



26th August, 2024

- | | |
|---|--|
| <p>1. Corporate Relationship Department
BSE Limited.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001.</p> | <p>2. Manager – Listing
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051.</p> |
|---|--|

Sub.: Postal Ballot Notice

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

Dear Sirs,

In terms of the provisions of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with the relevant circulars issued by Ministry of Corporate Affairs (“MCA Circulars”), the Postal Ballot Notice (“Notice”) dated 29th July, 2024, seeking approval of the Members of the Company through remote e-voting to transact the special business as set out in the Notice, is enclosed herewith.

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

The special business item to be transacted through Postal Ballot is as mentioned below:

Sr. No.	Special Business Items	Resolution to be passed
1.	Appointment of Mr. Hirokazu Kotera (holding Director Identification Number 10707431) as a Whole-time Director designated as the Executive Director of the Company, for a period of 3 years commencing from 1st August, 2024 and ending on 31st July, 2027 (both days inclusive), liable to retire by rotation.	Ordinary Resolution

Please take the above submission on record.

For **KANSAI NEROLAC PAINTS LIMITED**

ANUJ JAIN
MANAGING DIRECTOR
Encl.: Postal Ballot Notice

KANSAI NEROLAC PAINTS LIMITED

Registered Office : 28th Floor, A-wing, Marathon Futorex, N. M. Joshi Marg, Lower Parel, Mumbai - 400 013, India T: +91 22 4060 2500/2501 | www.nerolac.com
CIN: L24202MH1920PLC000825



NEROLAC

KANSAI NEROLAC PAINTS LIMITED

Registered Office: 28th Floor, A-wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai 400 013, Maharashtra.
Tel.: +91 22 40602500 / 40602501 • **Website:** www.nerolac.com • **Investors Relations e-mail ID:** investor@nerolac.com
Corporate Identity Number (CIN): L24202MH1920PLC000825

NOTICE OF POSTAL BALLOT

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

VOTING STARTS ON	VOTING ENDS ON
Wednesday, 28th August, 2024 at 9:00 a.m. (IST)	Thursday, 26th September, 2024 at 5:00 p.m. (IST)

Dear Members,

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

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

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

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

Members desiring to exercise their vote through remote e-voting process are requested to carefully read the instructions indicated in this Notice and record their assent (FOR) or dissent (AGAINST) by following the procedure as stated in the Notes forming part of the Notice for casting of votes by remote e-voting not later than 5.00 p.m. (IST) on Thursday, 26th September, 2024. The remote e-voting facility will be disabled by NSDL immediately thereafter.

SPECIAL BUSINESS**Item No. 1****Appointment of Mr. Hirokazu Kotera as an Executive Director**

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

“RESOLVED that pursuant to the provisions of Sections 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and the Articles of Association of the Company, Mr. Hirokazu Kotera (holding Director Identification Number 10707431), who is appointed as an Additional Director of the Company with effect from 1st August, 2024 and whose appointment has to be approved by the Shareholders in terms of the Act and Regulation 17(1C) of the SEBI Listing Regulations, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER that pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Act read with Schedule V to the Act and rules made thereunder the consent of the Company be and is hereby accorded to the appointment of Mr. Hirokazu Kotera as a Whole-time Director designated as the Executive Director of the Company for a period of 3 (three) years commencing from 1st August, 2024 and ending on 31st July, 2027 (both days inclusive) on the remuneration and perquisites as set out in the draft Agreement to be entered into between the Company and Mr. Kotera, the material terms of which are as stated in the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER that the Board of Directors and / or Key Managerial Personnel of the Company be and are hereby authorized to enter into an Agreement on behalf of the Company with Mr. Kotera and to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution.”

For and on behalf of the Board

P. P. Shah
Chairman

Mumbai, 29th July, 2024

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Act, relating to the special business which is considered to be unavoidable by the Board of Directors of the Company is annexed hereto.
2. The Shareholders, seeking any information with regard to the special business, are requested to write to the Company on or before Thursday, 26th September, 2024, through e-mail on postalballot@nerolac.com. The same will be replied by/on behalf of the Company suitably.
3. In line with the relevant MCA Circulars, the Notice inter alia indicating the process and manner of remote e-voting is being sent by e-mail, to all the Shareholders whose e-mail IDs are registered with the Company/ Depository Participant(s) and to all other persons so entitled.
4. Further, in terms of the applicable provisions of the Act and SEBI Listing Regulations read with the relevant MCA Circulars, the Notice is also available on the website of the Company at www.nerolac.com. The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of National Securities Depository Limited (“NSDL”) at www.evoting.nsdl.com.

5. Voting through electronic means

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

The Company has fixed Friday, 23rd August, 2024 as the “cut-off date” to determine the eligibility to vote by remote e-voting. The Member whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, i.e. Friday, 23rd August, 2024, shall be entitled to avail the facility of remote e-voting.

6. The Company has appointed Mr. J. H. Ranade, Membership No. F4317 & Certificate of Practice No. 2520 or failing him Mr. Sohan J. Ranade, Membership No. A33416 & Certificate of Practice No. 12520 or failing him Mrs. Tejaswi Jogal, Membership No. A29608 & Certificate of Practice No. 14839 (anyone of them), being Partners of JHR & Associates, Company Secretaries in practice, as the Scrutinizer to scrutinize the postal ballot process in fair and transparent manner.
7. The Scrutinizer after scrutiny of the votes cast, will submit his report on the result of the Postal Ballot to the Chairman or any other person authorized by him. The Scrutinizer’s decision on the validity of votes cast will be final. The results of the voting by Postal Ballot along with the Scrutinizer’s Report will be announced by the Chairman of the Company or any other person authorized by him on or before Saturday, 28th September, 2024.
8. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website at www.nerolac.com and on the website of NSDL at www.evoting.nsdl.com. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
9. The Resolution, if passed by the requisite majority through Postal Ballot, will be deemed to have been passed on the last date specified for remote e-voting i.e. Thursday, 26th September, 2024.
10. The Shareholders who are holding shares in dematerialized form and have not yet registered their e-mail IDs with their Depository Participant(s) are requested to register their e-mail ID at the earliest, to enable the Company to use the same for serving documents to them electronically, hereafter. The Shareholders holding shares in physical form may refer to process detailed on <https://liiplweb.linkintime.co.in/KYC-downloads.html> and proceed accordingly. The support of the Shareholders for the ‘Green initiative’ is solicited.

11. Process to cast votes through remote e-voting:

The remote e-voting period begins on Wednesday, 28th August, 2024 at 9:00 a.m. (IST) and ends on Thursday, 26th September, 2024 at 5:00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Friday, 23rd August, 2024, may cast their vote electronically. The voting right of Shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 23rd August, 2024. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.





The way to vote electronically on NSDL e-voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-voting system

A) Login method for e-voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December, 2020 on e-voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depository Participants. Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user 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 remote 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 remote e-voting period. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div style="display: flex; justify-content: space-around;">   </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. 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 user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period. Additionally, there 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. 3. 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. 4. 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 be able to directly access the system of all e-voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-voting website?

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/> 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 130068 then user ID is 130068001***.

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.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.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-voting will open.

Step 2: Cast your vote electronically on NSDL e-voting system.

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

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is active.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-voting period.
- Now you are ready for e-voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jhr@jhrasso.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “**e-voting**” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager - NSDL at evoting@nsdl.co.in.

Process for those shareholders whose e-mail IDs are not registered, for procuring User ID and Password and registration of e-mail ids for remote e-voting:

1. If your e-mail address is not registered with the Depository Participant(s) (if shares held in electronic form)/ Company (if shares held in physical form), you may register on or before Thursday, 19th September, 2024, 5:00 p.m. (IST) to receive the Postal Ballot Notice by completing the process as under:
 - i. Visit the link https://liiplweb.linkintime.co.in/EmailReg/Email_Register.html.
 - ii. Select the name of the Company ‘Kansai Nerolac Paints Limited’ from dropdown.
 - iii. Enter details in respective fields such as DP ID and Client ID (if shares held in electronic form)/Folio no. and Certificate no. (if shares held in physical form), shareholder name, PAN, mobile no. and e-mail ID.
 - iv. System will send One Time Password (“OTP”) on mobile no. and e-mail ID.
 - v. Enter OTP received on mobile no. and e-mail ID.
 - vi. Click on submit button.
 - vii. System will then confirm the recording of the e-mail address for receiving the Notice.
2. In case shares are held in demat mode, please provide DP ID Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID), Name, copy of client master or Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to evoting@nsdl.co.in for procuring the User ID and Password for e-voting. If you are an individual shareholders 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.co.in for procuring user id and password for e-voting by providing above mentioned documents.

For and on behalf of the Board

P. P. Shah
Chairman

Mumbai, 29th July, 2024

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

Item No. 1

The Board of Directors of the Company at its meeting dated 29th July, 2024, on recommendation of Nomination and Remuneration Committee, approved the appointment of Mr. Hirokazu Kotera (holding Director Identification Number 10707431) as an Additional Director of the Company with effect from 1st August, 2024, subject to the approval of Shareholders of the Company in terms of the Companies Act, 2013 (“the Act”), Regulation 17(1C) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations, 2015 (“SEBI Listing Regulations”) and other applicable provisions.

At the aforesaid Board meeting, the Board, on recommendation of the Nomination and Remuneration Committee, has also appointed Mr. Kotera as a Whole-time Director designated as an Executive Director of the Company in terms of Sections 152 of the Act, for a term of 3 (three) years commencing from 1st August, 2024 and ending on 31st July, 2027 (both days inclusive) at the remuneration and perquisites as mentioned in the draft Agreement between the Company and Mr. Kotera referred to in the Resolution set out in the Notice.

The appointment of Mr. Kotera as the Executive Director of the Company and the remuneration and perquisites proposed to be paid or granted to him as set out in the aforesaid draft Agreement are in conformity with the provisions and requirements of Schedule V of the Act. Accordingly, no approval of the Central Government is required to be obtained. The appointment of Mr. Kotera as an Executive Director of the Company on the remuneration and perquisites as set out in the aforesaid draft Agreement is subject to approval of the Shareholders pursuant to Section 196 of the Act. Hence, the Resolution at Item no. 1 of the Notice.

Mr. Hirokazu Kotera, aged 42 years, has a Bachelor of Arts degree from Kyoto University of Foreign Studies and MBA degree from the Institute of Business and Accounting of Kwansei Gakuin University. He started his career as a sales executive in Nestle Japan and having expertise in marketing, he had worked in international companies such as Nestle Japan and Nissin Foods, where he had acted as brand manager and marketing manager. In 2017, he joined Kansai Paint Co., Ltd., Japan (“Kansai Paint Japan”) and had been working in corporate planning and international business units in Kansai Paint Japan and being involved in the multi-national projects in South-East Asia, Russia, (South and East) Africa. In October 2022, he had been seconded to Kansai Nerolac Paints Limited, where he has been Vice President, Decorative Marketing and Special Projects and has been acting as a representative of Kansai Paint Japan on various projects in India and collaborative projects with Japan.

Considering his exposure and experience in India and Japan and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board has recommended the appointment of Mr. Kotera as an Executive Director of the Company with effect from 1st August, 2024. He shall be liable to retire by rotation.

The material terms of the draft Agreement referred to in the Resolution at Item no. 1 are as follows:

1. The appointment of Mr. Kotera as an Executive Director of the Company shall be for a period of 3 (three) years commencing from 1st August, 2024 and ending on 31st July, 2027 (both days inclusive).
2. Mr. Kotera’s position and designation shall be that of an Executive Director.
3. Mr. Kotera shall report to the Managing Director.
4. Mr. Kotera shall be responsible for building and executing mid-term plan of the Company and shall exercise all such powers and perform all such functions and duties as may be entrusted or assigned to him from time to time by the Managing Director and be subject to such restrictions as the Managing Director may from time to time specify.
5. Mr. Kotera shall devote his whole time, attention and abilities during business hours to the business of the Company and use his best endeavours to promote the interest and welfare of the Company.
6. Mr. Kotera shall be entitled to the following emoluments, benefits, perquisites subject to the limit laid down under Sections 197, 198 and Schedule V of the Act, as the Executive Director:

Lumpsum Salary of Rs. 66,80,000 per annum. Increments including variable pay, subject to the limit laid down under Sections 197, 198 and Schedule V of the Act, will be decided upon from time to time by the Nomination and Remuneration Committee and the Board and will be merit based, on performance evaluation and rating and taking into account the Company’s performance.

The Company shall bear air fare for travel of Mr. Kotera, to and fro to Japan, upto two times in a year.

Mr. Kotera shall not be entitled to Provident Fund, Superannuation Fund, Gratuity and Leave Encashment.

For the purposes of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Other benefits that will be over and above the aforesaid proposed remuneration and in line with the Company policy will include provision of Company owned accommodation and car with its running and maintenance expenses including driver and telephone/internet reimbursement.

Minimum Remuneration:

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

7. Mr. Kotera shall not be paid any sitting fees for attending the meetings of the Board or of any Committee thereof.
8. Mr. Kotera shall be entitled to reimbursement of actual expenses including entertainment and travelling incurred during the course of the Company's business.
9. Mr. Kotera will be granted Privilege Leave, Sick Leave and Casual Leave in accordance with the rules and regulations of the Company applicable from time to time.
10. Mr. Kotera shall not during the term of the Agreement, whether the employment runs through the full period from the date of appointment or is terminated by the Company anytime during the term of the Agreement for whatever reason, directly or indirectly, engage himself in any business or activity substantially similar to or competing with the business or activity of the Company or do any deed, matter or thing so as to solicit the customer or clients of the Company or offer to provide any services to such clients otherwise than through the Company. It shall however be permissible for Mr. Kotera, with the previous written sanction of the Board to hold any directorship/s of any other company or companies and the holding of such permitted directorships shall not be deemed a contravention of this clause.
11. Mr. Kotera shall not during the term of the Agreement and for all times, thereafter, divulge or disclose any information or knowledge obtained by him during his employment as to the business or affairs of the Company or any trade secrets or secret processes of the Company.
12. Mr. Kotera's employment shall be determined herewith if he commits a material breach of any of the terms, provisions or covenants herein contained, disqualifies himself to act as a Director for any reason besides breach of Section 167 of the Act, or becomes insolvent, makes any composition or arrangement with his creditors or ceases to be a Director of the Company.
13. In the event there is no breach of the terms of the Agreement by Mr. Kotera, but the Company exercises its discretion to terminate his services during the term of the Agreement, without assigning any reason thereof, then and in that event, Mr. Kotera shall be paid compensation in accordance with the provisions of the Act.
14. In the event Mr. Kotera is not in position to discharge his official duties due to any physical or mental incapacity, the Board of Directors shall be entitled to terminate the Agreement on such terms as the Board of Directors may consider appropriate in the circumstances.
15. All personnel policies of the Company and the related rules which are applicable to other employees of the Company shall be applicable to Mr. Kotera, unless specifically provided otherwise.

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

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

The Company has received a notice in writing as per the provisions of Section 160 of the Act, to propose the candidature of Mr. Kotera, for the office of Director, to be appointed as such under the applicable provisions of the Act and the SEBI Listing Regulations.

As per Section 152 of the Act and rules thereunder, a director can be appointed with the approval of the Members and in terms of Regulation 17 of the SEBI Listing Regulations, a director can be appointed subject to approval of the Shareholders by way of ordinary resolution to be obtained at the next general meeting or within a period of three months from the date of appointment, whichever is earlier. Accordingly, approval of the Shareholders is being sought by this Postal Ballot, for the appointment of Mr. Hirokazu Kotera as a Whole-time Director designated as an Executive Director, liable to retire by rotation, for a term of 3 (three) years commencing from 1st August, 2024 and ending on 31st July, 2027 (both days inclusive).

Details of Mr. Kotera as required in terms of Regulation 36(3) of the SEBI Listing Regulations read with clause 1.2.5 of Secretarial Standard-2 on General Meetings is attached as Annexure.

Mr. Hirokazu Kotera and his relatives can be considered to be concerned or interested in the proposed Ordinary Resolution, as set out in Item no. 1 of the Notice, to the extent it relates to the appointment of Mr. Kotera.

Also, Mr. Hitoshi Nishibayashi, Mr. Takashi Tomioka and Mr. Pravin Chaudhari, Directors, being nominees of Kansai Paint Japan, the promoter of the Company, can be considered to be concerned or interested in the proposed Ordinary Resolution, as set out in Item no.1, to the extent it relates to the appointment of a fellow nominee of Kansai Paint Japan.

None of the other Directors and/or Key Managerial Personnel of the Company and/or their relatives, are in any way concerned or interested (financially or otherwise), in the proposed Ordinary Resolution, as set out in Item no. 1 of the Notice.

The Board recommends appointment of Mr. Hirokaru Kotera as an Executive Director of the Company, as set out in Item no. 1 of the Notice, for approval of the Shareholders.

For and on behalf of the Board

P. P. Shah
Chairman

Mumbai, 29th July, 2024

ANNEXURE TO THE NOTICE

Details of the director seeking appointment as set out in the Notice, in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with clause 1.2.5 of Secretarial Standard-2 on General Meetings

Name of Director	Mr. Hirokazu Kotera
Director Identification Number	10707431
Age	42 years
Qualifications and Experience	<p>Mr. Hirokazu Kotera has a Bachelor of Arts degree from Kyoto University of Foreign Studies and MBA degree from the Institute of Business and Accounting of Kwansei Gakuin University. He started his career as a sales executive in Nestle Japan and having expertise in marketing, he had worked in international companies such as Nestle Japan and Nissin Foods, where he had acted as brand manager and marketing manager.</p> <p>In 2017, he joined Kansai Paint Co., Ltd., Japan (“Kansai Paint Japan”) and had been working in corporate planning and international business units in Kansai Paint Japan and being involved in the multi-national projects in South-East Asia, Russia, (South and East) Africa.</p> <p>In October 2022, he had been seconded to Kansai Nerolac Paints Limited, where he has been Vice President, Decorative Marketing and Special Projects and has been acting as a representative of Kansai Paint Japan on various projects in India and collaborative projects with Japan.</p>
Date of first appointment	1st August, 2024
Directorships in other companies	Nil
Memberships/ Chairmanships of Committees# of other companies	Nil
Directorship in other listed entities	Nil
Listed entities in which the Director has resigned in the past three years	Nil
Shareholding in the Company	Nil
Relationship between Directors inter-se, with other Directors and Key Managerial Personnel of the Company	None of the Directors are related to each other. However, Mr. Hitoshi Nishibayashi, Mr. Takashi Tomioka, Mr. Pravin Chaudhari and Mr. Hirokazu Kotera are the nominees of Kansai Paint Co., Ltd., Japan, Promoter Company.
Last drawn remuneration	Not Applicable.
Terms & conditions of the appointment	As set out in Resolution and the Explanatory Statement.
Details of remuneration sought to be paid	As set out in Resolution and the Explanatory Statement.
Number of meetings of Board attended during the year	Not Applicable.

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