

NIRLON LIMITED

Western Express Highway,
Goregaon (E), Mumbai - 400 063.
T +91-22-4028 1919 / 2685 2256 - 59.
F +91-22-4028 1940.
www.nirlonltd.com, Email:info@nirlonltd.com
CIN:L17120 MH1958PLC 011045



August 11, 2016

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

Scrip Code: 500 307

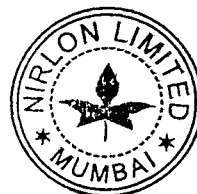
Ref.: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Dear Sir/ Madam,

We refer to the disclosure made by us on March 29, 2016 to BSE Limited under transaction number 29032016264717, a copy of which is enclosed herewith as **Annexure A** to this letter.

We wish to inform you that on August 10, 2016, the Audit Committee of the Board of Directors of the Company ("**Board**") approved and recommended to the Board, the proposed related party transactions as stated in this letter. Subsequently on the same day, the Board at their meeting, subject to receipt of shareholders' approval at the 57th Annual General Meeting to be held on September 20, 2016, and subject to such other approvals as may be required under the Articles of Association of the Company, approved the proposal to:-

1. enter into an asset sale agreement to be executed between Nirlon Management Services Company Private Limited ('**NMSCPL**') and the Company ('**Asset Sale Agreement**'), under which certain movable assets of the Company will be transferred to NMSCPL and certain employees of the Company will resign as employees of the Company on the terms and conditions as more particularly set out in the draft Asset Sale Agreement;
2. appointing NMSCPL, as a provider of lease management services, property management services, marketing related services, project management services and general management services (collectively the '**Services**') to the Company, in accordance with the terms and on the conditions set out in a management services agreement proposed to be executed between the Company and NMSCPL ('**Management Services Agreement**'); and
3. use of the name and mark '**Nirlon**' in the corporate name of NMSCPL, on a royalty free basis, in accordance with the terms and conditions set out in a name user agreement to be executed amongst NMSCPL, Mr. Kunal V Sagar and Mr. Rahul V Sagar and the Company ('**Name User Agreement**' and together with asset sale agreement and management services agreement the '**Proposed Transaction Documents**').



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**Other Information**

NMSCPL was incorporated on October 7, 2015, and Mr. Rahul V Sagar and Mr. Kunal V Sagar, promoters of the Company, presently own 100% (one hundred per cent) of the voting rights and share capital of NMSCPL. The Board of the Company has been informed that Mr. Rahul V Sagar and Mr. Kunal V Sagar and Reco Fortius Pte. Limited ("**Fortius**"), an affiliate of Reco Berry Private Limited (another promoter of the Company), have agreed that Fortius proposes to subscribe to equity shares in NMSCPL for an approximate consideration of Rs.32,18,000/- (Rupees Thirty Two Lakh Eighteen Thousand only) subject to, *inter alia*, shareholders approval of the transactions contemplated in terms of draft Management Services Agreement, draft Asset Sale Agreement. Upon such subscription by Fortius, Fortius will own an economic interest of 64% (sixty four per cent) and voting rights of 33.3% (thirty three decimal point three per cent) in NMSCPL, and Rahul V Sagar and Kunal V Sagar will collectively own an economic interest of 36% (thirty six percent) and voting rights of 66.7% (sixty six decimal point seven per cent) in NMSCPL.

Please note that the transactions contemplated under the Proposed Transaction Documents is subject to the receipt of approval from the shareholders of the Company at their 57th Annual General Meeting to be held on September 20, 2016, and is also subject to such other approvals as may be required under the Articles of Association of the Company.

Since Mr. Rahul V Sagar and Mr. Kunal V Sagar are directors of the Company and also members and directors of NMSCPL, NMSCPL would constitute a related party of the Company in terms of Section 2(76)(iv) of the Companies Act, 2013.

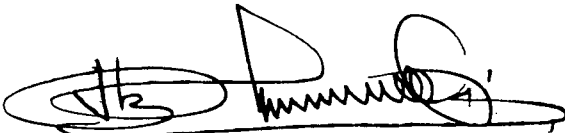
While the Proposed Transaction Documents do not contemplate any sale of any unit or division of the Company, details required in terms of the SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 are enclosed herewith as **Annexure B**, in the interest of providing full disclosure to the public shareholders.

Please note that the Board meeting commenced at 2:30 p.m. and concluded at 5:00 p.m. on August 10, 2016.

The above is for your information and record.

Thanking you,

Yours faithfully,
For Nirlon Limited


Jasmin K. Bhavsar
Company, Secretary, V.P (Legal) & Compliance Officer



Encl.: As above

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March 29, 2016

The Secretary,
BSE Limited,
P.J. Towers,
Dalal Street,
Mumbai 400 001.

Dear Sir,

Security Code: 500307

Sub: Amendment to the Share Purchase and Shareholders Agreements each, dated December 23, 2014 amongst (i) Rahul Virenchee Sagar, Kunal Virenchee Sagar, Nirlon Limited and Reco Berry Private Limited ("Reco"); (ii) Alfano Pte Limited, Nirlon Limited and Reco; and (iii) Deltron Pte Limited, Nirlon Limited and Reco ("Agreements").

&
Re: Disclosure under sub-regulation (2) of regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of the captioned Agreements, and as disclosed in the letter of offer issued by Reco pursuant to the open offer made on December 23, 2014, the parties to the Agreements had agreed on their intention to out-source the project/property management function of Nirlon Limited to a new company ("MSC") to be incorporated by the promoters, which MSC would, subject to receipt of necessary corporate authorisations and approvals from government authorities), enter into a project management services agreement/s with Nirlon Limited within a period of 6 months from the completion date under the Agreements (which occurred on April 20, 2015).

On March 23, 2016, Rahul Virenchee Sagar, Kunal Virenchee Sagar, Nirlon Limited and Reco agreed to extended the period mentioned above to 18 months from the completion date under the Agreements, and on March 24, 2016, Deltron Pte Limited, Alfano Pte Limited, Nirlon Limited and Reco, agreed to extended the period mentioned above to 18 months from the completion date under the Agreements.



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In connection with the aforesaid, Mr. Rahul Virenchee Sagar and Mr. Kunal Virenchee Sagar have incorporated and registered a MSC on October 7, 2015.

All other provisions of the Agreements remain unchanged.

In view of the public holidays between March 24, 2016 and March 27, 2016, this disclosure is being submitted today.

Thanking you,

Yours faithfully,
For Nirlon Limited

Jasmin K. Bhavsar
Company Secretary, V.P. (Legal) & Compliance Officer



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Annexure B

Details required in terms of the SEBI Circular No. CIR/CFD/CMD/4/2015 dated
September 09, 2015

Sr. No.	Particulars	Details
1.	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year	As set out in the disclosure, there is no sale of unit or division of the Company being contemplated. Given that these assets are used for managing the Company's projects, they do not directly contribute to turnover, revenue or income and net worth of the Company.
2.	Date on which the agreement for sale has been entered into	The Transaction Documents are proposed to be executed upon receipt of shareholders approval for the transactions contemplated therein and receipt of such other approvals as may be required under the Articles of Association of the Company.
3.	The expected date of completion of sale/disposal	Subject to receipt of shareholders approval, and satisfaction of other mutually agreed conditions precedent, the Transaction Documents are proposed to become effective from October 1, 2016 (or such other mutually agreed date).
4.	Consideration received from such sale/disposal;	<p>Asset Sale Agreement:</p> <p>On the basis of the book value of the assets, a consideration of not less than Rs.25,00,000/- (Rupees Twenty Five Lakh) will be paid by NMSCPL to the Company as and by way of consideration for the asset transfer.</p> <p>Management Services Agreement:</p> <p>In terms of the Management Services Agreement, fees will be paid to NMSCPL by the Company in the following manner:</p> <ul style="list-style-type: none"> • <u>For lease management services</u> - a monthly fee equal to 1% (one percent) of the gross revenue of the



[Handwritten Signature]

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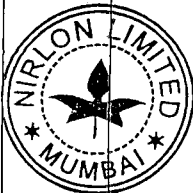
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Sr. No.	Particulars	Details
		<p>property for such month;</p> <ul style="list-style-type: none"> • <u>For property management services</u> – a monthly fee equal to 2% (two percent) of the gross revenue of the property for such month; • <u>For marketing services</u> – a percentage based commission based on the term of the lease / license and the rent payable for the first month thereof (including commission for additional space taken-up by a tenant). Commission is also payable on renewal of existing lease/ license; • <u>For project management services</u> – Rs.60,00,00,000/- (Rupees Sixty Crore) payable in 48 (forty eight) equal monthly instalments, as construction / project management fees for Phase V of Nirlon Knowledge Park. Of this amount, an advance of Rs.6,00,00,000/- (Rupees Six Crore) will be payable on the execution of the agreement, which advance is to be adjusted against the 42nd (forty second) to the 48th (forty eighth) monthly installments referred to above.
5.	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof	100% of the equity shares capital of NMSCPL is currently owned by Mr. Rahul V Sagar and Mr. Kunal V Sagar (promoters of the Company). The Board has been informed that Mr. Rahul V Sagar, Mr. Kunal V Sagar and Reco Fortius Pte. Limited, an affiliate of Reco Berry Private Limited (another promoter of the Company), have agreed that Reco Fortius Pte. Limited proposes to subscribe to equity shares of NMSCPL, subject to, <i>inter alia</i> , receipt of shareholders approval for the transactions contemplated under draft Management Services Agreement, draft Asset Sale Agreement.
6.	Whether the transaction would fall within related party transactions? If	Yes, the transactions constitute related party transactions as NMSCPL is a



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Sr. No.	Particulars	Details
	yes, whether the same is done at "arms length"	related party of the Company as detailed in paragraph 5 above. The transactions are being undertaken at "arms' length basis".
7.	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale	Not applicable

