

3rd March 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

Sub: Postal Ballot Notice - Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir / Madam,

Pursuant to the provisions of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (“Listing Regulations”), as amended from time to time and for the time being in force, kindly find attached herewith a copy of the Postal Ballot Notice (‘Notice’) of Akzo Nobel India Limited (“the Company”), dated 24th February 2025, along with the Explanatory Statement pursuant to the applicable provisions of the Companies Act, 2013 (“the Act”) read with the Listing Regulations, for seeking approval of the Members of the Company on the Special and Ordinary Resolutions, as the case may be, forming part of the Notice.

In compliance with various General Circulars issued by the Ministry of Corporate Affairs as disclosed in the annexed Notice, this Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories / Depository Participants / the Company’s Registrars and Transfer Agents (‘RTA’) i.e. CB Management Services (P) Limited, Rasoi Court, 5th Floor, 20, Sir R. N. Mukherjee Road, Kolkata – 700001; Tel No: 033-6906 6200, Email: rta@cbmsl.com, and whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on Friday, 21st February 2025 (‘Cut-off Date’).

Further, in compliance with the provisions of Sections 108 and 110 of the Companies Act, 2013 read with relevant rules made thereunder and Regulation 44 of the Listing Regulations, the Company has engaged the services of NSDL to provide remote e-voting facilities to the Members, to enable them to cast their votes electronically.

The remote e-voting period commences on Tuesday, 4th March 2025 from 9:00 a.m. (IST) and ends on Wednesday, 2nd April 2025 at 5:00 p.m. (IST). Please note that communication of assent or dissent of the Members would take place only through the remote e-voting system. The instructions for remote e-voting are provided in the annexed Notice.

Members holding shares in physical mode and who have not updated their email addresses with the Company/RTA/DP are requested to update their email addresses.

The copy of the said Postal Ballot Notice is being made available on the website of the Company at www.akzonobel.co.in.

Kindly take note of the above information.

Thanking you.

Yours truly,
For Akzo Nobel India Limited

Rajiv L Jha
Company Secretary & Compliance Officer
Membership No. F5948

Encl: as above

AkzoNobel

Akzo Nobel India Limited

CIN: L24292WB1954PLC021516

Regd. Office: 801A, South City Business Park, 770, Anandapur, Eastern Metropolitan Bypass,
Near Fortis Hospital, Kolkata - 700 107 Tel: 033 - 22267462 Fax: 033 – 22277925

Email: investor.india@akzonobel.com Website: www.akzonobel.co.in

NOTICE OF POSTAL BALLOT (Only through e-Voting)

(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20, Rule 22 of the Companies
(Management and Administration) Rules, 2014 and other applicable laws)

Dear Members,

NOTICE is hereby given that the resolutions set out below are proposed to be passed by the members of Akzo Nobel India Limited ('the Company') by means of Postal Ballot, only by way of remote e-voting process ('e-voting'), pursuant to Sections 110 and 108 of the Companies Act, 2013 read with the Rules 22 and 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Circular no. 14/2020 dated April 8, 2020; Circular No. 17/2020 dated April 13, 2020; Circular No. 22/2020 dated June 15, 2020; Circular No. 33/2020 dated September 28, 2020; Circular No. 39/2020 dated December 31, 2020; General Circular No. 10/2021 dated June 23, 2021; General Circular No. 20/2021 dated December 8, 2021; General Circular No. 03/2022 dated May 05, 2022; General Circular No. 11/2022 dated December 28, 2022; General Circular No. 09/2023 dated September 25, 2023; and General Circular No. 09/2024 dated September 19, 2024 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as "MCA Circulars"), Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India and any other applicable law, act, rules, regulations, circulars, and notifications (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) and Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 issued by the Securities and Exchange Board of India (SEBI) ("SEBI Circular").

The proposed resolutions and the Statement pursuant to Section 102(1) of the Act, read with Rules framed thereunder setting out the material facts and reasons thereof mentioned in this Postal Ballot Notice ("**Notice**"), are annexed hereto for your consideration.

SPECIAL BUSINESSES

ITEM NO. 1

Approval for Slump Sale of the Powder Coatings Business under Section 180(1)(a) of the Companies Act, 2013 and Regulation 37A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) 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) read with Companies (Management and Administration) Rules, 2014, Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 37A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the provisions of the Memorandum and Articles of Association of the Company, and subject to the approvals, consents and permissions as may be necessary from the concerned statutory authorities/other concerned bodies and subject to such terms and conditions as may be imposed by them, and which may be agreed to by the Board of Directors of the Company ("Board"), which expression shall also include a committee thereof duly constituted by the Board, and subject to approval of the members of the Company under Item No. 2 of this Notice i.e., approval by way of ordinary resolution for entering into material related party transaction with an indirect wholly owned subsidiary of Akzo Nobel N.V. (the ultimate holding company of the Company) proposed to be incorporated in India ("Purchaser"), the consent of the members of the Company, be and is hereby accorded to the

Board, to enter into a business transfer agreement (and all ancillary agreements in connection therewith including transitional services agreement, lease/sub-lease deed, conveyance deed, assignment agreement(s), tripartite license assignment agreement) with the Purchaser, a related party of the Company, for the sale and transfer of the powder coating undertaking of the Company, comprising the business of manufacturing, marketing, distribution, and sale of powder coating products in India and select geographies abroad ("Powder Coatings Business") as a going concern on a slump sale basis (as defined under Section 2(42C) of the Income-tax Act, 1961), to the Purchaser, along with its respective assets and liabilities including the concerned licenses, movable properties, immovable properties, intellectual property, employees and contracts, for a lumpsum consideration of INR 20,730 million, excluding all applicable taxes, subject to customary post-closing adjustments, and on such terms and conditions as detailed out in the business transfer agreement (including any amendments or modifications thereto) to be entered into between the Company and the Purchaser for sale and transfer of the Powder Coatings Business.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to undertake all such acts, deeds, matters and things and to finalize and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion including without limitation, effecting any modifications, amendments, or changes to the foregoing, for the purpose of giving effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors or to any Director or Officer(s) or Authorized Representative(s) of the Company without further referring to the Members of the Company for approval, including without limitation, finalizing and executing necessary agreements, deeds of assignment and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company in this regard.

RESOLVED FURTHER THAT all the actions taken by the Board of Directors and/or Audit Committee in connection with any matter referred to or contemplated in any of the foregoing resolution, be and are hereby approved, ratified and confirmed in all respect."

ITEM NO. 2

Approval for entering into Material Related Party Transaction with Purchaser (as defined below), for sale of Powder Coatings Business under Section 188(1)(b) of the Companies Act, 2013 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 188(1)(b) 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) read with Companies (Management and Administration) Rules, 2014, Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the provisions of the Memorandum and Articles of Association of the Company, and subject to the approvals, consents and permissions as may be necessary from the concerned statutory authorities/other concerned bodies and subject to such terms and conditions as may be imposed by them, and which may be agreed to by the Board of Directors of the Company ("Board"), which expression shall also include a committee thereof duly constituted by the Board, and subject to approval of the members of the Company under Item No. 1 of this Notice i.e., approval by way of a Special Resolution with majority of public shareholders casting their vote in favour of slump sale of Powder Coatings Business to an indirect wholly owned subsidiary of Akzo Nobel N.V. (the ultimate holding company of the Company) proposed to be incorporated in India ("Purchaser")), the consent of the members of the Company, be and is hereby accorded to the Board, to enter into material related party transaction by way of execution of business transfer agreement (and all ancillary agreements in connection therewith including transitional services agreement, lease/sub-lease deed, conveyance deed, assignment agreement(s), tripartite license assignment agreement) with the Purchaser, a related party of the Company, for the sale and transfer of the Powder Coatings business undertaking of the Company, comprising the business of manufacturing, marketing, distribution, and sale of powder coating products in India and select geographies abroad ("Powder Coatings Business") as a going concern on a slump sale basis to the Purchaser, along with its respective assets and liabilities including the concerned licenses, movable properties, immovable properties, intellectual property, employees and contracts, for a lumpsum consideration of INR 20,730 million excluding all applicable taxes, subject to customary post-closing adjustments, and on such terms and conditions as detailed out in the business transfer agreement (including any amendments or modifications thereto) to be entered into between the Company and the Purchaser for sale and transfer of the Powder Coatings Business at arm's length basis.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to undertake all such acts, deeds, matters and things and to finalize and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion including without limitation, effecting any modifications, amendments, or changes to the foregoing, for the purpose of giving effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors or to any Director or Officer(s) or Authorized Representative(s) of the Company without further referring to the Members of the Company for approval, including without limitation, finalizing and executing necessary agreements, deeds of assignment and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company in this regard.

RESOLVED FURTHER THAT all the actions taken by the Board of Directors and/or Audit Committee in connection with any matter referred to or contemplated in any of the foregoing resolution, be and are hereby approved, ratified and confirmed in all respect.”

ITEM NO. 3

Approval for Slump Sale of the International Research Centre (R&D) Business under Section 180(1)(a) of the Companies Act, 2013 and Regulation 37A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) 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) read with Companies (Management and Administration) Rules, 2014, Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 37A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the provisions of the Memorandum and Articles of Association of the Company, and subject to the approvals, consents and permissions as may be necessary from the concerned statutory authorities/ other concerned bodies and subject to such terms and conditions as may be imposed by them, and which may be agreed to by the Board of Directors of the Company (“Board”), which expression shall also include a committee thereof duly constituted by the Board, and subject to approval of the members of the Company under Item No. 4 of this Notice (i.e., approval by way of ordinary resolution for entering into material related party transaction with an indirect wholly owned subsidiary of Akzo Nobel N.V. (the ultimate holding company of the Company) proposed to be incorporated in India (“Purchaser”), the consent of the members of the Company be, and is hereby accorded to the Board, to enter into a business transfer agreement (and all ancillary agreements in connection therewith including transitional services agreement, conveyance deed, lease/sub-lease deed, assignment agreement(s)) with the Purchaser, a related party of the Company, for the sale and transfer of the International Research Centre (R&D) business undertaking of the Company, comprising the business of international research, development and innovation lab, situated at Plot No. 62A, 62B, 62P, Hoskote Industrial Area, Chokkahalli, Bengaluru, Karnataka 562 114, India, and conducted by the Company (“International Research Centre (R&D) Business”) as a going concern on a slump sale basis (as defined under Section 2(42C) of the Income-tax Act, 1961), to the Purchaser, along with its respective assets and liabilities including the concerned licenses, movable properties, immovable properties, intellectual property, employees and contracts, for a lumpsum consideration of INR 700 million, excluding all applicable taxes, subject to customary post-closing adjustments, and on such terms and conditions as detailed out in the business transfer agreement (including any amendments or modifications thereto) to be entered into between the Company and the Purchaser for sale and transfer of the International Research Centre (R&D) Business.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to undertake all such acts, deeds, matters and things and to finalize and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion including without limitation, effecting any modifications, amendments, or changes to the foregoing, for the purpose of giving effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors or to any Director or Officer(s) or Authorized Representative(s) of the Company without further referring to the Members of the Company for approval, including without limitation, finalizing and executing necessary agreements, deeds of assignment and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company in this regard.

RESOLVED FURTHER THAT all the actions taken by the Board of Directors and/or Audit Committee in connection with any matter referred to or contemplated in any of the foregoing resolution, be and are hereby approved, ratified and confirmed in all respect.”

ITEM NO. 4

Approval for entering into Material Related Party transaction with Purchaser (as defined below) for sale of International Research Centre (R&D) Business under Section 188(1)(b) of the Companies Act, 2013 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION

“RESOLVED THAT pursuant to the provisions of Section 188(1)(b) 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) read with Companies (Management and Administration) Rules, 2014, Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the provisions of the Memorandum and Articles of Association of the Company, and subject to the approvals, consents and permissions as may be necessary from the concerned statutory authorities/other concerned bodies and subject to such terms and conditions as may be imposed by them, and which may be agreed to by the Board of Directors of the Company (“Board”), which expression shall also include a committee thereof duly constituted by the Board, and subject to approval of the members of the Company under Item No. 3 of this Notice (i.e., approval by way of a Special Resolution with majority of public shareholders casting their vote in favour of slump sale of International Research Centre (R&D) Business to an indirect wholly owned subsidiary of Akzo Nobel N.V. (the ultimate holding company of the Company), proposed to be incorporated in India (“Purchaser”)), the consent of the members of the Company, be and is hereby accorded to the Board to enter into material related party transaction by way of execution of business transfer agreement (and all ancillary agreements in connection therewith including transitional services agreement, lease/sub-lease deed, conveyance deed, assignment agreement(s)) with the Purchaser, a related party of the Company, for the sale and transfer of the International Research Centre (R&D) business undertaking of the Company, comprising the business of international research, development and innovation lab, situated at Plot No. 62A, 62B, 62P, Hoskote Industrial Area, Chokkahalli, Bengaluru, Karnataka 562 114, India, and conducted by the Company (“International Research Centre (R&D) Business”) as a going concern on a slump sale basis, to the Purchaser, along with its respective assets and liabilities including the concerned licenses, movable properties, immovable properties, intellectual property, employees and contracts, for a lumpsum consideration of INR 700 million, excluding all applicable taxes, subject to customary post-closing adjustments, and on such terms and conditions as detailed out in the business transfer agreement (including any amendments or modifications thereto) to be entered into between the Company and the Purchaser for sale and transfer of the International Research Centre (R&D) Business at arm’s length basis.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to undertake all such acts, deeds, matters and things and to finalize and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion including without limitation, effecting any modifications, amendments, or changes to the foregoing, for the purpose of giving effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors or to any Director or Officer(s) or Authorized Representative(s) of the Company without further referring to the Members of the Company for approval, including without limitation, finalizing and executing necessary agreements, deeds of assignment and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company in this regard.

RESOLVED FURTHER THAT all the actions taken by the Board of Directors and/or Audit Committee in connection with any matter referred to or contemplated in any of the foregoing resolution, be and are hereby approved, ratified and confirmed in all respect.”

ITEM NO. 5

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 under Section 188(1)(b) of the Companies Act, 2013 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION

“RESOLVED THAT pursuant to the provisions of Section 188(1)(b) 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) read with Companies (Management and Administration) Rules, 2014, Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the provisions of the Memorandum and Articles of Association of the Company, and subject to the approvals, consents and permissions as may be necessary from the concerned statutory authorities/other concerned bodies and subject to such terms and conditions as may be imposed by them, and which may be agreed to by the Board of Directors of the Company (“Board”), which expression shall also include a committee thereof duly constituted by the Board, approval by way of an Ordinary Resolution with majority of public shareholders casting their vote in favour of the resolution, be and is hereby accorded to, the acquisition by the Company of intellectual property pertaining to decorative paints business of the Company, including trademarks with goodwill, patents, domain names, business know-how and associated proceedings, on an arm’s length basis, from its holding/promoter company, namely Akzo Nobel Coatings International B.V., a related party of the Company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations and certain affiliates of Akzo Nobel Coatings International B.V., for a total consideration of INR 11,520 million, on such terms and conditions as approved by the Board of Directors and Audit Committee of the Company and as detailed out in the Intellectual Property Sale and Transfer Agreement (and other ancillary agreement(s) thereto such as a deed of assignment, technical support agreement) (including any amendments or modifications thereto) to be entered into between the Company and Akzo Nobel Coatings International B.V. for the said acquisition on arm’s length basis.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to undertake all such acts, deeds, matters and things and to finalize and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion including without limitation, effecting any modifications, amendments, or changes to the foregoing, for the purpose of giving effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors or to any Director or Officer(s) or Authorized Representative(s) of the Company without further referring to the Members of the Company for approval, including without limitation, finalizing and executing necessary agreements, deeds of assignment and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company in this regard.

RESOLVED FURTHER THAT all the actions taken by the Board of Directors and/or Audit Committee in connection with any matter referred to or contemplated in any of the foregoing resolution, be and are hereby approved, ratified and confirmed in all respect.”

By Order of and for and on behalf of the Board of Directors of Akzo Nobel India Limited

Sd/-

Rajiv L. Jha
Company Secretary and Compliance Officer
Membership No. F5948

Date: 24th February 2025
Place: Gurugram

Registered Office: 801A, South City Business Park,
770, Anandapur, Eastern Metropolitan Bypass,
Near Fortis Hospital, Kolkata – 700 107, India
CIN: L24292WB1954PLC021516
Website: www.akzonobel.co.in

E-mail: investor.india@akzonobel.com

Tel.: +91 33 22267462

Notes

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), setting out the material facts and reasons for the proposed Special and Ordinary Resolutions as aforesaid, is appended hereinbelow along with the Postal Ballot Notice for your consideration. The Board of Directors of the Company, at its meeting held on 24th February 2025, considered the special businesses under Item Nos. 1 to 5 of this Notice as unavoidable and thus be transacted through Postal Ballot (e-voting only). Reasonable efforts have been made to ensure proper remote e-voting by all the members of the Company as on the Cut-off Date.
2. The Postal Ballot Notice is being sent by email, pursuant to the General Circular No. 14/2020 dated April 08, 2020; General circular No. 17/2020 dated April 13, 2020; General Circular No. 03/2022 dated May 05, 2022; General Circular No. 09/2023 dated September 25, 2023; and General Circular No. 09/2024 dated September 19, 2024 issued by the Ministry of Corporate Affairs ("MCA") and SEBI circular BI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 07 October 2023; and Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 and other circulars issued from time to time, to such members whose names appear in the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited ("NSDL")/ Central Depository Services (India) Limited ("CDSL") as on 21st February 2025 ("Cut-off Date") and who have registered their email addresses in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company/ Company's Registrar and Share Transfer Agent ('RTA') namely CB Management Services (P) Limited, Rasoi Court, 5th Floor, 20, Sir R. N. Mukherjee Road, Kolkata – 700001; Tel No: 033-6906 6200 Email: rta@cbmsl.com.
3. 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, which will only be considered to avail the facility of remote e-Voting.
4. Only those Members whose names are appearing in the Register of Members/ List of Beneficial Owners as on the Cut-off Date shall be eligible for casting their votes through remote e-voting. A person who is not a Member on the Cut-off Date should treat this Notice for information purposes only. It is however, clarified that all Members of the Company as on the Cut-off Date shall be entitled to vote in relation to the resolutions specified in this Postal Ballot Notice in accordance with the process specified hereinafter.
5. With respect to Item Nos./Resolution Nos. 2 and 4 relating to material related party transaction(s) pertaining to sale of the undertaking(s) (comprising Powder Coatings Business and International Research Centre Business, respectively) to an indirect wholly owned subsidiary of Akzo Nobel N.V. (the ultimate holding/promoter company of the Company) as proposed to be incorporated in India, which will be a related party of the Company, and Item No./Resolution No. 5 relating to material related party transaction for acquisition of the intellectual property by the Company pertaining to its decorative paints business from Akzo Nobel Coatings International B.V. (holding/promoter company of the Company) and certain affiliates of Akzo Nobel Coatings International B.V., no related party of the Company would vote to approve the aforementioned resolutions.
6. In compliance with Regulation 37A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Special Resolutions pertaining to Item Nos./Resolution Nos. 1 and 3 relating to the slump sale of undertaking(s) (namely Powder Coatings Business and International Research Centre Business) shall be acted upon only if (i) 3/4th (i.e. 75%) of the total no. of votes cast are in favour of the resolution, and (ii) votes cast by the public shareholders in favour of the resolution exceed the votes cast by such public shareholders against the resolution. No public shareholder shall vote on the resolution if he/she/it is a party, directly or indirectly, to such sale of undertaking(s) (Powder Coatings Business and International Research Centre Business).
7. In compliance with Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Ordinary Resolution(s) pertaining to Item Nos./Resolution Nos. 2, 4 and 5 pertaining to the related party transaction(s) towards slump sale of undertaking(s) (namely Powder Coatings Business and International Research Centre Business) and acquisition of intellectual property rights pertaining to decorative paints business shall be acted upon only if the no. of votes cast in favour of the resolution exceeds the votes cast against the resolution. No related party (including promoters of the Company) shall vote to approve such resolutions whether he/she/it is a related party to the particular transaction or not.
8. It has been mandated by SEBI by various circulars issued from time to time to update the PAN, KYC, Bank details, contact details and Specimen Signature of all shareholders holding shares in physical form and compulsory linking of PAN with Aadhaar no. The Company requests you to update your Nomination details as well. The copy of relevant circulars are available on the website of the Company www.akzonobel.co.in for ready reference, the members are requested to get their details updated in the manner mentioned in the circulars.
9. For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

Brief on Purchaser entity for Powder Coatings and International Research Centre (R&D) Businesses

The Purchaser is proposed to be incorporated in India which will be an indirect wholly owned subsidiary of Akzo Nobel N.V., the ultimate holding/promoter company of the Company.

Accordingly, once incorporated, the Purchaser will be part of the promoter group of the Company as per Regulation 2(pp) of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018.

Brief on Akzo Nobel Coatings International B.V. – Entity from whom the Company is acquiring the intellectual property pertaining to decorative paints business of the Company

Akzo Nobel Coatings International B.V. is the main international holding company of the Akzo Nobel group. It owns most of the group's international subsidiaries as well as most of the group's intellectual properties. Akzo Nobel Coatings International B.V. holds 24.30% of the paid-up share capital in the Company.

The Board of Directors of the Company has appointed Mr. Atul Kumar Labh, Practicing Company Secretary (Membership No. FCS4848, C.P. No. 3238) and in his absence Mr. Asit Kumar Labh (Membership No. ACS32891, C.P.No. 14664) of M/s A K Labh & Co., Company Secretaries, Kolkata, as the Scrutinizer for conducting the Postal Ballot (through remote e-Voting) process in a fair and transparent manner. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

In compliance with the provisions of Sections 108 & 110 and other applicable provisions of the Act, read with the Rules as amended, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations'), the Company is pleased to offer e-Voting facility to all the Members of the Company. The Company has entered into an agreement with NSDL for facilitating e-Voting to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form.

Dispatch of the Notice shall be deemed to be completed on the day on which NSDL sends out the communication for the postal ballot process by e-mail to the members of the Company. The e-Voting period commences on Tuesday, 4th March 2025 (from 09:00 a.m.) and ends on Wednesday, 2nd April 2025 (till 5:00 p.m.).

During this period, the Members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off Date, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter and the voting shall not be allowed beyond the said date and time. Once the vote on a resolution is cast by the Members, they shall not be allowed to change it subsequently.

Upon completion of the scrutiny, the Scrutinizer will submit his report to the Chairman/ any other person authorized by him. Based on the Scrutinizer's report, the result of the voting conducted through Postal Ballot (remote e-Voting process) would be announced by the Chairman or any other person authorized by him, on or before 5:00 pm on Thursday, 3rd April 2025 at the Registered Office or at the Corporate Office of the Company. The aforesaid result along with the Scrutinizer's report would be displayed on the Notice Board of the Company at its Registered Office and its Head Office/ Corporate Office and shall be intimated to the Stock Exchanges where the shares of the Company are listed, and will be displayed on the Company's website viz. www.akzonobel.co.in. Further, the same will also be made available on the website of e-Voting agency i.e., www.evoting.nsdl.com.

The resolution/s, if passed by requisite majority, shall be deemed to have been passed on Wednesday, 2nd April 2025, i.e. the last date specified for e-Voting.

All the material documents referred to in this Postal Ballot Notice and Explanatory Statement pursuant to Section 102 of the Act, including the valuation reports from KPMG Valuation Services LLP and GT Valuation Advisors Private Limited, independent valuers having registration numbers IBBI/RV/E/06/2020/115 and IBBI/RV-E/05/2020/134, respectively, the Binding Offer Letter from Akzo Nobel N.V. (dated 24th February 2025) pertaining to sale of Powder Coatings Business and International Research Centre (R&D) Business by the Company, and purchase by the Company of the intellectual property for the decorative paints business of the Company and the agreements therefor (i.e. Business Transfer Agreements and Intellectual Properties Sale and Transfer Agreement), will be available for inspection in the electronic mode up to the date of declaration of results of the Postal Ballot from 10 a.m. to 5 p.m. (IST) on all working days of the Company or made available through the registered email address of the shareholders, as the case may be. Members seeking to inspect such documents or requiring these through registered email can send an e-mail to investor.india@akzonobel.com or rajiv.jha@akzonobel.com. Further, Related Party Transactions policy of the Company is available on the website of the Company.

Members may download the Postal Ballot Notice from the Company's website at www.akzonobel.co.in or from NSDL's website at www.evoting.nsd.com. A copy of the Postal Ballot Notice is also available on the website of BSE at www.bseindia.com and NSE at www.nseindia.com

In case of any queries, please visit Help and FAQs section available at www.evoting.nsd.com. For any grievances related to remote e-voting, please contact NSDL by e-mail at evoting@nsdl.com or the Company Secretary at the contact details given herein above or at rajiv.jha@akzonobel.com.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ARE AS UNDER.:

1. For the purpose of offering e-voting facility, the Company has entered into an agreement with NSDL.
2. **Voting through electronic means (Electronic Voting):**
 - (a) In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Members are provided with the facility to cast their vote electronically.
 - (b) The e-voting period commences on Tuesday, 4th March 2025 at 9:00 am (IST) and ends on Wednesday, 2nd April 2025 at 5:00 pm (IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form as on the Cut-off Date, i.e. Friday, 21st February 2025, may cast their vote by e-voting. The e-voting module shall be disabled by NSDL for voting thereafter.
3. **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 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:

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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS users can visit the e-Services website of NSDL Viz. https://eservices.nsd.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 e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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 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. <div data-bbox="548 1052 992 1251" style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
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 my easi 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 e-Voting period. 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. 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 No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & 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.

Type of shareholders	Login Method
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 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 above mentioned 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 e-Voting 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?

1. 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.
2. 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/](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 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - (b) 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.
 - (c) How to retrieve your 'initial password'?
 - (i) 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'.
 - (ii) 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.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 is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the 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.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email 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
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. 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.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com 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.

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 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. 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 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 or call on: 022 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.com
5. Mr. Atul Kumar Labh, Practicing Company Secretary (Membership No. FCS4848, C.P. No. 3238) and in his absence Mr. Asit Kumar Labh (Membership No. ACS32891, C.P.No. 14664) of M/s A K Labh & Co., Company Secretaries, Kolkata 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, will scrutinize the votes, make a Scrutiniser's Report and submit the same to the Chairman or in his absence, to the Company Secretary. The results shall be declared within 48 hours from the conclusion of the e-voting. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company 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 shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Limited.
7. The last date specified by the Company for e-voting shall be the date on which the resolution shall be deemed to have been passed, if approved by the requisite majority.

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

As required under the provisions of Sections 102(1) and 110 of the Act and SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, the following Explanatory Statement sets out the material facts relating to the special businesses as set out in the appended Notice:

ITEM NO. 1. Approval for Slump Sale of the Powder Coatings Business under Section 180(1)(a) of the Companies Act, 2013 and Regulation 37A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Your Board of Directors ("Board"), at its meeting held on 24th February 2025 and Audit Committee at its meeting held on 24th February 2025, have recommended and approved the sale of the Powder Coatings business undertaking of the Company comprising business of manufacturing, marketing, distribution, and sale of powder coating products in India and select geographies abroad ("Powder Coatings Business") as a going concern on a slump sale basis (as defined under Section 2(42C) of the Income-tax Act, 1961), to an indirect wholly owned subsidiary of Akzo Nobel N.V. (the ultimate holding/promoter company of the Company) proposed to be incorporated in India ("Purchaser"), which would be a related party of the Company once incorporated, along with its respective assets and liabilities including the concerned licenses, movable properties, immovable properties, intellectual property, employees and contracts, for a lumpsum consideration of INR 20,730 million excluding all applicable taxes, subject to customary post-closing adjustments, and on such terms and conditions as detailed out in the business transfer agreement to be entered into between the Company and the Purchaser for sale and transfer of the Powder Coatings Business ("Proposed Powder Coatings BTA") (such transaction, "Proposed Powder Coatings Business Sale").

Binding Offer to purchase Powder Coatings Business

Your Board of Directors has received a Binding Offer Letter ("BOL"), dated 24th February 2025, from Akzo Nobel N.V. for purchase of Powder Coatings Business by the Purchaser for a lumpsum cash consideration of INR 20,730 million, as per the terms and conditions set out in the Proposed Powder Coatings BTA. Under the BOL, Akzo Nobel N.V. has assumed full responsibility to incorporate the Purchaser, and ensure that it is sufficiently funded to meet its financial obligations under the Proposed Powder Coatings BTA, and also ensure that the Purchaser executes the Proposed Powder Coatings BTA upon satisfaction of the following conditions: (i) approval of the audit committee, board of directors and shareholders of the Company in accordance with applicable law; and (ii) approval of supervisory board of Akzo Nobel N.V. ("BOL Conditions"). Akzo Nobel N.V. has undertaken to seek relevant corporate consents of Akzo Nobel N.V. and other relevant affiliates for the Proposed Powder Coatings Business Sale. It has agreed to take all necessary steps to place the matter before its Supervisory Board for Proposed Powder Coatings Business Sale within a reasonable time period. If Akzo Nobel N.V. fails to obtain the approval of its supervisory board by 1st May 2025, despite the Company having obtained approval of its shareholders within the stipulated time period, Akzo Nobel N.V. will reimburse the Company all the reasonable costs and expenses incurred in relation to the evaluation, negotiation, and approval processes with respect to the Proposed Powder Coatings Business Sale, including but not limited to costs of the valuers and its external legal advisors. The BOL will expire on 1st May 2025 in case the Proposed Powder Coatings BTA is not executed by 1st May 2025 due to BOL Conditions not having been satisfied.

Execution of the Proposed Powder Coatings BTA is subject to the approval of supervisory board of Akzo Nobel N.V.

Consideration

The consideration for the Proposed Powder Coatings Business Sale, as recommended by the Board and the Audit Committee, is based on the independent valuation done by KPMG Valuation Services LLP ("KPMG") and GT Valuation Advisors Private Limited ("GT"), independent registered valuers having registration numbers IBBI/RV/E/06/2020/115 and IBBI/RV-E/05/2020/134, respectively.

The Board and Audit Committee have decided to sell Powder Coatings Business to the Purchaser for INR 20,730 million excluding all applicable taxes, being higher of the two fair values as determined by the aforesaid independent valuers. Details of the two valuation reports are given below.

Objects and Rationale for Proposed Powder Coatings Business Sale

The rationale underpinning the aforesaid sale of the Powder Coatings Business is to streamline the Company's business, thereby allowing it to strengthen its position in its liquid paints and coatings business while divesting its existing non-core assets (relating to powder coatings business) which do not provide material synergies. The aforesaid

sale creates a more focused, efficient, and strategically aligned company with a clear roadmap for long-term value creation and success.

Powder Coatings represent a fundamentally different technology from liquid coatings, requiring separate R&D, manufacturing and application techniques. The Powder Coatings Business also operates with distinct raw materials and technical service requirements, limiting operational and commercial synergies with the Company's liquid paints and coatings portfolio which adds complexities without directly contributing to the Company's core growth strategy. As the Indian coatings markets evolves over the years, the liquid paints and coatings verticals present significant growth opportunities, making it imperative for the Company to sharpen its focus and scale its liquid coatings business.

Through the aforesaid sale, the Company would secure a stronger and more sustainable future, sharpening its focus on liquid paints and coatings while unlocking financial and strategic flexibility to drive long-term shareholders value.

Utilization of proceeds

The purchase consideration is INR 20,730 million excluding all applicable taxes. Your Company will utilize the proceeds from sale of the Powder Coatings Business broadly for, *inter alia*, buying the intellectual property pertaining to the decorative paints from Akzo Nobel Coatings International B.V., paying relevant taxes, normal business operations and distribution to shareholders through a special dividend.

Manner of determination of sale consideration for Powder Coatings Business

The sale consideration is based on independent valuation reports from KPMG and GT. Both the said registered valuers, KPMG and GT, in their respective valuation reports, have recommended a fair valuation of INR 20,641 million and INR 20,727 million, respectively. Both valuations are based on internationally accepted valuation methodologies namely, Discounted Cash Flow Method and Comparable Companies' Multiples Method, and are in compliance with the Companies Act, 2013. Both KPMG and GT utilized the aforesaid methods for evaluating the Company's Powder Coatings Business to derive the fair valuation of the Powder Coatings Business. The valuation methodologies used by both KPMG and GT are internationally accepted valuation methodologies on arm's length basis.

The sale and transfer of Powder Coatings Business is being undertaken on an arm's length basis as per the independent valuation reports (each dated 18th February 2025), as issued by KPMG and GT, respectively.

Key provisions of the Proposed Powder Coatings BTA

The Proposed Powder Coatings BTA governs rights and obligations of the parties thereto with respect to the transfer of Powder Coatings Business comprising the business of manufacturing, marketing, distribution, and sale of powder coating products in India and select geographies abroad undertaken by the Company.

The Powder Coatings Business that will be transferred as a going concern in the form of a slump sale comprises:

- Business Assets comprising of all current, moveable, and fixed assets and intangible assets of the Company predominantly pertaining to the Powder Coating Business;
- Assumed Liabilities comprising of all liabilities of the Company to the extent related to Powder Coating Business, whether for the period prior to or after the Closing Date, except for certain excluded liabilities;
- Assumed Contracts (comprising of all contracts and agreements in writing, to which the Company is a party and which relate to such business, that are valid and subsisting as on the date of closing under the Proposed Powder Coatings BTA);
- Licenses (all permits, licenses, approvals, authorizations, registrations, certificates, and similar rights obtained from a government authority held by the Company as on the Closing Date solely relating to Powder Coating Business, which are capable of being transferred or assigned under applicable laws);
- Books and Ledgers (comprising of all books, files, data, documents (including title documents), instruments, papers, records, designs, plans, research, policies, reports, procedures, manuals, instruction lists, brochures, ledgers, financial and other records including, statements of accounts transfer pricing reports, tax returns, budgets, pricing guidelines, journals, deeds, operating handbooks, standard operating procedure documents and insurance policies, registrations and filings, etc.);
- Employees of the Powder Coatings Business who accept the employee transfer letter.
- Inventory (comprising all stock-in-trade, raw materials, finished goods, work-in-progress, spare parts, consumables, coating materials, and other items used, held, or intended for use predominantly in connection with Powder Coatings Business);
- Immovable Properties (including all land and buildings, and all permanent fixtures thereon) identified in the Proposed Powder Coatings BTA;

- The business undertaking to be transferred does not include certain excluded assets (including tax refunds for excluded tax liabilities) and excluded liabilities (including trade payables for common vendors, statutory dues outstanding as on Closing Date but payable after Closing Date, certain tax liabilities), which will be retained by the Company.

The Powder Coatings Business will be transferred to the Purchaser for a lump sum consideration of INR 20,730 million, excluding all applicable taxes, subject to post-closing adjustments as set out in the Proposed Powder Coatings BTA. Any downward adjustment to the purchase consideration will be capped at INR 240,000,000 and upward adjustment to the purchase consideration will be uncapped, as per the terms of the Proposed Powder Coatings BTA. The adjustments are also subject to a de minimis of INR 10 million.

The closure of the transaction shall take place subject to the receipt of shareholders' approval and completion of other customary conditions precedents as set out in the Proposed Powder Coatings BTA. The slump sale of Powder Coatings Business is estimated to be completed by 31st December 2025.

The Company is giving limited representation and warranties, and it has no obligation to indemnify the Purchaser under the terms of the Proposed Powder Coatings BTA. The Purchaser will indemnify the Company for any losses arising from assumed liabilities of the business being transferred after Closing Date. The transaction costs to be incurred under the Proposed Powder Coatings BTA will be borne by the Purchaser.

The Proposed Powder Coatings BTA also involves execution of certain ancillary agreements such as transitional services agreement, assignment agreement(s), and tripartite license assignment agreement.

The following transitional services shall be provided by the Company to the Purchaser post-closing on a cost-plus and arm's length basis for a period ranging between 4 to 12 months from the Closing Date:

- (1) Facilities services; (2) On-site warehousing & transportation services; (3) Tax services; (4) Procurement services; (5) HR Services; (6) Manufacturing & supply chain services; and (7) Local IT services

However, detailed terms around provisioning of these transitional services are subject to mutual agreement between the parties.

Conditions Precedent to the transfer of Powder Coatings Business:

Seller Conditions Precedent

- The Company having obtained the requisite corporate authorisations required under applicable law for execution, delivery, performance and implementation of the Proposed Powder Coatings BTA and consummation of the transactions involving the transfer of the business undertaking contemplated thereunder;
- There being no written proceedings or correspondence having been received or instituted by any governmental authority against the Company, which prohibits, prevents, restrains, restricts or makes illegal the consummation of any of the transactions contemplated in the Proposed Powder Coatings BTA.
- Representations and warranties of the Company contained in the Proposed Powder Coatings BTA being true, complete and accurate in all respects as if made on the execution date and the Closing Date (except where the representation and warranty is specifically made as on a particular date).
- The Company having intimated the counterparties of the assumed contracts as identified in the Proposed Powder Coatings BTA, in relation to transfer/assignment of the assumed contracts to the Purchaser.
- The Company having executed the employee transfer letter(s), jointly with the Purchaser.
- Tripartite license assignment agreement proposed to be executed between the Company, Purchaser and Akzo Nobel Coatings International B.V. which shall be effective from the Closing Date of the Proposed Powder Coatings BTA being in agreed form.
- Company having delivered to Purchaser certificates pursuant to Section 281 of the Income Tax Act and Section 81 of the CGST Act.
- Bangalore property documents being in agreed form between the parties.

Purchaser Conditions Precedent

- Purchaser having obtained the requisite corporate authorisations required for execution, delivery, performance and implementation of the Proposed Powder Coatings BTA and consummation of the transactions involving the transfer of the business undertaking contemplated thereunder;

- There being no written proceedings or correspondence having been received or instituted by any governmental authority against the Purchaser, which prohibits, prevents, restrains, restricts or makes illegal, the consummation of any of the transactions contemplated in the Proposed Powder Coatings BTA.
- The representations and warranties of the Purchaser contained in the Proposed Powder Coatings BTA being true, complete and accurate in all respects as if made on the execution date and the Closing Date (except where the representation and warranty is specifically made as on a particular date).
- Purchaser having executed the employee transfer letter(s), jointly with the Company.
- Tripartite license assignment agreement proposed to be executed between the Company, Purchaser and Akzo Nobel Coatings International B.V. which shall be effective from the Closing Date of the Proposed Powder Coatings BTA being in agreed form.
- Bangalore property documents being in agreed form between the parties which shall be effective from the Closing Date.

Non-Compete and Non-Solicit

The Proposed Powder Coatings BTA contains non-compete and non-solicit provisions, restricting the Company from (i) conducting any business that competes with or is similar to the Powder Coatings Business within the territory (i.e., geographical areas in which the Seller conducts, manages, or operates the Powder Coatings Business) for a period of 36 months, commencing from the date the Company ceases to be an affiliate of Akzo Nobel N.V.; and (ii) soliciting or enticing away from the Purchaser, any customer or any employee of the Powder Coatings Business for a period of 36 months, commencing from the date the Company ceases to be an affiliate of Akzo Nobel N.V.

Termination

The Proposed Powder Coatings BTA will be terminated on following grounds: (a) by the Purchaser, if all Seller Conditions Precedent have not been satisfied or waived in terms of the Proposed Powder Coatings BTA on or prior to the Long Stop Date (i.e. 31st December 2025) ; or (b) by the Company if all Purchaser Conditions Precedent have not been satisfied or waived in terms of the Proposed Powder Coatings BTA on or prior to the Long Stop Date (i.e. 31st December 2025); or (c) by mutual agreement between the Company and the Purchaser in writing.

Requirement of Shareholders' Approval

In terms of Section 180(1)(a) of the Companies Act, 2013 ("Companies Act") approval of the shareholders is required by way of a Special Resolution to sell, dispose off or otherwise transfer the whole or substantially the whole of any undertaking. The Powder Coatings Business contributed ~11% of the total income of the Company in FY 2023-24 and constituted ~11 % of the net worth of the Company as per the audited balance sheet of the FY 2023-24. While the Powder Coatings Business may not be constituting an "undertaking" in the literal sense in terms of Section 180(1)(a) of the Companies Act (since it does not constitute 20% or more of the net worth as per the audited balance sheet of the preceding FY i.e. 2023-24 or generate 20% or more of the total income of the Company during the preceding FY i.e. 2023-24), the approval of the members by way of a Special Resolution, in terms of Section 180(1)(a) of the Companies Act and Regulation 37A of the Listing Regulations, is being sought out of abundant caution and as a measure to uphold good standards of responsible corporate governance. Additionally, in compliance with Regulation 37A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the said Special Resolution shall be acted upon only if (i) 3/4th (i.e. 75%) of the total no. of votes cast are in favour of the resolution, and (ii) votes cast by the public shareholders in favour of the resolution exceed the votes cast by such public shareholders against the resolution and that no public shareholder shall vote on the resolution if he/she/it is a party, directly or indirectly, to such sale of undertaking(s) (Powder Coatings Business and International Research Centre Business).

Further, the Resolution at Item No. 1 is also subject to approval of the members of the Company for Resolution at Item No. 2 of this Notice (i.e., approval by way of an Ordinary Resolution for entering into material related party transaction with the Purchaser).

The Board is of the opinion that based on the reasons elucidated above, the aforesaid proposal is in the best interest of the Company and hence, the Board recommends Item No. 1 for your approval by way of a Special Resolution with majority of public shareholders casting their vote in favour.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their respective shareholding (if any) in the Company.

ITEM NO. 2: Approval for entering into Material Related Party Transaction with Purchaser (as defined below) for sale of Powder Coatings Business under Section 188(1)(b) of the Companies Act, 2013 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Your Board of Directors ("Board"), at its meeting held on 24th February 2025 and Audit Committee at its meeting held on 24th February 2025, have recommended and approved the sale of the powder coatings business undertaking of the Company comprising the business of manufacturing, marketing, distribution, and sale of powder coating products in India and select geographies abroad undertaken by the Company ("Powder Coatings Business") as a going concern on a slump sale basis to an indirect wholly owned subsidiary of Akzo Nobel N.V. (the ultimate holding company of the Company) proposed to be incorporated in India ("Purchaser"), a related party of the Company once incorporated, along with its respective assets and liabilities including the concerned licenses, movable properties, immovable properties, intellectual property, employees and contracts, for a lumpsum consideration of INR 20,730 million excluding all applicable taxes, subject to customary post-closing adjustments, and on such terms and conditions as detailed out in the business transfer agreement to be entered into between the Company and the Purchaser for sale and transfer of the Powder Coatings Business ("Proposed Powder Coatings BTA") (such transaction, "Proposed Powder Coatings Business Sale").

Further, the Audit Committee and subsequently by the Board, in their respective meetings held on 24th February 2025, approved and took on record two fair valuations for Powder Coatings Business (mentioned below).

As per of Section 188 of the Act and Regulation 23 of the Listing Regulations, material related party transactions require prior approval of the shareholders through an Ordinary Resolution. For this purpose, a related party transaction will be considered 'material' if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceed the following thresholds:

Thresholds as per:	
Regulation 23(1) of the Listing Regulations	Lower of: <ul style="list-style-type: none"> • INR 1,000 crore; or • 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.
Section 188(1)(b) of the Companies Act read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014	10% of the net worth basis of the audited financial statement of the preceding financial year

The consideration for the Proposed Powder Coatings Business Sale is INR 20,730 million excluding all applicable taxes, which exceeds the materiality thresholds, as per the details given below, prescribed under Section 188 of the Companies Act and/ or Regulation 23 of the Listing Regulations, and accordingly the Proposed Powder Coatings Business Sale constitutes a "material related party transaction".

10% of the net worth the Company as on 31st March 2024 is INR 1,329 million.

10% of the annual consolidated turnover of the Company as on 31st March 2024 is INR 3,937 million.

In view of the same, the approval of the members of the Company is being sought by way of an Ordinary Resolution as set out at Item No. 2 of the appended Notice. The members may note that as per the provisions of the Companies Act and the Listing Regulations, all related parties (whether such related party is a party to the above-mentioned transaction or not), shall not vote to approve the resolution set out in Item No. 2.

Further, the Resolution at Item No. 2 is also subject to approval of the members of the Company for Resolution at Item No. 1 of this Notice (i.e., approval by way of a Special Resolution with majority of public shareholders casting their vote in favour of slump sale of Powder Coatings Business to the Purchaser).

The details concerning the proposed transaction as required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Circular dated November 11, 2024, bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/0155, are as follows:

S. No.	Particulars	Details
1.	Type, material terms and particulars of the proposed transaction	Transfer of Powder Coatings Business as a going concern on a slump sale basis, comprising the business of manufacturing,

	<p>marketing, distribution, and sale of powder coating products in India and select geographies abroad undertaken by the Company.</p> <p>The Company has received a Binding Offer Letter (“BOL”), dated 24th February 2025, from Akzo Nobel N.V. for purchase of Powder Coatings Business by the Purchaser for a lumpsum cash consideration of INR 20,730 million, as per the terms and conditions set out in the Proposed Powder Coatings BTA. Under the BOL, Akzo Nobel N.V. has assumed full responsibility to incorporate the Purchaser and ensure that it is sufficiently funded to meet its financial obligations under the Proposed Powder Coatings BTA, and also ensure that the Purchaser executes the Proposed Powder Coatings BTA upon satisfaction of the following conditions: (i) approval of the audit committee, board of directors and shareholders of the Company in accordance with applicable law; and (ii) approval of supervisory board of Akzo Nobel N.V (“BOL Conditions”). Akzo Nobel N.V. has undertaken to seek relevant corporate consents of Akzo Nobel N.V, and other relevant affiliates for the Proposed Powder Coatings Business Sale. It has agreed to take all necessary steps to place the matter before its Supervisory Board for Proposed Powder Coatings Business Sale within a reasonable time period. If Akzo Nobel N.V. fails to obtain the approval of its supervisory board by 1st May 2025, despite the Company having obtained approval of its shareholders within the stipulated time period, Akzo Nobel N.V. will reimburse the Company for all the reasonable costs and expenses incurred in relation to the evaluation, negotiation, and approval processes with respect to the Proposed Powder Coatings Business Sale, including but not limited to costs of the valuers and its external legal advisors. The BOL will expire on 1st May 2025, in case the Proposed Powder Coatings BTA is not executed by 1st May 2025 due to BOL Conditions not having been satisfied.</p> <p>Execution of the Proposed Powder Coatings BTA is subject to the approval of supervisory board of Akzo Nobel N.V.</p> <p>Key provisions of the Proposed Powder Coatings BTA</p> <p>The Powder Coatings Business that will be transferred as a going concern in the form of a slump sale comprises:</p> <ul style="list-style-type: none"> • Business Assets comprising of all current, moveable, and fixed assets and intangible assets of the Seller predominantly pertaining to the Powder Coating Business; • Assumed Liabilities comprising of all liabilities of the Company to the extent related to Powder Coating Business, whether for the period prior to or after the Closing Date, except for certain excluded liabilities. • Assumed Contracts (comprising of all contracts and agreements in writing, to which the Seller is a party and which relate to such business, that are valid and subsisting as on the Closing Date under the Proposed Power Coatings BTA); • Licenses (all permits, licenses, approvals, authorizations, registrations, certificates, and similar rights obtained from a government authority held by the Company as on the Closing Date solely relating to Powder Coating Business, which are capable of being transferred or assigned under applicable laws); • Books and Ledgers (comprising of all books, files, data, documents (including title documents), instruments,
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		<p>papers, records, designs, plans, research, policies, reports, procedures, manuals, instruction lists, brochures, ledgers, financial and other records including, statements of accounts transfer pricing reports, tax returns, budgets, pricing guidelines, journals, deeds, operating handbooks, standard operating procedure documents and insurance policies, registrations and filings, etc.)</p> <ul style="list-style-type: none"> • Employees of the Powder Coatings Business who accept the employee transfer letter. • Inventory (comprising all stock-in-trade, raw materials, finished goods, work-in-progress, spare parts, consumables, coating materials, and other items used, held, or intended for use predominantly in connection with Powder Coatings Business). • Immovable Properties (comprising immoveable properties identified in the Proposed Powder Coatings BTA). • The business undertaking to be transferred does not include certain excluded assets (including tax refunds for excluded tax liabilities) and excluded liabilities (including trade payables for common vendors, statutory dues outstanding as on Closing Date but payable after Closing Date, certain tax liabilities), which will be retained by the Company. <p>The Powder Coatings Business will be transferred to the Purchaser for a lump sum consideration of INR 20,730 million, excluding all applicable taxes, subject to post-closing adjustments as set out in the Proposed Powder Coatings BTA. Any downward adjustment to the purchase consideration will be capped at INR 240,000,000 and upward adjustment to the purchase consideration will be uncapped, as per the terms of the Proposed Powder Coatings BTA. The adjustments are also subject to a de minimis of INR 10 million.</p> <p>The closure of the transaction shall take place subject to the receipt of shareholders' approval and completion of other customary conditions precedents as set out in the Proposed Powder Coatings BTA. The slump sale of Powder Coatings Business is estimated to be completed by 31st December 2025.</p> <p>The Company is giving limited representation and warranties, and it has no obligation to indemnify the Purchaser under the terms of the Proposed Powder Coatings BTA. The Purchaser will indemnify the Company for any losses arising from assumed liabilities of the business being transferred after Closing Date. The transaction costs to be incurred under the Proposed Powder Coatings BTA will be borne by the Purchaser.</p> <p>The Proposed Powder Coatings BTA also involves execution of certain ancillary agreements such as transitional services agreement, assignment agreement(s), and tripartite license assignment agreement.</p> <p>The following transitional services shall be provided by the Company to the Purchaser post-closing on a cost-plus and arm's length basis for a period ranging between 4 to 12 months from the Closing Date:</p> <p>(1) Facilities services; (2) On-site warehousing & transportation services; (3) Tax services; (4) Procurement services; (5) HR Services; (6) Manufacturing & supply chain services; and (7) Local IT services</p>
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However, detailed terms around provisioning of these transitional services are subject to mutual agreement between the parties.

Conditions Precedent to the transfer of Powder Coatings Business:

Seller Conditions Precedent

- The Company having obtained the requisite corporate authorisations required under applicable law for execution, delivery, performance and implementation of the Proposed Powder Coatings BTA and consummation of the transactions involving the transfer of the business undertaking contemplated thereunder;
- There being no written proceedings or correspondence having been received or instituted by any governmental authority against the Company, which prohibits, prevents, restrains, restricts or makes illegal the consummation of any of the transactions contemplated in the Proposed Powder Coatings BTA.
- Representations and warranties of the Company contained in the Proposed Powder Coatings BTA being true, complete and accurate in all respects as if made on the execution date and the Closing Date (except where the representation and warranty is specifically made as on a particular date).
- The Company having intimated the counterparties of the assumed contracts as identified the Proposed Powder Coatings BTA, in relation to transfer/assignment of the assumed contracts to the Purchaser.
- The Company having executed the employee transfer letter(s), jointly with the Purchaser.
- Tripartite license assignment agreement proposed to be executed between the Company, Purchaser and Akzo Nobel Coatings International B.V. which shall be effective from the Closing Date of the Proposed Powder Coatings BTA being in agreed form.
- Company having delivered to Purchaser certificates pursuant to Section 281 of the Income Tax Act and Section 81 of the CGST Act.
- Bangalore property documents being in agreed form between the parties.

Purchaser Conditions Precedent

- Purchaser having obtained the requisite corporate authorisations required for execution, delivery, performance and implementation of the Proposed Powder Coatings BTA and consummation of the transactions involving the transfer of the business undertaking contemplated thereunder;
- There being no written proceedings or correspondence having been received or instituted by any governmental authority against the Purchaser, which prohibits, prevents, restrains, restricts or makes illegal, the consummation of any of the transactions contemplated in the Proposed Powder Coatings BTA.
- The representations and warranties of the Purchaser contained in the Proposed Powder Coatings BTA being true, complete and accurate in all respects as if made on the execution date and the Closing Date (except where the

		<p>representation and warranty is specifically made as on a particular date).</p> <ul style="list-style-type: none"> • Purchaser having executed the employee transfer letter(s), jointly with the Company. • Tripartite license assignment agreement proposed to be executed between the Company, Purchaser and Akzo Nobel Coatings International B.V. which shall be effective from the Closing Date of the Proposed Powder Coatings BTA being in agreed form. • Bangalore property documents being in agreed form between the parties, which shall be effective from the Closing Date. <p>Non-Compete and Non-Solicit</p> <p>The Proposed Powder Coatings BTA contains non-compete and non-solicit provisions, restricting the Company from (i) conducting any business that competes with or is similar to the Powder Coatings Business within the territory (i.e., geographical areas in which the Seller conducts, manages, or operates the Powder Coatings Business) for a period of 36 months, commencing from the date the Company ceases to be an affiliate of Akzo Nobel N.V.; and (ii) soliciting or enticing away from the Purchaser, any customer or any employee of the Powder Coatings Business for a period of 36 months, commencing from the date the Company ceases to be an affiliate of Akzo Nobel N.V.</p> <p>Termination</p> <p>The Proposed Powder Coatings BTA will be terminated on following grounds: (a) by the Purchaser, if all Seller Conditions Precedent have not been satisfied or waived in terms of the Proposed Powder Coatings BTA on or prior to the Long Stop Date (i.e. 31st December 2025); or (b) by the Company if all Purchaser Conditions Precedent have not been satisfied or waived in terms of the Proposed Powder Coatings BTA on or prior to the Long Stop Date (i.e. 31st December 2025); or (c) by mutual agreement between the Company and the Purchaser in writing.</p>
2.	Name of the related party and its relationship with the listed entity or its subsidiary including nature of its concern or interest (financial or otherwise)	<p>The Purchaser will be an indirect wholly owned subsidiary of Akzo Nobel N.V. and is proposed to be incorporated in India.</p> <p>Akzo Nobel N.V. is the ultimate holding company of the Company. The Purchaser (once incorporated) and the Company are indirect subsidiaries of Akzo Nobel NV.</p>
3.	Tenure of the proposed transaction	<p>One-time transfer of the Powder Coatings Business undertaking.</p> <p>The Proposed Powder Coatings BTA is expected to be signed before 1st May 2025 subject to requisite approvals.</p> <p>The completion of the transfer of Powder Coatings Business shall be subject to prior consent of the members of the Company in the manner as set out in this Postal Ballot Notice and other customary conditions precedent.</p> <p>The slump sale of Powder Coatings Business is estimated to be completed by 31st December 2025.</p>
4.	Value of the proposed transaction	<p>The Powder Coatings Business along with its respective assets and liabilities including the concerned licenses, movable properties, immovable properties, intellectual property, employees and contracts, shall be transferred as a going concern on a slump sale basis, for a lumpsum consideration of INR 20,730 million, excluding all applicable taxes, subject to customary post-closing adjustments,</p>

		and on such terms and conditions as detailed out in the Proposed Powder Coatings BTA (including any amendments or modifications thereto). This consideration is based on higher of the two fair valuations for Powder Coatings Business as per the valuation reports from KPMG and GT, which the Audit Committee considered to be in the best interest of the shareholders of the Company.
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	Annual consolidated turnover of Akzo Nobel India Limited as on 31 st March 2024 was INR 39,367 million and accordingly, basis the aforesaid turnover, its percentage represented by the value of the proposed transaction (INR 20,730 million, excluding all applicable taxes) is ~53%.
6.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
	(i) details of the source of funds in connection with the proposed transaction	
	(ii) where any financial indebtedness is incurred to make or give loans, interoperate deposits, advances or investments details of: (a) Nature of Indebtedness; (b) Cost of Funds; (c) Tenure	
	(iii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security;	
	(iv) The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	
7.	Justification as to why the proposed transaction is in the interest of the Company / object of / commercial rationale for the transaction	<p>The rationale underpinning the aforesaid sale of the Powder Coatings Business is to streamline the Company's business, thereby allowing it to strengthen its position in its liquid paints and coatings business while divesting its existing non-core assets (relating to powder coatings business) which do not provide material synergies. The aforesaid sale creates a more focused, efficient, and strategically aligned company with a clear roadmap for long-term value creation and success.</p> <p>Powder Coatings represent a fundamentally different technology from liquid coatings, requiring separate R&D, manufacturing and application techniques. The Powder Coatings Business also operates with distinct raw materials and technical service requirements, limiting operational and commercial synergies with the Company's liquid paints and coatings portfolio which adds complexities without directly contributing to the Company's core growth strategy. As the Indian coatings markets evolves over the years, the liquid paints and coatings verticals present significant growth opportunities, making it imperative for the Company to sharpen its focus and scale its liquid coatings business.</p> <p>Through the aforesaid sale, the Company would secure a stronger and more sustainable future, sharpening its focus on liquid paints and coatings while unlocking financial and strategic flexibility to drive long-term shareholders value.</p>

		The Board has decided to sell Powder Coatings Business to the Purchaser for INR 20,730 million excluding all applicable taxes, resulting in purchase consideration being higher of the two valuations for Powder Coatings Business as per the valuation reports from KPMG and GT.
8.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders.	<p>The following valuation reports have been obtained –</p> <p>(i) valuation report (dated 18th February 2025), issued by KPMG Valuation Services LLP, an independent valuer having registration number IBBI/RV/E/06/2020/115; and</p> <p>(ii) valuation report (dated 18th February 2025), issued by GT Valuation Advisors Private Limited, an independent valuer having registration number IBBI/RVE/ 05/2020/134.</p> <p>The valuation methodologies used by both KPMG and GT are Discounted Cash Flow Method and Comparable Companies' Multiples Method and are in compliance with the Companies Act 2013. Both KPMG and GT utilized the aforesaid methods for evaluating the Company's Powder Coatings Business to derive the fair valuation of the Powder Coatings Business. The valuation methodologies used by both KPMG and GT are internationally accepted valuation methodologies on arm's length basis.</p> <p>The Audit Committee has taken higher of the two fair valuations for Powder Coatings Business as per the valuation reports from KPMG and GT which the Audit Committee considered to be in the best interest of the shareholders of the Company.</p> <p>Members may follow the process for inspection of document as mentioned in 'Notes' section forming part of this Notice.</p>
9.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed related party transaction, on a voluntary basis	Nil (since the Purchaser is yet to be incorporated)
10.	Any other information relevant or important for the shareholders to take an informed decision	The transaction is not in ordinary course of business but is on arm's length basis. Further all the relevant information forms part of this statement setting out material facts. Please refer to S. No. 1 above for other key terms.

The Board is of the opinion that based on the reasons elucidated above, the aforesaid proposal is in the best interest of the Company and hence, the Board recommends Item No. 2 for your approval by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their respective shareholding (if any) in the Company.

ITEM NO. 3: Approval for Slump Sale of the International Research Centre (R&D) Business under Section 180(1)(a) of the Companies Act, 2013 and Regulation 37A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Your Board of Directors ("Board"), at its meeting held on 24th February 2025 and Audit Committee at its meeting held on 24th February 2025, have recommended and approved the sale of the International Research Centre (R&D) business undertaking of the Company comprising business of international research, development and innovation lab, situated at Plot No. 62A, 62B, 62P, Hoskote Industrial Area, Chokkahalli, Bengaluru, Karnataka 562 114, India, owned and conducted by the Company ("International Research Centre (R&D) Business") as a going concern on a slump sale basis (as defined under Section 2(42C) of the Income-tax Act, 1961), to an indirect wholly owned subsidiary of Akzo Nobel N.V. proposed to be incorporated in India ("Purchaser"), a related party of the Company (once incorporated) along with its respective assets and liabilities including the concerned licenses, movable properties, immovable properties, intellectual property, employees and contracts, for a lumpsum consideration of INR 700 million excluding all

applicable taxes, subject to customary post-closing adjustments, and on such terms and conditions as detailed out in the business transfer agreement to be entered into between the Company and the Purchaser for sale and transfer of the International Research Centre (R&D) Business ("Proposed International Research Centre (R&D) BTA"), (such transaction, "Proposed International Research Centre (R&D) Sale").

Further, the Audit Committee and subsequently by the Board, in their respective meetings held on 24th February 2025, approved and took on record the two valuations for International Research Centre (R&D) Business (mentioned below).

The consideration for the Proposed International Research Centre (R&D) Sale, as recommended by the Board and the Audit Committee, is based on the fair valuation done by KPMG Valuation Services LLP ("KPMG") and GT Valuation Advisors Private Limited ("GT"), independent registered valuers having registration number IBBI/RV/E/06/2020/115 and IBBI/RV-E/05/2020/134, respectively.

Binding Offer to purchase International Research Centre (R&D) Business

Your Board of Directors has received a Binding Offer Letter ("BOL"), dated 24th February 2025, from Akzo Nobel N.V. for purchase of International Research Centre (R&D) Business by the Purchaser for a lumpsum cash consideration of INR 700 million, as per the terms and conditions as set out in the Proposed International Research Centre (R&D) BTA. Under the BOL, Akzo Nobel N.V. has assumed full responsibility to incorporate the Purchaser and ensure that it is sufficiently funded to meet its financial obligations under the Proposed International Research Centre (R&D) BTA, and also ensure that the Purchaser executes the Proposed International Research Centre (R&D) BTA upon satisfaction of the following conditions: (i) approval of the audit committee, board of directors and shareholders of the Company in accordance with applicable law; and (ii) approval of supervisory board of Akzo Nobel N.V. ("BOL Conditions"). Akzo Nobel N.V. has undertaken to seek relevant corporate consents of Akzo Nobel N.V. and other relevant affiliates for the Proposed International Research Centre (R&D) Business Sale. It has agreed to take all necessary steps to place the matter before its Supervisory Board for International Research Centre (R&D) Business Sale within a reasonable time period. If Akzo Nobel N.V. fails to obtain the approval of its supervisory board by 1st May 2025, despite Company having obtained approval of its shareholders within the stipulated time period, Akzo Nobel N.V. will reimburse the Company for all the reasonable costs and expenses incurred in relation to the evaluation, negotiation, and approval processes with respect to the Proposed International Research Centre (R&D) Business Sale, including but not limited to costs of the valuers and its external legal advisors. The BOL will expire on 1st May 2025, in case the Proposed International Research Centre (R&D) BTA is not executed by 1st May 2025 due to BOL Conditions not having been satisfied.

Execution of the Proposed International Research Centre (R&D) BTA is subject to the approval of supervisory board of Akzo Nobel N.V.

Object & Rationale for Proposed International Research Centre (R&D) Sale

The divestment of the operations of International Research Centre (R&D) Business would enable the Company to focus entirely on its own business rather than operating on behalf of its global parent. Inflationary pressures including labor costs and increased operational complexities tied to the International Research Centre (R&D) Business make maintaining these operations in a longer term less efficient. By simplifying the Company's structure, the proposed sale of these operations reduces administrative overhead, enhances execution efficiency, and allows for greater autonomy in decision-making of the Company.

The International Research Centre (R&D) Business contributed to approximately ~1.36% of the total income (i.e. turnover plus other income) of the Company during FY 2023- 24.

On account of the aforesaid rationale, the Board and Audit Committee of the Company have decided to sell the International Research Centre (R&D) Business to the Purchaser for INR 700 million excluding all applicable taxes, being higher of the fair values as determined by the aforesaid independent valuers.

The Company's strategy aims to prioritize a long-term sustainable and profitable business.

Utilization of proceeds

The purchase consideration is INR 700 million excluding all applicable taxes. The Company will utilize the proceeds from sale of the International Research Centre (R&D) Business broadly for, *inter alia*, buying the intellectual property pertaining to the decorative paints, paying relevant taxes, normal business operations and distribution to shareholders through a special dividend.

Manner of determination of sale consideration for International Research Centre (R&D) Business

The sale consideration is based on independent valuation reports from KPMG and GT. Both the said registered valuers, KPMG and GT, in their respective valuation reports, have recommended a fair valuation of INR 700 million and INR 579 million, respectively. Both the valuations are based on internationally accepted valuation methodology, namely, Discounted Cash Flow Method and is in compliance with the Companies Act, 2013. Both KPMG and GT utilized the Discounted Cash Flow Method for evaluating the Company's International Research Centre (R&D) Business to derive the valuation of the International Research Centre (R&D) Business. The valuation methodology used by both KPMG and GT is an internationally accepted valuation methodology on arm's length basis.

The sale and transfer of International Research Centre (R&D) is being undertaken on an arm's length basis as per the independent valuation reports (each dated 18th February 2025), as issued by KPMG and GT, respectively.

Key provisions of the Proposed International Research Centre (R&D) BTA

Transfer of International Research Centre (R&D) Business on a slump sale basis, comprising the business of international research, development and innovation lab situated at Plot No. 62A, 62B, 62P, Hoskote Industrial Area, Chokkahalli, Bengaluru, Karnataka 562 114, India, owned and conducted by the Company.

The International Research Centre (R&D) Business that will be transferred as a going concern in the form of a slump sale comprises:

- Business Assets comprising of all current, moveable, and fixed assets and intangible assets of the Seller predominantly pertaining to the International Research Centre (R&D) Business;
- Assumed Liabilities comprising of all liabilities of the Company to the extent related to International Research Centre (R&D) Business, whether for the period prior to or after the Closing Date, except for certain excluded liabilities.
- Assumed Contracts (comprising of all contracts and agreements in writing, to which the Seller is a party and which relate to such business, that are valid and subsisting as on the Closing Date);
- Licenses (all permits, licenses, approvals, authorizations, registrations, certificates, and similar rights obtained from a government authority held by the Company as on the Closing Date solely relating to International Research Centre (R&D) Business, which are capable of being transferred or assigned under applicable laws);
- Books and Ledgers (comprising of all books, files, data, documents (including title documents), instruments, papers, records, designs, plans, research, policies, reports, procedures, manuals, instruction lists, brochures, ledgers, financial and other records including, statements of accounts transfer pricing reports, tax returns, budgets, pricing guidelines, journals, deeds, operating handbooks, standard operating procedure documents and insurance policies, registrations and filings, etc.)
- Employees of the International Research Centre (R&D) Business who accept the employee transfer letter.
- Inventory (comprising all stock-in-trade, raw materials, finished goods, work-in-progress, spare parts, consumables, coating materials, and other items used, held, or intended for use predominantly in connection with International Research Centre (R&D) Business).
- Immovable Properties (comprising immoveable properties identified in the Proposed International Research Centre (R&D) BTA).
- The business undertaking to be transferred does not include certain excluded assets (including tax refunds for excluded tax liabilities) and excluded liabilities (including trade payables for common vendors, statutory dues outstanding as on Closing Date but payable after Closing Date, certain tax liabilities), which will be retained by the Company.

The International Research Centre (R&D) Business will be transferred to the Purchaser for a lump sum consideration of INR 700 million, excluding all applicable taxes, subject to post-closing adjustments as set out in the Proposed International Research Centre (R&D) BTA. Any downward adjustment to the purchase consideration will be capped at INR 10,000,000 and upward adjustment to the purchase consideration will be uncapped, as per the terms of the Proposed International Research Centre (R&D) BTA. The adjustments are also subject to a de minimis of INR 1 million.

The closure of the transaction shall take place subject to the receipt of shareholders' approval and completion of other customary conditions precedents as set out in the Proposed International Research Centre (R&D) BTA. The slump sale of International Research Centre (R&D) Business is estimated to be completed by 31st December 2025.

The Company is giving limited representation and warranties, and it has no obligation to indemnify the Purchaser under the terms of the Proposed International Research Centre (R&D) BTA. The Purchaser will indemnify the Company for

any losses arising from assumed liabilities of the business being transferred after Closing Date. The transaction costs to be incurred under the Proposed International Research Centre (R&D) BTA will be borne by the Purchaser.

The Proposed International Research Centre (R&D) BTA also involves execution of certain ancillary agreements such as transitional services agreement, assignment agreement(s), etc.

Certain transitional services shall be provided by the Company to the Purchaser post-closing on a cost-plus and arm's length basis for a period ranging between 4 to 12 months from the Closing Date. However, detailed terms around provisioning of these transitional services are subject to mutual agreement between the parties.

Conditions Precedent to the transfer of International Research Centre (R&D) Business:

Seller Conditions Precedent

- The Company having obtained the requisite corporate authorisations required under applicable law for execution, delivery, performance and implementation of the Proposed International Research Centre (R&D) BTA and consummation of the transactions involving the transfer of the business undertaking contemplated thereunder;
- There being no written proceedings or correspondence having been received or instituted by any governmental authority against the Company, which prohibits, prevents, restrains, restricts or makes illegal the consummation of any of the transactions contemplated in the Proposed International Research Centre (R&D) BTA.
- Representations and warranties of the Company contained in the Proposed International Research Centre (R&D) BTA being true, complete and accurate in all respects as if made on the execution date and the Closing Date (except where the representation and warranty is specifically made as on a particular date).
- The Company having intimated the counterparties of the assumed contracts as identified in the Proposed International Research Centre (R&D) BTA, in relation to transfer/assignment of the assumed contracts to the Purchaser.
- The Company having executed the employee transfer letter(s), jointly with the Purchaser.
- Company having delivered to Purchaser certificates pursuant to Section 281 of the Income Tax Act and Section 81 of the CGST Act.
- The Company having obtained the prior written consent of Akzo Nobel Coatings International B.V. for the assignment of the inter-company contract research and development service agreement to the Purchaser.
- Bangalore property documents being in agreed form between the parties which shall be effective from the Closing Date.

Purchaser Conditions Precedent

- Purchaser having obtained the requisite corporate authorisations required for execution, delivery, performance and implementation of the Proposed International Research Centre (R&D) BTA and consummation of the transactions involving the transfer of the business undertaking contemplated thereunder.
- There being no written proceedings or correspondence having been received or instituted by any governmental authority against the Purchaser, which prohibits, prevents, restrains, restricts or makes illegal, the consummation of any of the transactions contemplated in the Proposed International Research Centre (R&D) BTA.
- The representations and warranties of the Purchaser contained in the Proposed International Research Centre (R&D) BTA being true, complete and accurate in all respects as if made on the execution date and the Closing Date (except where the representation and warranty is specifically made as on a particular date).
- Bangalore property documents being in agreed form between the parties, which shall be effective from the Closing Date.
- Purchaser having executed the employee transfer letter(s), jointly with the Company.

Non-Compete and Non-Solicit

The Proposed International Research Centre (R&D) BTA contains non-compete and non-solicit provisions, restricting the Company from (i) conducting any business that competes with or is similar to the International Research Centre (R&D) Business within the territory (i.e., geographical areas in which the Seller conducts, manages, or operates the International Research Centre (R&D) Business) for a period of 36 months, commencing from the date the Company ceases to be an affiliate of Akzo Nobel N.V.; and (ii) soliciting or enticing away from the Purchaser, any customer or any employee of the International Research Centre (R&D) Business for a period of 36 months, commencing from the date the Company ceases to be an affiliate of Akzo Nobel N.V.

Termination

The Proposed International Research Centre (R&D) BTA will be terminated on following grounds: (a) by the Purchaser, if all Seller Conditions Precedent have not been satisfied or waived in terms of the Proposed International Research Centre (R&D) BTA on or prior to the Long Stop Date (i.e. 31st December 2025) ; or (b) by the Company if all Purchaser Conditions Precedent have not been satisfied or waived in terms of the Proposed International Research Centre (R&D) BTA on or prior to the Long Stop Date (i.e. 31st December 2025); or (c) by mutual agreement between the Company and the Purchaser in writing.

Requirement of Shareholders' Approval

In terms of Section 180(1)(a) of the Companies Act, 2013 ("Companies Act"), approval of the shareholders is required by way of a Special Resolution to sell, dispose off or otherwise transfer the whole or substantially the whole of any undertaking. The International Research Centre (R&D) Business contributed to 1.36 % of the total income of the Company in FY 2023-24 and constituted 0.48 % of the net worth of the Company as per the audited balance sheet of the FY 2023-24. While the International Research Centre (R&D) Business may not be constituting an "undertaking" in the literal sense in terms of Section 180(1)(a) of the Companies Act (since it does not constitute 20% or more of the net worth as per the audited balance sheet of the preceding FY i.e., 2023-24 or generate 20% or more of the total income of the Company during the preceding FY i.e., 2023-24), the approval of the members by way of a Special Resolution, in terms of Section 180(1)(a) of the Companies Act and Regulation 37A of the Listing Regulations, is being sought out of abundant caution and as a measure to uphold good standards of responsible corporate governance. Additionally, in compliance with Regulation 37A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the said Special Resolution shall be acted upon only if (i) 3/4th (i.e. 75%) of the total no. of votes cast are in favour of the resolution, and (ii) votes cast by the public shareholders in favour of the resolution exceed the votes cast by such public shareholders against the resolution and that no public shareholder shall vote on the resolution if he/she/it is a party, directly or indirectly, to such sale of International Research Centre (R&D) Business.

Further, the Resolution at Item No. 3 is also subject to approval of the members of the Company for Resolution at Item No. 4 of this Notice (i.e., approval by way of an Ordinary Resolution for entering into material related party transaction with the Purchaser).

The Board is of the opinion that based on the reasons elucidated above, the aforesaid proposal is in the best interest of the Company and hence, the Board recommends Item No. 3 for your approval by way of a Special Resolution with majority of public shareholders casting their vote in favour.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested, financially or otherwise, in the proposed transaction, except to the extent of their respective shareholding (if any) in the Company.

ITEM NO. 4: Approval for entering into Material Related Party Transaction with Purchaser (as defined below) for sale of International Research Centre (R&D) Business under Section 188(1)(b) of the Companies Act, 2013 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Your Board of Directors ("Board"), at its meeting held on 24th February 2025 and Audit Committee at its meeting held on 24th February 2025, have recommended and approved the sale of the International Research Centre (R&D) business undertaking of the Company comprising the business of international research, development and innovation lab situated at Plot No. 62A, 62B, 62P, Hoskote Industrial Area, Chokkahalli, Bengaluru, Karnataka 562 114, India, owned and conducted by the Company ("International Research Centre (R&D) Business") as a going concern on a slump sale basis, to an indirect wholly owned subsidiary of Akzo Nobel N.V. proposed to be incorporated in India ("Purchaser"), a related party of the Company (once incorporated) along with its respective assets and liabilities including the concerned licenses, movable properties, immovable properties, intellectual property, employees and contracts, for a lumpsum consideration of INR 700 million excluding all applicable taxes, subject to customary post-closing adjustments, and on such terms and conditions as detailed out in the business transfer agreement to be entered into between the Company and the Purchaser for sale and transfer of the International Research Centre (R&D) Business ("Proposed International Research Centre (R&D) BTA") (such transaction, "Proposed International Research Centre (R&D) Business Sale").

As per the provisions of Section 188 of the Act and Regulation 23 of the Listing Regulations, material related party transactions require prior approval of the shareholders through an Ordinary Resolution. For this purpose, a related party transaction will be considered 'material' if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceed the following thresholds:

Thresholds as per:	
Regulation 23(1) of the Listing Regulations	Lower of: <ul style="list-style-type: none"> • INR 1,000 crore; or • 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.
Section 188(1)(b) of the Companies Act read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014	10% of the net worth basis of the audited financial statement of the preceding financial year

The consideration for the International Research Centre (R&D) Business Sale is INR 700 million excluding all applicable taxes, which exceeds the materiality thresholds (taken along with other proposed transactions with the Purchaser), as per the details given below, prescribed under Section 188 of the Companies Act and/ or Regulation 23 of the Listing Regulations, and accordingly the Proposed International Research Centre (R&D) Business Sale constitutes a “material related party transaction”.

10% of the net worth the Company as on 31st March 2024 is INR 1,329 million.

10% of the annual consolidated turnover of the Company as on 31st March 2024 is INR 3,937 million.

In view of the same, the approval of the members of the Company is being sought by way of an Ordinary Resolution as set out at Item No. 4 of the Notice. The members may note that as per the provisions of the Companies Act and the Listing Regulations, all related parties (whether such related party is a party to the above-mentioned transaction or not), shall not vote to approve the resolution set out in Item No. 4.

Further, the Resolution at Item No. 4 is also subject to approval of the members of the Company for Resolution at Item No. 3 of this Notice (i.e., approval by way of a Special Resolution with majority of public shareholders casting their vote in favour of slump sale of International Research Centre (R&D) Business to the Purchaser).

The details concerning the proposed transaction as required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Circular dated November 11, 2024, bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/0155, are as follows:

S. No.	Particulars	Details
1.	Type, material terms and particulars of the proposed transaction	<p>Transfer of International Research Centre (R&D) Business on a slump sale basis, comprising the business of international research, development and innovation lab situated at Plot No. 62A, 62B, 62P, Hoskote Industrial Area, Chokkahalli, Bengaluru, Karnataka 562 114, India, owned and conducted by the Company.</p> <p>The Company has received a Binding Offer Letter (“BOL”), dated 24th February 2025, from Akzo Nobel N.V. for purchase of International Research Centre (R&D) Business by the Purchaser for a lumpsum cash consideration of INR 700 million, as per the terms and conditions set out in the Proposed International Research Centre (R&D) BTA. Under the BOL, Akzo Nobel N.V. has assumed full responsibility to incorporate the Purchaser and ensure that it is sufficiently funded to meet its financial obligations under the Proposed International Research Centre (R&D) BTA, and also ensure that the Purchaser executes the Proposed International Research Centre (R&D) BTA upon satisfaction of the following conditions: (i) approval of the audit committee, board of directors and shareholders of the Company in accordance with applicable law; and (ii) approval of supervisory board of Akzo Nobel N.V (“BOL Conditions”). Akzo Nobel N.V. has undertaken to seek relevant corporate consents of Akzo Nobel N.V, and other relevant affiliates for the Proposed International Research Centre (R&D) Business Sale. It has agreed to take all necessary steps to place the matter before its Supervisory Board for International Research Centre (R&D) Business Sale within a reasonable time period. If Akzo Nobel N.V. fails to obtain the approval of its supervisory board by 1st May 2025, despite Company having obtained approval of its shareholders within the stipulated time period, Akzo Nobel N.V. will reimburse the Company for all the</p>

		<p>reasonable costs and expenses incurred in relation to the evaluation, negotiation, and approval processes with respect to the Proposed International Research Centre (R&D) Business Sale, including but not limited to costs of the valuers and its external legal advisors. The BOL will expire on 1st May 2025, in case the Proposed International Research Centre (R&D) BTA is not executed by 1st May 2025 due to BOL Conditions not having been satisfied.</p> <p>Execution of the Proposed International Research Centre (R&D) BTA is subject to the approval of supervisory board of Akzo Nobel N.V.</p> <p>Key provisions of the Proposed International Research Centre (R&D) BTA</p> <p>The International Research Centre (R&D) Business that will be transferred as a going concern in the form of a slump sale comprises:</p> <ul style="list-style-type: none"> • Business Assets comprising of all current, moveable, and fixed assets and intangible assets of the Seller predominantly pertaining to the International Research Centre (R&D) Business; • Assumed Liabilities comprising of all liabilities of the Company to the extent related to International Research Centre (R&D) Business, whether for the period prior to or after the Closing Date, except for certain excluded liabilities. • Assumed Contracts (comprising of all contracts and agreements in writing, to which the Seller is a party and which relate to such business, that are valid and subsisting as on the Closing Date); • Licenses (all permits, licenses, approvals, authorizations, registrations, certificates, and similar rights obtained from a government authority held by the Company as on the Closing Date solely relating to International Research Centre (R&D) Business, which are capable of being transferred or assigned under applicable laws); • Books and Ledgers (comprising of all books, files, data, documents (including title documents), instruments, papers, records, designs, plans, research, policies, reports, procedures, manuals, instruction lists, brochures, ledgers, financial and other records including, statements of accounts transfer pricing reports, tax returns, budgets, pricing guidelines, journals, deeds, operating handbooks, standard operating procedure documents and insurance policies, registrations and filings, etc.) • Employees of the International Research Centre (R&D) Business who accept the employee transfer letter. • Inventory (comprising all stock-in-trade, raw materials, finished goods, work-in-progress, spare parts, consumables, coating materials, and other items used, held, or intended for use predominantly in connection with International Research Centre (R&D) Business). • Immovable Properties (comprising immovable properties identified in the Proposed International Research Centre (R&D) BTA). • The business undertaking to be transferred does not include certain excluded assets (including tax refunds for excluded tax liabilities) and excluded liabilities (including trade payables for common vendors, statutory dues outstanding as on Closing Date but payable after Closing Date, certain tax liabilities), which will be retained by the Company. <p>The International Research Centre (R&D) Business will be transferred to the Purchaser for a lump sum consideration of INR 700, excluding all applicable taxes, subject to post-closing adjustments as set out in the Proposed International Research Centre (R&D) BTA. Any downward</p>
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	<p>adjustment to the purchase consideration will be capped at INR 10,000,000 and upward adjustment to the purchase consideration will be uncapped, as per the terms of the Proposed International Research Centre (R&D) BTA. The adjustments are also subject to a de minimis of INR 1 million.</p> <p>The closure of the transaction shall take place subject to the receipt of shareholders' approval and completion of other customary conditions precedents as set out in the Proposed International Research Centre (R&D) BTA. The slump sale of International Research Centre (R&D) Business is estimated to be completed by 31st December 2025.</p> <p>The Company is giving limited representation and warranties, and it has no obligation to indemnify the Purchaser under the terms of the Proposed International Research Centre (R&D) BTA. The Purchaser will indemnify the Company for any losses arising from assumed liabilities of the business being transferred after Closing Date. The transaction costs to be incurred under the Proposed International Research Centre (R&D) BTA will be borne by the Purchaser.</p> <p>The Proposed International Research Centre (R&D) BTA also involves execution of certain ancillary agreements such as transitional services agreement, assignment agreement(s).</p> <p>Certain transitional services shall be provided by the Company to the Purchaser post-closing on a cost-plus and arm's length basis for a period ranging between 4 to 12 months from the Closing Date. However, detailed terms around provisioning of these transitional services are subject to mutual agreement between the parties.</p> <p>Conditions Precedent to the transfer of International Research Centre (R&D) Business:</p> <p>Seller Conditions Precedent</p> <ul style="list-style-type: none"> • The Company having obtained the requisite corporate authorisations required under applicable law for execution, delivery, performance and implementation of the Proposed International Research Centre (R&D) BTA and consummation of the transactions involving the transfer of the business undertaking contemplated thereunder; • There being no written proceedings or correspondence having been received or instituted by any governmental authority against the Company, which prohibits, prevents, restrains, restricts or makes illegal the consummation of any of the transactions contemplated in the Proposed International Research Centre (R&D) BTA. • Representations and warranties of the Company contained in the Proposed International Research Centre (R&D) BTA being true, complete and accurate in all respects as if made on the execution date and the Closing Date (except where the representation and warranty is specifically made as on a particular date). • The Company having intimated the counterparties of the assumed contracts as identified the Proposed International Research Centre (R&D) BTA, in relation to transfer/assignment of the assumed contracts to the Purchaser. • The Company having executed the employee transfer letter(s), jointly with the Purchaser. • Company having delivered to Purchaser certificates pursuant to Section 281 of the Income Tax Act and Section 81 of the CGST Act. • The Company having obtained the prior written consent of Akzo Nobel Coatings International B.V. for the assignment of the inter-
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		<p>company contract research and development service agreement to the Purchaser.</p> <ul style="list-style-type: none"> • Bangalore property documents being in agreed form between the parties, which shall be effective from the Closing Date. <p>Purchaser Conditions Precedent</p> <ul style="list-style-type: none"> • Purchaser having obtained the requisite corporate authorisations required for execution, delivery, performance and implementation of the Proposed International Research Centre (R&D) BTA and consummation of the transactions involving the transfer of the business undertaking contemplated thereunder; • There being no written proceedings or correspondence having been received or instituted by any governmental authority against the Purchaser, which prohibits, prevents, restrains, restricts or makes illegal, the consummation of any of the transactions contemplated in the Proposed International Research Centre (R&D) BTA. • The representations and warranties of the Purchaser contained in the Proposed International Research Centre (R&D) BTA being true, complete and accurate in all respects as if made on the execution date and the Closing Date (except where the representation and warranty is specifically made as on a particular date). • Bangalore property documents being in agreed form between the parties, which shall be effective from the Closing Date. • Purchaser having executed the employee transfer letter(s), jointly with the Company. <p>Non-Compete and Non-Solicit</p> <p>The Proposed International Research Centre (R&D) BTA contains non-compete and non-solicit provisions, restricting the Company from (i) conducting any business that competes with or is similar to the International Research Centre (R&D) Business within the territory (i.e., geographical areas in which the Seller conducts, manages, or operates the International Research Centre (R&D) Business) for a period of 36 months, commencing from the date the Company ceases to be an affiliate of Akzo Nobel N.V.; and (ii) soliciting or enticing away from the Purchaser, any customer or any employee of the International Research Centre (R&D) Business for a period of 36 months, commencing from the date the Company ceases to be an affiliate of Akzo Nobel N.V.</p> <p>Termination</p> <p>The Proposed International Research Centre (R&D) BTA will be terminated on following grounds: (a) by the Purchaser, if all Seller Conditions Precedent have not been satisfied or waived in terms of the Proposed International Research Centre (R&D) BTA on or prior to the Long Stop Date (i.e. 31st December 2025); or (b) by the Company if all Purchaser Conditions Precedent have not been satisfied or waived in terms of the Proposed International Research Centre (R&D) BTA on or prior to the Long Stop Date (i.e. 31st December 2025); or (c) by mutual agreement between the Company and the Purchaser in writing.</p>
2.	Name of the related party and its relationship with the listed entity or its subsidiary including nature of its concern or interest (financial or otherwise)	<p>The Purchaser will be an indirect wholly owned subsidiary of Akzo Nobel N.V. proposed to be incorporated in India.</p> <p>Akzo Nobel N.V. is the ultimate holding company of the Company. The Purchaser and the Company are indirect subsidiaries of Akzo Nobel NV.</p>

3.	Tenure of the proposed transaction	<p>One-time transfer of the International Research Centre (R&D) Business undertaking.</p> <p>The Proposed International Research Centre (R&D) Business BTA is expected to be signed before 1st May 2025.</p> <p>The completion of the transfer of International Research Centre (R&D) Business shall be subject to prior consent of the members of the Company, in the manner as set out in this Postal Ballot Notice and other customary conditions precedent.</p> <p>The slump sale of International Research Centre (R&D) Business is estimated to be completed by 31st December 2025.</p>
4.	Value of the proposed transaction	<p>The International Research Centre (R&D) Business along with its respective assets and liabilities including the concerned licenses, movable properties, immovable properties, intellectual property, employees and contracts, shall be transferred as a going concern on a slump sale basis, for a lumpsum consideration of INR 700 million, excluding all applicable taxes, subject to customary post-closing adjustments, and on such terms and conditions as detailed out in the Proposed International Research Centre (R&D) Business BTA (including any amendments or modifications thereto). This consideration is based on higher of the two fair valuations for International Research Centre (R&D) Business as per the valuation reports from KPMG and GT which the Audit Committee considered to be in the best interest of the shareholders of the Company.</p>
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	<p>Annual consolidated turnover of Akzo Nobel India Limited as on 31 March 2024 was INR 39,367 million and accordingly basis the aforesaid turnover its percentage represented by the value of the proposed transaction (INR 700 million, excluding all applicable taxes) is 1.78 %.</p>
6.	<p>If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:</p> <p>(i) details of the source of funds in connection with the proposed transaction</p> <p>(ii) where any financial indebtedness is incurred to make or give loans, interoperate deposits, advances or investments details of: (a) Nature of Indebtedness (b) Cost of Funds; (c) Tenure</p> <p>(iii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security;</p> <p>(iv) The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction</p>	<p>Not Applicable</p>
7.	Justification as to why the proposed transaction is in the interest of the Company /	<p>The divestment of the operations of International Research Centre (R&D) Business would enable the Company to focus entirely on its own business rather than operating on behalf of its global parent. Inflationary pressures</p>

	object of / commercial rationale for the transaction	including labor costs and increased operational complexities tied to the International Research Centre (R&D) Business make maintaining these operations in a longer term less efficient. By simplifying the Company's structure, the proposed sale of these operations reduces administrative overhead, enhances execution efficiency, and allows for greater autonomy in decision-making of the Company. Hence, the Board has decided to sell the International Research Centre (R&D) Business to the Purchaser for INR 700 million excluding all applicable taxes, being higher of the fair values as determined by the independent valuers.
8.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders.	The following valuation reports have been obtained – (i) valuation report (dated 18 th February 2025), issued by KPMG Valuation Services LLP, an independent valuer having registration number IBBI/RV/E/06/2020/115; and (ii) valuation report (dated 18 th February 2025), issued by GT Valuation Advisors Private Limited, an independent valuer having registration number IBBI/RVE/ 05/2020/134. The valuation methodology used is Discounted Cash Flow Method and is in compliance with the Companies Act 2013. Both KPMG and GT utilized the aforesaid method for evaluating the Company's International Research Centre (R&D) Business to derive the fair valuation of the International Research Centre (R&D) Business. The valuation methodology used by both KPMG and GT are internationally accepted valuation methodologies on arm's length basis. The Audit Committee has taken higher of the two fair valuations for International Research Centre (R&D) Business as per the valuation reports from KPMG and GT which the Audit Committee considered to be in the best interest of the shareholders of the Company. Members may follow the process for inspection of document as mentioned in 'Notes' section forming part of this Notice.
9.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed related party transaction, on a voluntary basis	Nil (since the Purchaser is yet to be incorporated)
10.	Any other information relevant or important for the shareholders to take an informed decision	The transaction is not in ordinary course of business but is on arm's length basis. Further all the relevant information forms part of this statement setting out material facts. Please refer to S. No. 1 above for other key terms.

The Board is of the opinion that based on the reasons elucidated above, the aforesaid proposal is in the best interest of the Company and hence, the Board recommends Item No. 4 for your approval by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested, financially or otherwise, in the proposed transaction, except to the extent of their respective shareholding (if any) in the Company.

ITEM NO. 5: Approval for entering into 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 Companies Act, 2013 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Your Board of Directors ("Board"), at its meeting held on 24th February 2025 and Audit Committee at its meeting held on 24th February 2025, have recommended and approved the acquisition of intellectual property pertaining to decorative paints business of the Company, including trademarks with goodwill, patents, domain names, business know-how and

associated proceedings, from Akzo Nobel Coatings International B.V. (promoter and a related party of the Company) and certain affiliates of Akzo Nobel Coatings International B.V., on such terms and conditions as detailed out in the intellectual property sale and transfer agreement (“Proposed IPSTA”) to be entered into between the Company and Akzo Nobel Coatings International B.V. for the said acquisition.

Binding Offer to sell intellectual property pertaining to the decorative paints business of the Company

Your Board of Directors has received a Binding Offer Letter (“BOL”), dated 24th February 2024, from Akzo Nobel N.V. for sale of intellectual property pertaining to decorative paints business of the Company by Akzo Nobel Coatings International B.V. to the Company at a lumpsum cash consideration of INR 11,520 million, as per the terms and conditions set out in the Proposed IPSTA. Under the BOL, Akzo Nobel N.V. has assumed full responsibility to ensure that Akzo Nobel Coatings International B.V. executes the Proposed IPSTA upon satisfaction of the following conditions: (i) approval of the audit committee, board of directors and shareholders of the Company in accordance with applicable law; and (ii) approval of supervisory board of Akzo Nobel N.V (“BOL Conditions”). Akzo Nobel N.V. has undertaken to seek relevant corporate consents of Akzo Nobel N.V, and other relevant affiliates for the Proposed IPSTA. It has agreed to take all necessary steps to place the matter before its Supervisory Board for Proposed IPSTA within a reasonable time period. If Akzo Nobel N.V. fails to obtain the approval of its supervisory board by 1st May 2025, despite Company having obtained approval of its shareholders within the stipulated time period, Akzo Nobel N.V. will reimburse the Company for all the reasonable costs and expenses incurred in relation to the evaluation, negotiation, and approval processes with respect to the Proposed IPSTA, including but not limited to costs of the valuers and its external legal advisors. The BOL will expire on 1st May 2025, in case the Proposed IPSTA is not executed by 1st May 2025 due to BOL Conditions not having been satisfied.

Execution of the Proposed IPSTA is subject to the approval of supervisory board of Akzo Nobel N.V.

Object & Rationale for proposed acquisition of intellectual property pertaining to the decorative paints business

The acquisition of the intellectual property pertaining to the decorative paints business would establish your Company's full technological independence in its core business, eliminating ongoing royalty payments with respect to the intellectual property pertaining to decorative paints business of your Company and immediately enhancing margins and cash flow. This acquisition would provide your Company with the flexibility to reinvest in innovation and product development, reinforcing its leadership in the decorative paints business. Gaining full control over its most strategic assets would strengthen the Company's brand positioning—one of the key pillars of success in the decorative paints market.

Through the aforesaid acquisition, your Company would secure a stronger and more sustainable future, sharpening its focus on liquid paints and coatings while unlocking financial and strategic flexibility to drive long-term value for its shareholders.

As per the provisions of Section 188 of the Act and Regulation 23 of the Listing Regulations, material related party transactions require prior approval of the shareholders through an Ordinary Resolution. For this purpose, a related party transaction will be considered ‘material’ if the transaction(s) to be entered into, individually or taken together with previous transactions during a financial year, exceed the following thresholds:

Thresholds as per:	
Regulation 23(1) of the Listing Regulations	Lower of: <ul style="list-style-type: none"> • INR 1,000 crore; or • 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.
Section 188(1)(b) of the Companies Act read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014	10% of the net worth basis of the audited financial statement of the preceding financial year

The purchase consideration for the acquisition of intellectual property pertaining to decorative paints business of the Company, including trademarks with goodwill, patents, domain names, business know-how and associated proceedings, is INR 11,520 million excluding all applicable taxes, which exceeds the materiality thresholds prescribed under Section 188 of the Companies Act and/ or Regulation 23 of the Listing Regulations, as per the details given below, and accordingly the acquisition of intellectual property pertaining to decorative paints business of the Company constitutes a “material related party transaction”.

10% of the net worth the Company as on 31st March 2024 is INR 1,329 million.

10% of the annual consolidated turnover of the Company as on 31st March 2024 is INR 3,937 million.

Manner of determination of the consideration for acquisition of intellectual property pertaining to decorative paints business

The consideration is based on independent valuation reports from KPMG Valuation Services LLP, independent valuer having registration number IBBI/RV/E/06/2020/115 (“KPMG”) and GT Valuation Advisors Private Limited, independent valuer having registration number IBBI/RV-E/05/2020/134 (“GT”). Both the registered valuers (KPMG and GT), in their respective valuation reports, have recommended a fair valuation of INR 11844 million and INR 11,520 million, respectively. Both the valuations are based on internationally accepted valuation methodology namely Relief from Royalty Method and is in compliance with the Companies Act, 2013. Both KPMG and GT utilized the aforesaid method, for evaluating the Company’s decorative paints business intellectual properties. The valuation methodology used by both KPMG and GT are internationally accepted valuation methodologies on arm’s length basis.

The acquisition of the intellectual property pertaining to decorative paints business is being undertaken on an arm’s length basis as per the independent valuation reports (each dated 18th February 2025), as issued by KPMG and GT, respectively.

The Board and Audit Committee have decided to acquire the intellectual property pertaining to decorative paints business for INR 11,520 million excluding all applicable taxes, which amount is lower of the two fair valuations for acquisition of intellectual property pertaining to decorative paints business as per the valuation reports from KPMG and GT, which the Audit Committee considered to be in the best interest of the shareholders of the Company.

In view of the same, the approval of the members of the Company is being sought by way of an Ordinary Resolution as set out at Item No. 5 of the appended Notice. The members may note that as per the provisions of the Companies Act and the Listing Regulations, all related parties (whether such related party is a party to the above-mentioned transaction or not), shall not vote to approve the resolution set out in Item No. 5.

The details concerning the proposed transaction as required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Circular dated November 11, 2024, bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/0155 are as follows:

S. No.	Particulars	Details
1.	Type, material terms and particulars of the proposed transaction	<p>Acquisition of intellectual property pertaining to decorative paints business of the Company within the Territory (i.e, India, Bangladesh, Bhutan and Nepal), including trademarks with goodwill, patents, domain names, business know-how and associated proceedings, from Akzo Nobel Coatings International B.V.</p> <p>The Company has received a Binding Offer Letter (“BOL”), dated 24th February 2025, from Akzo Nobel N.V. for sale of intellectual property pertaining to decorative paints business of the Company by Akzo Nobel Coatings International B.V. to the Company, at a lumpsum cash consideration of INR 11,520 million. Under the BOL, Akzo Nobel N.V. has assumed full responsibility to ensure that Akzo Nobel Coatings International B.V. executes the Proposed IPSTA, subject to (i) approval of the audit committee, board of directors and shareholders of the Company in accordance with applicable law; and (ii) approval of supervisory board of Akzo Nobel N.V. Akzo Nobel N.V. has undertaken to seek relevant corporate consents of Akzo Nobel N.V, and other relevant affiliates for the Proposed IPSTA. It has agreed to take all necessary steps to place the matter before its Supervisory Board for Proposed IPSTA within a reasonable time period. If Akzo Nobel N.V. fails to obtain the approval of its supervisory board, despite Company having obtained approval of its shareholders within the stipulated time period, Akzo Nobel N.V. will reimburse the Company for all the reasonable costs and expenses incurred by the Company for the proposed acquisition of intellectual property pertaining to decorative paints business of the Company, including but not limited to costs of the valuers and its external legal advisors.</p>

		<p>The key provisions of the Proposed IPSTA are set out below:</p> <p>The intellectual property pertaining to decorative paints business of the Company will be acquired from Akzo Nobel Coatings International B.V. for a lump sum consideration of INR 11,520 million, excluding all applicable taxes, on such terms and conditions as detailed out in the Proposed IPSTA (including any amendments or modifications thereto).</p> <p>The closure of the transaction shall take place subject to the receipt of shareholders' approval.</p> <p>Post-transfer restrictions: The Company will be subject to certain post-transfer restrictions under the Proposed IPSTA, in view of the fact that Akzo Nobel Coatings International B.V. and its affiliates use the intellectual property pertaining to decorative paints business outside the Territory. These include (i) restriction on marketing or selling any products or services bearing, containing or manufactured with any part of the intellectual property outside the Territory, (ii) maintaining a high level of quality of the products bearing, offered and/or sold under or in connection with the transferred trademarks, (iii) complying with the practices and at least the same level of standards which were applicable to the Company immediately prior to the transaction, (iv) comply with, all the applicable relevant laws within the Territory with respect to manufacturing and sale of products bearing the transferred intellectual property, (v) notify Akzo Nobel Coatings International B.V. of any actual, suspected or claimed defect in any product bearing, containing or manufactured with transferred intellectual property, including any defects in instructions, if such defect has led, may lead or is claimed to have led to any physical injury, death, third-party claims or recalls, and/or damage to the reputation of the parties, (vi) the Company can only transfer the intellectual property acquired under the agreement to a third party after providing written notice to the seller / obtaining consent from the seller (depending on identity of the proposed transferee), and the third-party transferee having provided to the seller an acceptance notice in a pre-agreed form; and (vii) restriction on applying for or obtaining registration of any Intellectual Property Right that includes, comprises of, or is similar to, any of the Transferred IPR, outside of the Territory (i.e. India, Bangladesh, Bhutan and Nepal).</p> <p>Termination: The Proposed IPSTA will be effective on an irrevocable and perpetual basis and cannot be terminated unilaterally.</p> <p>Warranties and Indemnity: The Company is obtaining limited representations and warranties from the seller relating to title and non-infringement of the intellectual property being purchased under the agreement. The Proposed IPSTA contains mutual indemnification provisions for any material breach of the agreement by either party and indemnification by the Company for product liability related matters. The liability of both parties under the Proposed IPSTA, except for fraud, is limited to 100% of the consideration paid under the agreement.</p> <p>Costs: All costs relating to any recordals and transfers pursuant to the Proposed IPSTA, and other fees on the same shall be borne by the Company.</p>
2.	Name of the related party and its relationship with the listed entity or its subsidiary including nature of its concern or interest (financial or otherwise)	<p>Akzo Nobel Coatings International B.V.</p> <p>Akzo Nobel Coatings International B.V. is the promoter/holding company of the Company having 24.3% shareholding in the Company.</p>
3.	Tenure of the proposed transaction	<p>One-time acquisition of the intellectual property pertaining to decorative paints business of the Company from Akzo Nobel Coatings International B.V.</p>

		<p>The Proposed IPSTA is expected to be signed before 1st May 2025 subject to requisite approvals.</p> <p>The completion of the said acquisition shall be subject to prior consent of the members of the Company, in the manner as set out in this Postal Ballot Notice.</p> <p>The said acquisition is estimated to be completed by 31st December 2025.</p>
4.	Value of the proposed transaction	The intellectual property pertaining to decorative paints business of the Company will be acquired for a lumpsum consideration of INR 11,520 million, excluding all applicable taxes, on such terms and conditions as detailed out in the Proposed IPSTA (including any amendments or modifications thereto).
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	Annual consolidated turnover of Akzo Nobel India Limited as on 31 st March 2024 was INR 39,367 million and accordingly basis the aforesaid turnover its percentage represented by the value of the proposed transaction (INR 11,520 million, excluding all applicable taxes) is ~29 %.
6.	<p>If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:</p> <p>(i) details of the source of funds in connection with the proposed transaction</p> <p>(ii) where any financial indebtedness is incurred to make or give loans, interoperate deposits, advances or investments details of: (a) Nature of Indebtedness; (b) Cost of Funds; (c) Tenure</p> <p>(iii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security;</p> <p>(iv) The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction</p>	<p>Not Applicable</p>
7.	Justification as to why the proposed transaction is in the interest of the Company / object of / commercial rationale for the transaction	<p>The acquisition of the intellectual property pertaining to the decorative paints business would establish the Company's full technological independence in its core business, eliminating ongoing royalty payments and immediately enhancing margins and cash flow. This acquisition would provide the Company with the flexibility to reinvest in innovation and product development, reinforcing its leadership in the decorative paints business. Gaining full control over its most strategic assets would strengthen the Company's brand positioning—one of the key pillars of success in the decorative paints market.</p> <p>Through the aforesaid acquisition, the Company would secure a stronger and more sustainable future, sharpening its focus on liquid paints and coatings while unlocking financial and strategic flexibility to drive long-term value for its shareholders.</p>

		Thus, it is proposed that the Company acquire the intellectual properties pertaining to decorative paints business of the Company from Akzo Nobel Coatings International B.V. and its affiliate(s), in terms of the Proposed IPSTA.
8.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders.	<p>The following valuation reports have been obtained –</p> <p>(i) valuation report (dated 18th February 2025), issued by KPMG Valuation Services LLP, an independent valuer having registration number IBBI/RV/E/06/2020/115; and</p> <p>(ii) valuation report (dated 18th February 2025) issued by GT Valuation Advisors Private Limited, an independent valuer having registration number IBBI/RVE/ 05/2020/134.</p> <p>The valuation methodology used is Relief from Royalty Method and is in compliance with the Companies Act, 2013. Both KPMG and GT utilized the aforesaid method, for evaluating the Company's acquisition of the intellectual property pertaining to the decorative paints business to derive the valuation of decorative paints intellectual property. The valuation methodologies used by both KPMG and GT are internationally accepted valuation methodologies on arm's length basis.</p> <p>The Audit Committee, in its meeting held on 24th February 2025, has taken lower of the two fair valuations for intellectual property pertaining to the decorative paints business as per the valuation reports from KPMG and GT which the Audit Committee considered to be in the best interest of the shareholders of the Company.</p> <p>Members may follow the process for inspection of document as mentioned in 'Notes' section forming part of this Notice.</p>
9.	Percentage of the counterparty's annual consolidated turnover that is represented by the value of the proposed related party transaction, on a voluntary basis	Between 25-50% of Akzo Nobel Coatings International B.V. annual standalone turnover for FY 2023 (last adopted FY).
10.	Any other information relevant or important for the shareholders to take an informed decision	The transaction is not in ordinary course of business but is on arm's length basis. Further, all the relevant information forms part of this statement setting out material facts. Please refer to S. No. 1 above for other key terms.

The Board is of the opinion that based on the reasons elucidated above, the aforesaid proposal is in the best interest of the Company and hence, the Board recommends Item No. 5 for your approval by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their respective shareholding (if any) in the Company.

By Order of and for and on behalf of the Board of Directors of Akzo Nobel India Limited

Sd/-
Rajiv L. Jha
Company Secretary and Compliance Officer
Membership No. F5948

Date: 24th February 2025
Place: Gurugram

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