ADVERTISEMENT IN ACCORDANCE WITH REGULATION 18(7) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED, ("SEBI (SAST) REGULATIONS") WITH RESPECT TO THE OPEN OFFER TO THE PUBLIC SHAREHOLDERS OF

NIRLON LIMITED

Registered Office: Pahadi Village, Off Western Express Highway, Goregaon (East), Mumbai 400 063.
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This advertisement ("**Offer Opening Public Announcement**") is being issued by HSBC Securities and Capital Markets (India) Private Limited and Kotak Mahindra Capital Company Limited, the managers to the Offer ("**Managers**") for and on behalf of Reco Berry Private Limited ("**Acquirer**"), in compliance with Regulation 18(7) of the SEBI (SAST) Regulations, 2011 and subsequent amendments thereto ("**SEBI (SAST) Regulations**") in respect of the open offer ("**Offer**") to acquire up to 25,600,000 equity shares of Nirlon Limited ("**Target Company**"). The Offer Opening Public Announcement is to be read together with the Public Announcement dated December 23, 2014 ("**PA**"), the Corrigendum to the Public Announcement dated December 30, 2014 ("**Corrigendum to the PA**"), the Detailed Public Statement that was published on December 31, 2014 ("**DPS**"), the Corrigendum to the Detailed Public Statement that was published on March 13, 2015 ("**Corrigendum to the DPS**"), and the Letter of Offer dated March 5, 2015 ("**LoF**"). The DPS and the Corrigendum to the DPS were published in all editions of The Financial Express and Jansatta, and the Mumbai edition of Navshakti.

Capitalized terms used herein but not specifically defined shall have the same meaning ascribed to such terms in the LoF.

Offer Price

The price being offered under this Open Offer is INR 222 per Equity Share ("**Offer Price**"). The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011, and subject to the terms and conditions mentioned in the PA, the Corrigendum to the PA, the DPS, the Corrigendum to the DPS and the LoF. There has been no revision to the Offer Price.

The Offer Price is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following parameters:

SL. No.	Details	INR
A	The highest negotiated price per Equity Share of the Target Company for any acquisition under an agreement attracting the obligation to make a public announcement of an open offer	INR 222
B	The volume weighted average price paid or payable per Equity Share for acquisitions by the Acquirer during the fifty two weeks immediately preceding the date of the PA	Not applicable
C	The highest price paid or payable per Equity Share for any acquisition by the Acquirer during the twenty six weeks immediately preceding the date of the PA	Not applicable
D	The volume weighted average market price per Equity Share for a period of sixty trading days immediately preceding the date of the PA as traded on the BSE Limited, being the stock exchange where the Equity Shares are listed and such shares are frequently traded	INR 177.75

(Source: Agreements, BSE)

Recommendation of the Committee of Independent Directors of Nirlon Limited

The recommendation of the committee of independent directors ("**IDC**") constituted by the Board of Directors of the Target Company was published on March 16, 2015 in the same newspapers that the DPS and the Corrigendum to the DPS were published in. Summary of the IDC's recommendation is provided below:

a)	Members of the Committee of Independent Directors	1. Mr. Moosa Raza, Chairman 2. Mrs. Aruna Makhan, Member
b)	Recommendation on the Open Offer, as to whether the offer, is fair and reasonable	The IDC believes that the Open Offer Price of Rs. 222/- per equity share is fair and reasonable.
c)	Summary of reasons for recommendation	IDC has taken into consideration the following while making this recommendation: 1) The Offer Price represents a premium of 12.8% to the closing price of the Equity Shares on the BSE (Rs 196.7) on 22 Dec 2014 i.e. one working day prior to the date on which the PA was issued on behalf of the Acquirer. 2) The Offer Price is at a premium of 24.9% to the volume weighted average market price of the Equity Shares on BSE for a period of 60 trading days immediately preceding the date of the PA. 3) The Offer price is also at a premium of 12.8% to the highest ever closing price of the Equity Shares (unadjusted) on the BSE up to the date of the PA (Rs 196.7 on 22 Dec 2014). 4) SBI Capital Markets Limited has provided an opinion to the IDC that the fair value of Equity Shares of the Target Company using multiple valuation approaches is Rs 197.43, and hence the offer price is at a 12.4% premium to the fair value as computed by the Independent Advisor. Based on the above, IDC is of the opinion that the Offer Price to the public shareholders of the Target Company is fair and reasonable. However, shareholders should independently evaluate the offer and take an informed decision.
d)	Details of Independent Advisors, if any	SBI Capital Market Limited, 202, Maker Tower "E", Cuffe Parade, Mumbai 400 005, India.

Other details of the Offer

1. The Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
2. No competing offer has been made.
3. The LoF was dispatched to the Public Shareholders of the Target Company, holding Equity Shares in physical and / or dematerialized form as on the Identified Date (March 3, 2015), on March 9, 2015.
4. Public Shareholders are required to refer to Section VII of the LoF (Procedure for Acceptance and Settlement of the Offer) in relation to *inter alia* the procedure for tendering their Equity Shares in the Open Offer and are required to adhere to and follow the procedure outlined therein.
5. Please note that the LoF along with the Form of Acceptance-cum-Acknowledgement is also available on the website of the Securities and Exchange Board of India ("SEBI") at http://www.sebi.gov.in/ and Public Shareholders can also apply by downloading such forms from SEBI's website. Public Shareholders can also obtain the LoF and the Form of Acceptance-cum-Acknowledgement from Karvy Computershare Private Limited (the "**Registrar to the Offer**")
6. Further, the Public Shareholders may also participate in the Offer by submitting an application on plain paper along with the following details:
   a. In case of Public Shareholders holding Equity Shares in physical form:
   (i) Name(s), addresses and signature of the holder(s)
   (ii) Number of Equity Shares being tendered, distinctive number and folio numbers of such Equity Shares
   (iii) Original share certificates
   (iv) Valid transfer forms duly signed by the transferors by all registered Public Shareholders in same order and as per the specimen signatures registered with and duly witnessed at the appropriate place
   (v) A copy of the PAN card, power of attorney, corporate authorization (including board resolution / specimen signature) and no objection certificate / tax clearance certificate from income tax authorities, as applicable

   Please note that in case the aforesaid documents have not been tendered but the original share certificates and valid transfer forms, duly signed, have been tendered, the Equity Shares shall be deemed to have been accepted for all resident Public Shareholders

   b. In case of Public Shareholders holding Equity Shares in dematerialized form:
   (i) Name(s), addresses and signature of the holder(s)
   (ii) Number of Equity Shares being tendered, distinctive number and folio numbers of such Equity Shares
   (iii) A photocopy of the delivery instruction slip in "off-market" mode or counterfoil of the delivery instruction slip in "off-market" mode, duly acknowledged by the relevant DP
   (iv) The Public Shareholders having their beneficiary account in CDSL must use an inter-depository delivery instruction for the purpose of crediting their Equity Shares in favour of the escrow depository account with NSDL. The ISIN number allotted to Equity Shares of Nirlon is INE910A01012. The Public Shareholders who have sent their physical Equity Shares for dematerialization need to ensure that the dematerialization process is completed in sufficient time to ensure that the credit in the Open Offer Escrow Demat Account is received on or before closure of the Offer.
   (v) A copy of the PAN card, power of attorney, corporate authorization (including board resolution / specimen signature) and no objection certificate / tax clearance certificate from income tax authorities, as applicable

   Please note that in case the aforesaid documents have not been tendered but the Equity Shares have been transferred to the Open Offer Escrow Demat Account, the Equity Shares shall be deemed to have been accepted for all resident Public Shareholders.

   For the purpose of the Offer, the Registrar to the Offer has opened an escrow demat account in the name and style of **KCPL ESCROW ACCOUNT-NIRLON LIMITED-OPEN OFFER** ("**Open Offer Escrow Demat Account**") with Karvy Stock Broking Limited as the Depository Participant in NSDL. The DP ID is **IN300394** and the Client ID is **19008494.**
7. The Equity Shares, share certificates, share transfer deed, Form of Acceptance-cum-Acknowledgement and/or other relevant documents **should not be sent** to the Acquirer, the Target Company or the Managers.
8. The Public Shareholders who qualify and who wish to participate in this Offer will have to deliver the relevant documents as mentioned above and such other documents as specified in the LoF at the Registrar to the Offer's office or at the following collection centres between 10.00 a.m. and 4.00 p.m. on any Working Day during the Tendering Period, provided it is not a Saturday or a Sunday.

SL. No.	Collection Centre	Address of Collection Centre	Contact person	Phone No. / Fax No. and Email Id	Mode of delivery
1.	Mumbai	Karvy Computershare Pvt Ltd, 24-B, Rajabahudur Mansion, Gr Floor, 6 Ambalal Doshi Marg, Behind BSE Ltd, Fort, Mumbai-400001	Ms.Nutan Shirke	Phone: 022-66235454/66235412/27 Fax: 022-66331135 Email: ircfort@karvy.com/ nutan.shirke@karvy.com	Hand Delivery
2.	New Delhi	Karvy Computershare Pvt Ltd, 305, New Delhi House, 27, Barakhamba Road, Connaught Place, New Delhi - 110 001	Mr. Rakesh Kr Jamwal / Mr. Vinod Singh Negi / Mr.John Mathew	Phone: 011-43681700 / 1798 Fax: 011-41036370 Email: rakesh.jamwal@karvy.com/ john.mathew@karvy.com, Vinod.negi@karvy.com	Hand Delivery
3.	Ahmedabad	Karvy Computershare Pvt Ltd, 201-203, Shail, Opp: Madhusudhan House, Behind Girish Cold Drinks, Off C G Road Ahmedabad – 380006	Mr. Aditya Gupta/ Ms.Jagruthi	Phone: 079- 26400527 / 65150009 Fax: NA Email: ahmedabad@karvy.com	Hand Delivery
4.	Chennai	Karvy Computershare Pvt Ltd, No.F11 First Floor , Akshya Plaza , New no.108, Adhithanar Salai, Egmore, Chennai - 600 002 (Landmark: Opp. Metropolitan court)	Mr. Karthikeyan/ Mr. Ramakrishna	Phone: 044-28587781 / 42028513 Fax: NA Email: chennaiirc@karvy.com	Hand Delivery
5.	Hyderabad	Karvy Computershare Pvt Ltd, Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad – 500081	Mr. Bhakta Singh	Phone: 040-44655000/ 23420818-23 Fax: 040-23431551 Email: ircmadhapur@karvy.com	Hand Delivery/ Registered Post
6.	Kolkata	Karvy Computershare Pvt Ltd, 49, Jatin Das Road, Nr.Deshpriya Park, Kolkatta - 700 029	Mr. Sujit Kundu / Mr. Debnath	Phone: 033- 6619 2841 / 42 Fax: 033-24644866 Email: sujit.kundu@karvy.com /	Hand Delivery
7.	Bengaluru	Karvy Computershare Pvt Ltd, No.59, Skanda, Putana Road, Basavanagudi Bengaluru - 560 004	Mr. S K Sharma/ Mr. Mahadev	Phone: 080- 26621192 / 26606125 / 67453244 Fax: 080-26621169 Email: ircbangalore@karvy.com	Hand Delivery

9. In terms of Regulation 16(1) of the SEBI (SAST) Regulations, 2011, the Draft Letter of Offer was submitted to SEBI on January 7, 2015. SEBI vide its letter bearing reference number CFD/DCR/OW/RK/6352/2015, dated February 27, 2015 issued its comments on the Draft Letter of Offer in terms of Regulation 16(4) of SEBI (SAST) Regulations, 2011. These comments have been incorporated in the LoF and the Corrigendum to the DPS.
10. There have been no material changes in relation to the Open Offer since the date of the PA, save as otherwise disclosed in the Corrigendum to the PA, the DPS, the Draft Letter of Offer, the Corrigendum to the DPS, and the LoF.
11. To the best of the knowledge of the Acquirer, there are no statutory or other approvals required to complete the acquisition of the Offer Shares as on the date of the LoF, except as set out below. If, however, any other statutory or other approval becomes applicable prior to completion of the Offer, the Offer would also be subject to such other statutory or other approval(s).
12. The acquisition of Offer Shares from NRIs and erstwhile OCBs is subject to approval or exemption from the RBI. The Acquirer had submitted an application to the RBI dated 4 February, 2015, seeking its approval for the acquisition of the Offer Shares from NRIs and OCBs, as may be required, under the Foreign Exchange Management Act, 1999 and the regulations made thereunder. The RBI vide its letter dated 24 February, 2015, inter-alia conveyed its 'no-objection' in respect of acquisition of Equity Shares under the Offer from the i) Identified NRIs, subject to the condition that the sale proceeds of the Offer Shares held by NRIs on non-repatriable basis may be credited to the NRO account of the respective NRI and the transaction is reported in form FC-TRS and ii) up to 450 Equity Shares from the erstwhile OCB, M/s Indo Mauritian Investment Corp. Ltd. The RBI has further directed that if any shares are tendered by M/s Millenium Ltd., erstwhile OCB, the shareholder may be advised to approach the OCB Desk, Foreign Investment Division, Foreign Exchange Department, Reserve Bank of India, Central Office, Mumbai, for specific prior approval for acquisition of the shares by the Acquirer. Notwithstanding the RBI approval received by the Acquirer for the Identified NRIs, any other NRI shareholder may also choose to apply for all requisite approvals required to tender their respective Offer Shares and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer. Where any statutory approval or exemption extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals or exemptions are required in order to complete this Offer.
13. The acquisition of 6,500,161 equity shares of the Target Company by the Acquirer from the resident Indian sellers (as set out in the LoF) is subject to the receipt of an approval in writing from the RBI on terms reasonably satisfactory to the Acquirer and the relevant sellers. An application in this regard has been submitted to the RBI on behalf of the Acquirer on 12 February 2015. The approval from the RBI is currently awaited.

Revised Schedule of Activities

Activity	Schedule of activities as per the DLoF	Revised schedule of activities
	Date & Day	
Date of the Public Announcement	December 23, 2014, Tuesday	December 23, 2014, Tuesday
Date of publication of the Detailed Public Statement	December 31, 2014, Wednesday	December 31, 2014, Wednesday
Last date for a competing offer(s)	January 21, 2015, Wednesday	January 21, 2015, Wednesday
Identified Date* (as defined below)	February 02, 2015, Monday	March 03, 2015, Tuesday
Date by which the Letter of Offer is to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date	February 09, 2015, Monday	March 11, 2015, Wednesday
Date of publication of Offer Opening Public Announcement in the newspapers in which the Detailed Public Statement has been published	February 13, 2015, Friday	March 17, 2015, Tuesday
Date of commencement of the Tendering Period (Offer Opening Date)	**February 16, 2015, Monday**	**March 18, 2015, Wednesday**
Date of closure of the Tendering Period (Offer Closing Date)	**March 3, 2015, Tuesday**	**March 31, 2015, Tuesday**
Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the shareholders of the Target Company	March 18, 2015, Wednesday	April 17, 2015, Friday
Last date for publication of post-Offer public announcement in the newspapers in which the Detailed Public Statement has been published	March 25, 2015, Wednesday	April 24, 2015, Friday

**The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the LoF would be posted. It is clarified that, subject to paragraph 2 under Part VI section B of the LoF, all the Public Shareholders (registered or unregistered) of the Target Company are eligible to participate in the Offer at any time prior to the expiry of the Tendering Period.*

The Acquirer and its directors (as applicable) accept full responsibility for the information contained in this Offer Opening Public Announcement. The Acquirer and its directors (as applicable) accept full responsibility for their obligations under the Offer and shall be jointly and severally liable for ensuring compliance with the SEBI (SAST) Regulations.

A copy of this Offer Opening Public Announcement is expected to be available on the website of SEBI http://www.sebi.gov.in/

Issued by: the Managers on behalf of the Acquirer

HSBC

HSBC Securities and Capital Markets (India) Private Limited
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Corporate Identity Number: U67120MH1995PLC134050
Contact Person: Mr. Ganesh Rane, Email: Project.Nlopenoffer@kotak.com

Place: Mumbai
Date: March 17, 2015