

18th March, 2025

1. Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001.

2. Manager – Listing
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051.

Sub.: Postal Ballot Notice

Ref.: 1. Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
2. BSE Scrip Code- 500165, NSE Symbol - KANSAINER

Dear Sirs,

In terms of the provisions of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with the relevant circulars issued by Ministry of Corporate Affairs (“MCA Circulars”), the Postal Ballot Notice (“Notice”) dated 11th March, 2025, seeking approval of the Members of the Company through remote e-voting to transact the special business as set out in the Notice, is enclosed herewith.

In accordance with MCA Circulars, the Notice is being sent today by e-mail to all the Members whose e-mail addresses are registered with the Company / Depository Participant(s). The Notice will also be available on the website of the Company at www.nerolac.com.

The special business items to be transacted through Postal Ballot are as mentioned below:

Sr. No.	Special Business Items	Resolution to be passed
1.	Payment of (1) compensation in the form of special gratuity on his retirement as the Managing Director and (2) non-compete, non-solicitation and non-poaching fee, to Mr. Anuj Jain.	Ordinary Resolution
2.	Appointment of Mr. Pravin Digambar Chaudhari (holding Director Identification Number 02171823) as the Managing Director of the Company, not liable to retire by rotation, for a period of 3 (three) years commencing from 1st April, 2025 upto and ending on 31st March, 2028 (both days inclusive).	Ordinary Resolution

Please take the above submission on record.

For **KANSAI NEROLAC PAINTS LIMITED**

G. T. GOVINDARAJAN
COMPANY SECRETARY
Encl.: Postal Ballot Notice

KANSAI NEROLAC PAINTS LIMITED



NEROLAC

KANSAI NEROLAC PAINTS LIMITED

Registered Office: 28th Floor, A-wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai 400 013, Maharashtra.
Tel.: +91-22-24060 2500 / 2501 • **Website:** www.nerolac.com • **Investors Relations e-mail ID:** investor@nerolac.com
Corporate Identity Number (CIN): L24202MH1920PLC000825

NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended and applicable circulars issued by the Ministry of Corporate Affairs, Government of India, from time to time.]

VOTING STARTS ON	VOTING ENDS ON
Thursday, 20th March, 2025 at 9:00 a.m. (IST)	Friday, 18th April, 2025 at 5:00 p.m. (IST)

Dear Members,

NOTICE is hereby given pursuant to Section 110 read with Section 108 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”) (including any statutory modification or re-enactment thereof for the time being in force), read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, (“Rules”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India (“SS-2”), each as amended, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs (“MCA”) for holding general meetings/conducting postal ballot process through e-voting vide Circular No. 09/2024 dated 19th September, 2024, read with Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020, Circular No. 22/2020 dated 15th June, 2020, Circular No. 33/2020 dated 28th September, 2020, Circular No. 39/2020 dated 31st December, 2020, Circular No. 10/2021 dated 23rd June, 2021, Circular No. 20/2021 dated 8th December, 2021, Circular No. 11/2022 dated 28th December, 2022, Circular No. 3/2022 dated 5th May, 2022 and Circular No. 09/2023 dated 25th September, 2023 (“MCA Circulars”), to transact the special business as set out hereunder, by way of postal ballot.

Pursuant to Section 102 and Section 110 and other applicable provisions of the Act, the statement pertaining to the special business setting out the material facts and the reasons/rationale thereof is annexed to this Postal Ballot Notice (“Notice”) for your consideration and forms part of this Notice. In this Notice, the connotation of “Members” and “Shareholders” is the same.

In line with the relevant MCA Circulars, Kansai Nerolac Paints Limited (“Company”) is sending this Notice in electronic form to those Shareholders whose e-mail addresses are registered with the Company/Depository Participants(s). Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope are not being sent to the Members for this Postal Ballot. The communication of the assent or dissent of the Members would only take place through the remote e-voting system. The Notice is also available on the website of the Company at www.nerolac.com.

In compliance with Regulation 44 of the SEBI Listing Regulations and pursuant to the provisions of Section 108 and Section 110 of the Act read with the Rules, MCA Circulars and SS-2, the Company is providing remote e-voting facility to its Members, to enable them to cast their votes electronically. The Company has engaged the services of National Securities Depository Limited (“NSDL”) for the purpose of providing remote e-voting facility to its Members. The instructions for remote e-voting are appended to this Notice.

Members desiring to exercise their vote through the remote e-voting process are requested to carefully read the instructions indicated in this Notice and record their assent (FOR) or dissent (AGAINST) by following the procedure as stated in the Notes forming part of the Notice for casting of votes by remote e-voting not later than 5:00 p.m. (IST) on Friday, 18th April, 2025. The remote e-voting facility will be disabled by NSDL immediately thereafter.

SPECIAL BUSINESS

Item No. 1

Payment of (1) compensation in the form of special gratuity on his retirement as the Managing Director and (2) non-compete, non-solicitation and non-poaching fee, to Mr. Anuj Jain

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED that pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules made thereunder (including any statutory amendment or modification or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded:

- for the payment of compensation in the form of special gratuity of Rs. 1.74 Crores to Mr. Anuj Jain, for his long service of over 35 years and recognising his contribution to the Company, as an employee including his term as the Managing Director of the Company, in addition to all other retirement benefits that accrue to him as a retired employee of the Company;
- for entering into an agreement with Mr. Anuj Jain for non-compete, non-solicitation and non-poaching for an amount aggregating to Rs.10 Crores due and payable, on satisfaction of certain conditions, in the following manner:
 - (i) an amount aggregating to Rs. 1.50 Crores at the end of each quarter thereby collectively aggregating to Rs. 6 Crores in financial year 2025-26 and
 - (ii) an amount aggregating to Rs. 1 Crore at the end of each quarter thereby collectively aggregating to Rs. 4 Crores in financial year 2026-27.

RESOLVED FURTHER that the Board of Directors and/or Key Managerial Personnel of the Company be and are hereby severally authorised to sign, execute the Agreement on behalf of the Company and 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.”

Item No. 2

Appointment of Mr. Pravin Digambar Chaudhari (holding Director Identification Number 02171823) as the Managing Director of the Company

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED that pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), read with Schedule V of the said Act, applicable Rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment or modification or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded to the appointment of Mr. Pravin Digambar Chaudhari (holding Director Identification Number 02171823) as the Managing Director of the Company, not liable to retire by rotation, for a period of 3 (three) years commencing from 1st April, 2025 upto and ending on 31st March, 2028 (both days inclusive), subject to the approval of the Central Government, on the remuneration and perquisites as set out in the draft Agreement to be entered into between the Company and Mr. Chaudhari, the material terms of which are as stated in the Explanatory Statement annexed to the Notice of Postal Ballot.

RESOLVED FURTHER that the Board of Directors and/or Key Managerial Personnel of the Company be and are hereby authorised to enter into an Agreement on behalf of the Company with Mr. Chaudhari, in terms of the aforesaid draft Agreement and 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.”

For and on behalf of the Board

Bhaskar Bhat
Chairman

Mumbai, 11th March, 2025

Notes:

1. Explanatory Statement pursuant to the provisions of Section 102 of the Act, relating to the special business is annexed hereto. Also, relevant details in respect of the Director seeking appointment, in terms of Regulation 36(3) SEBI Listing Regulations and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings are also annexed to this Notice.
2. The Shareholders, seeking any information with regard to the special business, are requested to write to the Company on or before Friday, 18th April, 2025, through e-mail on postalballot@nerolac.com. The same will be replied by/on behalf of the Company suitably.
3. In line with the relevant MCA Circulars, the Notice inter alia indicating the process and manner of remote e-voting is being sent by e-mail, to all the Shareholders whose e-mail IDs are registered with the Company / Depository Participant(s) and to all other persons so entitled.
4. Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the relevant MCA Circulars, the Notice will also be available on the website of the Company at www.nerolac.com. The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of National Securities Depository Limited ("NSDL") at www.evoting.nsdl.com.

5. Voting through electronic means

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI Listing Regulations and the relevant MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted by Postal Ballot through electronic means. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency.

The Company has fixed Friday, 14th March, 2025 as the "cut-off date" to determine the eligibility to vote by remote e-voting. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, i.e. Friday, 14th March, 2025, shall be entitled to avail the facility of remote e-voting.

6. The Company has appointed Mr. J. H. Ranade, Membership No. F4317 & Certificate of Practice No. 2520 or failing him Mr. Sohan J. Ranade, Membership No. A33416 & Certificate of Practice No. 12520 or failing him Mrs. Tejaswi Jogal, Membership No. A29608 & Certificate of Practice No. 14839 (anyone of them), being Partners of JHR & Associates, Company Secretaries in practice, as the Scrutinizer to scrutinize the postal ballot process in fair and transparent manner.
7. The Scrutinizer after scrutiny of the votes cast, will submit his report on the result of the Postal Ballot to the Chairman or any other person authorized by him. The Scrutinizer's decision on the validity of votes cast will be final. The results of the voting by Postal Ballot along with the Scrutinizer's report will be announced by the Chairman of the Company or any other person authorized by him on or before Sunday, 20th April, 2025.
8. The results declared along with the Scrutinizer's Report shall be placed on the Company's website at www.nerolac.com and on the website of NSDL at www.evoting.nsdl.com. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
9. The Resolution, if passed by the requisite majority through Postal Ballot, will be deemed to have been passed on the last date specified for remote e-voting i.e. Friday, 18th April, 2025.
10. The Shareholders who are holding shares in dematerialized form and have not yet registered their e-mail IDs with their Depository Participant(s) are requested to register their e-mail ID at the earliest, to enable the Company to use the same for serving documents to them electronically, hereafter. The shareholders holding shares in physical form may refer to process detailed on <https://web.in.mpms.mufg.com/KYC-downloads.html> and proceed accordingly. The support of the Shareholders for the 'Green initiative' is solicited.

11. Process to cast votes through remote e-voting

The remote e-voting period begins on Thursday, 20th March, 2025 at 9:00 a.m. (IST) and ends on Friday, 18th April, 2025 at 5:00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the

cut-off date i.e. Friday, 14th March, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 14th March, 2025. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.





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 for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th 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 Depository Participants. Shareholders are advised to update their mobile number and e-mail 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"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com 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. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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. 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. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 40px; margin-top: 10px;">   </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 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 www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi Username & Password. 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. Additionally, there are 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. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from the e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail 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.
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.

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 evoting@nsdl.com 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 helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method 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.nsdl.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 :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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 133349 then user ID is 133349001***

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 e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail 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 e-mail ID is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail 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.nsdl.com.
 - "Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com 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 on NSDL e-voting system.

How to cast your vote electronically on NSDL e-voting system?

1. 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.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-voting period.
3. 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.

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 jhr@jhrasso.com with a copy marked to evoting@nsdl.com. 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.
2. 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 to reset the password.
3. 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 or call on : 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager – NSDL at evoting@nsdl.com

Process for those shareholders whose e-mail IDs are not registered, for procuring user id and password and registration of e-mail IDs for e-voting for the resolutions set out in this notice:

1. If your e-mail address is not registered with the Depository Participant(s) (if shares held in electronic form)/ Company (if shares held in physical form), you may register on or before Thursday, 10th April, 2025, 5:00 p.m. (IST) to receive the Notice by completing the process as under:
 - i. Visit the link https://web.in.mpms.mufg.com/EmailReg/Email_Register.html
 - ii. Select the name of the Company ‘Kansai Nerolac Paints Limited’ from dropdown.
 - iii. Enter details in respective fields such as DP ID and Client ID (if shares held in electronic form)/Folio no. and Certificate no. (if shares held in physical form), shareholder name, PAN, mobile no. and e-mail ID.
 - iv. System will send One Time Password (‘OTP’) on mobile no. and e-mail ID.
 - v. Enter OTP received on mobile no. and e-mail ID.
 - vi. Click on submit button.
 - vii. System will then confirm the recording of the e-mail address for receiving the Notice.
2. 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), AADHAR (self attested scanned copy of Aadhar Card) by e-mail to evoting@nsdl.com.

3. 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), AADHAR (self attested scanned copy of Aadhar Card) to evoting@nsdl.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 for Individual Shareholders holding securities in demat mode**.
4. Alternatively, shareholders/members may send a request to evoting@nsdl.com for procuring User ID and Password for e-voting by providing above mentioned documents.
5. In terms of SEBI circular dated 9th 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 Depository Participants. Shareholders are required to update their mobile number and e-mail ID correctly in their demat account in order to access e-voting facility.

For and on behalf of the Board

Bhaskar Bhat
Chairman

Mumbai, 11th March, 2025

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 AND 110 OF THE COMPANIES ACT, 2013

Item No. 1

The Company and Mr. Anuj Jain, Managing Director (holding Director Identification Number: 08091524) have mutually agreed that Mr. Jain will take early retirement from the services of the Company at the close of business on 31st March, 2025.

Mr. Jain joined the Company on 4th June, 1990. He was the Executive Director of the Company from 1st April, 2018 to 31st March, 2022. He had been appointed as the Managing Director of the Company from 1st April, 2022 for a period of 5 (five) years upto and including 31st March, 2027 and the approval of the Shareholders of the Company had been obtained for the said appointment along with the terms set out in the draft Agreement with Mr. Jain, the material terms of which were placed before the Shareholders at the 102nd Annual General Meeting of the Company on 23rd June, 2022. An agreement setting out the terms of appointment was entered into with Mr. Jain on 9th August, 2022.

The Board of Directors, on recommendation of the Nomination and Remuneration Committee, has proposed compensation in the nature of special gratuity of Rs. 1.74 Crores to Mr. Anuj Jain, for his long service of over 35 years and recognising his contribution as an employee to the Company, including his term as the Managing Director of the Company, which shall be paid on his retirement. All other terms and benefits that accrue to him as a retired employee of the Company will be applied separately.

The Board of Directors, considering the dynamic market situation that is evolving in India and a steep competition in the paint industry, has proposed to enter into an arrangement with Mr. Anuj Jain for non-compete, non-solicitation and non-poaching for an amount aggregating to Rs.10 Crores, which shall be due and payable to Mr. Anuj Jain, on satisfaction of certain conditions inter-alia relating to non-compete, non-solicitation and non-poaching, in the following manner:

- i an amount aggregating to Rs. 1.50 Crores at the end of each quarter thereby collectively aggregating to Rs. 6 Crores in financial year 2025-26 and
- ii an amount aggregating to Rs. 1 Crore at the end of each quarter thereby collectively aggregating to Rs. 4 Crores in financial year 2026-27.

Mr. Jain shall not have any further claims against the Company including under the Companies Act, 2013.

To ensure smooth transition of management, Mr. Anuj Jain has agreed to be available whenever the management / Board seeks any advice from him.

The Directors consider the aforesaid arrangement and compensation to be fair and reasonable in the circumstances and the situation as mentioned above.

The draft Agreement between the Company and Mr. Jain referred to in the Resolution at Item no. 1 will be available for inspection of the Shareholders through electronic mode. Shareholders may write to the Company at postalballot@nerolac.com in that regard, by mentioning "*Request for Inspection*" in the subject of the e-mail.

Other than Mr. Jain and his relatives, 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 in Item no. 1.

The Board recommends the Resolution as set out in Item no. 1 of the Notice, for approval of the Shareholders.

Item No. 2

The Board of Directors of the Company, at its meeting held on 5th February, 2025, pursuant to the recommendation of Nomination and Remuneration Committee of the Board approved the appointment of Mr. Pravin Digambar Chaudhari (holding Director Identification Number 02171823) as the Managing Director of the Company for a period of 3 (three) years commencing from 1st April, 2025 upto and ending on 31st March, 2028 (both days inclusive). The Board of Directors, at the meeting held on 11th March, 2025, approved the remuneration and perquisites to be paid or granted to Mr. Chaudhari as set out in the draft Agreement between the Company and Mr. Chaudhari referred to in the Resolution at Item no. 2 of the Notice.

The appointment of Mr. Chaudhari as the Managing Director of the Company and the remuneration and perquisites proposed to be paid or granted to him are as set out in the aforesaid draft Agreement. Further, as Mr. Chaudhari is not a resident of India as per the requirements of Schedule V of the Companies Act, 2013 ("the Act"), approval of the Central Government is required to be obtained for the appointment of Mr. Chaudhari as the Managing Director of the Company. The appointment of Mr. Chaudhari and proposed remuneration to be paid is in conformity with all other requirements of Schedule V of the Act and accordingly, no approval from the Central Government is required for any other purpose.

The appointment of Mr. Chaudhari as the Managing Director of the Company on the remuneration and perquisites as set out in the aforesaid draft Agreement is however subject to the approval of the Shareholders pursuant to Section 196 of the Act and subject to approval of the Central Government. Hence, the Resolution at Item no. 2 of the Notice. In accordance with the Articles of Association of the Company, Mr. Chaudhari as the Managing Director will not be liable to retire by rotation.

A brief resume of Mr. Chaudhari is provided in the annexure to the Notice.

The material terms of the draft Agreement referred to in the Resolution at Item no. 2 are as follows:

1. The appointment of Mr. Chaudhari as the Managing Director of the Company shall be for a period of 3 (three) years commencing from 1st April, 2025 upto and ending on 31st March, 2028 (both days inclusive).
2. Mr. Chaudhari's position and designation shall be Managing Director.
3. Mr. Chaudhari shall manage the day to day affairs of the Company, subject to the superintendence, control and direction of the Board of Directors and he shall exercise such powers as may from time to time be entrusted to him by the Directors including powers exercisable by the Board under the Articles of Association of the Company and be subject to such restrictions as the Board of Directors may from time to time specify.
4. Mr. Chaudhari shall devote his time, attention, skill and abilities during business hours to the business of the Company and undertake to the best of his skill and ability to use his utmost endeavours to promote the interest and welfare of the Company and to conform to and comply with the directions as may from time to time be given by the Board of Directors of the Company.
5. Mr. Chaudhari shall not have the powers to make calls on shares and to issue debentures.
6. Mr. Chaudhari shall, subject to the prior sanction of the Board of Directors and subject to such restrictions, conditions and limits as may be imposed by the Board or where permitted by a Committee of the Board, have the power to:
 - a. Invest the funds of the Company in:
 - i securities of the Government of India or any of the State Government or foreign Governments;
 - ii any municipal bonds and bonds issued by statutory corporations and public authorities, whether Indian or foreign;
 - iii debentures, preference shares and equity shares of any private, public and/or Government companies registered in India or elsewhere; and
 - iv call deposits or fixed deposits with companies, banks and other institutions.
 - b. Borrow money otherwise than on debentures for the purpose of the business of the Company;
 - c. Accept all call deposits and/or fixed deposits;

- d. Sell any of the assets or investments of the Company;
 - e. Purchase assets of the Company;
 - f. Appoint or engage staff and terminate their employment.
7. Mr. Chaudhari shall be entitled to the following emoluments, benefits, perquisites subject to the limit laid down under Sections 197, 198 and Schedule V of the Act, as the Managing Director:
- a. Fixed pay consisting of the following:
 - 1. Salary: Rs. 11,11,000 per month. Increments, subject to the limit laid down under Sections 197, 198 and Schedule V of the Act, will be decided upon from time to time by the Board each year and will be merit based and taking into account the Company's performance.
 - 2. House Rent Allowance: 40% of the Salary. In case Company accommodation is provided, no House Rent Allowance will be paid.
 - 3. Leave Travel Allowance: 10% of the Salary.
 - 4. Other Perquisites and Allowances: 75% of the Salary. This includes Company's contribution to Provident Fund and Superannuation Fund to the extent exempt from time to time under the Income-tax Act and any other perquisites and allowances within the overall limit of 75% of the Salary. For the purposes of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. The fixed pay for the first year of the term shall not exceed Rs. 3,00,00,000.

b. Variable pay:

This shall be in the nature of Commission. Subject to the overall ceiling in Section 197 of the Act, the Company shall pay to Mr. Chaudhari remuneration by way of commission based on net profits of the Company for each financial year as the Board may in its absolute discretion determine, depending on performance. The Commission for the first year of the term shall not exceed Rs. 2,50,00,000.

Other benefits that will be over and above the aforesaid proposed remuneration and in line with the Company policy, would include medical reimbursement as per group medical insurance policy, provision of Company car and its running and maintenance expenses including driver, club membership, telephone/internet reimbursement, Restricted Stock Units under the Kansai Nerolac Paints Limited – Restricted Stock Unit Plan 2022, Provident fund, Superannuation fund and Gratuity payment at the end of the term of employment, leave encashment at the end of the term of employment, benefit, if any, under Group Life Insurance Policy and asset purchase as per Company policy.

Minimum Remuneration:

In the event of inadequacy of profits during any financial year, in the aforesaid period, the Company will pay remuneration by way of salary, perquisites and allowances (including Leave Travel Allowance and House Rent Allowance, where applicable) as specified above, not exceeding the limits specified in Section II of Part II of Schedule V of the Act, subject to requisite approvals being obtained.

- 8. Mr. Chaudhari shall not be paid any sitting fees for attending the meetings of the Board or of any Committee thereof.
- 9. Mr. Chaudhari shall be entitled to reimbursement of actual expenses including entertainment and travelling incurred during the course of Company's business.
- 10. Mr. Chaudhari will be granted Privilege Leave, Sick Leave and Casual Leave in accordance with the rules and regulations of the Company applicable from time to time.
- 11. Mr. Chaudhari shall not during the term of this Agreement, whether the employment runs through the full period from the date of appointment or is terminated by the Company or Mr. Chaudhari anytime during the

term of this Agreement for whatever reason, directly or indirectly engage himself in any business or activity substantially similar to or competing with the business or activity of the Company or do any deed, matter or thing so as to solicit the customers of the Company or offer to provide any services to such customers otherwise than through the Company. It shall however be permissible for Mr. Chaudhari, with the previous written sanction of the Board to hold any directorship/s of any other company or companies and the holding of such permitted directorships shall not be deemed a contravention of this clause.

12. Mr. Chaudhari shall not during the term of this Agreement and for all times thereafter, divulge or disclose any information or knowledge obtained by him during his employment as to the business or affairs of the Company or any trade secrets or secret processes of the Company.
13. Mr. Chaudhari's employment shall get terminated herewith if he commits a material breach of any of the terms, provisions or covenants herein contained, disqualifies himself to act as a Director for any reason besides breach of Section 167 of the Act, or becomes insolvent, makes any composition or arrangement with his creditors or ceases to be a Director of the Company. In such event, Mr. Chaudhari will not be eligible for any compensation for termination of his services for the residual term of this Agreement.
14. In the event there is no breach of the terms of the Agreement by Mr. Chaudhari, but the Company exercises its discretion to terminate his services during the term of this Agreement, without assigning any reason therefor, then and in that event, Mr. Chaudhari shall be paid compensation in accordance with the provisions of the Act.
15. In the event Mr. Chaudhari is not in position to discharge his official duties due to any physical or mental incapacity, the Board of Directors shall be entitled to terminate this Agreement on such terms as the Board of Directors may consider appropriate in the circumstances.
16. Mr. Chaudhari may terminate this Agreement by giving prior written notice of at least 3 months to the Company or pay to the Company, then prevailing Salary of 3 months in lieu of the notice.
17. All personnel policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to Mr. Chaudhari, unless specifically provided otherwise.

The Directors consider the aforesaid remuneration to be commensurate with the duties and responsibilities of Mr. Chaudhari as the Managing Director of the Company.

The draft Agreement between the Company and Mr. Chaudhari referred to in the Resolution at Item no. 2 will be available for inspection of the Shareholders through electronic mode. Shareholders may write to the Company at postalballot@nerolac.com in that regard, by mentioning "*Request for Inspection*" in the subject of the e-mail.

Mr. Pravin Digambar Chaudhari and his relatives can be considered to be concerned or interested in the proposed Ordinary Resolution, as set out in Item no. 2, to the extent it relates to the appointment of Mr. Chaudhari.

Also, Mr. Hitoshi Nishibayashi, Mr. Takashi Tomioka and Mr. Hirokazu Kotera, Directors, being the nominees of Kansai Paint Co., Ltd., Japan, the promoter of the Company, can be considered to be concerned or interested in the proposed Ordinary Resolution, as set out in Item no. 2, to the extent it relates to the appointment of a fellow nominee of Kansai Paint Co., Ltd., Japan. None of the other 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 in Item no. 2.

The Board recommends the appointment of Mr. Chaudhari as the Managing Director of the Company, as set out in Item no. 2 of the Notice, for approval of the Shareholders.

For and on behalf of the Board

Bhaskar Bhat
Chairman

Mumbai, 11th March, 2025

ANNEXURE TO THE NOTICE

Details of the Director seeking appointment as set out in the Notice, in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Clause 1.2.5 of Secretarial Standard on General Meetings.

Name of Director	Mr. Pravin Digambar Chaudhari
Director Identification Number	02171823
Age	56 years
Brief profile including qualifications and experience	<p>Mr. Pravin Digambar Chaudhari has a bachelor's degree in engineering and masters in management from Mumbai University.</p> <p>With over 30 years of experience across functions, Mr. Pravin Digambar Chaudhari has a stellar career building B2C and B2B businesses.</p> <p>Joined as a trainee in 1993, Mr. Chaudhari was appointed as an Executive Director of the Company in 2008.</p> <p>In 2018, Mr. Chaudhari moved to Pidilite Industries to head their Pigment business and industrial operations.</p> <p>In 2023, he joined Kansai Paint Co., Ltd (KPJ), promoter company of Kansai Nerolac Paints Limited, as an Executive Officer. He is currently the Executive Officer, Head of India business and Deputy Chief of R&D/Procurement Unit, at KPJ.</p> <p>Mr. Chaudhari had been appointed as the Non-Executive Director of the Company with effect from 26th June, 2023. He has been appointed as the Managing Director of the Company with effect from 1st April, 2025.</p>
Date of First Appointment	26th June, 2023 (as the Non-Executive Director) 1st April, 2025 (as the Managing Director)
Directorships in other companies (excluding this Company, foreign companies and Section 8 companies)	Nil
Memberships/ Chairmanships of Committees# of other companies	Nil
Directorship in other listed entities	Nil
Listed entities in which the Director has resigned in the past three years	Nil
Shareholding in the Company	Nil
Relationship between Directors inter-se, with other Directors and Key Managerial Personnel of the Company	None of the Directors are related to each other. However, Mr. Hitoshi Nishibayashi, Mr. Takashi Tomioka, Mr. Hirokazu Kotera and Mr. Pravin Chaudhari are the nominees of Kansai Paint Co., Ltd., Japan, Promoter Company.
Last drawn remuneration	Nil
Remuneration proposed to be paid	As mentioned in the explanatory statement annexed to the Notice.
Number of meetings of Board attended during the year	Attended 6 (Six) Board meetings held till date in FY 2024-25 as the Non-Executive Director of the Company.

* Mr. Pravin Digambar Chaudhari is a nominee of Kansai Paint Co., Ltd., Japan, Promoter Company and he does not hold any Equity Share of the Company in his personal capacity.

In terms of the provisions of Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships/Chairmanships in only two committees viz. Audit Committee and Stakeholders' Relationship Committee are considered.