

A default on a financial asset is when the counterparty fails to make contractual payments as per agreed terms. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

#### Trade and other receivables

Credit risk refers to the risk of default on its obligation by the counterparty resulting in financial loss. The maximum exposure to the credit risk at the reporting date is primarily from Trade receivables amounting to ₹ 5,849 and ₹ 5,754 as at 31 March 2025 and 31 March 2024 respectively. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Group has a credit risk management policy in place to limit credit losses due to non-performance of financial counterparties and customers. The Group monitors its exposure to credit risk on an ongoing basis at various levels. The Group only deals with financial counterparties that have a sufficiently high credit rating. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The Group closely monitors the acceptable financial counterparty credit ratings and credit limits and revise where required in line with the market circumstances. Due to the geographical spread and the diversity of the Group 's customers, the Group is not subject to any significant concentration of credit risks at balance sheet date.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are combined into homogenous entities and assessed for impairment collectively. The calculation is based on credit losses historical data. The Group has evaluated that the concentration of risk with respect to trade receivables to below.

## Notes

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(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 31. Fair value measurements (Contd..)

Trade and other receivables are written off when there is no reasonable expectation of recovery post identification on case to case basis.

On account of adoption of IndAS 109, the Group uses a simplified approach (lifetime expected credit loss model) for the purpose of computation of expected credit loss for trade receivables. Specific case to case provision is made in respect of credit impaired customers.

#### Reconciliation of loss allowance provision – Trade receivables

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance	157	150
Changes in loss allowance (net)	(27)	7
<b>Closing balance</b>	<b>130</b>	<b>157</b>

#### Reconciliation of loss allowance provision – Other receivables

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance	29	9
Changes in loss allowance (net)	21	20
<b>Closing balance</b>	<b>50</b>	<b>29</b>

Loss allowance as at 31 March 2025 and 31 March 2024 was determined as follows under the simplified approach:

For the year ended 31 March 2025	Not Due	0-90 days past due	91-180 days past due	181-270 days past due	271-360 days past due	More than 360 days past due	Total
Trade receivables - Considered good	4,872	665	266	57	54	65	5,979
Expected loss rate	0.41%	2.11%	4.51%	22.81%	24.07%	89.23%	2.17%
Expected credit losses- trade receivables	20	14	12	13	13	58	130
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>4,852</b>	<b>651</b>	<b>254</b>	<b>44</b>	<b>41</b>	<b>7</b>	<b>5,849</b>

For the year ended 31 March 2024	Not Due	0-90 days past due	91-180 days past due	181-270 days past due	271-360 days past due	More than 360 days past due	Total
Trade receivables - Considered good	5,074	563	66	50	38	120	5,911
Expected loss rate	0.51%	3.43%	17.86%	32.62%	27.60%	61.47%	2.65%
Expected credit losses- trade receivables	26	19	12	16	10	74	157
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>5,048</b>	<b>544</b>	<b>54</b>	<b>34</b>	<b>28</b>	<b>46</b>	<b>5,754</b>

Significant estimates: The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 31. Fair value measurements (Contd..)

at the end of each reporting period. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109, "Financial Instruments", which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### Cash and cash equivalents, short term investments and derivatives

For short-term investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. For derivative and financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by international credit-rating agencies.

#### ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

As at 31 March 2025	Contractual cash flows					
	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Lease liabilities (including interest)	1,031	117	115	178	267	354
Trade and other payables	9,563	9,563	-	-	-	-
Other financial liabilities	974	773	199	2	-	-
<b>Derivative financial liabilities</b>						
Forward exchange contracts	5	5	-	-	-	-

As at 31 March 2024	Contractual cash flows					
	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Lease liabilities (including interest)	1,006	109	100	177	254	366
Trade and other payables	9,975	9,975	-	-	-	-
Other financial liabilities	1,025	828	177	19	1	-
<b>Derivative financial liabilities</b>						
Forward exchange contracts	3	3	-	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

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(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 31. Fair value measurements (Contd..)

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Borrowing facilities	As at 31 March 2025	As at 31 March 2024
- Expiring within one year (bank overdraft facilities)	892	826

#### iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Group is exposed to market risk primarily related to foreign exchange rate risk and the market value of the investments. Thus, the Group's exposure to market risk is a function of investing and revenue generating and operating activities. The objective of market risk management is to avoid excessive exposure in financial assets and unhedged foreign currency, revenues and costs.

##### Currency risk

The Group is exposed to currency risk on account of its receivables and payables in foreign currency. The functional currency of the Group is Indian Rupee. The Group uses forward exchange contracts to limit its exposure of currency risk, most with a maturity of less than one year from the reporting date. The Group does not use derivative financial instruments for trading or speculative purposes.

##### Exposure to currency risk

The currency profile of financial assets and financial liabilities (other than Indian Rupees) as at 31 March 2025 and 31 March 2024 are reinstated in millions Indian Rupees which is stated below :

As at 31 March 2025	USD	Euro	Other
<b>Financial assets</b>			
Trade and other receivables	923	2	40
Balance in EEFC account	227	-	-
<b>Derivative assets</b>			
Foreign exchange forward contracts-sell foreign currency	-	-	-
<b>Net exposure to foreign currency risk (Assets)</b>	<b>1,150</b>	<b>2</b>	<b>40</b>
<b>Financial liabilities</b>			
Trade and other payables	1,232	318	64
<b>Derivative liabilities</b>			
Foreign exchange forward contracts-buy foreign currency	(438)	(277)	-
<b>Net exposure to foreign currency risk (Liabilities)</b>	<b>794</b>	<b>41</b>	<b>64</b>

As at 31 March 2024	USD	Euro	Other
<b>Financial assets</b>			
Trade and other receivables	564	2	5
Balance in EEFC account	159	-	-
<b>Derivative assets</b>			
Foreign exchange forward contracts-sell foreign currency	-	-	-
<b>Net exposure to foreign currency risk (Assets)</b>	<b>723</b>	<b>2</b>	<b>5</b>
<b>Financial liabilities</b>			
Trade and other payables	1,310	367	96
<b>Derivative liabilities</b>			
Foreign exchange forward contracts-buy foreign currency	(834)	(274)	-
<b>Net exposure to foreign currency risk (Liabilities)</b>	<b>476</b>	<b>93</b>	<b>96</b>

## Notes

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(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 31. Fair value measurements (Contd..)

#### Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars/EURO or other currencies as at year end would have affected the measurement of financial instruments denominated in US dollars /EURO or other currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect	Impact on Profit after tax	
	Increase	Decrease
<b>31 March 2025</b>		
<b>10% movement</b>		
USD	27	(27)
Euro	(3)	3
Others	(2)	2
	<b>22</b>	<b>(22)</b>

Effect	Impact on Profit after tax	
	Increase	Decrease
<b>31 March 2024</b>		
<b>10% movement</b>		
USD	18	(18)
Euro	(7)	7
Others	(7)	7
	<b>4</b>	<b>(4)</b>

#### iv. Price risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet as fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

The Group considers factors such as long term credit rating, tenor of investment, minimum assured return, monetary limits, etc. while investing.

#### Sensitivity analysis

The table below summarises the impact of increases/decreases of the index on the Group's profit for the period. The analysis is based on the assumption that the equity index had increased by 10% or decreased by 10% with all other variables held constant, and that all the Group's equity instruments moved in line with the index.

Effect	Impact on Profit after tax	
	31 March 2025	31 March 2024
Increase 10%	*	*
Decrease 10%	*	*

\*Amount is below rounding off norms, adopted by the Group.

Profit for the period would increase/decrease as a result of gains/losses on equity securities classified as fair value through profit or loss.

**Note:** The above note excludes fair value measurements for financial assets and financial liabilities included in 'Assets classified as held for sale' and 'Liabilities relating to assets classified as held for sale' respectively. Refer note 9.1.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 32. Capital management

For the purpose of the Group's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Group. The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2025 and 31 March 2024.

	For the year ended 31 March 2025	For the year ended 31 March 2024
The following dividends were declared and paid by the Group during the year:		
Final dividend for the year ended 31 March 2024 of ₹ 25 per equity share (31 March 2023 ₹ 40 per equity share)	1,139	1,822
Interim dividend for the year ended 31 March 2025 of ₹ 70 per share (31 March 2024 ₹ 50 per share)	3,187	2,277
	<b>4,326</b>	<b>4,099</b>

In addition to the above dividend, directors have recommended the payment of dividend of ₹ 30 per equity share (31 March 2024 ₹ 25 per equity share). The proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.

Dividend not recognised at the end of the year	For the year ended 31 March 2025	For the year ended 31 March 2024
31 March 2025 ₹ 30 per equity share (31 March 2024 ₹ 25 per equity share)	1,366	1,139
	<b>1,366</b>	<b>1,139</b>

### Note 33. Segment information

#### A. General information

The chief operating decision maker (CODM) (i.e. the country leadership team comprising Managing Director, Chief Financial Officer, Head HR, Company Secretary) examines the Group's performance as a single unit. The Group is principally engaged in the business of manufacturing paints, coatings and allied products in India with similar risk, returns and internal business reporting system. Accordingly, there are no reportable segment(s) other than "Paints", which singly or in aggregate qualify for separate disclosure as per provisions of Ind AS 108 "operating segments".

#### B. Entity wide disclosures

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Revenue from operations</b>		
Domestic	38,401	37,532
Overseas	2,511	2,084
<b>Total</b>	<b>40,912</b>	<b>39,616</b>

Revenue from overseas customers includes ₹ 636 from Akzo Nobel Coatings International B.V., Netherlands (31 March 2024 ₹ 597).

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Non current segment assets</b>		
Domestic	6,579	7,619
Overseas	-	-

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### Note 33. Segment information (Contd..)

Break up of non current assets is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Property, plant and equipment	3,957	4,367
Right-of-use assets	837	863
Capital work-in-progress	667	1,191
Intangible assets	19	30
Other non-current assets (excluding retirement benefit trust surplus)	1,099	1,168
<b>Total</b>	<b>6,579</b>	<b>7,619</b>

### C. Information about major customers

No external customer individually accounted for more than 10% of the revenues during the year ended 31 March 2025 and 31 March 2024.

### Note 34. Related party disclosures

#### 1. (a) The Company is controlled by:

Akzo Nobel N.V., Netherlands (Ultimate Holding Company)

Imperial Chemical Industries Limited, United Kingdom, which is wholly owned by Akzo Nobel N.V., Netherlands

Akzo Nobel Coatings International B.V., Netherlands which is wholly owned by Akzo Nobel N.V., Netherlands

#### (b) Fellow subsidiaries:

Akzo Nobel Boya Sanayi ve Ticaret A.S.

Akzo Nobel Car Refinishes (Singapore) Pte Ltd

Akzo Nobel Chang Cheng Coatings (Guangdong) Co Ltd

Akzo Nobel Coatings AS

Akzo Nobel Coatings CZ a.s.

Akzo Nobel Coatings Inc.

Akzo Nobel Coatings K.K.

Akzo Nobel Coatings Limited

Akzo Nobel Coatings S.A.

Akzo Nobel Coatings S.P.A.

Akzo Nobel Coatings, S.L.U.

Akzo Nobel Decorative Coatings B.V.

Akzo Nobel Global Business Services LLP

Akzo Nobel Hilden GmbH

Akzo Nobel HK (Holdings) Limited

Akzo Nobel Industrial Coatings AB

Akzo Nobel Industrial Coatings Korea Ltd.

Akzo Nobel Industrial Coatings Sdn Bhd

Akzo Nobel International Paint (Suzhou) Co. Ltd.

Akzo Nobel LLC

Akzo Nobel Oman SAOC

Akzo Nobel Car Refinishes B.V.

Akzo Nobel Coatings (Dongguan) Co. Ltd.

Akzo Nobel Coatings (Jiaxing) Co. Ltd.

Akzo Nobel Ltda

Akzo Nobel Paints (Malaysia) Sdn. Bhd.

Akzo Nobel Paints (Thailand) Limited

Akzo Nobel Paints Lanka (Pvt) Ltd

Akzo Nobel Paints Taiwan Limited

Akzo Nobel Powder Coatings Korea Co., Ltd.

Akzo Nobel UAE Paints L.L.C.

AkzoNobel South Africa (Pty) Ltd

Compania Mexicana de Pinturas International S.A. de C.V.

Flexcrete Technologies Limited

ICI Dulux (Pty) Ltd

International Farbenwerke GmbH

International Farg AB

International Farvefabrik A/S

International Paint (East Russia) Limited

International Paint (Hong Kong) Ltd.

International Paint Limited

International Paint LLC

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 34. Related party disclosures (Contd..)

Akzo Nobel Packaging Coatings Limited	International Paint Pazarlama Limited Sirketi
Akzo Nobel Paints (Singapore) Pte Ltd.	International Paint Sdn Bhd
Akzo Nobel Paints Limited	International Paint (Korea) Ltd
Akzo Nobel Performance Coatings (Changzhou) Co., Ltd.	International Paint (Nederland) B.V.
Akzo Nobel Performance Coatings (Shanghai) Co Ltd	International Paint (Panama) Inc.
Akzo Nobel Powder Coatings (Langfang) Co Ltd.	International Paint (Taiwan) Ltd
Akzo Nobel Powder Coatings GMBH	International Paint of Shanghai Co Ltd
Akzo Nobel Powder Coatings Limited	International Paint Singapore Pte. Ltd.
Akzo Nobel Pty. Limited	Oy International Paint (Finland) AB
Akzo Nobel SAS	Pinturas Inca S.A.
Akzo Nobel Saudi Arabia Ltd.	PT Akzo Nobel Car Refinishes Indonesia
Akzo Nobel Sourcing B.V.	PT ICI Paints Indonesia
Akzo Nobel Vietnam Limited	PT International Paint Indonesia

#### (c) Key management personnel

Mr. Rajiv Rajgopal - Managing Director (upto 15 November 2023) and Chairman and Managing Director (from 16 November 2023)

Mr. Oscar Wezenbeek - Chairman (upto 15 November 2023)

Mr. Krishna Rallapalli - Wholetime Director and CFO

Mr. Rohit Ghanshyamdas Totla - Wholetime Director (from 16 November 2023)

Mr. Amit Jain - Independent Director (upto 13 August 2024)

Mr. Hemant Sahai - Independent Director

Ms. Smriti Rekha Vijay - Independent Director (upto 22 November 2024)

Ms. Namrata Kaul - Independent Director (from 5 August 2024)

Mr. Anil Chaudhry - Independent Director (from 22 November 2024)

Mr. Rajiv L. Jha - Company Secretary (from 24 August 2023)

Ms. Harshi Rastogi - Company Secretary (upto 7 July 2023)

#### (d) Employee benefit trusts

##### Pension trusts

ICI's Associated Companies in India Employees Pension Fund

ICI India Management Staff Pension Fund

Akzo Nobel India Employees Pension Scheme

Akzo Nobel Coatings Employees Superannuation Fund

##### Gratuity trusts

ICI India Limited Employees' Gratuity Fund

ICI India Management Staff Gratuity Fund

Akzo Nobel India Employees Gratuity Trust 2016

Akzo Nobel Coatings India P Ltd Employees Group Gratuity Cum Life Assurance Scheme

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 34. Related party disclosures (Contd..)

#### Provident fund trusts

The Alkali and Chemical Corporation of India Limited Provident Fund

ICI India Staff Provident Fund

ICI's Associated Companies in India Staff Provident Fund

#### 2. The following transactions were carried out with related parties in the ordinary course of business:

	Akzo Nobel N.V., Netherlands	Imperial Chemical Industries Limited, United Kingdom	Akzo Nobel Coatings International B.V., Netherlands	Fellow subsidiaries of the Group	Key management personnel	Employee benefit trusts	Total
	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)
<b>(a) Transactions during the year</b>							
Purchase of raw materials / finished goods	- (-)	- (-)	- (-)	1,704 (1,644)	- (-)	- (-)	1,704 (1,644)
Sale of finished goods	- (-)	- (-)	- (-)	1,084 (668)	- (-)	- (-)	1,084 (668)
Expenses incurred and recovered/recoverable from other Companies (Income)	- (-)	- (-)	- (-)	2 (9)	- (-)	- (-)	2 (9)
Expenses reimbursed to other Companies (Expense)	9 (18)	- (-)	- (-)	* (25)	- (-)	- (-)	9 (43)
Royalty	- (-)	- (-)	1,398 (1,411)	- (-)	- (-)	- (-)	1,398 (1,411)
Dividend paid	- (-)	2,183 (2,068)	1,051 (996)	- (-)	- (-)	- (-)	3,234 (3,064)
Services provided (Income)	15 (22)	- (-)	636 (597)	147 (207)	- (-)	- (-)	798 (826)
Services received (Expenses)	313 (313)	- (-)	- (-)	281 (433)	- (-)	- (-)	594 (746)
Managerial remuneration							
Short-term employee benefits	- (-)	- (-)	- (-)	- (-)	87 (63)	- (-)	87 (63)
Post employment benefits	- (-)	- (-)	- (-)	- (-)	6 (7)	- (-)	6 (7)
Other long - term benefits	- (-)	- (-)	- (-)	- (-)	15 (13)	- (-)	15 (13)
Contributions made	- (-)	- (-)	- (-)	- (-)	- (-)	257 (260)	257 (260)
Purchase of property plant and equipment	- (11)	- (-)	- (-)	- (-)	- (-)	- (-)	- (11)
Guarantee issued on behalf of the Group for credit facilities from banks	777 (850)	- (-)	- (-)	- (-)	- (-)	- (-)	777 (850)

\*Amount is below rounding off norms, adopted by the Group

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 34. Related party disclosures (Contd..)

	Akzo Nobel N.V., Netherlands	Imperial Chemical Industries Limited, United Kingdom	Akzo Nobel Coatings International B.V.	Fellow subsidiaries of the Group	Key management personnel	Employee benefit trusts	Total
	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)	2024-25 (2023-24)
<b>(b) Balances as at the end of the year</b>							
Dues to related parties	398 (393)	- (-)	705 (646)	909 (975)	63 (52)	- (-)	2,075 (2,066)
Dues from related parties	36 (21)	- (-)	145 (146)	600 (328)	- (-)	- (-)	781 (495)
Guarantee issued on behalf of the Group for credit facilities from banks	777 (850)	- (-)	- (-)	- (-)	- (-)	- (-)	777 (850)
<b>c) Share Capital outstanding as at end of the year</b>	- (-)	230 (230)	111 (111)	- (-)	- (-)	- (-)	341 (341)

#### Terms and conditions of transactions with related parties

- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.
- There have been no guarantees provided or received for any related party receivables or payables.
- For the year ended 31 March 2025 (and any of the previous years), the Group has not recorded any impairment of receivables relating to amounts owed by related parties.
- Figures in bracket indicate transactions/balances relating to financial year 2023-24.

#### d) Disclosure in respect of transactions / balances which are more than 10% of the total transactions / balances of the same type with related parties.

	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Purchase of materials / finished goods</b>		
PT Akzo Nobel Car Refinishes Indonesia	521	556
Akzo Nobel Car Refinishes B.V.	151	211
Others	1,032	877
	<b>1,704</b>	<b>1,644</b>
<b>Sales of finished goods</b>		
Akzo Nobel Vietnam Limited	108	126
PT ICI Paints Indonesia	186	168
Akzo Nobel Paints (Malaysia) Sdn. Bhd.	146	85
Akzo Nobel Paints (Thailand) Limited	208	76
Others	436	213
	<b>1,084</b>	<b>668</b>
<b>Expenses incurred and recovered/recoverable from other companies (Income)</b>		
Akzo Nobel Global Business Services LLP	2	8
Others	*	1
	<b>2</b>	<b>9</b>

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 34. Related party disclosures (Contd..)

	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Expenses reimbursed to other companies (Expense)</b>		
Akzo Nobel Paints (Singapore) Pte. Ltd.	*	18
Akzo Nobel N.V., Netherlands	9	18
Others	-	7
	<b>9</b>	<b>43</b>
<b>Royalty</b>		
Akzo Nobel Coatings International B.V., Netherlands	1,398	1,411
	<b>1,398</b>	<b>1,411</b>
<b>Dividend paid</b>		
Imperial Chemical Industries Limited, United Kingdom	2,183	2,068
Akzo Nobel Coatings International B.V., Netherlands	1,051	996
	<b>3,234</b>	<b>3,064</b>
<b>Services provided (Income)</b>		
Akzo Nobel Coatings International B.V., Netherlands	636	597
Akzo Nobel Paints (Singapore) Pte Ltd.	148	206
Others	14	23
	<b>798</b>	<b>826</b>
<b>Services received (Expense)</b>		
Akzo Nobel N.V., Netherlands	313	313
Akzo Nobel Paints (Singapore) Pte Ltd.	148	305
Akzo Nobel Global Business Services LLP	133	128
	<b>594</b>	<b>746</b>
<b>Managerial remuneration</b>		
Mr. Rajiv Rajgopal	47	41
Mr. Krishna Rallapalli	19	18
Mr. Rohit Ghanshyamdas Totla	26	11
Others	16	13
	<b>108</b>	<b>83</b>
<b>Contributions made</b>		
The Alkali and Chemical Corporation of India Limited Provident Fund	201	196
Others	56	64
	<b>257</b>	<b>260</b>
<b>Purchase of property plant and equipment</b>		
Akzo Nobel N.V., Netherlands	-	11
	<b>-</b>	<b>11</b>
<b>Guarantee issued on behalf of the Group for credit facilities from banks</b>		
Akzo Nobel N.V., Netherlands	777	850
	<b>777</b>	<b>850</b>

\*Amount is below rounding off norms, adopted by the Group

	As at 31 March 2025	As at 31 March 2024
<b>Dues to related parties</b>		
Akzo Nobel Coatings International B.V., Netherlands	705	646
Akzo Nobel N.V., Netherlands	398	393
Others	972	1,027
	<b>2,075</b>	<b>2,066</b>
<b>Dues from related parties</b>		
Akzo Nobel Coatings International B.V., Netherlands	145	146
PT ICI Paints Indonesia	137	46

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 34. Related party disclosures (Contd..)

	As at 31 March 2025	As at 31 March 2024
Akzo Nobel Vietnam Limited	94	39
Akzo Nobel Saudi Arabia Ltd.	92	8
Akzo Nobel Paints (Thailand) Limited	82	19
Others	231	237
	<b>781</b>	<b>495</b>
<b>Share capital outstanding</b>		
Imperial Chemical Industries Limited, United Kingdom	230	230
Akzo Nobel Coatings International B.V., Netherlands	111	111
	<b>341</b>	<b>341</b>
<b>Guarantee issued on behalf of the Group for credit facilities from banks</b>		
Akzo Nobel N.V., Netherlands	777	850
	<b>777</b>	<b>850</b>

### Note 35. Employee benefits

#### Defined benefit plans

The Group makes specified monthly contributions towards employees' provident fund and pension to the trusts administered by the Group for certain employees. The minimum interest payable by the provident fund trusts to the beneficiaries every year is notified by the Government. The Group has an obligation to make good the shortfall of interest (basis the actuarial valuation), if any, as at the date of the Balance Sheet.

The Gratuity Plan provides a lump sum payment to vested employees as per Payment of Gratuity Act, 1972 at retirement, disability or termination of employment being an amount based on the respective employee's last drawn salary and the number of years of employment with the Group. Also Refer note 27 (c).

The liability or asset recognised in the balance sheet in respect of defined benefit pension, provident fund and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

#### Post-retirement medical benefits

The Group provides post-retirement healthcare benefits to its employees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit plans i.e. actuarial valuation using the projected unit credit method. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise.

#### Defined contribution plans

Defined contribution plans are provident fund scheme, superannuation scheme and part of the pension scheme for eligible employees. The Group recognises contribution payable to the respective employee benefit fund as an expenditure, as and when they are due. The Group has no further payment obligations once the contributions have been made. Also Refer note 27 (c).

#### Other long-term employee benefit obligations

The liabilities for annual leave, pension scheme for certain employees and long term service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore accrued using actuarial valuations and are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025  
(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 35. Employee benefits (Contd..)

Significant Estimates : Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making appropriate assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

	Gratuity		Pension		Post retirement medical benefit		Provident fund	
	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Current service cost	73	61	1	2	5	5	94	90
(b) Interest cost (net)	36	27	(3)	(4)	24	23	4	7
<b>Total expense / (gain)</b>	<b>109</b>	<b>88</b>	<b>(2)</b>	<b>(2)</b>	<b>29</b>	<b>28</b>	<b>98</b>	<b>97</b>
Remeasurements recognised directly in other comprehensive income								
(a) Return on plan assets (greater)/less than discount rate	(3)	(2)	(2)	(36)	-	-	(54)	(45)
(b) Actuarial (gains) / losses								
- from changes in demographic assumptions	(4)	2	(1)	(1)	(5)	(2)	(4)	*
- from changes in financial assumptions	(73)	31	0	1	19	4	2	1
- Experience adjustments	35	40	2	(1)	5	8	9	17
(c) Adjustment for limit on net asset	-	-	1	24	-	-	28	-
<b>Total expense / (gain)</b>	<b>(45)</b>	<b>71</b>	<b>*</b>	<b>(13)</b>	<b>19</b>	<b>10</b>	<b>(19)</b>	<b>(27)</b>

#### (A) Employee benefit expense recognised in Statement of Profit and Loss

\*Amount is below rounding off norms, adopted by the Group.

	Gratuity		Pension		Post retirement medical benefit		Provident fund	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
(a) Present value of obligations as at year end	945	910	69	73	381	351	2,496	2,274
(b) Fair value of plan assets as at year end	410	396	287	285	-	-	2,524	2,185
(c) Fair value of plan assets, limited to present value of future contributions	410	396	121	130	-	-	2,496	2,185
<b>Net Asset / (Liability) (b)-(a)</b>	<b>(535)</b>	<b>(514)</b>	<b>218</b>	<b>212</b>	<b>(381)</b>	<b>(351)</b>	<b>28</b>	<b>(89)</b>
<b>Net Asset / (Liability) recognised in Balance Sheet (c)-(a)</b>	<b>(535)</b>	<b>(514)</b>	<b>52</b>	<b>57</b>	<b>(381)</b>	<b>(351)</b>	<b>-</b>	<b>(89)</b>

#### (B) Net Asset / (Liability) as at year end

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025  
(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 35. Employee benefits (Contd..)

	Gratuity		Pension		Post retirement medical benefit		Provident fund	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
<b>(Refer below details for amount recognised in balance sheet)</b>								
<b>Provisions in Balance Sheet (Refer note 13)</b>								
Current	(3)	(3)	-	-	(31)	(28)	-	-
Non-Current	(325)	(511)	-	-	(350)	(323)	-	(89)
	<b>(328)</b>	<b>(514)</b>	<b>-</b>	<b>-</b>	<b>(381)</b>	<b>(351)</b>	<b>-</b>	<b>(89)</b>
<b>Provisions in Balance Sheet (Refer note 9.1)</b>								
Current	(207)	-	-	-	-	-	-	-
<b>Retirement Benefit Trust Surplus (Refer note 6)</b>								
Current	-	-	-	-	-	-	-	-
Non-Current	-	-	52	57	-	-	-	-
	<b>-</b>	<b>-</b>	<b>52</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Group administers benefits through different trusts, which do not allow set off of asset and obligation inter-se. Accordingly, the net balance for each trust is disclosed for each benefit.

	Gratuity		Pension		Post retirement medical benefit		Provident fund	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
<b>(C) Change in defined benefit obligations during the year</b>								
Present value of obligations at beginning of the year	910	756	73	79	351	336	2,274	1,983
(a) Current service cost	73	61	1	2	5	5	94	90
(b) Interest cost	63	52	5	5	24	23	161	146
(c) Benefits paid	(66)	(33)	(11)	(13)	(18)	(23)	(197)	(179)
(d) Actuarial (gains) / losses	(42)	74	1	*	19	10	7	18
(e) Employee contributions	-	-	-	-	-	*	117	113
(f) Other adjustments	7	*	-	-	*	-	40	103
<b>Present value of obligations at end of the year</b>	<b>945</b>	<b>910</b>	<b>69</b>	<b>73</b>	<b>381</b>	<b>351</b>	<b>2,496</b>	<b>2,274</b>

\* Amount is below rounding off norms, adopted by the Group

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TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025  
(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 35. Employee benefits (Contd..)

	Gratuity		Pension		Post retirement medical benefit		Provident fund	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
<b>(D) Change in fair value of plan assets during the year</b>								
Fair value of plan assets as at beginning of the year	396	334	285	252	-	-	2,185	1,882
(a) Return on plan assets (greater)/less than discount rate	4	2	2	36	-	-	54	45
(b) Interest income on plan assets	27	25	19	18	-	-	157	138
(c) Group contributions	50	68	-	-	-	-	167	83
(d) Employee contributions	-	-	-	-	-	-	117	113
(e) Benefits paid	(67)	(33)	(11)	(12)	-	-	(197)	(179)
(f) Adjustment of defined contribution	-	-	(8)	(9)	-	-	-	-
(g) Acquisition cost	-	-	-	-	-	-	41	103
<b>Fair value of plan assets</b>	<b>410</b>	<b>396</b>	<b>287</b>	<b>285</b>	<b>-</b>	<b>-</b>	<b>2,524</b>	<b>2,185</b>
<b>(E) Change in irrevocable surplus</b>								
Irrevocable surplus as at the beginning of the year	-	-	155	123	-	-	-	-
(a) Interest in irrevocable surplus	-	-	10	9	-	-	-	-
(b) Change in irrevocable surplus in excess of interest	-	-	1	23	-	-	28	-
<b>Irrevocable surplus as at the end of the year</b>	<b>-</b>	<b>-</b>	<b>166</b>	<b>155</b>	<b>-</b>	<b>-</b>	<b>28</b>	<b>-</b>
<b>(F) Expected maturity analysis of undiscounted defined benefit plans</b>								
Less than a year	133	112	15	17	32	29	419	338
Between 1-2 years	142	111	14	16	32	29	391	317
Between 2-5 years	444	412	34	39	97	90	850	689
Over 5 years	630	647	35	42	156	146	1,769	1,436
<b>Total</b>	<b>1,349</b>	<b>1,282</b>	<b>98</b>	<b>114</b>	<b>317</b>	<b>294</b>	<b>3,429</b>	<b>2,780</b>
(G) Weighted average duration	7	6	7	6	7	6	7	6
<b>(H) Sensitivity analysis</b>								
Discount rate (%age)	-	-	-	-	-	-	-	-
Effect on DBO due to 0.5% increase in discount rate	-2.4%	-2.8%	-4.6%	-4.0%	-4.9%	-4.7%	-0.1%	*
Effect on DBO due to 0.5% decrease in discount rate	2.7%	3.0%	5.1%	4.1%	5.2%	5.2%	0.1%	*
Salary escalation rate (%age)	-	-	-	-	-	-	-	-
Effect on DBO due to 0.5% increase in salary escalation rate	2.5%	2.8%	-	-	-	-	-	-
Effect on DBO due to 0.5% decrease in salary escalation rate	-2.4%	-2.7%	-	-	-	-	-	-
Medical inflation rate (%)	-	-	-	-	-	-	-	-
Effect on DBO due to 0.5% increase in medical inflation	-	-	-	-	4.8%	4.6%	-	-
Effect on DBO due to 0.5% decrease in medical inflation	-	-	-	-	-4.4%	-4.2%	-	-
Mortality rate (%)	-	-	-	-	-	-	-	-
Effect on DBO if Post retirement medical rates are scaled up by one year	-	-	-	-	-5.3%	-5.3%	-	-
Effect on DBO if Post retirement medical rates are scaled down by one year	-	-	-	-	5.7%	5.7%	-	-

## Notes

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(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 35. Employee benefits (Contd..)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The method and type of assumptions used in preparing the sensitivity analysis did not change as compared to previous year.

#### (I) Other long-term employee benefit obligations.

	Long service award obligation		Pension obligation		Leave obligation	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Current	(5)	(2)	-	-	(194)	(191)
Non-Current	(11)	(15)	*	(1)	-	-
<b>Total</b>	<b>(16)</b>	<b>(17)</b>	<b>*</b>	<b>(1)</b>	<b>(194)</b>	<b>(191)</b>
<b>Provision in Balance Sheet (Refer note 13)</b>						
Current	(1)	(2)	-	-	(160)	(191)
Non-Current	(11)	(15)	*	(1)	-	-
<b>Provision in Balance Sheet (Refer note 9.1)</b>						
Current	(4)	-	-	-	(34)	-

\*Amount is below rounding off norms, adopted by the Group

(J) Expected contributions to defined benefit plans for the year ending on 31 March 2026 is ₹ 398 (31 March 2025 ₹ 514).

#### (K) Major category of plan assets

	Gratuity		Pension		Provident fund						
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024					
Government of India Securities (Central and State)	2%	5%	18	11%	32	12%	34	55%	1,392	55%	1209
High Quality Corporate Bonds (including Public sector bonds)	4%	4%	16	16%	44	16%	44	33%	818	34%	733
Mutual Funds	-	-	-	68%	196	-	-	6%	155	-	-
Cash (including special deposits)	25%	38%	151	5%	15	7%	21	6%	159	6%	138
Scheme of Insurance-conventional Products	63%	47%	188	-	-	-	-	-	-	-	-
Other	6%	6%	23	-	-	65%	186	-	-	5%	105
	<b>100%</b>	<b>100%</b>	<b>396</b>	<b>100%</b>	<b>287</b>	<b>100%</b>	<b>285</b>	<b>100%</b>	<b>2,524</b>	<b>100%</b>	<b>2185</b>

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 35. Employee benefits (Contd..)

#### Actuarial assumptions

	2024-25	2023-24
Discount rate (annual)	6.50%	7.00%
Salary growth rate	6.00%	8.00%
Expected rate of return (annualised)	7.60%	7.60%
Medical inflation rate	8.00%	8.00%

#### (L) Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

**Asset volatility:-** The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a return lesser than the yield. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk to minimise risk to an acceptable level.

**Changes in bond yields :** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Inflation risks :** In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

**Life expectancy:** The pension and medical plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary conditions result in higher sensitivity to changes in life expectancy.

The Group ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Group's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due.

(M) The impact on employee benefit obligations pursuant to change in actuarial assumptions is taken to other comprehensive income.

### Note 36. Statutory group information

a) Additional information to Consolidated Financial Statements (Pursuant to Schedule III to the Companies Act, 2013):

Name of the entity in the group	Net assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>Holding Company</b>								
<b>Akzo Nobel India Limited</b>								
31 March 2025	99.88%	13,287	99.79%	4,286	101.60%	35	99.81%	4,321
31 March 2024	99.95%	13,292	100.02%	4,267	103.22%	(32)	100.00%	4,235
<b>Subsidiary Company</b>								
<b>ICI India Research and Technology Centre Private Limited (formerly known as ICI India Research and Technology Centre)</b>								
31 March 2025	0.14%	17	0.21%	9	(1.60%)	(1)	0.19%	8
31 March 2024	0.05%	7	(0.02%)	(1)	(3.22%)	1	-	-

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 36. Statutory group information (Contd..)

Name of the entity in the group	Net assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>Non-controlling interests in subsidiary</b>								
31 March 2025	*	*	*	*	*	*	*	*
31 March 2024	-	-	-	-	-	-	-	-
<b>Consolidation adjustments</b>								
31 March 2025	(0.02%)	(2)	-	-	-	-	-	-
31 March 2024	-	-	-	-	-	-	-	-
<b>Total</b>								
31 March 2025	100.00%	13,302	100.00%	4,295	100.00%	34	100.00%	4,329
31 March 2024	100.00%	13,299	100.00%	4,266	100.00%	(31)	100.00%	4,235

\*Amount is below rounding off norms, adopted by the Group

### Note 37. Disclosure of transactions with struck off companies

There are no transactions entered into by Group with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the current year and the previous year.

### Note 38. Additional regulatory information required by Schedule III

#### (i) Details of benami property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

#### (ii) Borrowing secured against current assets

The Group does not have any borrowings from banks and financial institutions on the basis of security of current assets.

#### (iii) Wilful defaulter

The Group is not declared wilful defaulter by any bank or financial institution or government or any government authority.

#### (iv) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

#### (v) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

#### (vi) Utilisation of borrowed funds and share premium

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 38. Additional regulatory information required by Schedule III (Contd..)

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

#### (vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

#### (viii) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

#### (ix) Valuation of property, plant and equipment and intangible assets

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

### Note 39. Share-based compensation

Certain executive and non-executive employees of the Group are eligible to participate in equity settled restricted share plans of Akzo Nobel N.V., Netherlands (Ultimate Holding Company). These plans are designed to reward long term commitment of executive and non-executive employees towards the Group. These plans are restricted share plans without any performance conditions, whereby the conditional grant of shares will vest upon the condition that they remain in service with the Group during the three-year vesting period. A one-year holding restriction after vesting applies for the executive employees.

The shares granted under the aforementioned plans are measured at the fair value which is based on the share price of Akzo Nobel N.V., Netherlands (Ultimate Holding Company) at every grant date and are amortized over the three-year period during which the executive and non-executive employees become entitled to the shares unconditionally.

Charges recognized in the Statement of Profit and Loss for the year ended 31 March 2025 relating to share-based compensation amounted to ₹ 28 (31 March 2024 ₹ 31). Refer note 22.

#### A. Restricted share plan - Executives

Under this plan, executive employees are entitled to vesting restricted shares of the Ultimate Holding Company every year which gets converted to the ordinary shares of the Ultimate Holding Company subject to fulfillment of vesting conditions.

Details of the scheme are as under:

Particulars	For the year ended 31 March 2025		
	01-Apr-22	01-Apr-23	02-Apr-24
Grant date	01-Apr-22	01-Apr-23	02-Apr-24
Vesting date	31-Mar-25	31-Mar-26	31-Mar-27
Number of shares granted	1,765	3,283	3,740
Vesting conditions	Continued service till the vesting date	Continued service till the vesting date	Continued service till the vesting date
Exercise price (In INR)	Nil	Nil	Nil
Weighted average remaining period	-	1.0	2.0
Fair value of shares (In INR)	7,938	6,177	6,242

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 39. Share-based compensation (Contd..)

Particulars	For the year ended 31 March 2024		
	01-Apr-21	01-Apr-22	01-Apr-23
Grant date	01-Apr-21	01-Apr-22	01-Apr-23
Vesting date	31-Mar-24	31-Mar-25	31-Mar-26
Number of shares granted	1,336	1,765	3,283
Vesting conditions	Continued service till the vesting date	Continued service till the vesting date	Continued service till the vesting date
Exercise price (In INR)	Nil	Nil	Nil
Weighted average remaining period	-	1.0	2.0
Fair value of shares (In INR)	8,907	7,938	6,177

Restricted shares details as on the Balance Sheet date are as follows:

Particulars	(No. of Shares)	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Shares outstanding at the beginning of the year (A)	6,384	4,201
Granted during the year (B)	3,740	3,283
Exercised during the year (C)	1,336	1,100
Forfeited during the year (D)	-	-
<b>Shares outstanding / exercisable at the end of the year for vesting (A+B-C-D)</b>	<b>8,788</b>	<b>6,384</b>

#### B. Restricted share plan - Non executives

Under this plan, every year certain non-executive employees are entitled to vesting restricted shares of the Ultimate Holding Company which gets converted to the ordinary shares of the Ultimate Holding Company subject to fulfillment of vesting conditions.

Details of the scheme are as under:

Particulars	For the year ended 31 March 2025		
	01-Apr-22	01-Apr-23	02-Apr-24
Grant date	01-Apr-22	01-Apr-23	02-Apr-24
Vesting date	31-Mar-25	31-Mar-26	31-Mar-27
Number of shares granted	1,960	1,610	480
Vesting conditions	Continued service till the vesting date	Continued service till the vesting date	Continued service till the vesting date
Exercise price (In INR)	Nil	Nil	Nil
Weighted average remaining period	-	1.0	2.0
Fair value of shares (In INR)	7,938	6,177	6,242

Particulars	For the year ended 31 March 2024		
	01-Apr-21	01-Apr-22	01-Apr-23
Grant date	01-Apr-21	01-Apr-22	01-Apr-23
Vesting date	31-Mar-24	31-Mar-25	31-Mar-26
Number of shares granted	840	1,960	1,610
Vesting conditions	Continued service till the vesting date	Continued service till the vesting date	Continued service till the vesting date
Exercise price (In INR)	Nil	Nil	Nil
Weighted average remaining period	-	1.0	2.0
Fair value of shares (In INR)	8,907	7,938	6,177

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 39. Share-based compensation (Contd..)

Restricted shares details as on the Balance Sheet date are as follows:

Particulars	(No. of Shares)	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Shares outstanding at the beginning of the year (A)	4,185	4,260
Granted during the year (B)	480	1,610
Exercised during the year (C)	743	1,460
Forfeited during the year (D)	677	225
<b>Shares outstanding / exercisable at the end of the year for vesting (A+B-C-D)</b>	<b>3,245</b>	<b>4,185</b>

### Note 40. Summary of other accounting policies

This note provides a list of other accounting policies adopted in the preparation of these Consolidated Financial Statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Rounding of amounts

All amounts disclosed in the Consolidated Financial Statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

#### (b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Results of the operating segments are reviewed regularly by the country leadership team (Managing Director, Chief Financial Officer, Head HR, Company Secretary) which has been identified as the chief operating decision maker (CODM), to assess the financial performance and position of the Group and make strategic decisions. Refer note 33 for reportable segments determined by the Group.

#### (c) Foreign currency translation

##### (i) Functional and presentation currency

Items included in the Consolidated Financial Statements of the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Consolidated Financial Statements have been prepared and presented in Indian Rupees (INR), which is the Group's functional and presentation currency.

##### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains

and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income / expenses. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

#### (d) Government grants

Grants from the government are recognised at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grant relating to the purchase of property, plant and equipment is included in current financial assets as accrued receivable and is credited to profit or loss on a straight-line basis over the expected lives of the related asset and presented within other income.

#### (e) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 40. Summary of other accounting policies (Contd..)

Tax expense comprises current and deferred tax. Current and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability that affects neither accounting profit nor taxable profit. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### (f) Leases

##### As a lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- a. fixed payments (including in-substance fixed payments), less any lease incentives receivable

- b. variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- c. amounts expected to be payable by the Group under residual value guarantees
- d. the exercise price of a purchase option if the Group is reasonably certain to exercise that option and
- e. payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- a. the amount of the initial measurement of lease liability
- b. any lease payments made at or before the commencement date less any lease incentives received
- c. any initial direct costs, and
- d. restoration costs.

##### As a lessor

Lease income from operating leases where the Group is lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to carrying amount of underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective lease assets are included in Balance Sheet based on their nature.

Entity-specific details about the Group's leasing policy are provided in note 3.2.

#### (g) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, Cash and cash equivalents comprise cash on hand, bank deposits and other short-term highly liquid investments/deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant

# Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Note 40. Summary of other accounting policies (Contd..)

risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### (h) Other bank balances

Other bank balances consist of term deposits with banks, which have original maturities of more than three months. Such assets are recognised and measured at amortised cost (including directly attributable transaction cost) using effective interest method, less impairment losses, if any.

### (i) Trade receivables

See note 5.4 for information about the Group's accounting for trade receivables and note 31 for a description of the Group's impairment policies.

### (j) Inventories

Raw materials, stores and spare parts, work in progress, traded and finished goods

Raw materials, stores and spare parts, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials, stores and spare parts and traded goods comprises cost of purchases. Cost of work in progress and finished goods comprises cost of raw materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Obsolete, slow moving and defective stocks are identified on the basis of regular reviews by the management and, where necessary, adequate provision is made for such stock.

Entity-specific details about inventories are provided in note 8.

### (k) Financial assets

#### (i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade date, on which the Group commits to purchase or sell the financial asset.

#### (iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss in the other income on a net basis.

# Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Note 40. Summary of other accounting policies (Contd..)

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income on a net basis. Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income on a net basis and impairment expenses are presented as separate line item in the Statement of Profit and Loss.
  - **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss within other income on a net basis in the period in which it arises. Interest income from these financial assets is included in other income.
- (iv) **Impairment of financial assets**
- The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
- (v) **Derecognition of financial assets**
- A financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.
- Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.
- Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.
- (vi) **Offsetting financial instruments**
- Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.
- (I) **Property, plant and equipment**
- The Group's accounting policy for land is explained in note 3.1. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost comprises the purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- The assets' useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

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TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

### Note 40. Summary of other accounting policies (Contd..)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

#### (m) Intangible assets

(i) **Customer relationships:** Separately acquired customer relationships with finite useful life are shown at historical cost and are subsequently carried at cost less accumulated amortisation and impairment losses.

#### (ii) Amortisation method and useful lives

The Group amortises intangible assets with finite useful life using the straight-line method over the following periods:

Particulars	Estimated Useful Life (in Years)
Customer relationships	10

#### (n) Impairment of Property, plant and equipment and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### (o) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due

within 12 months after the reporting period. They are initially recognised at their fair value and subsequently measured at amortised cost using the effective interest method.

#### (p) Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is required even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The unwinding of the discount is recognised as finance cost. Provisions are reviewed by the management at each reporting date and adjusted to reflect the current best estimates.

#### (q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the Consolidated Financial Statements.

#### (r) Employee benefits

##### (i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are

# Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Note 40. Summary of other accounting policies (Contd..)

classified as short-term employee benefits. These benefits include salaries and wages, short-term bonus, incentives etc. These are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

### (ii) Post-employment benefits

#### Defined contribution plans

Defined contribution plans are provident fund scheme, superannuation scheme and part of the pension fund scheme for eligible employees. The Group recognises contribution payable to the respective employee benefit fund scheme as an expenditure, as and when they are due. The Group has no further payment obligations once the contributions have been made.

#### Defined benefit plans

##### Provident fund –

The Group makes specified monthly contributions towards employees' provident fund to Trusts administered by the Group for certain employees. The minimum interest payable by the provident fund trusts to the beneficiaries every year is notified by the Government. The Group has an obligation to make good the shortfall of interest (basis the actuarial valuation), if any, as at the date of the Balance Sheet. The defined benefit obligation is calculated annually by an actuary using the projected unit credit method.

##### Gratuity and Pension –

The liability or asset recognised in the Balance Sheet in respect of defined benefit pension fund and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

##### Post-retirement medical benefits –

The Group provides post-retirement medical benefits to certain categories of its employees. The entitlement to these benefits is conditional on the employee retiring from the services of the Group, after completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit plans. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise.

Liability for unfunded post-retirement medical benefit is accrued on the basis of actuarial valuation as at the year-end using the projected unit credit method.

### (iii) Other long-term employee benefit obligations

The liabilities for annual leave, pension scheme for certain employees and long-term service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore accrued using actuarial valuations and are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The leave obligations are presented as current liabilities in the Balance Sheet as the Group does not have an unconditional legal and contractual right to defer settlement for a period beyond twelve months after the reporting period.

# Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

## Note 40. Summary of other accounting policies (Contd..)

### (s) Share-based payments

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of shares that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such shares are reversed effective from the date of the forfeiture.

### (t) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### (u) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### (v) Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year (see note 29).

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### (w) Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

### (x) Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment and intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying values as the deemed cost of the property, plant and equipment and intangible assets.

## Notes

TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amounts are in millions Indian ₹, unless otherwise stated)

**Note 41.** The Holding Company has received a communication from Akzo Nobel N.V. (Ultimate Holding Company) on 03 October 2024 regarding conducting a strategic review to redeploy capital towards growing its core coatings businesses with initial focus on decorative paint positions in South Asia. The review will explore various strategic options ranging from partnerships or joint ventures through to mergers or divestments. The Holding Company has intimated the above to the stock exchanges on 04 October 2024 considering the same as a material information as per Regulation 30(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There is no impact of the aforesaid strategic review on the Consolidated Financial Statements of the Group for the year ended 31 March 2025.

**Note 42.** The Board of Directors of the Holding Company has accepted a binding offer letter dated 24 February 2025 from Akzo Nobel N.V. ("ANNV"), the ultimate holding/promoter Company, for the sale and transfer of all intellectual property rights in relation to decorative paints business of the Holding Company in India, Bangladesh, Bhutan and Nepal by Akzo Nobel Coatings International B.V. at a purchase consideration of INR 11,520. The aforesaid transaction is subject to (i) approval of the shareholders of the Holding Company; and (ii) approval of Supervisory Board of ANNV. Subsequent to the year end, the shareholders of the Holding Company approved the aforesaid transaction on 02 April 2025. However, the approval of Supervisory Board of ANNV is expected to be obtained before 01 July 2025.

The notes from note no. 1 to 42 form an integral part of these Consolidated Financial Statements.

As per our report of even date attached.

For **Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016

For and on behalf of the **Board of Directors of Akzo Nobel India Limited**

**Amitesh Dutta**

Partner

Membership No. : 058507

Place: Gurugram

Date: 14 May 2025

**Rajiv Rajgopal**

Chairman and  
Managing Director  
DIN : 06685599

Place: Gurugram

Date: 14 May 2025

**Krishna Rallapalli**

Wholetime Director  
and CFO  
DIN : 03384607

Place: Gurugram

Date: 14 May 2025

**Rajiv L. Jha**

Company Secretary &  
Compliance Officer  
Membership No. : F5948

Place: Gurugram

Date: 14 May 2025

# AkzoNobel

## NOTICE OF 71ST ANNUAL GENERAL MEETING

### Akzo Nobel India Limited

CIN: L24292WB1954PLC021516

Tel: +91 33 22267462 Fax: +91 33 22277925

Website: [www.akzonobel.co.in](http://www.akzonobel.co.in), Email: [investor.india@akzonobel.com](mailto:investor.india@akzonobel.com)

Notice is hereby given that the 71<sup>st</sup> Annual General Meeting ('AGM') of the Members of Akzo Nobel India Limited will be held on Monday, 4<sup>th</sup> August 2025 at 2:30 P.M. (IST) through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following business:

### Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) for the Financial Year ended 31<sup>st</sup> March 2025 and the Reports of the Directors and Auditors thereon.
2. To confirm Interim Dividend of ₹ 70/- per equity share as declared and paid and to declare Final Dividend of ₹ 30/- per equity share of the Company for the Financial Year ended 31<sup>st</sup> March 2025.
3. To appoint a Director in place of Mr. Krishna Rallapalli (DIN 03384607) who retires by rotation and being eligible, offers himself for re-appointment.

### Special Business

4. To consider appointment of M/s A. K. Labh & Co., Company Secretaries, as the Secretarial Auditor of the Company for a term of 5 (Five) years, and if though fit, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment/s thereof and for the time being in force) and Section 204 and any other applicable provisions of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification/s or re-enactment/s thereof and for the time being in force) and any other applicable rules made thereunder, and based on the recommendation of the Audit Committee and approval of the Board of Directors of the Company, consent of the Company, be and is hereby accorded to the appointment of M/s A. K. Labh & Co., Company Secretaries (Unique Identification No. S1999WB026800/Firm Registration Number 1038/2020), as the Secretarial Auditor of the Company to carry out Secretarial Audit for consecutive 5 years, i.e. from the FY 2025-26 to FY 2029-30, and furnish Secretarial Audit Report on such annual remuneration plus applicable taxes (including out of pocket expenses and

other reasonable expenses on actual basis) as may be determined by the Audit Committee in consultation with the aforesaid Secretarial Auditor.

RESOLVED FURTHER that the Board of Directors and/ or Key Managerial Personnel of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution."

5. To consider ratification of remuneration payable to M/s Chandra Wadhwa & Co., Cost Auditors and, if thought fit, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory amendment or modification or re-enactment thereof, for the time being in force), the remuneration payable to M/s Chandra Wadhwa & Co., Cost Accountants (Firm Registration No. 00239), as the Cost Auditor of the Company to conduct the audit of the cost records of the Company for the Financial Year 2025-26, as recommended by the Audit Committee and approved by the Board of Directors, be and is hereby ratified.

RESOLVED FURTHER that the Board of Directors and/ or Key Managerial Personnel of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above

By order of the Board of Directors  
for **Akzo Nobel India Limited**

**Rajiv L. Jha**

14<sup>th</sup> May 2025  
Gurugram

Company Secretary & Compliance Officer  
Membership No.: F5948

### Registered office:

801A, South City Business Park,  
770, Anandapur, E M Bypass,  
Near Fortis Hospital, Kolkata – 700 107

## Notes

- i) The Ministry of Corporate Affairs, Government of India (the "MCA") vide its General Circulars No. 14/2020, No. 17/2020, No. 20/2020, No. 02/2021, No. 2/2022, No. 10/2022, No. 09/2023, and No. 09/2024, dated 8<sup>th</sup> April 2020, 13<sup>th</sup> April 2020, 5<sup>th</sup> May 2020, 13<sup>th</sup> January 2021, 5<sup>th</sup> May 2022, 28<sup>th</sup> December 2022, 25<sup>th</sup> September 2023, and 19<sup>th</sup> September 2024, respectively (hereinafter, collectively referred as the "MCA Circulars") read with the SEBI Circulars No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, No. SEBI/HO/CFD/CMD2/CIR/P/2021/11, No. SEBI/HO/CFD/CMD2/CIR/P/2022/62, SEBI/HO/CFD/PoD-2/P/CIR/2023/4, No. SEBI/HO/CFD/PoD-2/P/CIR/2023/167 and SEBI/HO/CFD/CFDPoD-2/P/CIR/2024/133, dated 12<sup>th</sup> May 2020, 15<sup>th</sup> January 2021, 13<sup>th</sup> May 2022, 5<sup>th</sup> January 2023, 7<sup>th</sup> October 2023 and 3<sup>rd</sup> October 2024, respectively (hereinafter, collectively referred as the "SEBI Circulars" and together with the MCA Circulars referred as the "Circulars") has allowed companies to conduct their annual general meetings/extraordinary general meetings through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), thereby dispensing with the requirement of physical attendance of the members at their AGMs/GMs and accordingly, the 71<sup>st</sup> Annual General Meeting (the "AGM" or the "71<sup>st</sup> AGM" or the "Meeting") of Akzo Nobel India Limited (the "Company") will be held through VC or OAVM in compliance with the Circulars, the relevant provisions of the Companies Act, 2013 (as amended) (the "Act") and the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Listing Regulations"). The venue of the 71<sup>st</sup> Annual General Meeting of the Company shall be deemed to be the Registered office of the Company.
- ii) The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice.
- iii) Attendance of the Members participating in the AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- iv) **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by members will not be available for this meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the AGM through VC/OAVM facility and e-Voting during the AGM.
- v) Explanatory statement pursuant to Section 102 of the Act in respect of items covered under Special Business is annexed hereto. Information under Regulation 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as required under Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is also annexed to this Notice.
- vi) The Register of Members and Share Transfer books of the Company will remain closed from Saturday, 26<sup>th</sup> July 2025 to Monday, 4<sup>th</sup> August 2025 (both days inclusive).
- vii) Final Dividend, if approved at the Meeting, will be paid on or before 28<sup>th</sup> August 2025 by means of direct bank credit or dividend warrants or in any other permissible mode/instruments:
- In respect of shares held in electronic form, to the beneficial owners of shares as on close of the business hours on Friday, 25<sup>th</sup> July 2025 as per the downloads furnished to the Company by the depositories for this purpose;
  - In respect of shares held in physical form, to those members whose names appear on the Company's Register of Members as on close of the business hours on Friday, 25<sup>th</sup> July 2025.
- as per the details to be furnished by the Depositories, viz. National Securities Depository L and Central Depository Services (India) Limited (CDSL) for this purpose

## Withholding Tax on Dividend

Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 01 April, 2020 shall be taxable in the hands of the shareholders and the Company shall be required to deduct tax at source (TDS) at the prescribed rates from the dividend to be paid to shareholders, subject to approval of shareholders in the ensuing AGM. In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961, as detailed below:

### I. For Resident Shareholders

#### 1. Resident Individual

- TDS is required to be deducted at the rate of 10% under Section 194 of the Act.

Rate of TDS @10% under section 194 of the Act is subject to provisions of section 206AB of Act which provides for TDS in respect of non-filers of income-tax return. As provided in section 206AB, tax is required to be deducted at the highest of following rates in case of payments to specified persons:

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

As per Central Board of Direct Taxes vide Circular No. 11 of 2021 dated 21<sup>st</sup> June 2021, for determining TDS rate on Dividend, the Company will be using functionality of the Income-tax department to determine the applicability of Section 206AB of the Act.

Your PAN number which would be available in the database of the RTA/ Depository as on the record date will be considered by the Company for the purpose of tax deduction at source and the relevant tax compliances. The specified person who has not submitted PAN and/or has not filed the income-tax returns; the tax shall be deducted at the higher of the two rates prescribed in Section 206AA and Section 206AB of the Act.

- b. In case the dividend is not exceeding ₹ 10,000/- in a fiscal year to resident individual shareholder then no tax will be deducted from the dividend. If any resident individual shareholder is in receipt of Dividend exceeding ₹ 10,000/- in a fiscal year, entire dividend will be subject to applicable rate of tax.
- c. No TDS is required to be deducted on furnishing of valid Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of 60 years with no tax liability on total income).
- d. TDS is required to be deducted at the rate of 20% under Section 206AA of the Act, if valid PAN of the shareholder is not available\*
- e. TDS is required to be deducted at the rate prescribed in the lower tax withholding certificate issued under Section 197 of the Act, if such valid certificate is provided.

\* If the PAN is not as per the database of the Income-tax Portal, it would be considered as invalid PAN. Further as per the Notification of Central Board of Direct Taxes, individual shareholders are requested to link their Aadhaar number with PAN and file your income tax return to avoid deduction of tax at higher rates.

## 2 Resident Non-Individual

No tax shall be deducted on the dividend payable to the following resident non-individuals where they provide details and documents as follows:

- Insurance Companies: Self declaration that it has full beneficial interest with respect to the Ordinary Shares owned by it along with self-attested copy of PAN card and registration certificate issued by IRDA.
- Mutual Funds: Self-declaration that they are specified in Section 10 (23D) of the Income Tax Act, 1961 along with self-attested copy of PAN card and registration certificate.
- Alternative Investment Fund (AIF): Self-declaration that its income is exempt under Section 10 (23FBA) of

the Income Tax Act, 1961 and they are governed by SEBI regulations as Category I or Category II AIF along with self-attested copy of the PAN card and SEBI registration certificate.

- Recognized Provident Fund: No TDS is required to be deducted as per Circular No.18/2017, subject to specified conditions Self-attested copy of a valid order from Commissioner under Rule 3 of Part A of Fourth Schedule to the Act, or self-attested valid documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the provident fund being established under a scheme framed under the Employees' Provident Funds Act, 1952 needs to be submitted.
- Approved Superannuation Fund: No TDS is required to be deducted as per Circular No.18/2017, subject to specified conditions. Self-attested copy of valid approval granted by Commissioner under Rule 2 of Part B of Fourth Schedule to the Act needs to be submitted.
- Approved Gratuity Fund: No TDS is required to be deducted as per Circular No.18/2017, subject to specified conditions. Self-attested copy of valid approval granted by Commissioner under Rule 2 of Part C of Fourth Schedule to the Act needs to be submitted.
- National Pension Scheme: No TDS is required to be deducted as per Section 197A(1E) of the Act.
- Government (Central/State): No TDS is required to be deducted as per Section 196(i) of the Act.
- Other Non-Individual shareholders: Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.

In case, shareholders (both individuals or non-individuals) provide certificate under Section 197 of the Income Tax Act, 1961, for lower/ NIL withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the certificate.

## II. For Non-resident Shareholders

- a. Taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961, as per the rates as applicable. As per the relevant provisions of the Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. Further, in case you are identified as a "Specified Person" under section 206AB then we request you to submit self-declaration for not having permanent establishment in India as per tax law so that tax can be deducted as per the applicable provisions of Income Tax Act, 1961. In case, non-resident shareholders provide a certificate issued under Section 197/195 of the Income Tax Act, 1961, for lower/ Nil withholding of taxes, rate specified in the said

certificate shall be considered, on submission of self-attested copy of the certificate.

- b. Further, as per Section 90 of the Income Tax Act, 1961 the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail Tax Treaty benefits, the non-resident shareholders are required to provide the following:

- Self-attested copy of the PAN Card allotted by the Indian Income Tax authorities.
- Self-attested copy of Tax Residency Certificate (TRC) (for the period April 2025 to March 2026) obtained from the tax authorities of the country of which the shareholder is a resident.
- Electronic Form 10F as per notification No. 03/2022 dated 16<sup>th</sup> July 2022 from the Central Board of Direct Tax.
- Self-declaration by the non-resident shareholder of having no Permanent Establishment in India in accordance with the applicable Tax Treaty and Beneficial ownership of the shares (for the period April 2025 to March 2026) by the non-resident shareholder.

Kindly note that the Company is not obligated to apply beneficial tax treaty rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate of tax treaty for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

- c. In case of Foreign Institutional Investors (FII) and Foreign Portfolio Investors (FPI), taxes shall be withheld at 20% plus applicable surcharge and cess in accordance with provisions of Section 196D of the Income Tax Act, 1961.

Kindly note that the aforementioned documents are required to be emailed to [ta@cbmsl.com](mailto:ta@cbmsl.com) on or before Friday, 25<sup>th</sup> July 2025 in order to enable the Company to determine and deduct appropriate TDS / withholding tax. No communication on the tax determination/ deduction shall be entertained post Friday, 25<sup>th</sup> July 2025. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund from the tax authorities, if eligible.

We shall arrange to email the soft copy of TDS certificate to you at your registered email ID/address in due course, post payment of the said dividend.

- viii) SEBI, vide its Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, read with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, has mandated that, with effect from April 1, 2024, dividends to security holders (holding securities in physical form) shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details, including mobile number, bank account details, and specimen signature ("KYC Details"). For folios where these details are not registered, the dividend payment will be withheld by the Company. The same shall be released only upon registering the aforementioned required details. Members are requested to submit their PAN, contact details, bank account details, nomination details, and specimen signature (as applicable) to their DP in case they hold securities in dematerialised form or to Company's Registrar and Share Transfer Agents through Form ISR-1, Form ISR-2, and Form ISR-3 (as applicable) in case they hold securities in physical form. It is in the members' interest to ensure that correct and updated bank account details are available with their Depository Participant (DP) in case of shares held in dematerialized form so that dividends paid by the Company are credited to the investor's bank account on time.
- ix) Members may please note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8, dated January 25, 2022, has mandated that listed companies must issue securities in dematerialized form only while processing service requests, viz. the issue of duplicate securities certificates; renewal/exchange of securities certificates; endorsement; sub-division/splitting of securities certificates; consolidation of securities certificates/ folios; transmission, and transposition. Further, SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/65, dated May 18, 2022, has simplified the procedure and standardized the format of documents for the transmission of securities. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 or ISR-5, as the case may be.
- x) Members holding shares in physical form, in identical order of names, in more than one folio, are requested to send the details of such folios, along with the share certificates and the requisite KYC documents, to the Company's Registrar and Share Transfer Agents for consolidation of their holdings into one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
- xi) SEBI, vide Master Circular no. SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/195 dated December 28, 2023, has specified that a shareholder shall first take up his/her/ their grievance with the listed entity by lodging a complaint directly with the concerned listed entity, and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, and if the shareholder is not satisfied with the outcome, he/she/they

may initiate dispute resolution through the Online Dispute Resolution (“ODR”) Portal. Shareholders are requested to take note of the same.

- xii) As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting the prescribed Form. Members are requested to submit the said details to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form.
- xiii) Members who wish to obtain any information on the Company or the financial statements may visit the Company’s website: [www.akzonobel.co.in](http://www.akzonobel.co.in) or may send their queries at least 10 days before the date of the Meeting to the Company through an email at [investor.india@akzonobel.com](mailto:investor.india@akzonobel.com).
- xiv) Pursuant to the provisions of section 124 of the Act, dividends which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund. Shareholders who have not encashed the dividend warrants so far, for the financial year ended 31<sup>st</sup> March 2018 or any subsequent financial years, are requested to send un-encashed dividend warrants to the RTA for necessary action. Separate intimations have been sent to those Members whose dividend warrants remain outstanding as on 31<sup>st</sup> March 2025.

Further, pursuant to Investor Education & Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which dividend has remained unpaid or unclaimed for 7 consecutive years are liable to be transferred to the IEPF Authority.

Once the aforesaid shares/dividend are transferred to IEPF, the concerned shareholders can claim the same by making an application in the prescribed form and manner to the IEPF Authority.

- xv) Registration of email id for obtaining Annual Report and registration of PAN for appropriate deduction of TDS:

Members who are yet to register their email id or their PAN are requested to send a request to the Registrar at [rta@cbmsl.com](mailto:rta@cbmsl.com) quoting Folio Number alongwith a scanned copy of the share certificate (front and back), self attested scanned copy of PAN card and Aadhaar Card (in case of shares held in physical form) and to their DP (in case of shares held in demat form) at the earliest.

- xvi) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice of the AGM and the Explanatory Statement shall be

open for inspection without any fee at the Registered Office of the Company between 10 am to 12 noon on all working days, except Saturday, upto and including the date of the AGM of the Company. Members are requested to email a request for inspection of documents at [investor.india@akzonobel.com](mailto:investor.india@akzonobel.com) so that necessary arrangements can be made for online inspection.

- xvii) Pursuant to section 108 of the Act, read with the Companies (Management and Administration) Rules 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in this Notice. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system during the e-voting period as well as venue voting on the date of the AGM will be provided by NSDL.
- xviii) The meeting has been convened and will be conducted in terms of Circular No. 02/2022 dated 5 May 2022 read with Circular No. 02/2021 dated 13 January 2021, Circular No. 20/2020 dated 5 May 2020, Circular No. 14/2020 dated 8 April 2020 and Circular No. 17/2020 dated 13 April 2020 of the Ministry of Corporate Affairs and hence there will be facility of e-voting to the members attending the meeting through video conferencing provided they have not voted earlier through remote e-voting. The process of e-voting in this connection is given hereinafter.
- xix) Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
- xx) The Notice for this Meeting along with requisite documents and the Annual Report for the financial year ended 31<sup>st</sup> March 2025 shall also be available on the Company’s website at [www.akzonobel.co.in](http://www.akzonobel.co.in)
- xxi) The shareholders will be attending the meeting through video conferencing and the detailed procedure in this regard is given hereinafter.

### E-Voting Instructions for remote e-voting

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Secretarial Standard on General Meetings (SS2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting (“remote e-voting”) will be provided by National Securities Depository Limited (“NSDL”).

2. A person whose name is recorded in the Register of Members or in the Beneficial Owners Register maintained by depositories as of the cut-off date, i.e. Friday, 25<sup>th</sup> July 2025, shall be entitled to avail the facility of remote e-Voting as well as the e-Voting system during the AGM. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member/Beneficial Owner (in case of shares held in dematerialized form) as of the cut-off date, i.e. Friday, 25<sup>th</sup> July 2025. A person who is not a member as of the cut-off date should treat this Notice for informational purposes only. Within this period, all Members who are present at the AGM through the VC facility and who have not yet exercised their vote through remote e-Voting can still exercise their vote electronically. The facility for e-Voting during the meeting is available only to those Members participating in the meeting through the VC facility. If a Member has exercised his/her vote during the AGM through e-Voting but has not attended the AGM through the VC facility, then the votes cast by such a Member shall be considered invalid.
3. The members who have cast their vote by remote e-voting prior to the Annual General Meeting shall not be entitled to cast their vote again through the e-voting facility during the meeting. If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID"
4. The remote e-voting period commences on 1<sup>st</sup> August 2025 (9:00 am) and ends on 3<sup>rd</sup> August 2025 (5:00 pm). During this period, members of the Company, holding shares either in physical form or in dematerialized form as on the cut-off date of 25<sup>th</sup> July 2025, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.
5. How do I vote electronically using NSDL e-Voting system?  
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

## Step 1: Access to NSDL e-Voting system

### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9 December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Login method for Individual shareholders holding securities in demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC / OAVM.</li> <li>2. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>3. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Type of shareholders	Login Method
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5. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.



Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

#### Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911

#### B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsd.com/> with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.
- Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**
- How to cast your vote electronically and join General Meeting on NSDL e-Voting system?
- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
  - Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
  - Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
7. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
8. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this Notice**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to [investor.india@akzonobel.com](mailto:investor.india@akzonobel.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to [investor.india@akzonobel.com](mailto:investor.india@akzonobel.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**Instructions for members for e-voting on the day of the AGM**

5. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
6. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

**Instructions for Members for attending the AGM through VC/OAVM**

1. Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Shareholders are encouraged to join the Meeting through Laptops for better experience.
3. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance on or before 5:00 pm on Monday, 28<sup>th</sup> July 2025 mentioning their name demat account number/folio number, email id, mobile number at [investor.india@akzonobel.com](mailto:investor.india@akzonobel.com). This would enable the Company to compile the information and provide responses at the meeting. The Company will be able to answer only those questions at the meeting which are received in advance as per the aforesaid process
6. Shareholders who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at [investor.india@akzonobel.com](mailto:investor.india@akzonobel.com) from 21<sup>st</sup> July 2025 9:00 am (IST) to 28<sup>th</sup> July 2025 5:00 pm (IST). Only those Shareholders who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

7. Shareholders attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

#### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [aklabhcs@gmail.com](mailto:aklabhcs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login. Please note furnishing of the Board Resolution/Authority Letter/ Power of Attorney, in any mode as mentioned hereinabove is mandatory and in lack of it, the vote would be considered invalid by the Scrutinizer.
2. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date.
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at [evoting@nsdl.com](mailto:evoting@nsdl.com)
5. Mr A K Labh, Practicing Company Secretary (Membership No. FCS4848, C.P. No. 3238) and sole proprietor M/s A K Labh & Co., Company Secretaries, 40 Weston Street, 3<sup>rd</sup> Floor, Kolkata 700 013 has been appointed as the Scrutinizer to conduct the voting process in a fair and transparent manner.
6. The Scrutinizer, after the conclusion of e-voting at the Meeting, will scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman. The results shall be declared within 48 hours from the conclusion of the meeting. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.akzonobel.co.in](http://www.akzonobel.co.in) and on the website of NSDL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results of the e-voting shall be declared to BSE Limited and National Stock Exchange of India Limited within the timeframe prescribed under the Companies Act, 2013 and the SEBI Listing Regulations.
7. On receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the AGM.

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# Explanatory Statement

## The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

### Item No. 4

#### Appointment of Secretarial Auditor

This explanatory statement is provided in accordance with Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("the Act"), every listed company and certain other prescribed categories of companies are required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to their Board's report, prepared under Section 134(3) of the Act.

Now, under the amended provisions of Regulation 24A(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, every listed entity and its material unlisted subsidiaries incorporated in India shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report in such form as specified, with the annual report of the listed entity.

On the basis of recommendation of board of directors, a listed entity shall appoint or re-appoint:

- (i) an individual as Secretarial Auditor for not more than one term of five consecutive years; or
- (ii) a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years, with the approval of its shareholders in its Annual General Meeting:

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s A K Labh & Co., Company Secretaries, (Unique Identification No.: S1999WB026800), as the Secretarial Auditor of the Company, to carry out Secretarial Audit for consecutive period of 5 (Five) years, i.e. from the FY. 2025-26 to FY. 2029-30 and his term as Secretarial Auditor shall remain till the Annual General Meeting to be held in the year 2030. The aforesaid appointment is subject to the approval of the shareholders of the Company at the ensuing 71<sup>st</sup> Annual General Meeting.

While recommending M/s A K Labh & Co. for such appointment, the Board and the Audit Committee evaluated various factors, including the firm's capability to handle a diverse and complex business environment, its existing experience in the Company's business segments, its industry standing, the clientele it serves, and its technical expertise. Since being existing Secretarial Auditor of the Company, M/s A K Labh & Co. was found to be well-equipped to manage the scale, diversity, and complexity associated with the Secretarial Audit of the Company.

M/s A K Labh & Co. is a peer reviewed sole proprietorship firm and a well-established firm of Practicing Company Secretaries, registered with the Institute of Company Secretaries of India, New Delhi.

The firm is led by experienced sole proprietor and distinguished professionals in the field of corporate governance and compliance. Their collective expertise spans legal, corporate secretarial, finance and allied fields.

Further, in terms of the Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the terms and conditions of the aforesaid firm's appointment include a tenure of 5 (Five) years effective from the FY 2025-26 to 2029-30. The fixed remuneration for the Secretarial Audit for the financial year 2025-26 is set at ₹ 0.6 million, plus applicable taxes and other out-of-pocket expenses incurred in connection with the audit. The proposed fees are determined based on the scope of work, team size, industry experience, and the time and expertise required by M/s. A K Labh & Co. to conduct the audit effectively.

Additional fees for statutory certifications and other professional services will be determined separately by the management, in consultation with M/s. A K Labh & Co. and will be subject to the approval by the Board of Directors and/or the Audit Committee. The remuneration for the subsequent years from 2026 to 2029 will also be approved by the Board and/ or the Audit Committee as aforesaid.

Written consent of the aforesaid Secretarial Auditor and confirmation to the effect that they are eligible and not disqualified to be appointed as the Secretarial Auditor of the Company in the terms of the provisions of the Listing Regulations, the Companies Act, 2013 and the rules made thereunder, has been obtained.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Resolution No. 4 of the appended Notice.

The Board recommends the Ordinary Resolution set out at Resolution No. 4 of the appended Notice for approval by the shareholders of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, are in any way, concerned or interested (financially or otherwise), in the proposed Ordinary Resolution as set out at Item No. 4 of the appended Notice.

### Item No. 5

#### Ratification of remuneration payable to Cost Auditors

In accordance with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to conduct cost audit of its cost records pertaining to the products of the Company, for the Financial Year ending 31<sup>st</sup> March 2026.

The Board of Directors of the Company, based on the recommendation of the Audit Committee, has approved the appointment of M/s Chandra Wadhwa & Co., Cost Accountants (Firm Registration No. 00239), as the Cost Auditor for the Financial Year ending 31<sup>st</sup> March 2026 at a remuneration of ₹ 0.66 million and reimbursement of out-of-pocket expenses.

M/s Chandra Wadhwa & Co., Cost Accountants, has conveyed their willingness to act as Cost Auditor of the Company for Financial Year ending 31<sup>st</sup> March 2026. The eligibility and consent letter will be available for inspection of the Shareholders through electronic mode. Shareholders may write to the Company at [investor.india@akzonobel.com](mailto:investor.india@akzonobel.com) in that regard, by mentioning "Request for Inspection" in the subject of the e-mail.

In terms of Section 148(3) of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration recommended by the Audit Committee for the Cost Auditor and approved by the Board of Directors is required to be ratified subsequently by the Shareholders. Hence, the Ordinary Resolution set out in Item No. 5 of the appended Notice seeks approval of the Shareholders for the same.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, are in any way, concerned or interested (financially or otherwise), in the proposed Ordinary Resolution set out at Item No. 5 of the appended Notice.

The Board recommends the Ordinary Resolution set out at Resolution No. 5 of the Notice for approval by the Shareholders.

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# Annexure

## Brief profile of Directors to be appointed/re-appointed

<b>Name of Director(s)</b>	Mr. Krishna Rallapalli (DIN: 03384607)
<b>Age (years)</b>	52
<b>Experience and Qualification</b>	Mr Krishna Rallapalli has been the CFO and Wholetime Director of the Company since December 2021. Mr Krishna is a member of the Institute of Chartered Accountants of India (ICAI). He has over 24 years of experience and his last role was that of Regional Commercial Controller, Vehicle Refinish and Automotive for Asia with AkzoNobel Group. He joined the Company in 2006 and has handled various leadership roles in the Commercial and Finance functions. Prior to Akzo Nobel, he worked with Cholamandalam MS General Insurance, National Starch & Chemicals and LG Polymers India in different roles. Mr Krishna's primary expertise lies in leading finance function across insurance, chemicals and paints & coatings industries. His achievements include building focused strategies for sustained business growth, reorganizing finance function, driving continuous improvement, bringing operational efficiencies by redesigning cost models, setting up systems to handle multiple projects simultaneously and forging strong relationships with internal/external stakeholders. He is also proficient in handling complex business projects in a cross-functional and multicultural work situations.
<b>Expertise in specific Functional Areas</b>	Finance, Corporate Governance, General Management
<b>Date of first appointment on the Board</b>	1 <sup>st</sup> December 2021
<b>Number of meetings of the Board attended during the Financial Year 2024-25</b>	He has attended all the 10 (Ten) Board meetings held during the financial year.
<b>No. of Committees Meetings attended during the year 2024-25.</b>	He has attended all 5 (Five) Committee meetings, where he is a member, held during the financial year.
<b>Skills and capabilities required for the role and the manner in which the proposed Independent Director meets such requirements</b>	N.A.
<b>Shareholding in the Company as on 31<sup>st</sup> March 2025 (self as well as through beneficial ownership)</b>	Nil
<b>Term and conditions of re-appointment</b>	Wholetime Director, liable to retire by rotation
<b>Detail of remuneration last drawn (FY 2024-25)</b>	₹ 18.89m
<b>Detail of proposed remuneration</b>	As per the terms and conditions of Remuneration as approved by the shareholders on 21 December 2021.
<b>Resignation from the directorship of the listed companies in the past three years</b>	None
<b>Other companies (in India) in which he/she holds Directorship</b>	ICI India Research and Technology Centre Private Limited
<b>Chairman / Member of the Committees* of the Board of the Companies on which he/she is a Director</b>	Member, Stakeholders Relationship Committee, Akzo Nobel India Limited
<b>Disclosure of relationships between directors inter-se</b>	None

\*Committees considered for the purpose are those prescribed in Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, viz. Audit Committee and Stakeholders' Relationship Committee.

By order of the Board of Directors  
for **Akzo Nobel India Limited**

**Rajiv L. Jha**

Company Secretary & Compliance Office  
Membership No.: F5948

14<sup>th</sup> May 2025  
Gurugram

### Registered office:

801A, South City Business Park,  
770, Anandapur, E M Bypass,  
Near Fortis Hospital, Kolkata – 700 107





## Corporate Office

9<sup>th</sup> Floor, Magnum Towers,  
Golf Course Extension Road,  
Sector 58, Gurugram 122 011, India

# AkzoNobel

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## About AkzoNobel:

Since 1792, we've been supplying the innovative paints and coatings that help to color people's lives and protect what matters most. Our world class portfolio of brands – including Dulux, International, Sikkens and Interpon – is trusted by customers around the globe. We're active in more than 150 countries and use our expertise to sustain and enhance everyday life. Because we believe every surface is an opportunity. It's what you'd expect from a pioneering and long-established paints company that's dedicated to providing more sustainable solutions and preserving the best of what we have today – while creating an even better tomorrow. Let's paint the future together.

For more information please visit  
[www.akzonobel.com](http://www.akzonobel.com).

## About Akzo Nobel India Limited:

Akzo Nobel India is present in India over 70 years. In 2008, the company became a member of the AkzoNobel Group. With an employee strength of around 1,600, AkzoNobel India has five manufacturing sites, two RD&I centers, regional offices and a distribution network spread across the country. All manufacturing facilities have a state-of-the-art environmental management system. It's commitment to Health, Safety, Environment and Security (HSE&S) has been among the best-in-class globally, with due care being taken to protect people and the environment.

For more information, please visit  
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