

**NIRLON LIMITED**

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CIN: L17120 MH1958PLC011045



**August 14, 2020**

**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 14, 2020: **Investor Relations financial Results Presentation**

**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 14, 2020 have considered results presentation for the 1<sup>st</sup> Quarter of the F.Y. 2020 – 2021 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**

**FCS4178**

**Encl: a/a**





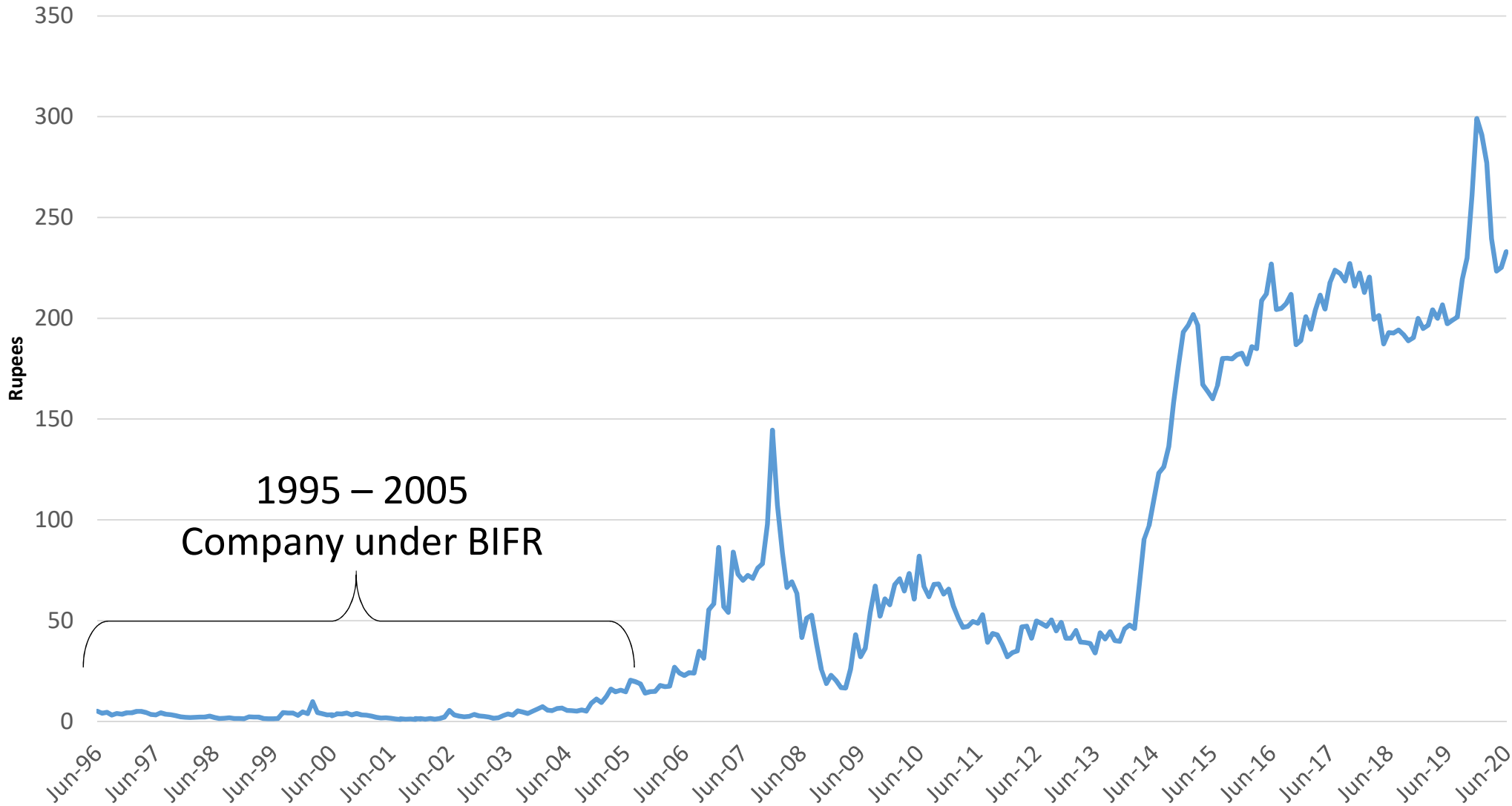


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- Nirlon Ltd (“Nirlon”) was incorporated in 1958
- Nirlon was a pioneer in the manufacture of synthetic yarns and industrial rubber products. Considered a blue chip company, it was listed on the BSE in 1976
- From 1988 to 2006, Nirlon successfully 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 will consume approx. 2.75 mn. sq.ft. of FSI including Phase V. Basis DCPR 2034 of Mumbai, it is eligible for a higher FSI, 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	Q1FY21	Q4FY20	Q1FY20	Q1FY21 vs Q4FY20 (%)	Q1FY21 vs Q1FY20 (%)	FY20
Licensable Office Space	1.90	1.90	1.90			
Support services	0.04	0.04	0.04			
<b>Total Licensable Area - Mn. Sq.Ft. #</b>	<b>1.94</b>	<b>1.94</b>	<b>1.94</b>			
Occupancy (%)	99.6%	99.6%	99.7%			
	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>			
License Fees *	700	693	662	1%	6%	2,665
Other Revenue	102	132	95	-23%	7%	445
<b>TOTAL REVENUE</b>	<b>802</b>	<b>825</b>	<b>756</b>	<b>-3%</b>	<b>6%</b>	<b>3,110</b>
<b>EBITDA</b>	<b>607</b>	<b>594</b>	<b>587</b>	<b>2%</b>	<b>3%</b>	<b>2,319</b>
<b>PBT</b>	<b>453</b>	<b>408</b>	<b>358</b>	<b>11%</b>	<b>27%</b>	<b>1,465</b>
<b>PAT</b>	<b>325</b>	<b>294</b>	<b>256</b>	<b>11%</b>	<b>27%</b>	<b>1,095</b>
EPS (Rs.)	3.60	3.26	2.85			12.15

# - 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 financial year, 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 127 mn. related to such borrowings has been capitalised as a part of Capital Work in Progress in Q1FY21 (Rs.127 mn. YTD). This has resulted in increase in the Earnings per Share (Basic & Diluted) for the current quarter by Rs 1.40 (not annualised).**

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

# Financial Updates – Summarized Balance Sheet

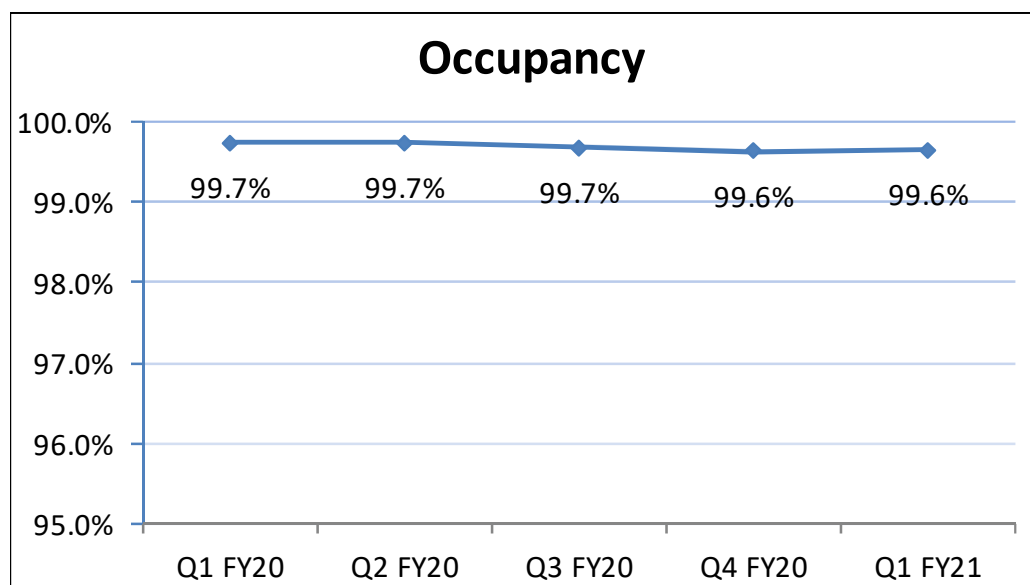
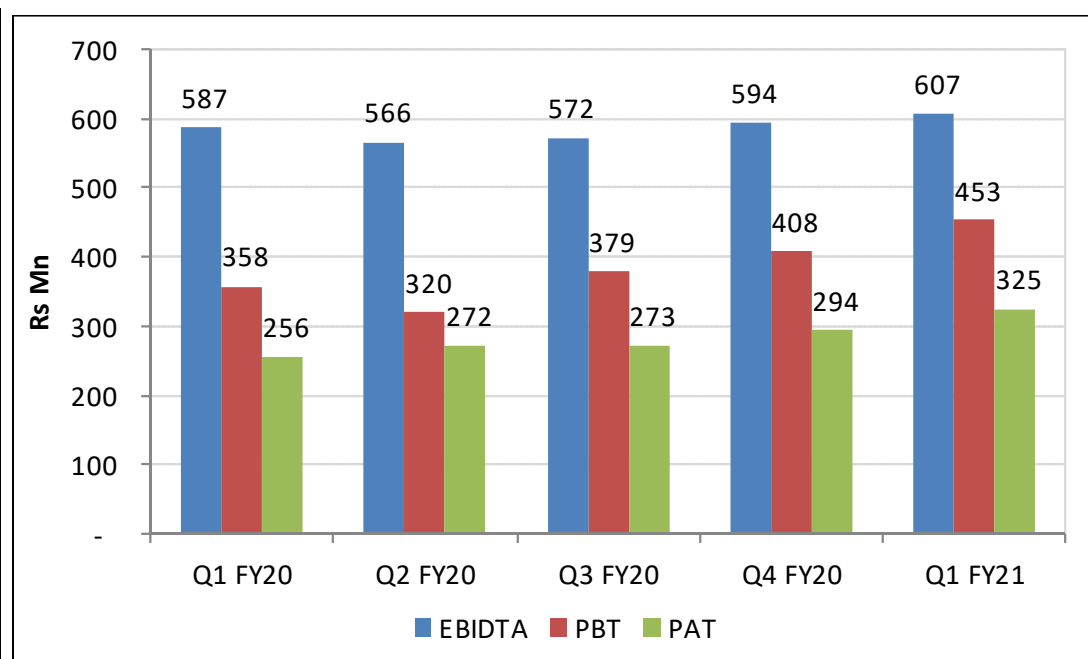
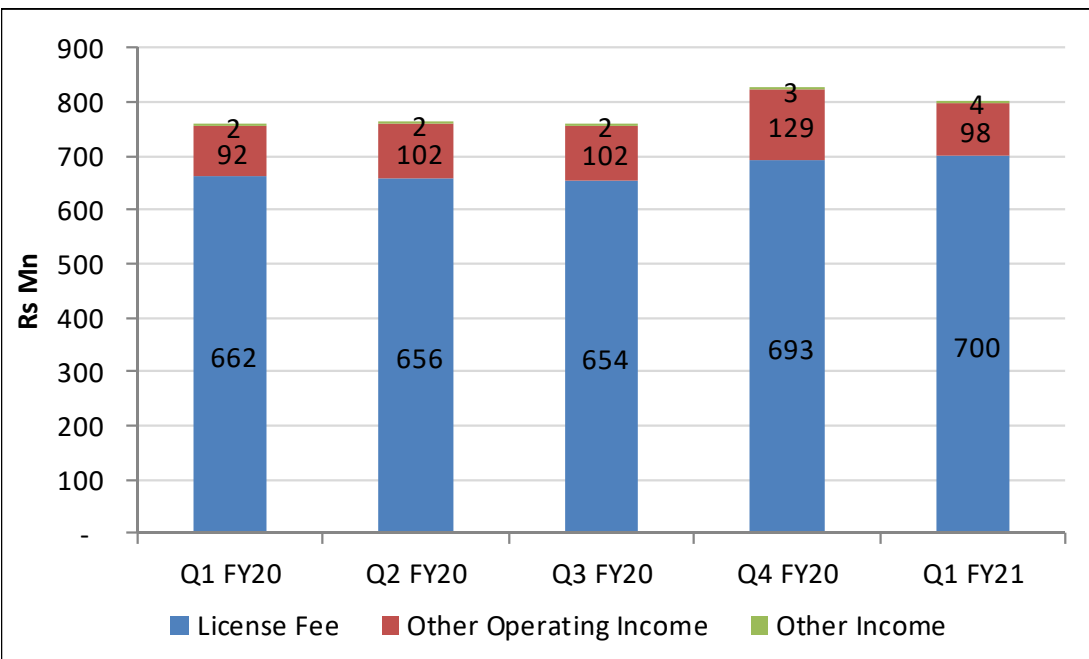


UNAUDITED ABRIDGED IND-AS BALANCE SHEET AS ON	30-Jun-20	31-Mar-20
	Rs. Mn.	Rs. Mn.
Capital Work in Progress	9,819	9,482
Other Non-current Assets	7,813	8,051
Current Assets	432	346
<b>TOTAL</b>	<b>18,064</b>	<b>17,880</b>
Equity	4,863	4,538
Net Borrowings	9,894	9,890
Other Non-current liabilities	2,451	2,576
Other Current liabilities	855	876
<b>TOTAL</b>	<b>18,064</b>	<b>17,880</b>

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



# Summary of Financial Performance



# Debt Summary (as on 30 June 20)



Particulars - Term Loan	Debt o/s (Rs. Mn.)
Operational Areas	5,809
Phase V	3,840
<b>TOTAL OUTSTANDING</b>	<b>9,649</b>
Balance undrawn limit for Phase V	2,150

- The entire Term Loan is from HDFC Ltd. and is secured by a mortgage on NKP. The entire undrawn limit is available for drawdown, notwithstanding the Covid-19 crisis.
- Interest is being serviced for the entire loan on a monthly basis.
- The company enjoys a principal repayment moratorium on the entire debt till FY 22-23 or 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.
- Cost of debt was reduced to 8.8% p.a. in May 2020.
- In addition, secured Buyers Credit facility of approx. Rs. 261 mn. has been availed. This is US\$ denominated and unhedged.
- The above numbers are as per Indian GAAP.

# Quarterly Updates



## Marketing Updates

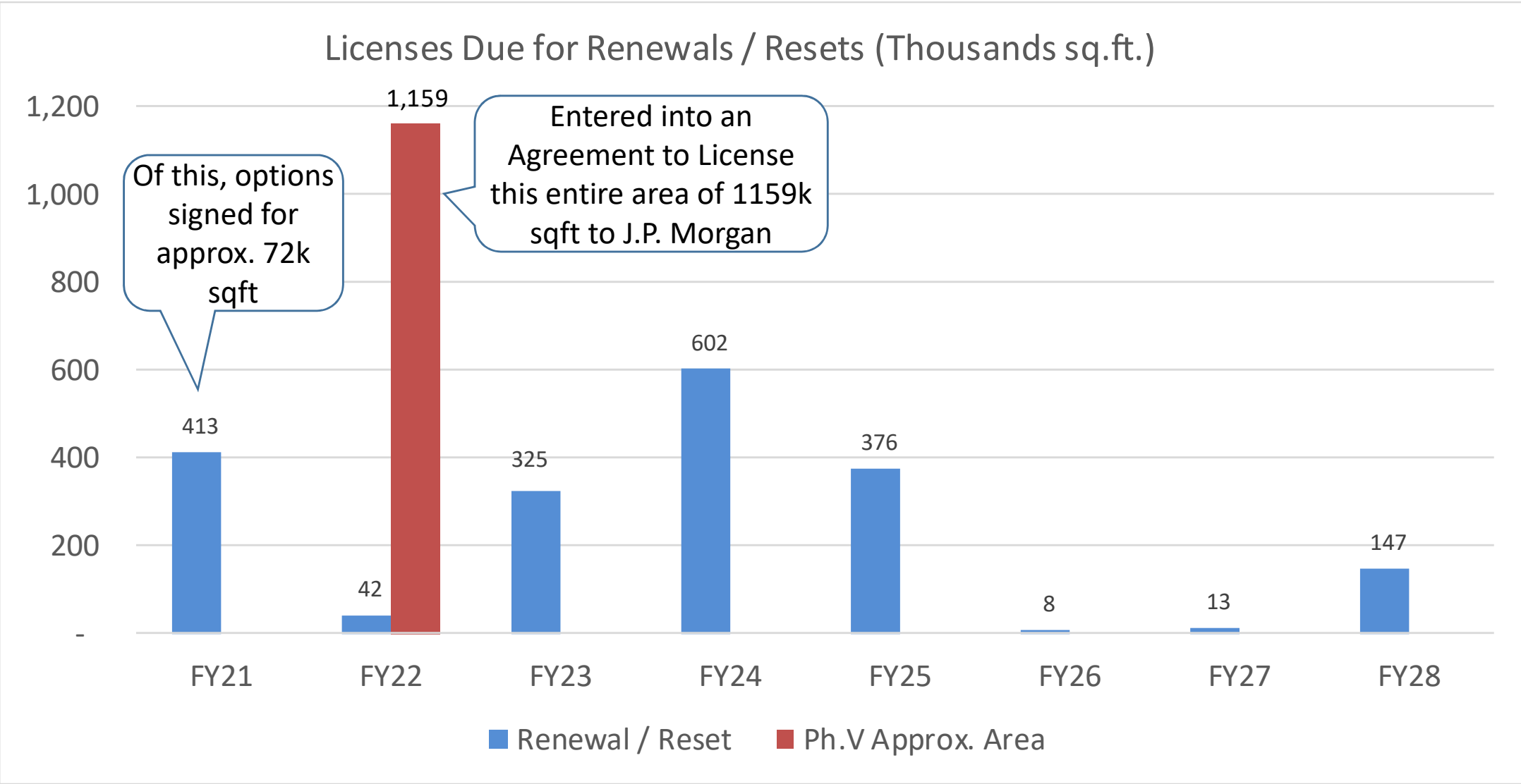
- IBM has given notice to vacate approx. 28,000 sq.ft. at NKP in December 2020, earlier than its licensed term.



## Covid-19 Update

- The Company has undertaken various measures and necessary precautions to prevent the spread of Covid-19 at both NKP and Nirlon House.
- The Company continues to regularly evaluate the implications of Covid-19 on its operations at NKP (Phase I to IV) and Nirlon House.
- The Company continues to regularly evaluate the implications of Covid-19 on the timelines and costs for Phase V.
- The Company has provided abatements to some support services like F&B, crèche, gym, etc. totalling to Rs. 1 mn. per month (less than 0.5% of total contracted license fees) w.e.f. 21st March 2020.
- The Company has collected approx. 99% of its total contracted license fees for the quarter.

# License Renewals Schedule



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

# Indicative list of NKP Licensees



J.P.Morgan  
For upcoming Ph.V

Morgan Stanley

Deutsche Bank

Virtela™  
An NTT Communications Company

DIEBOLD  
NIXDORF

ICICI PRUDENTIAL

ERICSSON  LRN®

 EVALUESERVE  
POWERED BY MIND + MACHINE

  
EY

  
anunta®

  
Starbucks

SUBWAY

  
BARISTA  
COFFEE

CHAI POINT

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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 (%)	86 - 87% (As on 30 <sup>th</sup> June 2020)
Scheduled Completion	Presently estimated in Q1 FY22 due to Covid-19 lockdowns and assuming full site mobilization by 1 <sup>st</sup> August 2020 and no further Covid-19 related interruptions



# 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. 4,687 mn.
Deposits	Rs. 1,513 mn.

\* - The debt level is calculated post receipt of final deposit instalment, which is contracted to be received on occupation by the proposed licensee i.e. it assumes that deposits will be used to pay down debt to the maximum extent possible.

<b>PHASE V - COST SUMMARY (Rs. Mn.)</b>	<b>Budgeted</b>	<b>Committed</b>	<b>Incurred / Certified</b>
Civil	3,025	3,592	3,467
MEP	1,902	1,655	1,058
Common Area Interiors	419	345	111
Landscape	209	53	13
Façade	1,001	904	353
FSI Premiums	1,856	1,279	1,279
Finance Cost / Interest	1,102	640	640
Soft services and Others	2,471	2,869	2,384
<b>TOTAL</b>	<b>11,983</b>	<b>11,338</b>	<b>9,306</b>

Please note:

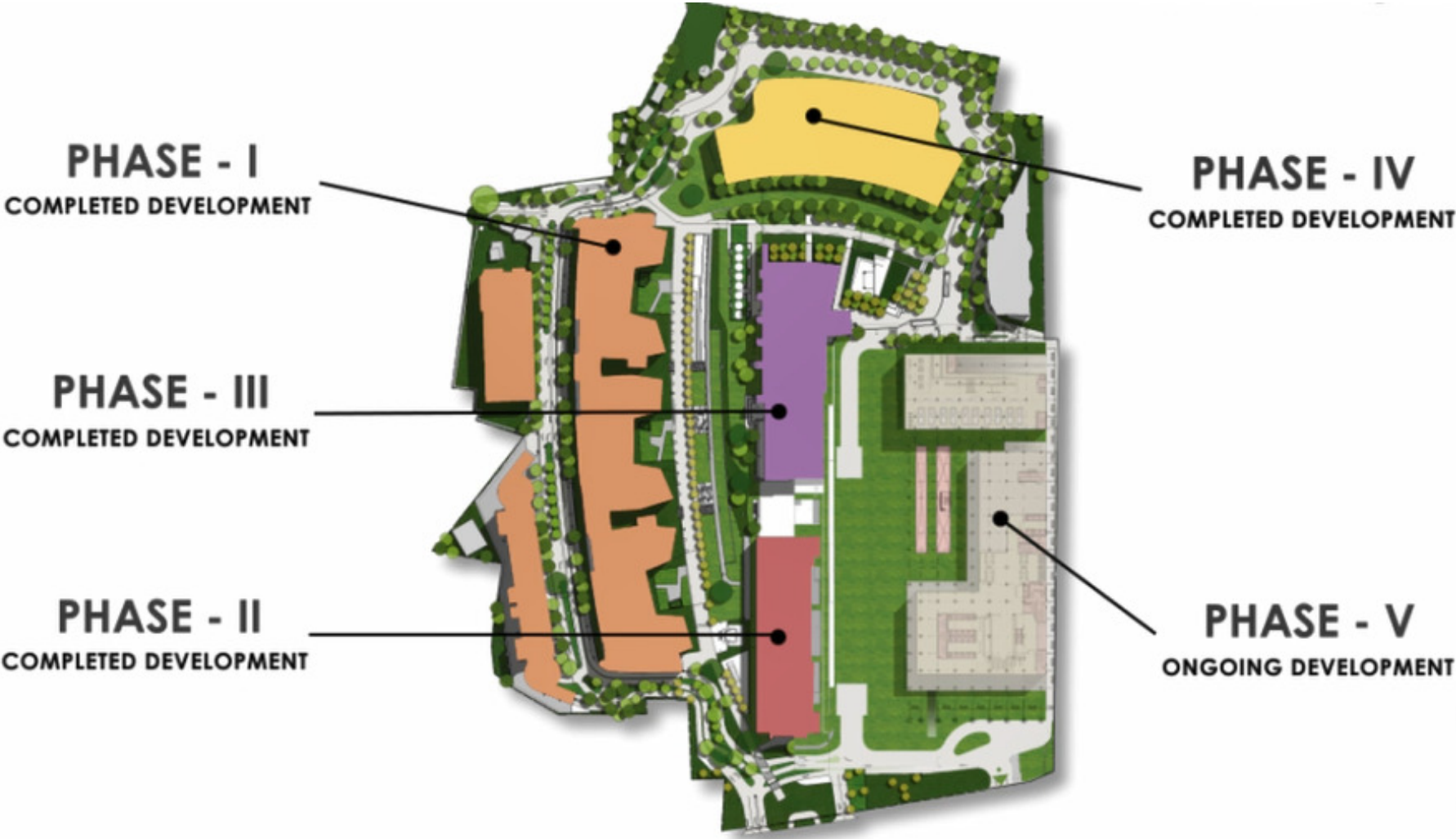
These are pre-Covid-19 budgetary estimates. Impact of Covid is presently being assessed.

The above numbers are as per Indian GAAP.

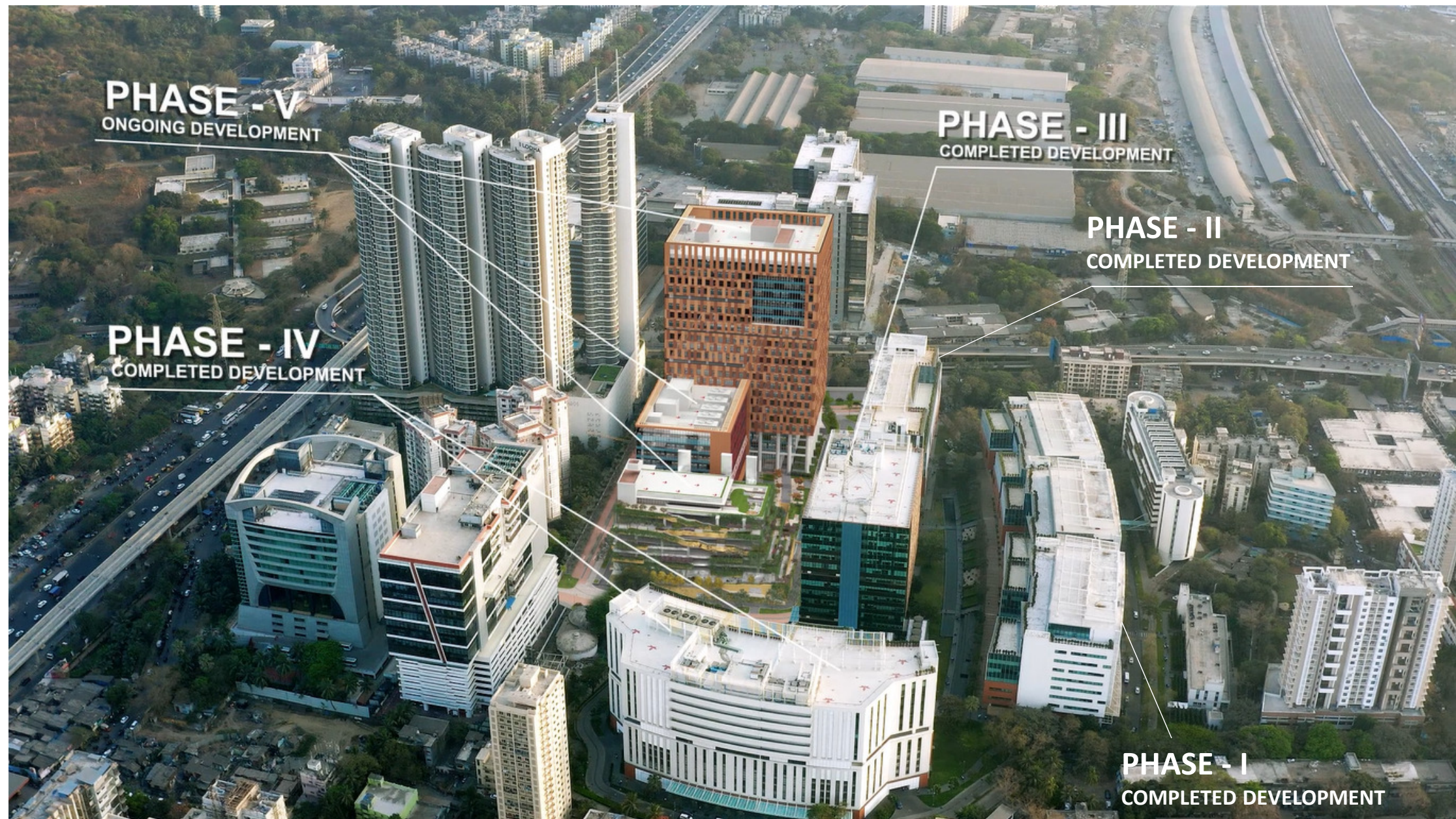
# Construction Updates (June 2020)



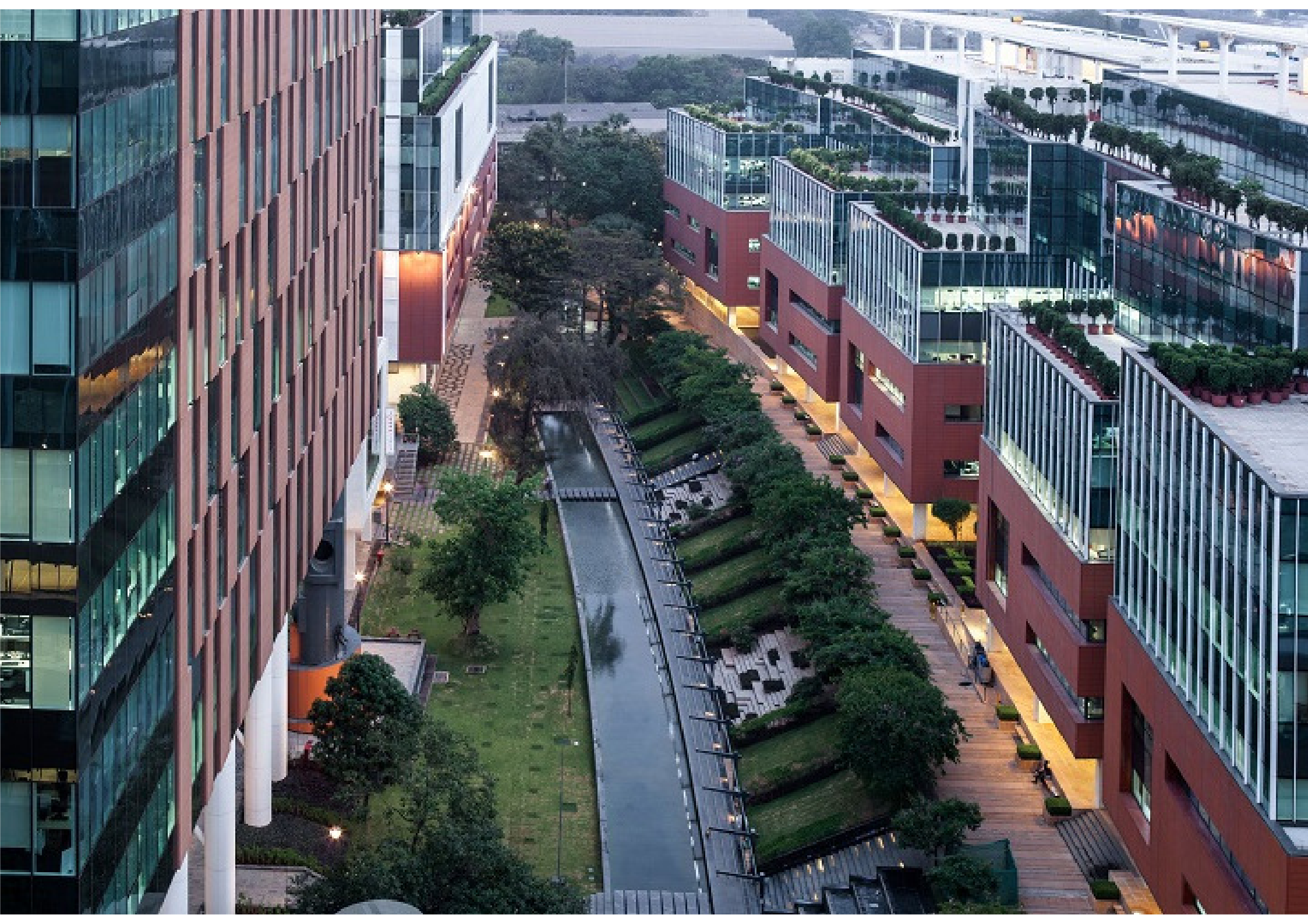
# NKP Master Plan

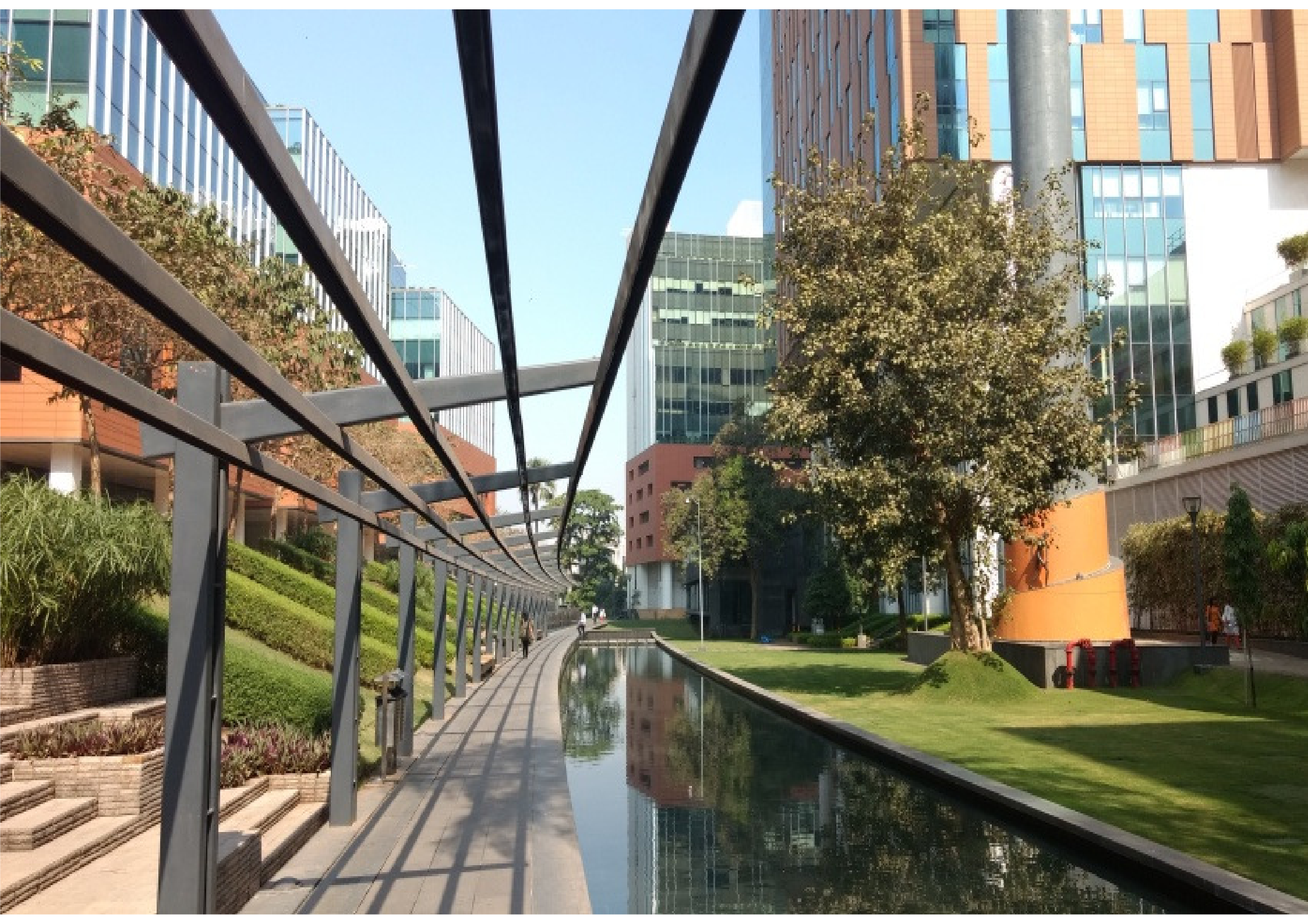


# NKP Master Plan









# Disclaimer



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# Thank You

*For further Information, please contact:*

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

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**Nirlon Limited**

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