

31st May, 2022

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

**Sub.: Notice of the 102nd Annual General Meeting of Kansai Nerolac Paints Limited for the Financial Year 2021-22.**

- Ref.: 1. Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**  
**2. Scrip Codes : BSE - 500165, NSE - KANSAINER**

Dear Sirs,

In terms of the provisions of Regulation 30 and Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the Notice of the 102nd Annual General Meeting (“AGM”) of Kansai Nerolac Paints Limited is enclosed herewith. The Notice of the AGM is from Page nos. 100 to 112 of the Annual Report 2021-22.

We wish to inform you that the AGM will be held on Thursday, 23rd June, 2022 at 11 a.m. (IST), through Video Conferencing/Other Audio Visual Means. In view of the COVID-19 pandemic and in compliance with the Circular No. 21/2021 dated 14th December, 2021 read with Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 5th May, 2020, Circular No. 02/2021 dated 13th January, 2021 issued by the Ministry of Corporate Affairs (“MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board of India (“SEBI Circulars”) and relevant provisions of the Companies Act, 2013 and SEBI Listing Regulations, the AGM will be held without the physical presence of Shareholders at a common venue.

The Annual Report along with the Notice of the 102nd AGM is being sent by e-mail, to all the Shareholders whose e-mail IDs are registered with the Company / Depository Participant(s) in accordance with MCA Circulars and SEBI Circulars.

The Annual Report together with the Notice of the AGM is being dispatched to the Shareholders, today.

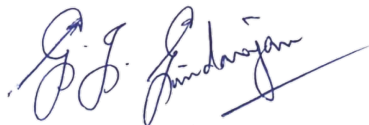
The agenda items proposed to be taken up at the AGM are as mentioned below:

Sr. No.	Agenda proposed to be taken up	Resolution to be passed
<b>Ordinary Business:</b>		
1.	Adoption of audited financial statements (including the consolidated financial statements) of the Company for the year ended 31st March, 2022 and the Reports of the Board of Directors and the Auditors thereon.	Ordinary Resolution
2.	Confirmation of interim dividend of ₹1.25 (125%) per Equity Share of the nominal value of ₹1 each already paid and declaration of a final dividend of ₹1.00 (100%) per Equity Share of the nominal value of ₹1 each for the year ended 31st March, 2022.	Ordinary Resolution
3.	Appointment of a Director in place of Mr. Shigeki Takahara, Non-Executive Director (holding Director Identification Number 08736626), who retires by rotation and being eligible, offers himself for re-appointment.	Ordinary Resolution
4.	Appointment of a Director in place of Mr. Takashi Tomioka, Non-Executive Director (holding Director Identification Number 08736654), who retires by rotation and being eligible, offers himself for re-appointment.	Ordinary Resolution
<b>Special Business*:</b>		
5.	Ratification of remuneration of the Cost Auditor, D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611), for the financial year ending 31st March, 2023, as recommended by the Audit Committee and approved by the Board of Directors.	Ordinary Resolution
6.	Appointment of Mr. Anuj Jain (holding Director Identification Number 08091524) as the Managing Director for a period of 5 (five) years commencing from 1st April, 2022 and ending on 31st March, 2027 (both days inclusive).	Ordinary Resolution
7.	Re-appointment of Ms. Sonia Singh, Independent Director (holding Director Identification Number 07108778) as an Independent Director to hold office for a second term of 5 (five) years commencing from 29th July, 2022 and ending on 28th July, 2027 (both days inclusive).	Special Resolution

\* considered to be unavoidable by the Board of Directors of the Company.

Please take the above submission on record.

For **KANSAI NEROLAC PAINTS LIMITED**



**G. T. GOVINDARAJAN**  
**COMPANY SECRETARY**

Encl: Notice of the AGM



# NEROLAC

## KANSAI NEROLAC PAINTS LIMITED

**Registered Office:** 'Nerolac House', Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013, Maharashtra.  
**Tel.:** +91-22-24934001 • **Website:** [www.nerolac.com](http://www.nerolac.com) • **Investors Relations e-mail ID:** [investor@nerolac.com](mailto:investor@nerolac.com)  
**Corporate Identity Number (CIN):** L24202MH1920PLC000825

## Notice

NOTICE is hereby given that the 102nd Annual General Meeting of Kansai Nerolac Paints Limited will be held through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), on Thursday, 23rd June, 2022 at 11 a.m. (IST), to transact the following business:

### Ordinary Business:

- To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the year ended 31st March, 2022 and the Reports of the Board of Directors and the Auditors thereon.
- To confirm the interim dividend of ₹1.25 (125%) per Equity Share of the nominal value of ₹1 each already paid and to declare a final dividend of ₹ 1.00 (100%) per Equity Share of the nominal value of ₹1 each for the year ended 31st March, 2022.
- To appoint a Director in place of Mr. Shigeki Takahara, Non-Executive Director (holding Director Identification Number 08736626), who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Mr. Takashi Tomioka, Non-Executive Director (holding Director Identification Number 08736654), who retires by rotation and being eligible, offers himself for re-appointment.

### Special Business:

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

"RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory amendment or modification or re-enactment thereof, for the time being in force), the remuneration of the Cost Auditor, D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611), to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2023, as recommended by the Audit Committee and approved by the Board of Directors, be and is hereby ratified.

RESOLVED FURTHER that the Board of Directors and/or Key Managerial Personnel of the Company be and are hereby authorised 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."

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

"RESOLVED that pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V of the said Act (including any statutory amendment or modification or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded to the appointment of Mr. Anuj Jain (holding Director Identification Number 08091524) as the Managing Director of the Company for a period of 5 (five) years commencing from 1st April, 2022 and ending on 31st March, 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. Jain, the material terms of which are as stated in the Explanatory Statement annexed to the Notice convening the Annual General Meeting.

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

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

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013, read with applicable rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment or modification or re-enactment thereof, for the time being in force), Ms. Sonia Singh, Independent Director (holding Director Identification Number 07108778), be and is hereby re-appointed as an Independent Director, to hold office for a second term of 5 (five) years commencing from 29th July, 2022 and ending on 28th July, 2027 (both days inclusive).

RESOLVED FURTHER that the Board of Directors and/or Key Managerial Personnel of the Company be and are hereby authorised 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, 10th May, 2022

**NOTES:**

1. In view of the COVID-19 pandemic and in compliance with the Circular No. 21/2021 dated 14th December, 2021 read with Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 5th May, 2020, Circular No. 02/2021 dated 13th January, 2021 issued by the Ministry of Corporate Affairs (“MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 (“SEBI Circulars”) issued by the Securities and Exchange Board of India and relevant provisions of the Companies Act, 2013 (“the Act”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM will be held without the physical presence of Shareholders at a common venue. In this Annual Report, the connotation of “Members” and “Shareholders” is the same.

Accordingly, in compliance with the applicable provisions of the Act read with the said Circulars and SEBI Listing Regulations, the Company has decided to convene its ensuing 102<sup>nd</sup> AGM through VC/OAVM and the Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Explanatory Statement pursuant to Section 102 of the Act relating to Item nos. 5, 6 and 7 of the Notice of the 102<sup>nd</sup> AGM, which is considered to be unavoidable by the Board of Directors of the Company, is annexed hereto. Also, relevant details in respect of Directors seeking re-appointment at the AGM, in terms of Regulation 36(3) SEBI Listing Regulations and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings are also annexed to this Notice.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, since this AGM is being held through VC/OAVM, whereby physical attendance of Members has been dispensed with and in line with relevant SEBI Circulars, THE FACILITY TO APPOINT A PROXY TO ATTEND AND CAST VOTE FOR THE SHAREHOLDER IS NOT MADE AVAILABLE FOR THIS AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

However, in terms of the provisions of Sections 112 and 113 of the Act read with the relevant Circulars, Corporate Members are entitled to appoint their authorized representatives to attend the AGM through VC/OAVM on their behalf and participate thereat, including cast votes by electronic means (details of which are provided separately, hereinbelow). Such Corporate Members are requested to refer ‘General Guidelines for Shareholders’ provided in hereinbelow, for more information.

4. The Members can join the AGM through the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders’ Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. The Shareholders, seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Friday, 17th June, 2022, through e-mail on [agm@nerolac.com](mailto:agm@nerolac.com). The same will be replied by/on behalf of the Company suitably.
7. In view of the COVID-19 pandemic and in line with the relevant Circulars issued by the MCA and SEBI, the Annual Report including Notice of the 102<sup>nd</sup> AGM of the Company inter alia indicating the process and manner of e-voting is being sent by e-mail, to all the Shareholders whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes to the Shareholders and to all other persons so entitled.

Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the relevant Circulars issued by MCA and SEBI, the Annual Report including Notice of the 102<sup>nd</sup> AGM of the Company will also be available on the website of the Company at [www.nerolac.com](http://www.nerolac.com). The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of National Securities Depository Limited (“NSDL”) i.e. <https://www.evoting.nsdl.co.in>.

**8. 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) and Regulation 44 of SEBI Listing Regulations and the relevant Circulars issued by MCA the Company is providing facility of “e-voting” to its Members in respect of the business to be transacted at the AGM by 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 facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.

Further, in accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Company has fixed Thursday, 16th June, 2022 as the “cut-off date” to determine the eligibility to vote by remote e-voting or e-voting at the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, i.e. Thursday, 16th June, 2022, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM.

Only those Shareholders, who will be present at the AGM through VC/OAVM facility and who would not have cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting at the AGM.

9. 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 Ms. Tejaswi A. Zope, 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 remote e-voting and the e-voting at the AGM in a fair and transparent manner.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**The remote e-voting period begins on Monday, 20th June, 2022 at 9:00 a.m. and ends on Wednesday, 22nd June, 2022 at 5:00 p.m. 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 record date (cut-off date) i.e. Thursday, 16th June, 2022, 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 16th June, 2022. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.**

**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 and joining virtual meeting 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 Depositories and Depository Participant(s). Shareholders are advised to update their mobile number and e-mail ID in their demat account(s) 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.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL viz. <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a personal computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ 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 “ <b>Access to e-voting</b> ” under e-voting services and you will be able to see e-voting page. Click on company name or <b>e-voting service provider i.e. NSDL</b> and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	<p>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></p>
	<p>3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “<b>Login</b>” 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 <b>e-voting service provider i.e. NSDL</b> and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p>
	<p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;">   </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their User ID and Password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/ Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on <b>New System Myeasi</b>.</li> <li>After successful login of Easi/ Easiest the user will also be able to see the e-voting Menu. The Menu will have links of <b>e-voting service provider i.e. NSDL</b>. Click on “<b>NSDL</b>” to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; e-mail as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>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 <b>e-voting service provider i.e. NSDL</b> and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p>

**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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**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.

**B) Login Method for e-voting and joining virtual meeting 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*****.

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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 119880 then User ID is 119880001***

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 e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your e-mail ID is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail IDs are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) 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](http://www.evoting.nsdl.com).

- b) **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on [www.evoting.nsdcl.com](http://www.evoting.nsdcl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/ folio number, your PAN, your name and your registered address etc.
  - d) 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 and join General Meeting on NSDL e-voting system.**

#### **How to cast your vote electronically and join General Meeting 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 and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “**Submit**” and also “**Confirm**” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the

Scrutinizer by e-mail to [jhr@jhrasso.com](mailto:jhr@jhrasso.com) with a copy marked to [evoting@nsdl.co.in](mailto: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.nsdcl.com](http://www.evoting.nsdcl.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.nsdcl.com](http://www.evoting.nsdcl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager - NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

#### **Process for those shareholders whose e-mail IDs are not registered with the depositories for procuring User ID and Password and registration of e-mail IDs for e-voting for the resolutions set out in this Notice:**

1. If your e-mail address is not registered with the Depository Participant(s) (if shares held in electronic form)/ Company (if shares held in physical form), you may register on or before 13th June, 2022, 5:00 p.m. (IST) to receive the Notice of the AGM along with the Annual Report by completing the process as under:
  - a. Visit the link [https://tcpl.linkintime.co.in/EmailReg/Email\\_Register.html](https://tcpl.linkintime.co.in/EmailReg/Email_Register.html).
  - b. Select the name of the Company ‘Kansai Nerolac Paints Limited’ from dropdown.
  - c. 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.
  - d. System will send One Time Password (‘OTP’) on mobile no. and e-mail ID.
  - e. Enter OTP received on mobile no. and e-mail ID.
  - f. Click on submit button.
  - g. System will then confirm the recording of the e-mail address for receiving Notice of the AGM along with the Annual Report.
2. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back),



PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by e-mail to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring the User ID and Password for e-voting.

- 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, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [evoting@nsdl.co.in](mailto: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 and joining virtual meeting for individual Shareholders holding securities in demat mode.**

#### THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

- The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ Shareholders, who will be present at the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
- Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

#### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for **Access to NSDL e-voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General Meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice to avoid last minute rush.

- Members are encouraged to join the Meeting through laptops for better experience.
- Further Members will be required to allow camera and use internet with a good speed to avoid any disturbance during the Meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending a request from their registered e-mail ID mentioning their name, DP ID and Client ID/Folio Number, PAN, mobile number at [agm@nerolac.com](mailto:agm@nerolac.com) from Thursday, 16th June, 2022 (from 9.00 a.m.) to Tuesday, 21st June, 2022 (upto 5.00 p.m.). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

#### Other Information

Any person holding shares in demat or physical form and non-individual shareholder who acquires shares of the Company and becomes a Member of the Company after sending of Notice and holding shares in demat mode as on the cut-off date may refer the instructions mentioned in "Step 1: Access to NSDL e-voting system".

#### Scrutinizer's Report and Declaration of results:

- The Scrutinizer shall, after the conclusion of e-voting at the AGM, first count the votes cast vide e-voting at the AGM and thereafter shall unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company. He shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, not later than 48 (forty eight) hours of the conclusion of the AGM, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.nerolac.com](http://www.nerolac.com) and on the website of NSDL i.e. [www.evoting.nsdl.com](http://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.

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. Shareholders holding shares in physical form may kindly provide their e-mail ID to the Registrar and Share Transfer Agents of the Company viz. TSR Consultants Private Limited ("TCPL"), by sending an e-mail at [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in). The support of the Shareholders for the 'Green initiative' is solicited.

#### 11. Dividend

- (i) The Board has recommended a final dividend of 100% (₹ 1.00 per share) for the year, in addition the Company had declared interim dividend of 125% (₹ 1.25 per share) paid on 22nd November, 2021. Accordingly, the total dividend is 225% (₹ 2.25 per share) for the financial year ended 31st March, 2022 as compared to total dividend of 525% (₹ 5.25 per share) including special dividend of 200% (₹ 2.00 per share) declared last year.
- (ii) The Register of Members and Share Transfer books of the Company will remain closed from Friday, 10th June, 2022 to Thursday, 23rd June, 2022 (both days inclusive), for the purpose of AGM and Dividend. The Dividend, if declared, will be payable on or after Tuesday, 28th June, 2022, to those Shareholders whose names are registered as such in the Register of Members of the Company as on Thursday, 9th June, 2022 and to the beneficiary holders as per the beneficiary list as on Thursday, 9th June, 2022 provided by the Depositories, NSDL and CDSL, subject to deduction of tax at source where applicable.
- (iii) Payment of Dividend through electronic means
  - (a) The Company provides the facility to the Shareholders for remittance of Dividend directly in electronic mode through National Automated Clearing House (NACH). In view of the COVID-19 pandemic and resultant difficulties involved in dispatching of physical dividend warrants, Shareholders holding shares in physical form and desirous of availing this facility of electronic remittance are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFSC Code), along with their Folio Number, to the Company or TCPL. Shareholders holding shares in dematerialized form are requested to provide the said details to their respective Depository Participant(s).
  - (b) In line with the Circular No. 21/2021 dated 14th December, 2021 read with Circular No. 02/2021 dated 13th January, 2021 and

Circular No. 20/2020 dated 5th May, 2020 issued by the MCA, in case the Company is unable to pay the Dividend to any Shareholder by the electronic mode, due to non-availability of their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFSC Code), the Company shall dispatch the dividend warrant / cheque to such Shareholder by post.

- (c) Shareholders holding shares in dematerialized form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of Dividend. The Company/TCPL cannot act on any request received directly from the Shareholders holding shares in dematerialized form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Shareholders.
- (iv) Pursuant to Finance Act, 2020, dividend income is taxable in the hands of Shareholders with effect from 1st April, 2020 and the Company is required to deduct tax at source from Dividend paid to the Shareholders at the prescribed rates.

For the prescribed rates for various categories, the Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The Shareholders are requested to update their PAN with the Company/TCPL (in case of shares held in physical mode) and their respective Depository Participant(s) (in case of shares held in dematerialized form).

A resident individual Shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to [csg-exemptforms2223@tcplindia.co.in](mailto:csg-exemptforms2223@tcplindia.co.in) by 9th June, 2022. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Resident Shareholders whose Dividend is liable for deduction of TDS at a concessional or Nil rate as per Section 197 of the Income-tax Act, 1961 can submit the certificate/letter issued by the Assessing Officer, to avail the benefit of lower rate of deduction or non-deduction of tax at source by e-mail to [csg-exemptforms2223@tcplindia.co.in](mailto:csg-exemptforms2223@tcplindia.co.in) by 9th June, 2022.

Non-resident Shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing the necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required

to avail the tax treaty benefits by sending an e-mail to [csg-exemptforms2223@tcplindia.co.in](mailto:csg-exemptforms2223@tcplindia.co.in). The aforesaid declarations and documents need to be submitted by the Shareholders by 9th June, 2022.

- (v) In terms of the provisions of Sections 124 and 125 of the Act, Dividend which remains unpaid/ unclaimed for a period of 7 (seven) years from the date of declaration is required to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Accordingly, the unpaid/ unclaimed dividend for the financial year 2013-14, has been transferred by the Company to the IEPF. Those Shareholders who have not encashed their Dividends for the financial year 2014-15 are requested to lodge their claims in that regard with the Company or TCPL.

Further, in terms of the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), Equity Shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more from the date of declaration, are also required to be transferred to an account viz. IEPF Suspense Account, which is operated by the IEPF Authority pursuant to the IEPF Rules. Accordingly, in compliance with the aforesaid Rules, the Company has already transferred Equity Shares on which Dividend remained unclaimed for 7 (seven) consecutive years starting from the financial year 2013-14 to the IEPF Suspense Account, after providing necessary intimations to the relevant Shareholders. Further, all equity shares of the Company on which dividend has not been paid or claimed for 7 (seven) consecutive years or more, shall be transferred by the Company to the IEPF from time to time.

Details of unpaid/unclaimed dividend and equity shares transferred to IEPF for the financial year 2013-14 are uploaded on the website of the Company as well as on the website of the Ministry of Corporate Affairs ("MCA"). No claim shall lie against the Company in respect of unclaimed dividend amount and equity shares transferred to the IEPF and IEPF Suspense Account, respectively, pursuant to the IEPF Rules. Shareholders can however claim both unclaimed dividend amount and equity shares from the IEPF Authority by making an online application in web Form No. IEPF-5, the details of which are available at [www.iepf.gov.in](http://www.iepf.gov.in).

12. In terms of the provisions of Regulation 40 of SEBI Listing Regulations and various notifications issued in that regard, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1st April, 2019 unless the securities are held in the dematerialized form with the depositories. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated 2nd December, 2020 read with Circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7th September, 2020 had fixed 31st March, 2021 as the cut-off date for re-lodgement of physical shares for transfer and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of the same, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.
13. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in dematerialized form are, therefore, requested to submit their PAN to the Depository Participant(s) with whom they maintain their demat accounts. Shareholders holding shares in physical form should submit their PAN to the Company/TCPL.
14. Shareholders are requested to intimate changes, if any, pertaining to their name, postal address, e-mail ID, telephone/mobile numbers, PAN, mandates, nominations, power of attorney, bank details (such as name of the bank and branch details, bank account number, MICR code, IFSC code etc.), with necessary documentary evidence, to their Depository Participant(s) in case the shares are held by them in dematerialized form and to the Company/TCPL in case the shares are held by them in physical form.
15. In terms of the provisions of Section 72 of the Act, the facility for making nomination is available for the Shareholders in respect of the shares held by them. Shareholders who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Shareholders holding shares in dematerialized form are requested to submit the said details to their Depository Participant(s) and the Shareholders holding shares in physical form, are requested to submit the said details to the Company or TCPL.
16. Shareholders are requested to quote their or DP ID - Client ID, as the case may be, in all correspondence with the Company or TCPL.
17. Since the AGM will be held through Video Conferencing/ Other Audio Visual Means, route map of venue of the AGM is not attached to this Notice.

## EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO. 5

In accordance with the Companies (Cost Records and Audit) Rules 2014, read with the Companies (Cost Records and Audit) Amendment Rules, 2016, the Company is required to conduct cost audit of its cost records pertaining to the products falling under the product categories – Organic & Inorganic Chemicals, Ores & Mineral Products, Plastics and Polymers, Rubbers and Allied Products & Insecticides or any other products required by the law, for the year ending 31st March, 2023. The products of the Company covered under the aforesaid categories are different types of thinners, floor coating products, powder coating products & hardeners, fungicidal solutions and Construction Chemicals.

The Board of Directors of the Company, based on the recommendation of the Audit Committee, has approved the appointment of D. C. Dave & Co., Cost Accountants, as the Cost Auditor for the aforesaid product categories for the financial year 2022-23 on a remuneration of ₹ 3,00,000 plus GST and out of pocket expenses.

D. C. Dave & Co., Cost Accountants has also conveyed its willingness to act as Cost Auditor of the Company for the year ending 31st March, 2023. The eligibility and consent letter will be available for inspection of the Shareholders through electronic mode. Shareholders may write to the Company at [agm@nerolac.com](mailto:agm@nerolac.com) in that regard, by mentioning “Request for Inspection” in the subject of the e-mail.

In terms of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration recommended by the Audit Committee for the Cost Auditor and approved by the Board of Directors is required to be ratified subsequently by the Shareholders. Hence, the Ordinary Resolution set out in Item no. 5 of the Notice seeks approval of the Shareholders for the same.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, are in any way concerned or interested (financially or otherwise), in the proposed Ordinary Resolution.

The Board recommends ratification of the remuneration of the Cost Auditor, D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611), as recommended by the Audit Committee and approved by the Board of Directors, as set out in Item no. 5 of the Notice, for approval of the Shareholders.

### ITEM NO. 6

The Board of Directors of the Company, at its meeting held on 18th February, 2022 (“the said meeting”), pursuant to the recommendation of Nomination and Remuneration Committee of the Board approved the appointment of Mr. Anuj Jain as the Managing Director of the Company for a period of 5 (five) years commencing from 1st April, 2022 and ending on 31st March, 2027 (both days inclusive). The Board of Directors, at the said meeting, approved the remuneration and perquisites to be paid or granted to Mr. Jain as set out in the draft Agreement between the Company and Mr. Jain referred to in the Resolution at Item no. 6 of the Notice.

The appointment of Mr. Jain as the Managing 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 Companies Act, 2013 (“the Act”). Accordingly, no approval of the Central Government is required to be obtained for the appointment of Mr. Jain as the Managing Director of the Company or the proposed remuneration.

The appointment of Mr. Jain as the Managing Director of the Company on the remuneration and perquisites as set out in the aforesaid draft Agreement is however subject to the approval of the Shareholders in general meeting pursuant to Section 196 of the Act. Hence the Resolution at Item no. 6 of the Notice. In accordance with the Articles of Association of the Company, Mr. Jain as the Managing Director will not be liable to retire by rotation.

Mr. Anuj Jain, aged 53 years, is B.Sc. and Master of Management Studies, University of Mumbai. Mr. Jain had joined the Company on 4th June, 1990 and was Director – Decorative and Industrial Sales & Marketing, prior to his appointment on the Board of Directors as a Whole-time Director designated as Executive Director with effect from 1st April, 2018.

The material terms of the draft Agreement referred to in the Resolution at Item no. 6 are as follows:

1. The appointment of Mr. Jain as the Managing Director of the Company shall be for a period of 5 (five) years commencing from 1st April, 2022 and ending on 31st March, 2027 (both days inclusive).
2. Mr. Jain's position and designation shall be Managing Director.
3. Mr. Jain shall manage the day to day affairs of the Company, subject to the superintendence, control and direction of the Board of Directors and he shall exercise such powers as may from time to time be entrusted to him by the Directors including powers exercisable by the Board under the Articles of Association of the Company and be subject to such restrictions as the Board of Directors may from time to time specify.
4. Mr. Jain shall devote his time, attention, skill and abilities during business hours to the business of the Company and undertake to the best of his skill and ability to use his utmost endeavours to promote the interest and welfare of the Company and to conform to and comply with the directions as may from time to time be given by the Board of Directors of the Company.
5. Mr. Jain shall not have the powers to make calls on shares and to issue debentures.
6. Mr. Jain shall, subject to the prior sanction of the Board of Directors and subject to such restrictions, conditions and limits as may be imposed by the Board or where permitted by a Committee of the Board, have the power to:
  - a. Invest the funds of the Company in:
    - i. securities of the Government of India or any of the State Government or foreign Governments;



## EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

- ii. any municipal bonds and bonds issued by statutory corporations and public authorities, whether Indian or foreign;
  - iii. debentures, preference shares and equity shares of any private, public and/or Government companies registered in India or elsewhere; and
  - iv. call deposits or fixed deposits with companies, banks and other institutions.
  - b. Borrow money otherwise than on debentures for the purpose of the business of the Company;
  - c. Accept all call deposits and/or fixed deposits;
  - d. Sell any of the assets or investments of the Company;
  - e. Purchase assets of the Company;
  - f. Appoint or engage staff and terminate their employment.
7. Mr. Jain shall be entitled to the following emoluments, benefits, perquisites subject to the limit laid down under Sections 197, 198 and Schedule V of the Act, as the Managing Director:
- a) Fixed pay consisting of the following:
    - 1) Salary: ₹ 9,25,000 per month. Increments, subject to the limit laid down under Sections 197, 198 and Schedule V of the Act, will be decided upon from time to time by the Board each year and will be merit based and taking into account the Company's performance.
    - 2) House Rent Allowance: 40% of the Salary. In case Company accommodation is provided, no House Rent Allowance will be paid.
    - 3) Leave Travel Allowance: 10% of the Salary.
    - 4) Other Perquisites and Allowances: 75% of the Salary. This includes Company's contribution to Provident Fund and Superannuation Fund to the extent exempt from time to time under the Income-tax Act and any other perquisites and allowances within the overall limit of 75% of the Salary.

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

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

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

## Minimum Remuneration:

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

8. Mr. Jain shall not be paid any sitting fees for attending the meetings of the Board or of any Committee thereof.
9. Mr. Jain shall be entitled to reimbursement of actual expenses including entertainment and travelling incurred during the course of Company's business.
10. Mr. Jain will be granted Privilege Leave, Sick Leave and Casual Leave in accordance with the rules and regulations of the Company applicable from time to time.
11. Mr. Jain shall not during the term of this Agreement, whether the employment runs through the full period from the date of appointment or is terminated by the Company or Mr. Jain anytime during the term of this Agreement for whatever reason, directly or indirectly engage himself in any business or activity substantially similar to or competing with the business or activity of the Company or do any deed, matter or thing so as to solicit the custom of the 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. Jain, with the previous written sanction of the Board to hold any directorship/s of any other company or companies and the holding of such permitted directorships shall not be deemed a contravention of this clause.
12. Mr. Jain shall not during the term of this Agreement and for all times thereafter, divulge or disclose any information or knowledge obtained by him during his employment as to the business or affairs of the Company or any trade secrets or secret processes of the Company.
13. Mr. Jain'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.

## EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

14. In the event there is no breach of the terms of the Agreement by Mr. Jain, but the Company exercises its discretion to terminate his services during the term of this Agreement, without assigning any reason therefor, then and in that event, Mr. Jain shall be paid compensation in accordance with the provisions of the Act.
15. In the event Mr. Jain is not in position to discharge his official duties due to any physical or mental incapacity, the Board of Directors shall be entitled to terminate this Agreement on such terms as the Board of Directors may consider appropriate in the circumstances.
16. All personnel policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to Mr. Jain, unless specifically provided otherwise.

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

The draft Agreement between the Company and Mr. Jain referred to in the Resolution at Item no. 6 will be available for inspection of the Shareholders through electronic mode. Shareholders may write to the Company at [agm@nerolac.com](mailto:agm@nerolac.com) in that regard, by mentioning "Request for Inspection" in the subject of the e-mail.

Other than Mr. Jain and his relatives, none of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, are in any way concerned or interested (financially or otherwise), in the proposed Ordinary Resolution, as set out in Item no. 6.

The Board recommends the appointment of Mr. Jain as the Managing Director of the Company, as set out in Item no. 6 of the Notice, for approval of the Shareholders.

### ITEM NO. 7

The Shareholders of the Company, at the 100th Annual General Meeting held on 22nd June, 2020, had approved the appointment of Ms. Sonia Singh as an Independent Director of the Company, for a period of 3 (three) years from 29th June, 2019 to 28th July, 2022.

Considering her rich experience and vast knowledge in the field of brand strategy, sales and marketing, the skills, capabilities and proficiency required for the role and performance evaluation based on her contribution to the Board during her tenure and pursuant to the recommendation of the Nomination and Remuneration Committee of the Board, the Board approved the re-appointment of Ms. Sonia Singh as an Independent Director of the Company, not being liable to retire by rotation, for a second term of 5 (five) years commencing from 29th July, 2022 and ending on 28th July, 2027 (both days inclusive), subject to the approval of Shareholders

of the Company vide a Special Resolution. Also, in the opinion of the Board, Ms. Singh fulfils the conditions specified in the Companies Act, 2013 ("the Act") read with the rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), for being re-appointed as an Independent Director of the Company and she is independent of the management.

The Company has received a notice in writing as per the provisions of Section 160 of the Act, to propose the candidature of Ms. Singh, for the office of Independent Director, to be re-appointed as such under the provisions of Section 149 of the Act and Regulation 17 of SEBI Listing Regulations.

Ms. Singh has provided (a) her consent to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014; (b) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under Section 164(2) of the Act; and (c) a declaration to the effect that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and under SEBI Listing Regulations. Accordingly, it is proposed to re-appoint her as an Independent Director of the Company, as per the provisions of Section 149 of the Act and SEBI Listing Regulations and the Special Resolution set out in Item no. 7 of the Notice seeks approval of the Shareholders for the same.

A brief resume of Ms. Singh is provided in the annexure to the Notice.

A copy of the draft letter of appointment setting out the terms and conditions will be available for inspection of the Shareholders through electronic mode. Shareholders may write to the Company at [agm@nerolac.com](mailto:agm@nerolac.com) in that regard, by mentioning "Request for Inspection" in the subject of the e-mail.

Other than Ms. Singh and her relatives, none of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, are in any way concerned or interested (financially or otherwise), in the proposed Special Resolution, as set out in Item no. 7.

The Board recommends the re-appointment of Ms. Sonia Singh as an Independent Director of the Company, as set out in Item no. 7 of the Notice, for approval of the Shareholders.

For and on behalf of the Board

**P. P. Shah**  
Chairman

Mumbai, 10th May, 2022

## Annexure to the Notice

Details of the directors seeking appointment / re-appointment in the 102nd Annual General Meeting, as set out in Item nos. 3, 4, 6 and 7 of this 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. Shigeki Takahara	Mr. Takashi Tomioka	Mr. Anuj Jain	Ms. Sonia Singh
Director Identification Number	08736626	08736654	08091524	07108778
Age	63 years	49 years	53 years	57 years
Qualifications and experience	Mr. Shigeki Takahara graduated from Kobe University of Commerce, Faculty of Commerce and Economics. He worked with SSP Co., Ltd., MISUMI Group Inc., Pfizer Japan Inc. before joining Kansai Paint Co., Ltd., Japan in April 2020. He is presently the Representative Director of the board, Vice President Executive Officer, Chief of Corporate Planning, Finance, HR & Administration.	Mr. Takashi Tomioka graduated from Tokyo Gakugei University, Faculty of Education. He has worked in various divisions of Kansai Paint Co., Ltd., Japan and is presently the Executive Officer, General Manager, Corporate Planning division.	Mr. Anuj Jain, aged 53 years, is B.Sc. and Master of Management Studies, University of Bombay (Mumbai). Mr. Jain had joined Kansai Nerolac Paints Limited on 4th June, 1990 and was Director – Decorative and Industrial Sales & Marketing, prior to his appointment on the Board of Directors as a Whole-time Director designated as Executive Director with effect from 1st April, 2018.	Ms. Sonia Singh is B.A. (Economics) from Hindu College, Delhi and is an alumnus of Faculty of Management Studies, Delhi, from where she attained her MBA. She has an experience of over 30 years with rich experience in creating new categories, new brands, and new functions and capabilities. Passionate about brands - crafting, building, sharpening, growing and developing, she brings in a track record of strong delivery, of creating things from scratch, of being a catalyst and of breaking paradigms. She led a variety of roles during her stints in Lakme and Hindustan Unilever Limited. She also has overseas experience with companies like Nokia, Pepsi, Friesland Foods, Heineken etc. She was also a Guest lecturer at the University of Warsaw for the executive MBA program through the University of Illinois USA and the Chartered Institute of Marketing, Warsaw. Ms. Singh has been an Independent Brand Strategist and at present, she is an Independent Director on the Board of Axis Asset Management Company Limited. She was an Independent Director on the Board of Directors of Trent Limited.
Date of First Appointment	7th May, 2020	7th May, 2020	1st April, 2018 (as the Executive Director) 1st April, 2022 (as the Managing Director)	29th July, 2019
Directorships held in other public companies (excluding the Company, foreign companies and Section 8 companies) as on 31st March, 2022	Nil	Nil	Nil	Axis Asset Management Company Limited
Memberships/ Chairmanships of Committees* of public companies as on 31st March, 2022	Nil	Nil	Nil	2
Directorship on listed entities (excluding the Company) as on 31st March, 2022	Nil	Nil	Nil	Nil
Listed entities in which the Director has resigned from directorship in last three years	Nil	Nil	Nil	Nil
Shareholding in the Company as on 31st March, 2022	Nil	Nil	13,560 Equity Shares	Nil

\* Mr. Shigeki Takahara and Mr. Takashi Tomioka are nominees of Kansai Paint Co., Ltd., Japan, Promoter Company and they do not hold any Equity Share of the Company in their personal capacity.

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

**Notes:**

None of the directors are related to each other. However, Mr. Shigeki Takahara and Mr. Takashi Tomioka are the nominees of Kansai Paint Co., Ltd., Japan, Promoter Company.

For other details such as the number of meetings of the Board attended during the year and remuneration drawn in respect of above Directors, please refer to the Report on Corporate Governance which is a part of the Annual Report.