

Nirlon Limited

CIN:L17120MH1958PLC011045

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August 31, 2020

The Secretary,

BSE Limited,

P.J. Towers,

Dalal Street,

Mumbai- 400 001.

Security Code: 500307

Dear Sir,

Sub: Approval by the Board of Directors on proposed Related Party Transaction

Ref: Regulation 30 of the SEBI LODR, 2015

Members of the Company are aware that the Company has entered into a Management Services Agreement dated September 23, 2016 ("**MSA**") with Nirlon Management Services Pvt. Ltd., ("**NMSPL**").

In terms of the MSA, NMSPL has been providing project / property and other management services to the Company ("**Services**"). The MSA was approved by the Members of the Company at the 57th Annual General Meeting of the members of the Company held on September 20, 2016 and was entered into for a period of four (4) years expiring on September 30, 2020.

We wish to inform you that on August 31, 2020, the Audit Committee of the Board of Directors of the Company ("**Board**") approved and recommended to the Board, that the services of NMSPL should be continued for a further period of 3.5 years. Subsequently, on the same day, the Board at their meeting, subject to receipt of Members' approval at the 61st Annual General Meeting to be held on September 29, 2020, approved a proposal to enter into a new Management Services Agreement with NMSPL under which NMSPL will provide the Services to the Company for a period 3.5 years commencing from October 1, 2020.

In terms of the New Management Services Agreement, NMSPL will continue to provide the Services in relation to the properties owned by the Company on the

date of the New Management Services Agreement, including Nirlon Knowledge Park and Nirlon House. The terms and conditions of such new Management Services Agreement will be consonance with current industry rates and practices.

Mr. Kunal Sagar and Mr. Rahul Sagar, the promoters of the Company are Directors and Members of the Company and also members and directors of NMSPL. Further, Fortius Pte Limited, an affiliate of Reco Berry Pvt. Ltd., is also a shareholder of NMSPL. As such, NMSPL is a related party of the Company in terms of Section 2(76)(iv) of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has authorized Directors and Officers of the Company to finalize and execute the New Management Services Agreement, subject to approval of the Members of the Company at the 61st Annual General Meeting to be held on September 29, 2020. Further details of the terms and conditions of such new Management Services Agreement shall be provided in the e-Notice to the 61st Annual General Meeting to be held on September 29, 2020 which shall be sent to the Members of the Company in due course.

Please note that the Board meeting commenced at 5.00 p.m. and concluded at 5.20 p.m. on August 31, 2020.

The above is for your information and record.

Kindly acknowledge receipt of the letter.

Thanking you,

Yours faithfully,

For Nirlon Limited

Sd/-

Jasmin K. Bhavsar

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

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