



NIRLON LIMITED

(CIN: L17120MH1958PLC011045)

Registered Office: Pahadi Village, off the Western Express Highway, Goregaon (East), Mumbai 400 063.
Tele No. : + 91 (022) 4028 1919/ 2685 2257/58/59 Fax No. : + 91 (022) 4028 1940
E-mail: info@nirlonltd.com, Website: www.nirlonltd.com

POSTAL BALLOT NOTICE

[Notice Pursuant to Section 110 of the Companies Act, 2013, read with rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

Sub: Passing of a Special Resolution by Postal Ballot including Electronic Means (**e-voting**)

Notice is hereby given to Members of Nirlon Limited (**'the Company'**) pursuant to the provisions of Section 110 of the Companies Act, 2013 (**'the Act'**) read with Rule 22 of the Companies (Management & Administration) Rules, 2014 (including any statutory modification or re-enactment(s) thereof) and relevant provisions of the SEBI Listing Obligations & Disclosure Requirements Regulations, 2015 (**'LODR, 2015'**) and other applicable laws and regulations, that the Company is seeking consent of its Members for the proposed draft special resolution appended below to be passed by Members by way of a Postal Ballot including e-voting.

Pursuant to the provisions of section 102 of the Act, the Explanatory Statement pertaining to the aforesaid draft special resolution setting out all material facts and reasons for the draft resolution being proposed is annexed herewith.

The Postal Ballot Form is enclosed for your consideration seeking Members assent or dissent in writing or through e-voting within a period of thirty (30) days from the date of dispatch of the Notice.

The attached Postal Ballot Form is to be used by Members for the purpose of exercising their respective votes in respect of the said draft special resolution.

In the event the resolution as set out below is assented to by a requisite majority of Members through this Postal Ballot, the same shall be deemed to have been passed as a special resolution at the General Meeting of the Company. The date of announcement of the result shall be considered to be the date of the General Meeting, and the date of passing of the said resolution.

The Directors have appointed Mr. Alwyn D'souza, Practising Company Secretary (FCS No.5559 CP No.5137) of Alwyn Jay & Co., Company Secretaries, Mumbai as Scrutinizer (**'the Scrutinizer'**) for scrutinizing the voting through the Postal Ballot process, including e-voting, in a fair and transparent manner.

You are requested to carefully read instructions printed on the Postal Ballot Form, including for the e-voting process, and ensure that the said Postal Ballot Form (no other form or photocopy thereof is permitted) duly completed, in the attached self-addressed postage pre-paid envelope or through e-voting, reaches the Scrutinizer on or before the close of working hours i.e. **5.00 p.m.(IST) on Tuesday , June 12, 2018,** failing which it will be strictly considered that no reply has been received from the Member.

The Scrutinizer will submit his report to the Director authorised by the Board of the Company after completion of the scrutiny of the Postal Ballot Forms and e-voting report submitted by Central Depository Services (India) Limited (**CDSL**).

The result of the voting by Postal Ballot, including e-voting, shall be declared during working hours on **Monday, June 18, 2018**, and shall also be communicated to the BSE Limited and CDSL. The same would also be displayed on the Company's website at 'www.nirlonltd.com'.

The Company is pleased to offer an e-voting facility as an alternate option to its Members to enable them to cast their votes electronically. E-Voting is optional. In case you desire to exercise your vote by using the e-voting facility, then you are required to carefully follow the instructions for e-voting printed on the Postal Ballot Form.

Item No. 1:

To approve and adopt the proposed alteration to Articles 71 (C) and (D) of the Articles of Association of the Company

To consider and if thought fit to accord assent / dissent to the following resolution **as a Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to approvals, permissions and sanctions from the appropriate authority, if any, the Articles of Association be and are hereby altered in the manner set out below:

The existing Articles No. 71(C) and (D) of the Articles of Association of the Company be deleted and replaced with the following Articles:

Articles 71 (C) – Right of First Refusal

- 71(C) (1) If at any time, during the term of any agreement between the SPSHA Promoters and Reco Berry Private Limited, any of the SPSHA Promoters are desirous of selling some or all of their Shares otherwise than pursuant to Article 71 (D)(5), then the relevant SPSHA Promoter shall issue a notice (the "Offer Notice") to Reco Berry Private Limited, (a) offering such Shares (the "Offered Shares") to Reco Berry Private Limited, and (b) indicating the INR price at which the relevant SPSHA Promoter is desirous of selling the Offered Shares ("Offer Price"). The Offer Notice shall not set out any conditions for the sale of the Offered Shares other than any conditions set out in these Articles or required to comply with Applicable Law.
- (2) The number of Offered Shares forming the subject of an Offer Notice taken together with the number of Shares offered forming the subject of any offer notice issued by the other SPSHA Promoters or their Affiliates ("Affiliate Offered Shares"), shall not be more than the maximum number of Shares which could be acquired by Reco Berry Private Limited, without triggering an obligation to launch a Takeover Offer (after taking into consideration inter alia the Shares, if any, acquired by Reco Berry Private Limited pursuant to Article 71(D)(2) and any Shares acquired by Reco Berry Private Limited from the SPSHA Promoters or Affiliates of Alfano and Deltron.
- (3) If the SPSHA Promoters wish to sell the Offered Shares by way of a Private Sale to an identified Third Party, then the Offer Notice in addition to setting out the Offer Price and the number of Offered Shares, shall also contain the identity and details of the Third Party and the Offer Price per share which has been offered by the Third Party.
- (4) Within 15 (fifteen) days of receipt of the Offer Notice by Reco Berry Private Limited, it may notify the SPSHA Promoters by way of a written notice:
- (a) of its acceptance of the offer contained in the Offer Notice ("Acceptance Notice"); or

- (b) of its rejection of the offer contained in the Offer Notice (“Rejection Notice”).
- (5) An Acceptance Notice shall constitute a valid, legally binding and enforceable agreement between Reco Berry Private Limited and the relevant SPSHA Promoters, for the relevant SPSHA Promoters to sell and for Reco Berry Private Limited to purchase the Offered Shares. If permitted by Applicable Law, the sale and purchase of the Offered Shares pursuant to each Offer Notice shall be completed as a block deal pursuant to SEBI Circular CIR/MRD/DP/118/2017 dated October 26, 2017, as modified from time to time, on or prior to the seventh day following the later of (i) Acceptance Notice or (ii) receipt by the SPSHA Promoters of the approvals required by them, if any, to undertake the sale of the Offered Shares on the ROFR Completion Date (as defined below); provided that if such seventh day is not a Business Day, then the purchase of the Offered Shares shall occur no later than the immediately following Business Day (“ROFR Completion Date”). Provided further that in the event that the Offered Shares cannot be acquired by Reco Berry Private Limited by way of a block deal including on account of any prohibitions or limitations prescribed under Applicable Law, the sale and purchase of the Offered Shares pursuant to the Offer Notice shall be completed as a Private Sale on a spot delivery basis on the ROFR Completion Date, free from any Encumbrances. Reco Berry Private Limited and the SPSHA Promoter shall take such actions as necessary to effect the sale and purchase of the Offered Shares on the ROFR Completion Date, including (a) by obtaining such approvals as may be required by them respectively or making such public disclosure of information as are required to complete the sale and purchase as contemplated herein and (b) as far as the SHSPA Promoters are concerned, providing such information as may be requested by Reco Berry Private Limited to make any filings and comply with Applicable Law including details in relation to their respective bank and dematerialised accounts, and customary information or confirmations as may be required by the custodian of the Reco Berry Private Limited or information required to calculate the tax required to be withheld, if any, from any payments to the SPSHA Promoters.
- (6) The aggregate amount payable by Reco Berry Private Limited for the Offered Shares shall be an amount equal to the Offer Price per Share multiplied by the number of Offered Shares.
- (7) If Reco Berry Private Limited issues a Rejection Notice or does not respond to the Offer Notice within the time period set out in Article 71(C)(4) or does not complete the purchase of the Offered Shares on the ROFR Completion Date in breach of these Articles, the relevant SPSHA Promoters shall have the right to:
- (a) sell all the Offered Shares by way of one or more Market Sales at the Offer Price or a price higher than the Offer Price set out in the Offer Notice, if the Offer Notice has been issued in accordance with Article 71(C)(1) and Article 71(C)(2); or
- (b) sell all the Offered Shares to the Third Party set out in the Offer Notice at the Offer Price or a price higher than the Offer Price and on terms and conditions that are not more favourable than as set out in the Offer Notice, if the Offer Notice has been issued in accordance with Article 71(C)(3), in each case within a period of 180 (one hundred and eighty) days from the date of the Rejection Notice or from the expiry of the time period set out in Article 71(C) (4) or, if the purchase of the Offered Shares on the ROFR Completion Date has not been completed by Reco Berry Private Limited in breach of these Articles, from the ROFR Completion Date, failing which the relevant SPSHA Promoter shall not be entitled to sell the Offered Shares without once again following the process set out in this Article 71(C)(1) to Article 71(C)(7).

- (8) If a SPSHA Promoter wishes to issue an Offer Notice at an Offer Price for such number of Shares greater than the maximum number of Shares which could be acquired by Reco Berry Private Limited: (i) without triggering an obligation to launch a Takeover Offer (after taking into consideration inter alia the Shares, if any, acquired by Reco Berry Private Limited pursuant to Article 71(D)(2) and any Shares acquired by Reco Berry Private Limited from any of the other SPSHA Promoters or Affiliates of Alfano and Deltron) at the Offer Price; or (ii) by availing an exemption from an Open Offer under Regulation 10 of the Takeover Regulations, such SPSHA Promoter may issue a written notice to Reco Berry Private Limited in this regard (the “SPSHA Promoter Sale Notice”). The SPSHA Promoter Sale Notice shall set out the number of Shares that such SPSHA Promoter wishes to sell (the “SPSHA Promoter Sale Notice Shares”), the Offer Price for the SPSHA Promoter Sale Notice Shares and the details set out in Article 71(C)(3) if the SPSHA Promoter Sale Notice Shares are sought to be Transferred by way of a Private Sale or to an identified Third Party. The SPSHA Promoter Sale Notice shall not set out any conditions for the sale of the SPSHA Promoter Sale Notice Shares other than any conditions set out in these Articles or required to comply with Applicable Law. Following the receipt of the SPSHA Promoter Sale Notice, Reco Berry Private Limited may, within 15 (fifteen) days of receipt of the SPSHA Promoter Sale Notice by Reco Berry Private Limited, notify such SPSHA Promoter by way of written notice:
- (a) that it shall: (i) purchase such number of the SPSHA Promoter Sale Notice Shares that can be acquired by Reco Berry Private Limited either (i) without triggering an obligation of Reco Berry Private Limited to trigger an Open Offer under the Takeover Regulations or (ii) by availing an exemption from an Open Offer under Regulation 10 of the Takeover Regulations (“SPSHA Promoter Purchase Shares”), following which the SPSHA Promoter Purchase Shares shall be purchased by Reco Berry Private Limited in accordance with the provisions of Article 71(C)(1) to Article 71(C)(7) and (ii) upon issuance of a written notice by Reco Berry Private Limited or the SPSHA Promoters, purchase the remaining Shares forming the SPSHA Promoter Sale Notice Shares (“Remaining Shares”), within a period of 3 (three) months from the later of (i) the date on which Reco Berry Private Limited can acquire the Remaining Shares, and (ii) the date on which the SPSHA Promoters receive the approvals, if any, required by them to undertake the sale and purchase of the Remaining Shares to Reco Berry Private Limited (“Extension Period”) without triggering a requirement for Reco Berry Private Limited to make a Takeover Offer at the Extension Price (“SPSHA Promoter Purchase Shares Notice”). Provided however that during such Extension Period, Reco Berry Private Limited and the SPSHA Promoters shall not acquire additional Shares of the Company in such manner as it would preclude Reco Berry Private Limited from acquiring the Remaining Shares. Reco Berry Private Limited and the SPSHA Promoter shall take such actions as necessary to effect the sale and purchase of the Offered Shares on the ROFR Completion Date, including (a) by obtaining such approvals as may be required by them respectively or making such public disclosure of information as are required to complete the sale and purchase as contemplated herein and (b) as far as the SHSPA Promoters are concerned, providing such information as may be requested by Reco Berry Private Limited to make any filings and comply with Applicable Law including details in relation to their respective bank and dematerialised accounts, and customary information or confirmations as may be required by the custodian of the Reco Berry Private Limited or information required to calculate the tax required to be withheld, if any, from any payments to the SPSHA Promoters; or

- (b) of its intention not to purchase any of the SPSHA Promoter Sale Notice Shares (“SPSHA Promoter Sale Notice Shares Rejection Notice”).
- (9) If Reco Berry Private Limited does not issue the SPSHA Promoter Sale Notice Shares Rejection Notice or does not respond to the SPSHA Promoter Sale Notice within the period of 15 (fifteen) days of the receipt of the SPSHA Promoter Sale Notice or does not acquire all or any of the SPSHA Promoter Sale Notice Shares as per the timelines set out in Article 71(C)(8) in breach of these Articles, the relevant SPSHA Promoter shall have the right to sell the SPSHA Promoter Sale Notice Shares at price equal to or higher than the Offer Price set out in the SPSHA Promoter Sale Notice within a period of 180 (one hundred and eighty) days from the 15th day of the date of the SPSHA Promoter Sale Notice or the expiry of timelines set out in Article 71(C)(8), failing which the relevant SPSHA Promoter shall only be entitled to sell the SPSHA Promoter Shares in accordance with the process set out in Article 71(C). Provided, however, in the event that Reco Berry Private Limited fails to acquire the Remaining Shares as per the timelines set out in Article 71(C)(8)(a), the SPSHA Promoters shall be entitled to sell the Remaining Shares at any price (and not merely the price set out in the SPSHA Promoter Sale Notice) and to any person (and not merely to the person, if any, identified in the SPSHA Promoter Sale Notice) within the aforementioned 180 (one hundred and eighty) day period.
- (10) Delisting of the Shares

If a delisting application made by Reco Berry Private Limited being approved by the Board in accordance with the provisions of Regulation 8(1)(a) of the Delisting Regulations within 6 months of the date on which Reco Berry Private Limited acquired Shares from the SPSHA Promoters pursuant to exercise of a Put Option or a Call Option, as the case may be, as set out in this Article following which the Shares of the Company are delisted in accordance with the provisions of the Delisting Regulations at a price (the “Delisting Price”), which is higher than (a) the Put Option Price, in case the purchase of the SPSHA Promoter Shares was in accordance with Article 71(A), and the Put Option Price was lower than the prevailing market price of the Shares on the Put Option Date; or (b) the Call Option Price, in case the purchase of the SPSHA Promoter Shares was in accordance with Article 71(B); then Reco Berry Private Limited shall pay the SPSHA Promoters an amount equivalent to the difference between the Delisting Price on the one hand, and the Put Option Price or the Call Option Price, as applicable, on the other hand per SPSHA Promoter Share acquired by Reco Berry Private Limited. Subject to receipt of all necessary applicable approvals from the relevant Governmental Authorities, payment required to be made by Reco Berry Private Limited pursuant to this Article shall be made within 5 (five) Business Days of the date on which payment is made to the public shareholders pursuant to the delisting offer. The payment of such amounts to the SPSHA Promoters shall be subject to Applicable Law and applicable taxes.

Articles 71 (D) – Transfer Restrictions

- 71(D) (1) No Shares or any interest in the Shares, or any voting rights in relation to the Company, shall be acquired by the SPSHA Promoters either by themselves or through ‘persons acting in concert’ or deemed to be acting in concert with them, till such time as may be mutually agreed to between the SPSHA Promoters and Reco Berry Private Limited without the prior written consent of Reco Berry Private Limited.
- (2) Reco Berry Private Limited shall at its sole discretion make commercially reasonable efforts to acquire the maximum number of shares it is permitted to acquire within creeping

acquisition limits under the Takeover Regulations within a period of one year from April 28, 2015. Subject to the above, Reco Berry Private Limited or “persons acting in concert” or deemed to be acting in concert with it, shall have the right to acquire in one or more tranches, such number of Shares that does not exceed 2.5 % of the Share Capital during each of the following periods: (a) from the first anniversary after April 28, 2015 till the second anniversary after April 28, 2015; and (b) from the second anniversary from April 28, 2015 till the third anniversary after April 28, 2015. For the avoidance of doubt it is clarified that there are no other restrictions on Reco Berry Private Limited acquiring Shares at any time, save as provided in this Article 71(D)(2).

- (3) Notwithstanding anything contained in these Articles, the SPSHA Promoters shall not directly or indirectly Transfer any of their Shares in the Company, or any interest in such Shares, except in the manner set out in Articles 71(C) and 71(D) and agreed to between the SPSHA Promoters and Reco Berry Private Limited and any purported Transfer or attempt to Transfer any Shares shall be null and void ab initio.
- (4) Notwithstanding anything contained in these Articles, the SPSHA Promoters shall not be entitled to create an Encumbrance on the SPSHA Promoter Shares, including as security for any loans or other financing facilities availed by the SPSHA Promoters, without the prior written consent of Reco Berry Private Limited. If the SPSHA Promoters wish to create an Encumbrance on any SPSHA Promoter Shares, the SPSHA Promoters shall enter into good faith discussions with Reco Berry Private Limited in this regard. Other than any Shares acquired in accordance with the provisions of Article 71(D)(5) and Article 78(A), the SPSHA Promoters shall not, directly or indirectly, acquire any Shares without the prior written consent of Reco Berry Private Limited.
- (5) The SPSHA Promoters may Transfer the SPSHA Promoter Shares under prior written intimation to Reco Berry Private Limited of at least 3(three) Business Days, to an Affiliate (together with the rights attached thereto) subject to (i) such transferee Affiliate executing and delivering a promoter’s deed of adherence in a form mutually agreed to between the SPSHA Promoters and Reco Berry Private Limited, as a condition of such Transfer and; (ii) the SPSHA Promoters remains jointly and severally liable with such Affiliate transferee as mutually agreed with Reco Berry Private Limited. Provided that, if such Affiliate should subsequently cease to qualify as an Affiliate, then the SPSHA Promoters (including such Affiliate) shall procure that, prior to its ceasing to qualify as a Affiliate, such Affiliate Transfers the entire legal and beneficial interest and title in and to the SPSHA Promoter Shares held by such Affiliate to another Person who is an Affiliate and complies with the provisions of Article 71(D)(5) in respect of such Transfer. Provided further, that no such deed of adherence shall be required for a Transfer of Shares amongst the SPSHA Promoters inter-se. It is further clarified that there shall be no restriction on the Transfer of Shares inter-se amongst the SPSHA Promoters.
- (6) The SPSHA Promoters and Reco Berry Private Limited agree that the Transfer restrictions in these Articles shall not be capable of being avoided by the holding of the Shares indirectly through a company or other entity that can itself be sold in order to dispose of an interest in Shares free of such restrictions.
- (7) Reco Berry Private Limited may Transfer the Shares under prior written intimation to the SPSHA Promoters of at least 3 (three) Business Days, to any Affiliate or Third Party (together with the rights attached thereto), subject to such transferee executing and delivering a deed of adherence as a condition of such Transfer;

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to undertake all such acts, deeds, matters and things to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard;

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or the Company Secretary or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution.”

**By Order of the Board of Directors
For Nirlon Limited
sd/-**

**Jasmin K. Bhavsar
Company Secretary, Vice President (Legal) & Compliance Officer**

Mumbai, April 28, 2018

Registered Office:

Pahadi Village,
Off the Western Express Highway, Goregaon (East),
Mumbai-400 063.

CIN No: L17120MH1958PLC011045

E-mail id: info@nirlonltd.com

Website: www.nirlonltd.com

NOTES

1. The relevant Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 in respect of Item No. 1 set out in the Notice is annexed hereto.
2. The Postal Ballot Notice along with the required **annexures** is being sent to Members whose names appear on the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited (**NSDL**) and Central Depository Services (India) Limited (**CDSL**) as on **Friday, April 27, 2018**, and will be considered for the purpose of voting. The Postal Ballot Notice is being sent to Members in Electronic Form to the e-mail address registered with their Depository Participant (in case of shares held in Dematerialized Form)/the Company's Share Transfer Agent (in case of shares held in Physical Form). In case of Members whose e-mail id is not registered, a physical copy of Postal Ballot Notice alongwith the prescribed Form is being sent by permitted mode along with a postage pre-paid self-addressed Business Reply Envelope.
3. The Resolution passed by Members through the Postal Ballot including e-voting is deemed to have been passed as if the same has been passed at a General Meeting of Members.
4. 4. In case a Member is desirous of obtaining the Postal Ballot Form in a printed form or a duplicate, the Member may send an e-mail to '**evoting.investors@linkintime.co.in**'/'**parab.trupti@linkintime.co.in**'. The Share Transfer Agent/Company shall forward the same along with the postage pre-paid self-addressed Business Reply Envelope to the Member.

5. For any grievances connected with the voting by Postal Ballot including voting by Electronic Means, Members may contact Mr. Jasmin K. Bhavsar, Company Secretary, Vice President (Legal) & Compliance Officer at e-mail address 'share@nirlonltd.com' / write a letter at the Company's Registered Office at Pahadi Village, off the Western Express Highway, Goregaon (East), Mumbai 400 063.
6. The Directors of the Company have appointed Mr. Alwyn D'souza, Practising Company Secretary (FCS No.5559 CP No.5137) of Alwyn Jay & Co., Company Secretaries, Mumbai as the Scrutinizer for Scrutinizing the Postal Ballot Forms and e-voting in a fair and transparent manner. Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. Postal Ballot Form/s, if sent by courier or by registered post/speed post at the expense of the Members, will also be accepted.

The Postal Ballot Form/s may also be deposited personally at the address given thereon. The duly completed Postal Ballot Form/s should reach the Scrutinizer **not later than 5.00 p.m. (IST) on Tuesday, June 12, 2018** to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.

7. The Scrutinizer will submit his report to the authorised Director after the completion of the scrutiny of the Postal Ballot Form including e-voting. The result of the Postal Ballot including e-voting shall be declared on **Monday, June 18, 2018** and be communicated to the BSE Limited and CDSL. The same would also be displayed on the Company's website at 'www.nirlonltd.com'.
8. Voting through Electronic Means (e-voting) :

In terms of the provisions of Section 108 of the Companies Act, 2013 (**'the Act'**) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called **'the Rules'** for the purpose of this section of the Notice) and the SEBI Listing Obligations & Disclosure Requirements Regulations, 2015 (**'LODR, 2015'**), the Company is also providing an e-voting facility to Members as an alternative facility to voting physically through the Postal Ballot Form, to exercise their votes on the item of business given in the Postal Ballot Notice. This is facilitated through an electronic voting system through the e-voting platform provided by the Central Depository Services (India) Limited (**'CDSL'**) to those members holding shares as on **Friday, April 27, 2018** being the Cut-off date (Record date for the purpose of Rule 20(3) (vii) of the Rules) fixed for determining the voting rights of Members entitled to participate in the voting process.

The instructions for e-voting are as under:

- A. For Members (holding shares in Dematerialized Form or Physical Form) who receive the Postal Ballot Notice, including through an e-mail**

The instructions for Members voting electronically are as under:

- i. The voting period begins on **9.00 a.m. (IST), Monday, May 14, 2018 and ends at 5.00 p.m. (IST) on Tuesday, June 12, 2018**. During this period Members of the Company, holding shares either in Physical Form or in Dematerialized Form, as on the cut-off date, i.e. **Friday, April 27, 2018** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- ii. Members should log on to the e-voting website '**www.evotingindia.com**'
- iii. Click on '**Shareholders**'
- iv. **Enter your User ID:**
 - a. For CDSL: 16 digit Beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digit Client ID,
 - c. Members holding shares in Physical Form should enter the Folio Number registered with the Company.
- v. Enter the Image Verification as displayed and Click on '**Login**'
- vi. If you are holding shares in Dematerialized Form and have logged on to '**www.evotingindia.com**' and have voted earlier, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

| For Members holding shares in Dematerialized Form and Physical Form | |
|--|---|
| PAN | <p>Enter your 10 digit alpha-numeric Permanent Account Number (PAN) issued by the Income Tax Department (Applicable for Members holding shares in Demat Form as well as Physical Shares)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account, or in the Share Transfer Agent's records, in the dd/mm/yyyy format. |
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account, or in the Share Transfer Agent's records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or the Share Transfer Agent, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction iv.</p> |

- viii. After entering these details appropriately, click on the '**SUBMIT**' tab
- ix. Members holding shares in Physical Form will then directly reach the Company selection screen. However, Members holding shares in Dematerialized Form will now reach the '**PASSWORD CREATION**' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat account holders for voting for resolutions of any other company on which they are eligible to vote, provided that that company opts for e-voting through the CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in Physical Form, the details can be used only for e-voting on the resolution contained in this Notice.
- xi. Click on the EVSN for '**Nirlon Limited**' on which you choose to vote.

- xii. On the voting page, you will see **'RESOLUTION DESCRIPTION'** and against the same the option **'YES/NO'** for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and the option NO implies that you dissent to the Resolution.
- xiii. Click on the **'RESOLUTIONS FILE LINK'** if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on **'SUBMIT'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'OK'**, else to change your vote, click on **'CANCEL'** and accordingly modify your vote.
- xv. Once you **'CONFIRM'** your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the voting done by you by clicking on the **'CLICK HERE TO PRINT'** option on the voting page.
- xvii. If a Demat account holder has forgotten the password then enter the User ID and the image verification code and click on **'FORGOT PASSWORD'** & enter the details as prompted by the system.
- xviii. Note for Non-Individual Members & Custodians:
 - Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to **'www.evotingindia.com'** and register themselves as Corporates and Custodians respectively.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **'helpdesk.evoting@cdslindia.com'**.
 - After receiving the login details, they have to create the compliance user using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
 - A scanned copy of the Board Resolution and Power of Attorney (**POA**) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (**'FAQs'**) and e-voting manual available at **'www.evotingindia.com'** under the **'Help Section'** or write an e-mail to **'helpdesk.evoting@cdslindia.com'**.

B. General instructions:

- i. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- ii. Corporate/Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF Format) of the relevant Board Resolution/ Authority letter etc. together with the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer at his e-mail id address 'alwyn.jay@gmail.com'. They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format **'CORPORATE NAME EVENT No.'**

- iii. The Portal will remain open for voting from: **9.00 a.m. (IST), Monday, May 14, 2018 till 5.00 p.m. (IST), Tuesday, June 12, 2018.**
 - iv. On the voting page, the number of shares (which represents the number of votes) as held by the Member as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the Resolution, then enter all shares and click '**FOR**'/'**AGAINST**' as the case may be, or partially in '**FOR**' and partially in '**AGAINST**'. However, the total number in '**FOR/AGAINST**' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option '**ABSTAIN**' and the shares held will not be counted under either head.
9. Members can opt for only one mode of voting, i.e., either by physical Postal Ballot or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail, and the votes cast through physical Postal Ballot Form will be treated as invalid.
 10. All material documents referred to in the Notice will be made available for inspection at the Registered Office of the Company on any working day excluding public holidays and Sundays, between 11.00 a.m. (IST) to 1.00 p.m. (IST) up to Tuesday, June 12, 2018.

**By Order of the Board of Directors
For Nirlon Limited
sd/-**

**Jasmin K. Bhavsar
Company Secretary, Vice President (Legal) & Compliance Officer**

Mumbai, April 28, 2018

Registered Office:

Pahadi Village,
Off the Western Express Highway, Goregaon (East),
Mumbai-400 063.

CIN No: L17120MH1958PLC011045

E-mail id: info@nirlonltd.com

Website: www.nirlonltd.com

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 1

I. Background

As Members are aware that Reco Berry Private Limited ("**Reco**") entered in to Share Purchase and Shareholders Agreements ("**SPSHAs**"), all dated December 23, 2014 with (i) Mr. Kunal V. Sagar and Mr. Rahul V. Sagar, (ii) Alfano Pte Ltd., and (iii) Deltron Pte Ltd., respectively ("**Sagar Shareholders**"). Thereafter, Reco became a Promoter of the Company w.e.f. April 28, 2015.

These SPSHAs contain the inter-se rights and obligations of Reco and the Sagar Shareholders as shareholders of the Company. Thereafter, the Company entered into a Deed of Adherence ("**DOAs**") dated April 28, 2015 acknowledging the rights and obligations arising under the SPSHAs so that these rights and obligations are fully enforceable under the Articles of Association ("**AoA**") of the Company.

Accordingly, the Board sought Members' approval by way of a Special Resolution through a Postal Ballot Notice dated June 20, 2015 seeking approval for the adoption of the new set of AoA, which included special provisions relating to the SPSHAs. Members of the Company vide a special resolution (through a Postal Ballot (including e-voting)) passed on August 17, 2015 approved the adoption of new set of AoA.

II. Recent amendment in the SPSHAs

Reco, the Sagar Shareholders and the Company have recently executed certain letters agreement ("**Letters**"), all dated April 16, 2018, amending certain provisions of the SPSHAs.

Since the amendments captured in the Letters modify certain clauses of the SPSHAs which are part of the existing AoA, the Company is required to make *mutatis mutandis* amendments to the existing AoA in order to align and reflect such modifications.

As per the Letters, the Company is required to undertake all corporate actions including to convene a shareholder meeting within 50 (fifty) business days from the date of the Letters, at which a resolution to amend the AoA in order to incorporate therein the provisions of the SPSHAs as amended by the Letters shall be proposed, in form and substance satisfactory to the parties to the Letters. As a Shareholders' Meeting is not likely to be held in near future, the Company is proposing a Postal Ballot exercise, which is also a permissible mode to get Members' approval on the proposed business item under the Companies Act, 2013 be conducted.

III. Other information

In light of the above, the Board of Directors of the Company considers it expedient to alter the existing AoA by replacing relevant Articles No. 71 (C) and (D). The same along with a comparison against existing Articles No. 71 (C) and (D) are produced as under:

Articles 71 (C) – Right of First Refusal

~~71 (C) (1) **If at any time, during** ~~During the term of any agreement between the SPSHA Promoters and Reco Berry Private Limited, Put Option Period,~~ if any of the SPSHA Promoters are desirous of selling some or all of their Shares **otherwise at a price that is higher than pursuant to Article 71 (D) (5), the Put Option Price per Share (the “Offer Price”)**, then the relevant SPSHA Promoter shall issue a notice (the “Offer Notice”) to Reco Berry Private Limited, **(a) offering such some or all of their respective** Shares (the “Offered Shares”) to Reco Berry Private Limited, **and (b) indicating the INR price for purchase at which the relevant SPSHA Promoter is desirous of selling the Offered Shares (the Offer Price)**. **The Offer Notice shall not set out any conditions for the sale of the Offered Shares other than any conditions set out in these Articles or required to comply with the Applicable Law. per Share.**~~

- (2) The number of Offered Shares forming the subject of an Offer Notice taken together with the number of Shares offered forming the subject of any offer notice issued by the other SPSHA Promoters or their Affiliates (“Affiliate Offered Shares”), shall not be more than the maximum number of Shares which could be acquired by Reco Berry Private Limited, without triggering an obligation to launch a Takeover Offer (after taking into consideration inter alia the Shares, if any, acquired by Reco Berry Private Limited pursuant to Article 71(D)(2) and any Shares acquired by Reco Berry Private Limited from the SPSHA Promoters or Affiliates of Alfano and Deltron.
- (3) If the SPSHA Promoters wish to sell the Offered Shares ~~to a Third Party~~

by way of a Private Sale to an identified Third Party, then the Offer Notice in addition to setting out the Offer Price and the number of Offered Shares, shall also contain the identity and details of the Third Party and the Offer Price per share price which has been offered by the Third Party.

- (4) Within 15 (fifteen) days of receipt of the Offer Notice by Reco Berry Private Limited, it may notify the SPSHA Promoters by way of a written notice:
- (a) of its acceptance of the offer contained in the Offer Notice (“Acceptance Notice”); or
 - (b) of its rejection of the offer contained in the Offer Notice (“Rejection Notice”).
- (5) An Acceptance Notice shall constitute a valid, legally binding and enforceable agreement between Reco Berry Private Limited and the relevant SPSHA Promoters, for the relevant SPSHA Promoters to sell and for Reco Berry Private Limited to purchase the Offered Shares. If permitted by Applicable Law, the sale and purchase of the Offered Shares pursuant to each Offer Notice shall be completed as a block deal pursuant to SEBI Circular CIR/MRD/DP/118/2017 dated October 26, 2017 , as modified from time to time, Market Sale on or prior to the seventh ~~second~~ day following the later date of (i) ~~delivery of such~~ Acceptance Notice or (ii) receipt by the SPSHA Promoters of the approvals required by them , if any, to undertake the sale of the Offered Shares on the ROFR Completion Date (as defined below); provided that if such seventh ~~the second~~ day ~~following the date of delivery of the Acceptance Notice~~ is not a Business Day, then the purchase of the Offered Shares shall occur no later than the immediately following Business Day (“ROFR Completion Date”). Provided further that in the event that the Offered Shares cannot be acquired by Reco Berry

Private Limited by way of a **block deal including** ~~Market Sale~~ on account of any prohibitions or limitations prescribed under Applicable Law, **the sale and** ~~Reco Berry Private Limited will~~ purchase **of** the Offered Shares pursuant to **the Offer Notice shall be completed as** a Private Sale on a spot delivery basis on the ROFR Completion Date, free from any Encumbrances. **Reco Berry Private Limited and the SPSHA Promoter shall take such actions as necessary to effect the sale and purchase of the Offered Shares on the ROFR Completion Date, including (a) by obtaining such approvals as may be required by them respectively or making such public disclosure of information as are required to complete the sale and purchase as contemplated herein and (b) as far as the SHSPA Promoters are concerned, providing such information as may be requested by Reco Berry Private Limited to make any filings and comply with Applicable Law including details in relation to their respective bank and dematerialised accounts, and customary information or confirmations as may be required by the custodian of the Reco Berry Private Limited or information required to calculate the tax required to be withheld, if any, from any payments to the SPSHA Promoters.**

- (6) The aggregate amount payable by Reco Berry Private Limited for the Offered Shares shall be an amount equal to the Offer Price per Share multiplied by the number of Offered Shares.
- (7) If Reco Berry Private Limited issues a Rejection Notice or does not respond to the Offer Notice within the time period set out in Article 71(C)(4) **or does not complete the purchase of the Offered Shares on the ROFR Completion Date in breach of these Articles**), the relevant SPSHA Promoters shall have the right to:

- (a) sell all the Offered Shares by way of one or more Market Sales at the Offer Price or a price higher than the Offer Price set out in the Offer Notice, if the Offer Notice has been issued in accordance with Article 71(C)(1) and Article 71(C)(2); or
- (b) sell all the Offered Shares to the Third Party set out in the Offer Notice at the Offer Price or a price higher than the Offer Price and on terms and conditions that are not more favourable than as set out in the Offer Notice, if the Offer Notice has been issued in accordance with Article 71(C)(3), in each case within a period of 180 (one hundred and eighty) days from the date of the Rejection Notice or from the expiry of the time period set out in Article 71(C) (4) **or, if the purchase of the Offered Shares on the ROFR Completion Date has not been completed by Reco Berry Private Limited in breach of these Articles, from the ROFR Completion Date,** failing which the relevant SPSHA Promoter shall not be entitled to sell the Offered Shares without once again following the process set out in this Article 71(C)(1) to Article 71(C)(7).
- (8) If ~~during the Put Option Period,~~ a SPSHA Promoter wishes ~~to issue an Offer Notice at an Offer Price for such number of Shares which taken together with the number of Affiliate Offered Shares, if any, is~~ greater than the maximum number of Shares which could be acquired by Reco Berry Private Limited: **(i),** without triggering an obligation to launch a Takeover Offer (after taking into consideration inter alia the Shares, if any, acquired by Reco Berry Private Limited pursuant to Article 71(D)(2) and any Shares acquired by Reco Berry Private Limited from any of the other SPSHA Promoters or Affiliates of Alfano and Deltron) at the Offer Price; **or (ii) by availing an exemption from an Open Offer under Regulation 10 of the Takeover Regulations,** such SPSHA Promoter

may issue a written notice to Reco Berry Private Limited in this regard (the “SPSHA Promoter Sale Notice”). The SPSHA Promoter Sale Notice shall set out the number of Shares that such SPSHA Promoter wishes to sell (the “SPSHA Promoter Sale Notice Shares”), the Offer Price for the SPSHA Promoter Sale Notice Shares and the details set out in Article 71(C)(3) if the SPSHA Promoter Sale Notice Shares are sought to be Transferred by way of a Private Sale **or to an identified Third Party.** **The SPSHA Promoter Sale Notice shall not set out any conditions for the sale of the SPSHA Promoter Sale Notice Shares other than any conditions set out in these Articles or required to comply with the Applicable Law.** Following the receipt of the SPSHA Promoter Sale Notice, Reco Berry Private Limited may, within 15 (fifteen) days of receipt of the SPSHA Promoter Sale Notice by Reco Berry Private Limited, notify such SPSHA Promoter by way of written notice:

- (a) **that it shall:** ~~of its intention (“SPSHA Promoter Purchase Shares Notice”) to:~~ (i) purchase such number of the SPSHA Promoter Sale Notice Shares that can be acquired by Reco Berry Private Limited **either (i) without** triggering an obligation of Reco Berry Private Limited to trigger an Open Offer under **the Takeover Regulations or (ii) by availing an exemption from an Open Offer under Regulation 10 of** the Takeover Regulations (“SPSHA Promoter Purchase Shares”), following which the SPSHA Promoter Purchase Shares shall be purchased by Reco Berry Private Limited in accordance with the provisions of Article 71(C)(1) to Article 71(C)(7) and (ii) **upon issuance of a written notice by Reco Berry Private Limited or** extending the **SPSHA Promoters, purchase** ~~Put Option Period in respect of~~ the remaining Shares forming the SPSHA Promoter Sale Notice Shares (“Remaining Shares”), **within**

~~for~~ a period of 3 (three) months from the later of (i) the date on which Reco Berry Private Limited can acquire the Remaining Shares, and (ii) the date on which the SPSHA Promoters receive the approvals , if any, required by them to undertake the sale and purchase of the Remaining Shares to Reco Berry Private Limited (“Extension Period”) without triggering a requirement for Reco Berry Private Limited to make a Takeover Offer at the Extension. ~~For the avoidance of doubt, it is clarified that the Put Option Price (“SPSHA Promoter Purchase Shares Notice”).~~ Provided however that during such Extension Period, Reco Berry Private Limited and the SPSHA Promoters with respect to the Remaining Shares shall not acquire additional Shares of the Company in such manner as it would preclude Reco Berry Private Limited from acquiring the Remaining Shares. Reco Berry Private Limited and the SPSHA Promoter shall take such actions as necessary to effect the sale and purchase of the Offered Shares on the ROFR Completion Date, including (a) by obtaining such approvals as may be required by them respectively or making such public disclosure of information as are required to complete the sale and purchase as contemplated herein and (b) as far as the SHSPA Promoters are concerned, providing such information as may be requested by Reco Berry Private Limited to make any filings and comply with Applicable Law including details in relation to their respective bank and dematerialised accounts, and customary information or confirmations as may be required by the custodian of the Reco Berry Private Limited or information required to calculate the tax required

to be withheld, if any, from any payments to the SPSHA Promoters ~~be the Extension Price~~; or

(b) of its intention not to purchase any of the SPSHA Promoter Sale Notice Shares (“SPSHA Promoter Sale Notice Shares Rejection Notice”).

~~(9) Simultaneously with the issue of the SPSHA Promoter Purchase Shares Notice, the Call Option Period shall be extended solely in respect of the Remaining Shares for a period of 3 (three) months from the date on which Reco Berry Private Limited can acquire the Remaining Shares without triggering a requirement for Reco Berry Private Limited to make a Takeover Offer. For the avoidance of doubt, it is clarified that the Call Option Price with respect to the Remaining Shares shall include the Extension Price.~~

~~(10)~~(9) If Reco Berry Private Limited does not issue the SPSHA Promoter Sale Notice Shares Rejection Notice or does not respond to the SPSHA Promoter Sale Notice within the period of 15 (fifteen) days of the receipt of the SPSHA Promoter Sale Notice or does not acquire all or any of the SPSHA Promoter Sale Notice Shares as per the timelines set out in Article 71 (C) (8) in breach of these Articles, the relevant SPSHA Promoter shall have the right to sell the SPSHA Promoter Sale Notice Shares at price equal to or higher than the Offer Price set out in strictly in accordance with the terms of the SPSHA Promoter Sale Notice the SPSHA Promoter Sale Notice within a period of 180 (one hundred and eighty) days from the 15th day of the date of the SPSHA Promoter Sale Notice or the expiry of the timelines set out in Article 71(C) (8), failing which the relevant SPSHA Promoter shall only be entitled to sell the SPSHA Promoter Shares in accordance with the process set out in Article 71(C). Provided, however, in the event that Reco Berry Private

Limited fails to acquire the Remaining Shares as per the timelines set out in Article 71 (C) (8) (a), the SPSHA Promoters shall be entitled to sell the Remaining Shares at any price (and not merely the price set out in the SPSHA Promoter Sale Notice) and to any person (and not merely to the person, if any, identified in the SPSHA Promoter Sale Notice) within the aforementioned 180 (one hundred and eighty) day period.

(11)(10) Delisting of the Shares

If a delisting application made by Reco Berry Private Limited being approved by the Board in accordance with the provisions- of Regulation 8(1)(a) of the Delisting Regulations within 6 months of the date on which Reco Berry Private Limited acquired Shares from the SPSHA Promoters pursuant to exercise of a Put Option or a Call Option, as the case may be, as set out in this Article ~~71(C)(11)~~ following which the Shares of the Company are delisted in accordance with the provisions of the Delisting Regulations at a price (the “Delisting Price”), which is higher than (a) the Put Option Price, in case the purchase of the SPSHA Promoter Shares was in accordance with Article 71(A), and the Put Option Price was lower than the prevailing market price of the Shares on the Put Option Date; or (b) the Call Option Price, in case the purchase of the SPSHA Promoter Shares was in accordance with Article 71(B); then Reco Berry Private Limited shall pay the SPSHA Promoters an amount equivalent to the difference between the Delisting Price on the one hand, and the Put Option Price or the Call Option Price, as applicable, on the other hand per SPSHA Promoter Share acquired by Reco Berry Private Limited. Subject to receipt of all necessary applicable approvals from the relevant Governmental Authorities, payment required to be made by Reco Berry Private Limited pursuant to this ~~Article 71(C)(11)~~ shall be made within 5

(five) Business Days of the date on which payment is made to the public shareholders pursuant to the delisting offer. The payment of such amounts to the SPSHA Promoters shall be subject to Applicable Law and applicable taxes.

Articles 71 (D) – Transfer Restrictions

71 (D) (1) No Shares or any interest in the Shares, or any voting rights in relation to the Company, shall be acquired by the SPSHA Promoters either by themselves or through ‘persons acting in concert’ or deemed to be acting in concert with them, till such time as may be mutually agreed to between the SPSHA Promoters and Reco Berry Private Limited without the prior written consent of Reco Berry Private Limited.

(2) Reco Berry Private Limited shall at its sole discretion make commercially reasonable efforts to acquire the maximum number of shares it is permitted to acquire within creeping acquisition limits under the Takeover Regulations within a period of one year from April 28, 2015. Subject to the above, Reco Berry Private Limited or “persons acting in concert” or deemed to be acting in concert with it, shall have the right to acquire in one or more tranches, such number of Shares that does not exceed 2.5 % of the Share Capital during each of the following periods: (a) from the first anniversary after April 28, 2015 till the second anniversary after April 28, 2015; and (b) from the second anniversary from April 28, 2015 till the third anniversary after April 28, 2015. For the avoidance of doubt it is clarified that there are no other restrictions on Reco Berry Private Limited acquiring Shares at any time, save as provided in this Article 71(D)(2).

(3) Notwithstanding anything contained in these Articles, the SPSHA Promoters shall not directly or indirectly Transfer any of their Shares in

the Company, or any interest in such Shares, except in the manner set out in ~~these~~ Articles 71 (C) and 71 (D) and agreed to between the SPSHA Promoters and Reco Berry Private Limited and any purported Transfer or attempt to Transfer any Shares shall be null and void ab initio.

- (4) Notwithstanding anything contained in these Articles, the SPSHA Promoters shall not be entitled to create an Encumbrance on the SPSHA Promoter Shares, including as security for any loans or other financing facilities availed by the SPSHA Promoters, without the prior written consent of Reco Berry Private Limited. If the SPSHA Promoters wish to create an Encumbrance on any SPSHA Promoter Shares, the SPSHA Promoters shall enter into good faith discussions with Reco Berry Private Limited in this regard. Other than any Shares acquired in accordance with the provisions of Article 71(D)(5) and Article 78(A), the SPSHA Promoters shall not, directly or indirectly, acquire any Shares without the prior written consent of Reco Berry Private Limited.
- (5) The SPSHA Promoters may Transfer the SPSHA Promoter Shares under prior written intimation to Reco Berry Private Limited of at least 3(three) Business Days, to an Affiliate (together with the rights attached thereto) subject to (i) such transferee Affiliate executing and delivering a promoter's deed of adherence in a form mutually agreed to between the SPSHA Promoters and Reco Berry Private Limited, as a condition of such Transfer and; (ii) the SPSHA Promoters remains jointly and severally liable with such Affiliate transferee as mutually agreed with Reco Berry Private Limited. Provided that, if such Affiliate should subsequently cease to qualify as an Affiliate, then the SPSHA Promoters (including such Affiliate) shall procure that, prior to its ceasing to qualify as a Affiliate, such Affiliate Transfers the entire legal and beneficial interest and title in and to the SPSHA Promoter Shares held by such Affiliate to another

Person who is an Affiliate and complies with the provisions of Article 71(D)(5) in respect of such Transfer. Provided further, that no such deed of adherence shall be required for a Transfer of Shares amongst the SPSHA Promoters inter-se. It is further clarified that there shall be no restriction on the Transfer of Shares inter-se amongst the SPSHA Promoters.

- (6) The SPSHA Promoters and Reco Berry Private Limited agree that the Transfer restrictions in these Articles shall not be capable of being avoided by the holding of the Shares indirectly through a company or other entity that can itself be sold in order to dispose of an interest in Shares free of such restrictions.
- (7) Reco Berry Private Limited may Transfer the Shares under prior written intimation to the SPSHA Promoters of at least 3 (three) Business Days, to any Affiliate or Third Party (together with the rights attached thereto), subject to such transferee executing and delivering a deed of adherence as a condition of such Transfer.

The proposed amendments in draft form are uploaded on the Company's website, www.nirlonltd.com for perusal by Members, and are available for public inspection at Registered Office of the Company on any working day excluding public holidays and Sundays, between 11.00 a.m. to 1.00 p.m. up to Tuesday, June 12, 2018.

Other documents referred into this Notice are available for inspection by Members at the Registered Office of the Company on any working day excluding public holidays and Sundays, between 11.00 a.m. to 1.00 p.m. up to Tuesday, June 12, 2018.

In the above context, your Directors recommend the Resolution at Item No. 1 of this Notice for your approval through the Postal Ballot process, including e-voting, by way of a Special Resolution.

No Director, Key Managerial Personnel and their relatives are in any way concerned or interested in the Resolution at Item No. 1 of the Notice except to the extent of their shareholding and the rights and obligations of the Sagar Shareholders and Reco under the SPSHAs.

**By Order of the Board of Directors
For Nirlon Limited
sd/-**

**Jasmin K. Bhavsar
Company Secretary, Vice President (Legal) & Compliance Officer**

Mumbai, April 28, 2018

Registered Office:

Pahadi Village,
Off the Western Express Highway, Goregaon (East),
Mumbai-400 063.

CIN No: L17120MH1958PLC011045

E-mail id: info@nirlonltd.com

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