

(Notice Pursuant to Section 110 of the Companies Act, 2013 read with rule 22 of the Companies (Management and Administration) Rules, 2014)

Dear Member(s),

Notice is hereby given pursuant to the provisions of Section 110 of the Companies Act, 2013 (“the Act”) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (“the Rules”) and pursuant to other applicable laws and regulations, if any, that the Resolutions appended below are proposed to be passed by the Members through Postal Ballot/Electronic voting (“e-voting”).

The Explanatory Statement pertaining to all the Resolutions setting out the material facts and the reasons thereof is annexed hereto along with the Postal Ballot Form.

The Board of Directors of the Company has appointed Mrs. Ragini Chokshi, Partner of.Ragini Chokshi & Co., Practicing Company Secretaries as the Scrutinizer for conducting the Postal Ballot/e-voting process in a fair and transparent manner.

Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed postage prepaid self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. Postal Ballot Form(s), if sent by courier or by registered post/speed post at the expense of the Member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given thereon. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 6:00 p.m. on March 15, 2015 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the instructions in the Notes under the section “Voting through electronic means”. The shareholders should log on to the e-voting website www.evotingindia.com for voting through electronic means.

The Scrutinizer will submit her report to the Chairman or any other Director of the Company after the completion of the scrutiny of the postal ballots (including e-voting). The result of Postal Ballot shall be declared on or before March 20, 2015 and communicated to the Stock Exchanges and would also be displayed on the Company's website at www.nerolac.com.

Resolutions

Item No. 1

Sub-division of 1 (one) Equity Share of face value of Rs. 10/- each into 10 (ten) Equity Shares of Re. 1/- each.

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

RESOLVED that pursuant to the provisions of Section 61(1)(d), 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned Statutory Authority(ies), each Equity Share of the Company having a face value of Rs. 10 each fully paid-up be sub-divided into 10 (ten) Equity Shares of face value of Re. 1 each fully paid-up.

RESOLVED FURTHER that on sub-division, 10 (ten) Equity Shares of face value of Re.1 each be allotted in lieu of existing 1 (one) Equity Share of Rs. 10 each, subject to the terms of the Memorandum and Articles of Association of the Company

RESOLVED FURTHER that on sub-division of Equity Shares as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of the face value of Rs. 10 each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and the Company may, without requiring the surrender of the existing share certificate(s), directly issue and dispatch the new share certificate(s) of the Company, in lieu of such existing share certificate(s) subject to the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and in the case of Equity Shares held in the dematerialised form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Members with the depository participants, in lieu of the existing credits representing the Equity Shares of the Company before sub-division.

RESOLVED FURTHER that the Board of Directors of the Company, which expression shall also include a Committee thereof) be and is hereby authorised to take such steps as may be necessary including the delegation of all or any of its

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Item No. 5

Appointment of Mr. Noel N. Tata as an Independent Director

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

RESOLVED that, pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Noel N. Tata, (holding DIN 00024713), Director of the Company whose period of office is liable to determination by retirement of Directors by rotation (under the erstwhile Companies Act, 1956) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies act, 2013, signifying his intention to propose Mr. Tata as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years from 30th January, 2015 upto and including 29th January, 2020 and whose office shall not be liable to retire by rotation.

Item No. 6

Appointment of Mrs. Brinda Somaya as an Independent Director

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

RESOLVED that, pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Brinda Somaya, (holding DIN 00358908), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 22nd July, 2014, in terms of section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Mrs. Brinda Somaya as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years from 22nd July, 2014 upto and including 21st July, 2019 and whose office shall not be liable to retire by rotation.

Explanatory Statement pursuant to Sections 102(1) and 110 of the Companies Act, 2013

Item Nos. 1, 2 and 3

The Equity Shares of the Company are listed and actively traded on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. As the members may be aware, the turnover of the Company has registered substantial growth in the last few years, which has generated considerable interest in the Company's shares in the market. This has resulted in the market price of the Company increasing substantially. In order to improve the liquidity of the Company's shares in the stock market and to make it affordable to the small investors, the Board of Directors of the Company (“the Board”) at its Meeting held on January 30, 2015 considered and approved the sub-division of one Equity Share of the Company having a face value of Rs. 10 each into ten Equity Shares of face value of Re. 1 each, subject to approval of the Members and any other statutory and regulatory approvals, as applicable. The Record Date for the aforesaid sub-division of the Equity Shares will be fixed after approval of the Members is obtained.

Presently, the Authorised Share Capital of the Company is Rs. 60,00,00,000 (Rupees Sixty crores) divided into 6,00,00,000 (Six Crore) Equity Shares of Rs. 10 each. Pursuant to the proposed amendment, the Authorised Share Capital of the Company will be Rs. 60,00,00,000 (Rupees Sixty crores) divided into 60,00,00,000 (Sixty Crore) Equity Shares of Re. 1 each.

The sub-division as aforesaid would require consequential amendments to the existing Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Company as set out in Item Nos. 2 and 3 of the Notice respectively to reflect the change in face value of each Equity Share from Rs. 10 each to Re. 1 each.

The Directors recommend passing of the Resolutions at Item Nos. 1, 2 and 3 of the Notice.

No Director, Key Managerial Personnel and their relatives are in any way concerned or interested in the Resolution at Item Nos. 1, 2 and 3 of the Notice except to the extent of their respective shareholding in the Company.

Item no. 4

Mr. Pradip P. Shah is the Chairman and a Non-Executive Independent Director of the Company (appointed pursuant to Clause 49 of the Listing Agreement). He joined the Board of Directors of the Company on 30th January, 2007.

Mr. Pradip P. Shah is a qualified Cost Accountant and ranked first in India in the Chartered Accountancy examinations. Mr. Shah also holds an MBA from Harvard Business School.

Mr. Shah was the founder Managing Director of The Credit Rating Information Services of India Limited (CRISIL), India's first and largest credit rating agency. Prior to founding CRISIL, Mr. Shah assisted in founding Housing Development Finance Corporation (HDFC) in 1977. Mr. Shah also served as a consultant to USAID, the World Bank and the Asian Development Bank. Mr. Shah started IndAsia, a corporate finance and private equity advisory business in April 1998. Prior to starting

powers herein conferred to any Director(s), the Company Secretary or any other officer(s) of the Company for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.

Item No. 2

Alteration of Capital Clause of Memorandum of Association

To consider and, if thought fit, to pass the following resolution, as a Special Resolution:

RESOLVED that pursuant to provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and subject to such other approval(s) from the concerned Statutory Authority(ies), Clause V of the Memorandum of Association of the Company relating to Capital be substituted by the following Clause:

Clause V would be substituted as follows:
“The Share Capital of the Company is Rs. 60,00,00,000 (Rupees Sixty Crores) divided into 60,00,00,000 (Sixty Crores) Equity Shares of Re. 1 each with power for the Company to increase or reduce the said capital, and to issue any part of its capital, original or increased, with or without any preference, priority or special privilege, or subject to any postponement of rights, or to any conditions or restrictions; and so that unless the conditions of issue shall otherwise expressly declare, every issue of shares whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.”

RESOLVED FURTHER that the Board of Directors of the Company (which expression shall also include a Committee thereof) be and is hereby authorised to take such steps as may be necessary including the delegation of all or any of its powers herein conferred to any Director(s), the Company Secretary or any other officer(s) of the Company for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to do all such acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.

Item No. 3

Alteration of Articles of Association

To consider and, if thought fit, to pass the following resolution, as a Special Resolution:

RESOLVED that pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other approval(s) from the concerned Statutory Authority(ies), Article 3 of the Articles of Association of the Company relating to Capital be substituted by the following Clause:

Article 3 would be substituted as follows:

“The Authorised Share Capital of the Company is Rs. 60,00,00,000 (Rupees Sixty Crores) divided into 60,00,00,000 (Rupees Sixty Crores) Equity Shares of Re. 1/- each.”

RESOLVED FURTHER that the Board of Directors of the Company (which expression shall also include a Committee thereof) be authorised to take such steps as may be considered necessary including the delegation of all or any of its powers herein conferred to any Director(s), the Company Secretary or any other officer(s) of the Company for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.

Item No. 4

Appointment of Mr. Pradip P. Shah as an Independent Director

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

RESOLVED that, pursuant to the provisions of Section 149, 152, and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Pradip P. Shah, (holding DIN 00066242), Director of the Company whose period of office is liable to determination by retirement of Directors by rotation (under the erstwhile Companies Act, 1956) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Mr. Shah as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years from 30th January, 2015, upto and including 29th January, 2020, and whose office shall not be liable to retire by rotation.

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IndAsia, he helped establish the Indocean Fund in 1994. Mr. Shah has written a number of articles and given talks in India and abroad on credit rating, housing finance, capital markets, venture capital and other subjects.

Mr. Shah is Chairman / member of the Board of Directors of the following Companies (excluding private companies, foreign companies and companies registered under Section 25 of the Companies Act, 1956):

Chairman of Grindwell Norton Limited and Sonata Software Limited and member of Board of Directors of BASF India Limited, Godrej & Boyce Mfg. Co. Limited, KSB Pumps Limited, Pfizer Limited and Tata Investment Corporation Limited.

Mr. Shah is a member of the following Board Committees (other than that of Kansai Nerolac Paints Limited):

Audit Committee of BASF India Limited, Pfizer Limited, Sonata Software Limited and Tata Investment Corporation Limited.
Shareholders / Investors Grievance Committee of Pfizer Limited.

Mr. Shah does not hold any shares in the Company.

The period of Mr. Pradip P. Shah in office of Director is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. The Companies Act, 2013 came into effect on 1st April, 2014. Section 149(10) of the Companies Act, 2013 provides that an Independent Director shall hold office for a term of upto five consecutive years on the Board. Further, Section 149(13) of the Companies Act, 2013 states that the provisions relating to retirement of Directors by rotation shall not apply to the appointment of Independent Directors. Additionally the Ministry of Corporate Affairs (MCA), Government of India, by General Circular No. 14/2014 dated 9th June, 2014, has clarified that if a Company intends to appoint existing Independent Directors as Independent Directors under the Companies Act, 2013, such appointment must be made expressly within one year from April 01, 2014. The Company proposes to comply with the provisions of the Companies Act, 2013 and the Circular of MCA.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000 proposing the candidature of Mr. Shah for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

Hence, it is proposed to appoint Mr. Shah as an Independent Director for a term of five consecutive years from 30th January, 2015 upto and including 29th January, 2020, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) and re-enactment(s) thereof, for the time being in force), and that he shall not be liable to retire by rotation.

In the opinion of the Board, Mr. Shah fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and he is independent of the management. The Company has also received a declaration from Mr. Shah to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. A copy of the draft letter for appointment of Mr. Shah as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Shah as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Shah as an Independent Director, for the approval of the shareholders of the Company.

Except Mr. Shah, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at item no. 4.

Item no. 5
Mr. Noel N. Tata is a Non-Executive Independent Director on the Board of the Company (appointed pursuant to Clause 49 of the Listing Agreement). He joined the Board of Directors of the Company on 27th October, 2007.

Mr. Tata is a graduate of Sussex University (UK) and INSEAD. He is the Managing Director of Tata International Limited and director of various Tata companies.

Mr. Tata is a Chairman/ member of the Board of Directors of the following Companies (excluding private companies, foreign companies and companies registered under Section 25 of the Companies Act, 1956):

Chairman of Tata Investment Corporation Limited, Trent Hypermarket Limited, Landmark Limited and Drive India Enterprise Solutions Limited and member of Board of Directors of Trent Limited, Titan Company Limited, Voltas Limited, Tata International Limited and Bachi Shoes Limited.

Mr. Tata is the Chairman of the following Board Committees (other than Kansai Nerolac Paints Limited) as required for the purposes of the Listing Agreement:

Shareholders / Investors Grievance Committee of Voltas Limited.

Mr. Tata is a member of the following Board Committees (other than Kansai Nerolac Paints Limited):
Audit Committee of Trent Limited and Trent Hypermarket Limited.

Mr. Tata does not hold any shares in the Company.

The period of Mr. Tata in office of Director is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. The Companies Act, 2013 came into effect on 1st April, 2014. Section 149(10) of the Companies Act, 2013 provides that an Independent Director shall hold office for a term of upto five consecutive years on the Board. Further, Section 149(13) of the Companies Act, 2013 states that the provisions relating to retirement of Directors by rotation shall not apply to the appointment of Independent Directors. Additionally the Ministry of Corporate Affairs (MCA), Government of India, by General Circular No. 14/2014 dated 9th June, 2014, has clarified that if a Company intends to appoint existing Independent Directors as Independent Directors under the Companies Act, 2013, such appointment must be made expressly within one year from April 01, 2014. The Company proposes to comply with the provisions of the Companies Act, 2013 and the Circular of MCA.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000 proposing the candidature of Mr. Tata for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

Hence, it is proposed to appoint Mr. Tata as an Independent Director for a term of five consecutive years from 30th January, 2015 upto and including 29th January, 2020, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) and re-enactment(s) thereof, for the time being in force), and that he shall not be liable to retire by rotation.

In the opinion of the Board, Mr. Tata fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company and he is independent of the management. The Company has also received a declaration from Mr. Tata to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. A copy of the draft letter for appointment of Mr. Tata as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Tata as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Tata as an Independent Director, for the approval of the shareholders of the Company.

Except Mr. Tata, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at item no. 5.

Item no. 6

Mrs. Brinda Somaya was appointed as an Additional Director by the Board with effect from 22nd July, 2014, pursuant to Section 161 of the Companies Act, 2013, read with Article 113 of the Articles of Association of the Company. Mrs. Somaya is a Non-Executive Independent Director on the Board of the Company.

Mrs Brinda Somaya is an architect and urban conservationist. After completion of her Bachelor of Architecture from Mumbai University and her Master of Arts from Smith College in Northampton, MA, USA, she started her firm Somaya and Kalappa Consultants in 1978 in Mumbai.

She is the recipient of several international and national awards. She was the first woman to have won the Weinberger Golden Architect Award for lifetime achievement – a peer award in 2007. Two of her projects were also nominated for the Aga Khan award. In 2013 she was chosen as one of the 100 Global Public Interest Design persons working at the intersection of design and service globally.

Mrs. Brinda Somaya does not hold any shares of the Company.

Pursuant to provisions of Section 161 of the Companies Act, 2013, Mrs. Somaya will hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000 proposing the candidature of Mrs. Somaya for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of the shareholders for the appointment of Mrs. Somaya as an Independent Director of the Company for a term of five consecutive years from 22nd July, 2014 upto and including 21st July, 2019, pursuant to Section 149 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) and re-enactment(s) thereof, for the time being in force), and that she shall not be liable to retire by rotation.

In the opinion of the Board, Mrs. Somaya fulfills the conditions specified in the Companies Act, 2013 and Rules made

Voting through Electronic means

In compliance with Clause 35B of the Listing Agreement and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules thereunder, the Company is pleased to provide e-voting facility, as an alternative, to all its Shareholders, to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Form by post. The Company has engaged the services of CDSL for the purpose of providing e-voting facility to all its Shareholders. The instructions for e-voting are as follows :

- (i)

The voting period begins on February 14, 2015 at 10.00 hrs. and ends on March 15, 2015 at 18.00 hrs. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of February 6, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii)

The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii)

Click on Shareholders.
- (iv)

Now Enter your User ID:

a.

For CDSL: 16 digits beneficiary ID,

b.

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c.

Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v)

Next enter the Image Verification as displayed and Click on Login.
- (vi)

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii)

If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<div>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</div> <div><div>•</div><div>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the PIN , as provided in the Postal Ballot form, in the PAN field.</div></div> <div><div>•</div><div>In case, the PIN is less than 8 digits enter the applicable number of 0's before the PIN after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with PIN 1 then enter RA00000001 in the PAN field.</div></div>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<div>Enter the Dividend Bank Details (Account Number) as recorded in your demat account or in the company records for the said demat account or folio.</div> <div><div>•</div><div>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</div></div>

- (viii)

After entering these details appropriately, click on “SUBMIT” tab.

- (ix)

Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your

thereunder for her appointment as an Independent Director of the Company and she is independent of the management. The Company has also received a declaration from Mrs. Somaya to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. A copy of the draft letter for appointment of Mrs. Somaya as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mrs. Somaya as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mrs. Somaya as an Independent Director, for the approval of the shareholders of the Company.

Except Mrs. Somaya, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at item no. 6.

By the Order of the Board of Directors
for **Kansai Nerolac Paints Limited**

Pradip P. Shah
Chairman

Mumbai
Date 30th January, 2015

Notes:

1.

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act)stating all material facts and the reasons for the proposal is annexed herewith.
2.

The Postal Ballot Notice is being sent by permitted mode along with a postage-prepaid self-addressed Business Reply Envelope to all the Shareholders whose names appear on the Register of Shareholders / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on February 6, 2015. The Postal Ballot Notice is being sent to Shareholders in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding).
3.

In compliance with Sections 108, 110 of the Act and the Rules made thereunder, and pursuant to clause 35 B of the Listing Agreement entered with the Stock Exchanges, the Company has provided the facility to the Shareholders to exercise their votes electronically and vote on all resolutions through the e-voting service facility arranged by CDSL. The instructions for electronic voting are annexed to this Notice.
4.

Shareholders whose names appear on the Register of Shareholders / List of Beneficial Owners as on February 6, 2015 will be considered for the purpose of voting.
5.

Resolutions passed by the Shareholders through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Shareholders.
6.

The Shareholders can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case Shareholders cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical Postal Ballot Forms will be treated as invalid.
7.

Shareholders desiring to exercise their vote by physical postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours (i.e. 18:00 Hours IST) on March 15, 2015. The postage will be borne by the Company. However, envelopes containing postal ballots, if sent by courier or registered / speed post at the expense of the Shareholders will also be accepted. If any postal ballot is received after 18:00 Hours IST on March 15, 2015, it will be considered that no reply from the Shareholder has been received.
8.

The Scrutinizer will submit her report to the Chairman or any other Director of the Company, after the completion of scrutiny, and the result of the voting by postal ballot will be announced by the Chairman or any other Director of the Company, on or before March 20, 2015 at the registered office of the Company and will also be displayed on the Company website (www.nerolac.com), and communicated to the Stock Exchanges, Depository, Registrar and Share Transfer Agent on the said date.
9.

The date of declaration of results of the postal ballot shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

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- password with any other person and take utmost care to keep your password confidential.
- (x)

For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi)

Click on the EVSN i.e. **150206006** for “ Kansai Nerolac Paints Limited “on which you choose to vote.
- (xii)

On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii)

Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv)

After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv)

Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi)

You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii)

If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii)

Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk_evoting@cdslindia.com.
 - After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix)

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.