KANSAI NEROLAC PAINTS LIMITED

Certified True copy of the Ordinary Resolution passed by Postal ballot by the Shareholders of the Company, results of which were announced on June 12, 2010:

"RESOLVED THAT:

(a) Pursuant to Article 178 of the Articles of Association of the Company and subject to such consents and approvals as may be required and subject to compliance of the relevant guidelines issued by the Securities and Exchange Board of India and the regulations made by the Reserve Bank of India, where applicable, and the conditions and modifications, if any, as may be prescribed and agreed to by the Board of Directors of the Company, a sum of Rs. 26,94,59,860 of the amount standing to the credit of the Share Premium Account be and is hereby capitalised and transferred from the said Account to Share Capital and be applied for allotment of New Equity Shares of Rs. 10 each as Bonus Shares to the persons (' Equity Shareholders') who, on a date to be hereafter fixed by the Directors, (' the Record Date'), shall be the holders of the existing Shares of Rs. 10 each of the Company, whose names appear in the Register of Members of the Company, in payment in full of 2,69,45,986 New Equity Shares of Rs. 10 each and that such New Equity Shares out of the Company's unissued Equity Shares, credited as fully paid, be accordingly allotted as Bonus Shares to the Equity Shareholders respectively as aforesaid in the proportion of one New Equity Share for every one existing Equity Share held by the Equity Shareholders respectively on the Record Date, upon the footing that they become entitled thereto for all purposes as capital and not as income;

KANSAI NEROLAC PAINTS LTD. MUMBAI

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(b) the said New Equity Shares of Rs. 10 each, when issued and allotted, shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with and carry the same rights as the existing Equity Shares of the Company save and except that they shall not rank for Dividend declared or to be declared for or in respect of any financial year prior to the financial year in which the New Equity Shares are allotted;

(c) no Letter of Allotment shall be issued to the allottees of the Bonus Shares and the Share Certificates in respect of the New Equity Shares shall be issued and dispatched to the allottees thereof within the period prescribed or that may be prescribed in this behalf, from time to time, except that the Bonus Shares will be credited to the demat accounts of the allottees who are holding the existing equity shares in electronic form;

(d) for the purpose of giving effect to this Resolution, and for the removal of any difficulties, the Board of Directors of the Company be and is hereby authorised to (i) do all acts, deeds and things and to give such directions as may be necessary or desirable and to settle any question or difficulty whatsoever that may arise with regard to the issue, allotment and distribution of the said New Equity Shares and (ii) accept on behalf of the Company alterations or modifications if any, relating to the issue of the New Equity Shares that may be required by other authorities as the Board in its discretion thinks fit and proper".

For **KANSAI NEROLAC PAINTS LTD.**

G.T.GOVINDARAJAN
COMPANY SECRETARY