

**NIRLON LIMITED**

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CIN: L17120 MH1958PLC011045



August 13, 2019

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

**Security Code: 500307**

**Dear Sir,**

**Sub:** Outcome of the Board meeting held on August 13, 2019

**Ref:** Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby inform you that inter alia; the Board of Directors of the Company at their meeting held on August 13, 2019 considered results presentation for the 1<sup>st</sup> Quarter of F.Y. 2019 – 20 with disclaimers, are attached herewith.

The said information with details will also be made available on the website of the Company “www.nirlonltd.com”.

We request you to take the same on record.

Thanking you,  
Yours faithfully,  
**For Nirlon Ltd.,**



Jasmin K. Bhavsar

**Company Secretary, Vice President (Legal) & Compliance Officer**

**Encl: a/a**







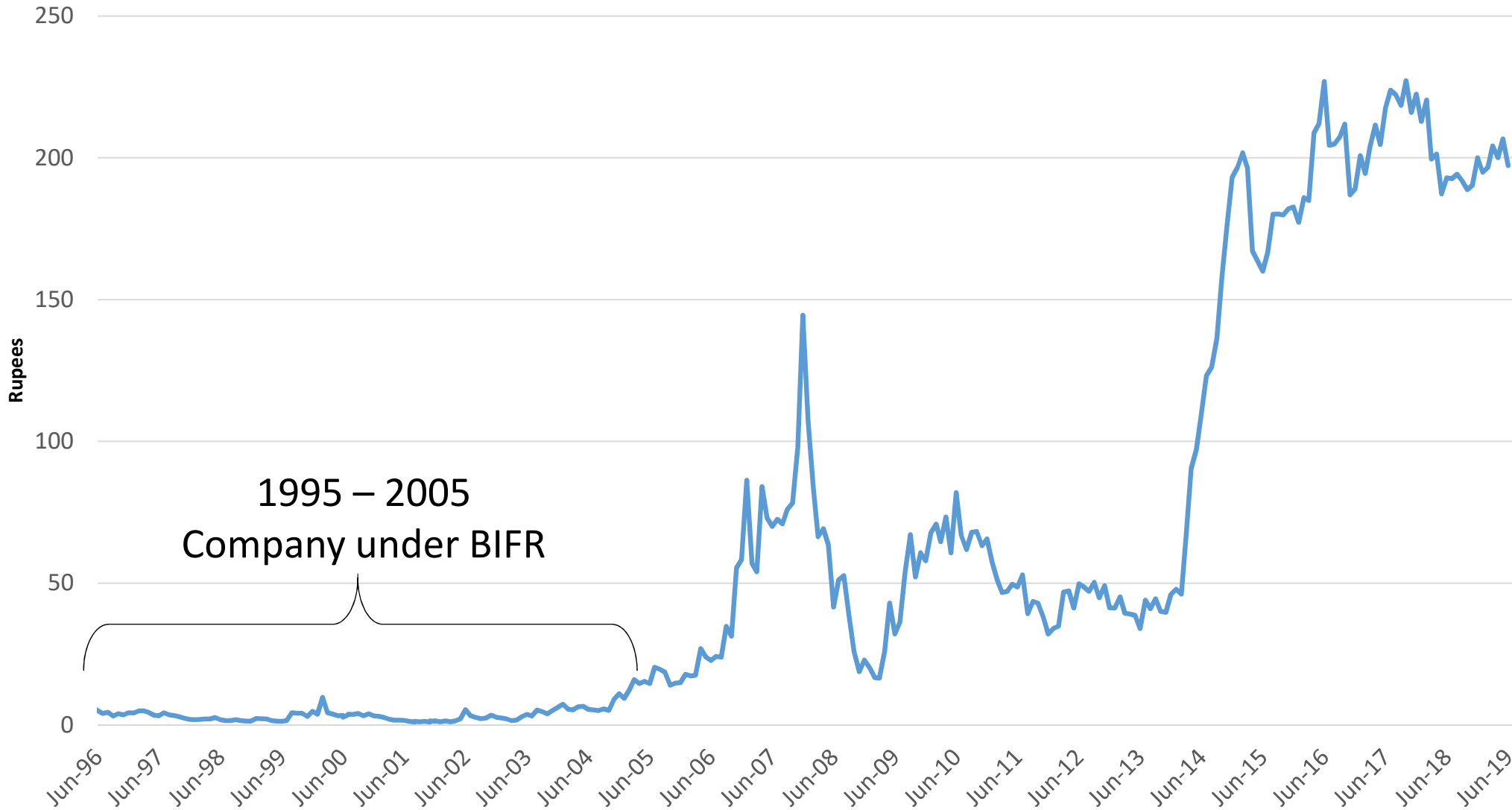


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- Nirlon Ltd (“Nirlon”) was incorporated in 1958
- Nirlon was a pioneer in the manufacture of synthetic yarns and industrial rubber products. Considered blue chip company, it was listed on the BSE in 1976
- During 1988 to 2006, Nirlon successfully underwent bankruptcy restructuring, resulting in phasing out of manufacturing
- Nirlon commenced development of Nirlon Knowledge Park (“NKP”), an IT Park, at Goregaon, Mumbai in 2006
- By 2015, Nirlon successfully developed and licensed approx. 1.9 mn. sq.ft. across four phases (phase I - IV) in NKP
- An additional approx. 1.1 mn. sq.ft. is under development as phase V in NKP
- Reco Berry Pvt. Ltd., an affiliate of GIC Singapore, became the majority shareholder in 2015 vide an open offer

# Nirlon Ltd. : Share Price History



Source : [www.bseindia.com](http://www.bseindia.com)

# Nirlon Knowledge Park (NKP), Goregaon



NKP Details	Constructed Area (mn. sq.ft.)	Chargeable Area (mn. sq.ft.)	Completed in
Phase I	1.29	0.77	October 2009
Phase II	0.38	0.31	June 2010
Phase III	0.55	0.40	September 2013
Phase IV	0.76	0.40	March 2015
Other Areas	0.01	0.02	
<b>SUB TOTAL (Operational Area)</b>	<b>2.99</b>	<b>1.90</b>	
Phase V	Approx. 1.78	Approx. 1.16	Ongoing development
<b>TOTAL AREA</b>	<b>4.77</b>	<b>3.06</b>	

- NKP is eligible for approx. 3.34 mn. sq.ft. FSI (including fungible) but will presently consume approx. 2.75 mn. sq.ft. including Phase V, leaving a surplus eligible FSI of approx. 0.6 mn. sq.ft. (Equivalent to chargeable area approx. 0.7 mn. sq.ft., subject to payment of premiums).
- In addition to NKP, the Company also owns 75% share (co-owned with another party) in 0.05 mn. sq.ft. (out of a total of 0.08 mn. sq.ft) at Nirlon House, Worli, the erstwhile corporate office. Of this, approx. 1,600 sq.ft. is self-occupied.

# Financial Updates – Summarized P&L Account



SUMMARIZED RESULTS AS PER IND-AS	Q1FY20	Q4FY19	Q1FY19	Q1FY20 vs Q4FY19 (%)	Q1FY20 vs Q1FY19 (%)	FY19
Leasable Office Space	1.90	1.90	1.90			
Support services	0.04	0.04	0.03			
<b>Total Leasable Area - Mn. Sq.Ft. #</b>	<b>1.94</b>	<b>1.94</b>	<b>1.93</b>			
Occupancy (%)	99.7%	99.5%	99.2%			
	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>			<b>Rs. Mn.</b>
License Fees *	662	632	618	5%	7%	2,556
Other Revenue	95	140	104	-32%	-9%	444
<b>TOTAL REVENUE</b>	<b>756</b>	<b>772</b>	<b>722</b>	<b>-2%</b>	<b>5%</b>	<b>3,000</b>
<b>EBITDA</b>	<b>587</b>	<b>549</b>	<b>550</b>	<b>7%</b>	<b>7%</b>	<b>2,274</b>
<b>PBT</b>	<b>358</b>	<b>226</b>	<b>234</b>	<b>59%</b>	<b>53%</b>	<b>988</b>
<b>PAT</b>	<b>256</b>	<b>148</b>	<b>150</b>	<b>73%</b>	<b>71%</b>	<b>637</b>
EPS (Rs.)	2.77	1.64	1.66			7.07

# - Includes 75% share in 0.05 mn.sq.ft. (out of a total of 0.08 mn.sq.ft) area at Nirlon House co-owned with another party.

\* - Considers the Company's share (75%) of license fees from space at Nirlon House co-owned with the other party.

The above numbers are as per Ind-AS. 'Previous quarters numbers have been regrouped wherever necessary.

**During the quarter, pursuant to the amendment in Ind AS-23 "Borrowing Costs", the Company has considered the specific borrowings obtained for completed phases as a part of general borrowings. Accordingly, the finance cost amounting to Rs 80.90 mn. related to such borrowings has been capitalised as a part of Capital Work in Progress. This has resulted in increase in the Earnings per Share (Basic & Diluted) for the current quarter ended on June 30, 2019 by Rs 0.58 (not annualised).**

For further details, please refer to the various intimations made to the Stock Exchange.

# Financial Updates – Summarized Balance Sheet



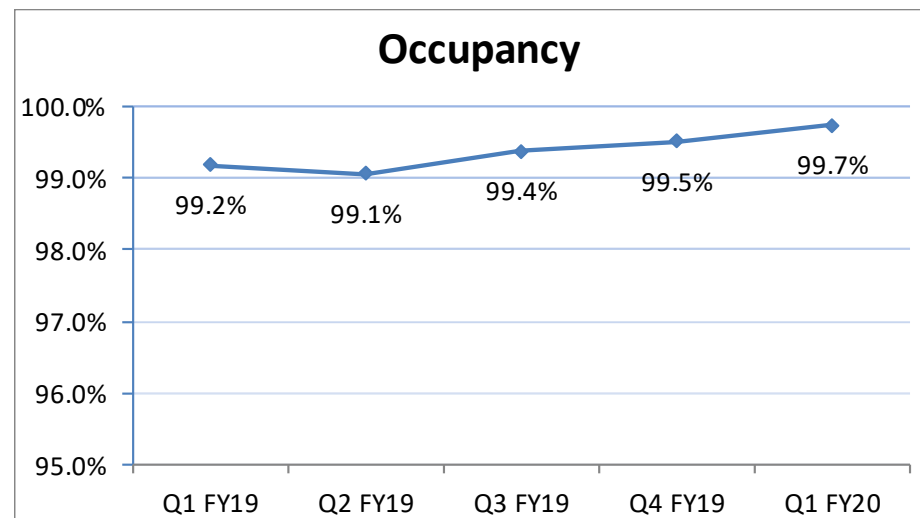
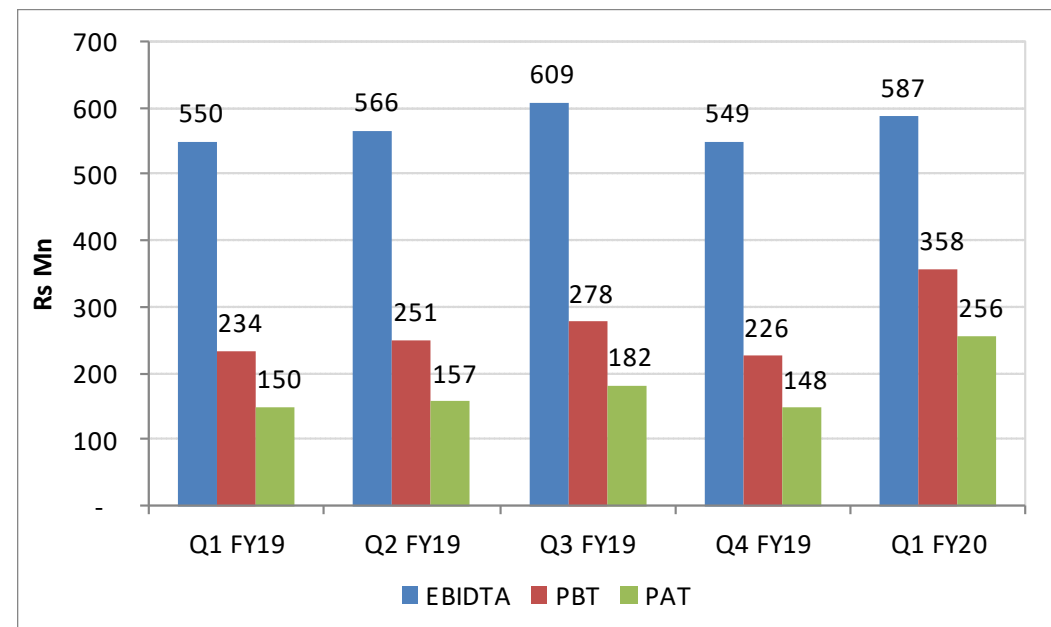
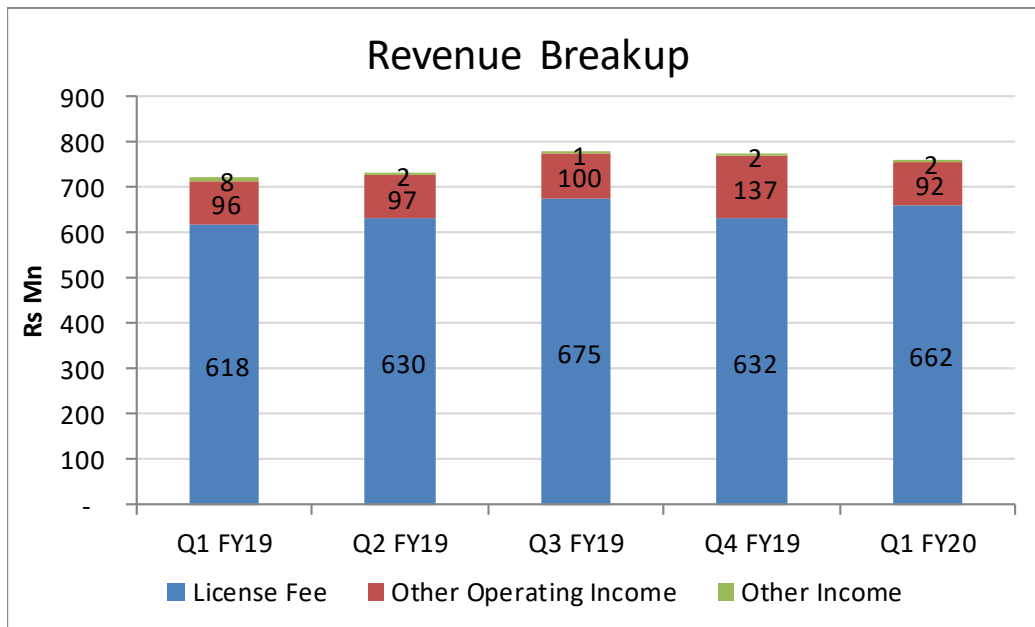
UNAUDITED ABRIDGED IND-AS BALANCE SHEET AS ON	30-Jun-19	31-Mar-19
	Rs. Mn.	Rs. Mn.
Capital Work in Progress	6,143	5,593
Other Non-current Assets	8,548	8,749
Current Assets	225	230
<b>TOTAL</b>	<b>14,917</b>	<b>14,572</b>
Equity	3,781	3,525
Net Borrowings	8,784	8,534
Other Non-current liabilities	1,061	1,575
Other Current liabilities	1,291	939
<b>TOTAL</b>	<b>14,917</b>	<b>14,572</b>

The above numbers are as per IND-AS.

Previous year's numbers have been regrouped wherever necessary.



# Summary of Financial Performance



# Debt Summary (as on 30 June 19)



Particulars	Debt o/s (Rs. Mn.)
Operational Areas	5,809
Phase V	2,990
<b>TOTAL OUTSTANDING</b>	<b>8,799</b>
Balance undrawn limit for Phase V	3,300

- The entire debt is borrowed from HDFC Ltd. and is secured by a mortgage on NKP.
- Interest is being serviced for the entire loan on a monthly basis.
- At present, the company enjoys a principal repayment moratorium on the entire debt till FY 22-23 or till Phase V completion, post which the entire debt is proposed to be converted into an EMI repayment. Historically, HDFC loans to the company have had a repayment tenure of 108 to 120 months.
- The weighted average gross cost of debt is 10.15% p.a. (floating rate).
- The above numbers are as per Indian GAAP.

# Quarterly Updates



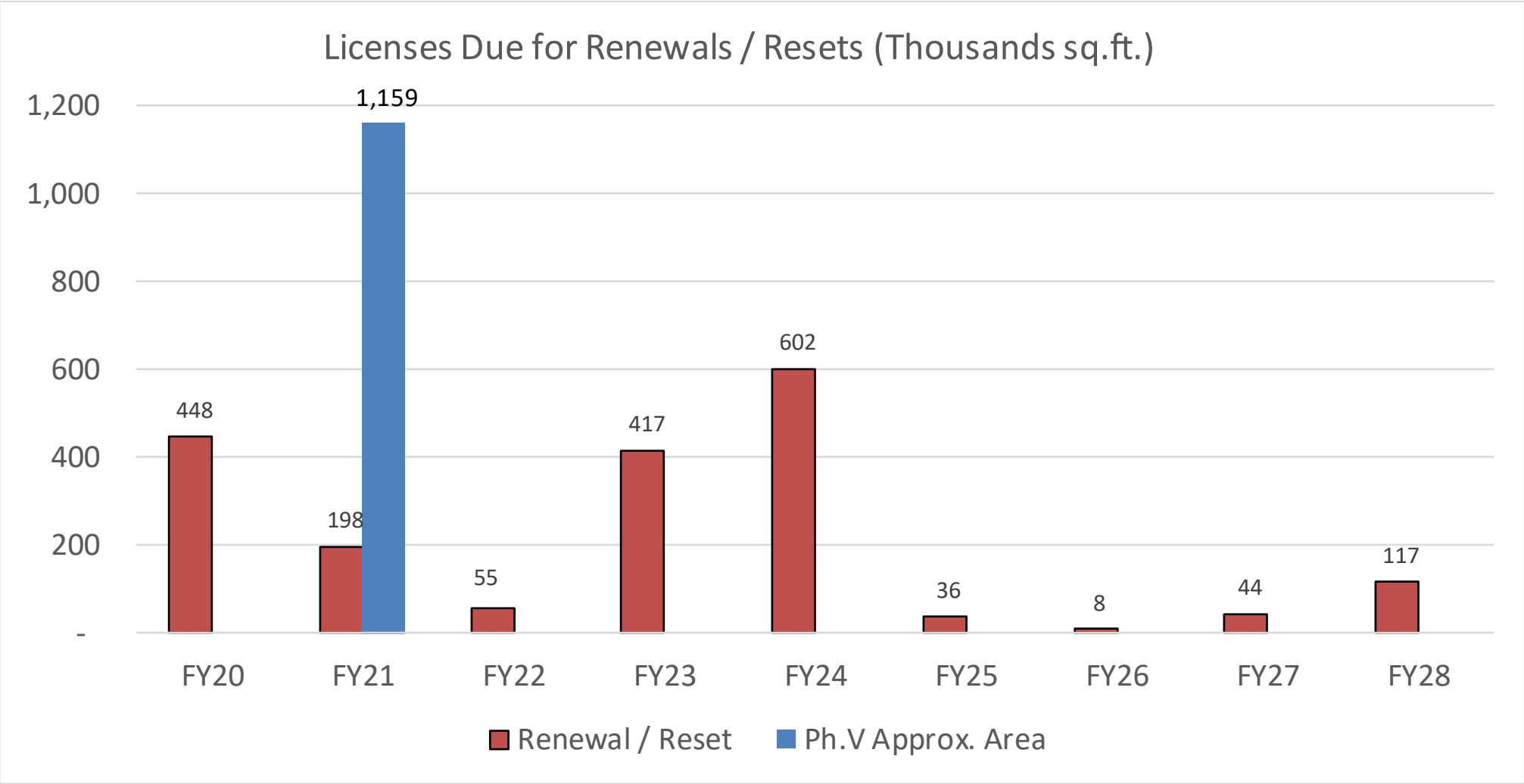
## Marketing Updates

- The company has signed an LOI to license approx. 130,000 sq.ft. in Phase I of NKP.

## Other Corporate Action

- Board has recommended a dividend of 7.5% for the year 2018-19, subject to approval in the AGM proposed to be held on 3<sup>rd</sup> September 2019.

# License Renewals Schedule



- Assumes all licenses continue for the anticipated tenure of their License and only NL's share considered for co-owned space at Nirlon House.



# Indicative list of NKP Licensees



Morgan Stanley



Starbucks



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# Proposed Phase V – Indicative Facade





# Construction Updates – Phase V



Building Configuration	B9 - 3 Basements + Ground Floor + 23 Floors B10 - 3 Basements + Ground Floor + 9 Floors B11 - 3 Basements + Ground Floor + 7 Parking + Terrace Cafe (Multi Level Car Parking)
Number of Car Parks	Approx. 1,150+
Building height (above Ground Level)	B9 – 105.9m, B10 - 45m, B11 - 35.7m
Type	IT / ITES
Work Completion (%)	68% (As on 30 <sup>th</sup> June 2019)
Scheduled Completion	Stage I – Approx. 0.73 Mn. sq.ft. chargeable area by April 2020 Stage II – Approx. 0.43 Mn. sq.ft. chargeable area by Oct 2020

# Financial Summary – Phase V



Budgeted Cost (including Interest)	Rs. 11,983 mn.
Proposed to be funded by:	
Internal Accruals	Rs. 5,783 mn.
Debt	Rs. 5,850 mn.
Deposits	Rs. 350 mn.

<b>PHASE V - COST SUMMARY (Rs. Mn.)</b>	<b>Budgeted</b>	<b>Committed</b>	<b>Incurred / Certified</b>
Civil	3,025	3,007	2,514
MEP	1,902	1,519	345
Common Area Interiors	419	344	-
Landscape	209	16	9
Façade	1,001	792	90
FSI Premiums	1,856	1,279	1,279
Finance Cost / Interest	1,102	289	289
Soft services and Others	2,470	2,110	1,813
<b>TOTAL</b>	<b>11,983</b>	<b>9,357</b>	<b>6,339</b>

The above numbers are as per Indian GAAP.



# Phase V - Construction Progress



**NKP Phase V as on 30<sup>th</sup> March 2019**



**NKP Phase V as on 30<sup>th</sup> June 2019**



# Construction Updates (June 2019)

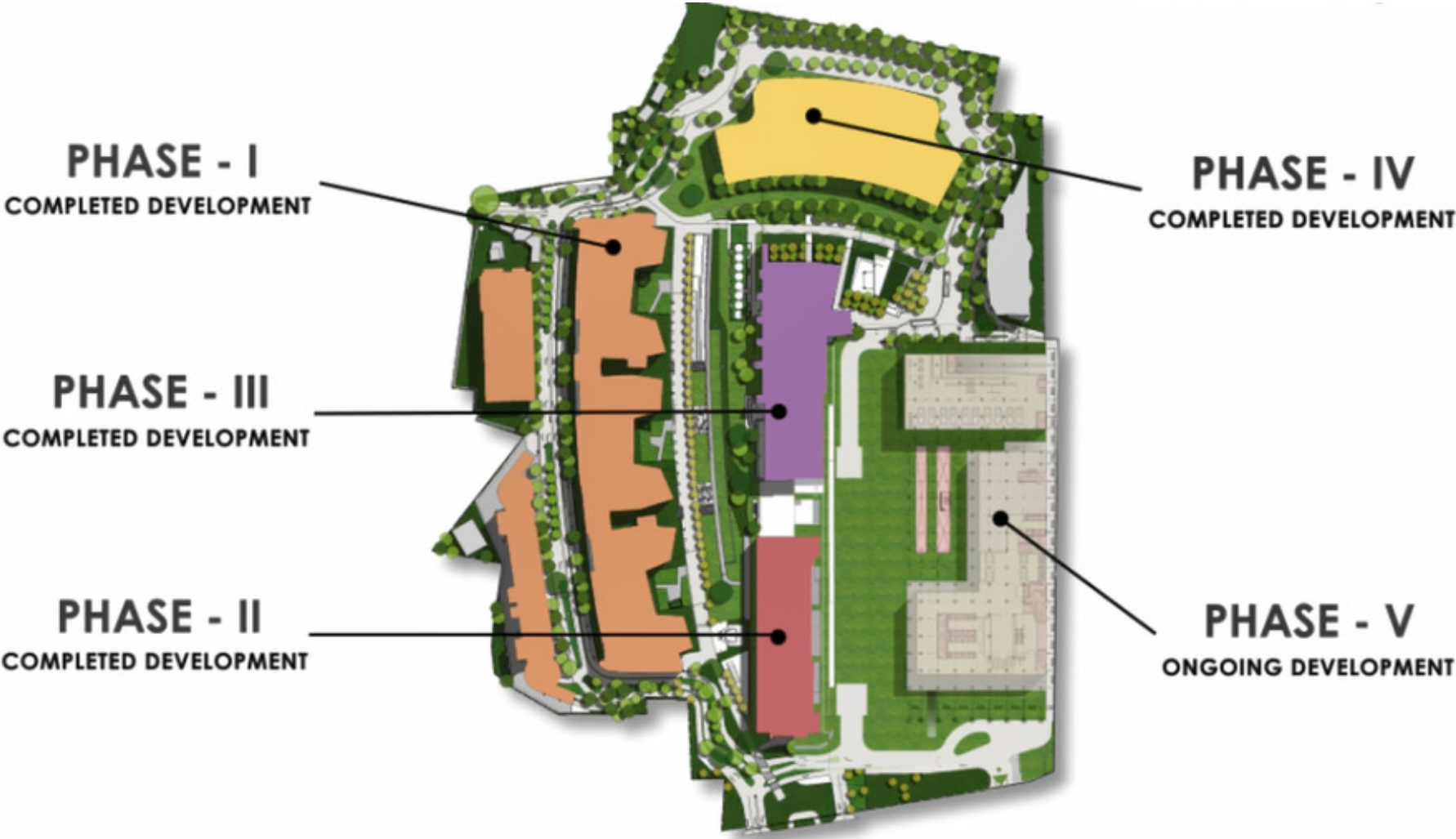




# Construction Updates (June 2019)

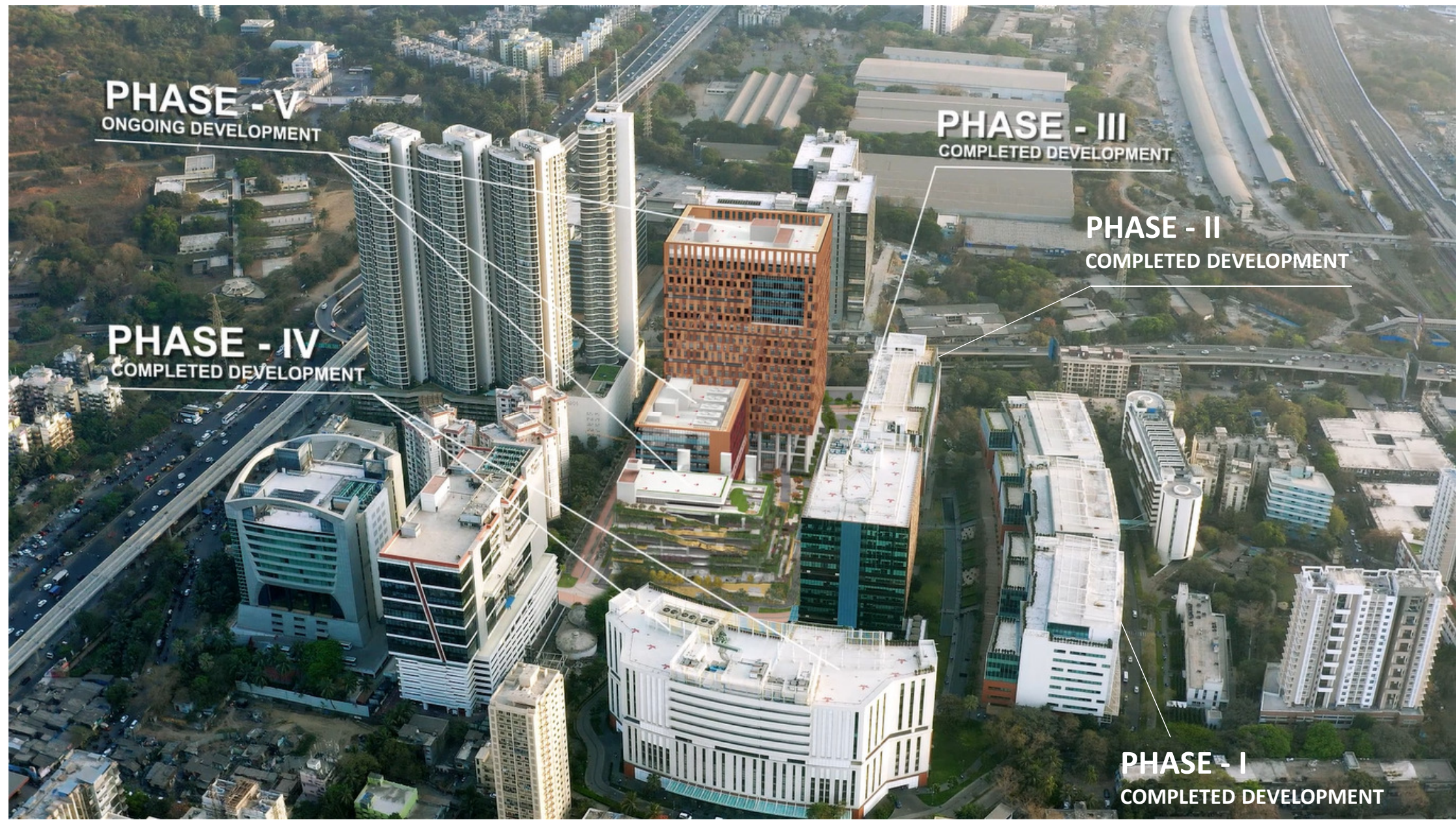


# NKP Master Plan



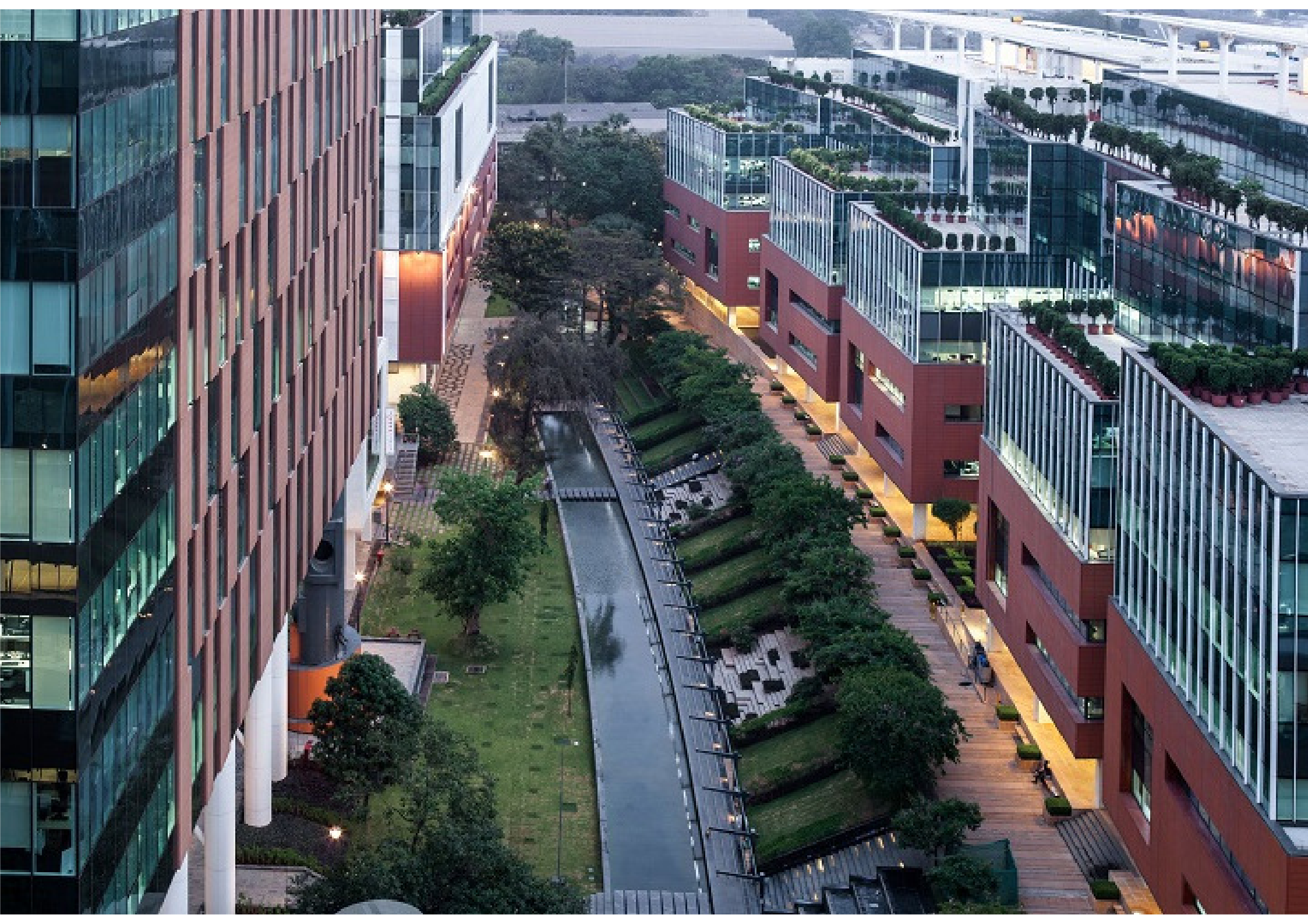


# NKP Master Plan













# Disclaimer



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# Thank You

*For further Information, please contact:*

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**Nirlon Limited**

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