

**NIRLON LIMITED**

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CIN: L17120 MH1958PLC011045



February 10, 2021

**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 February 10, 2021

**Ref:** Investor Relations Presentation for the Third Quarter ended December 31, 2020

We hereby inform you that inter alia; the Board of Directors of the Company at their meeting held on February 10, 2021 considered results presentation for the 3<sup>rd</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](http://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**





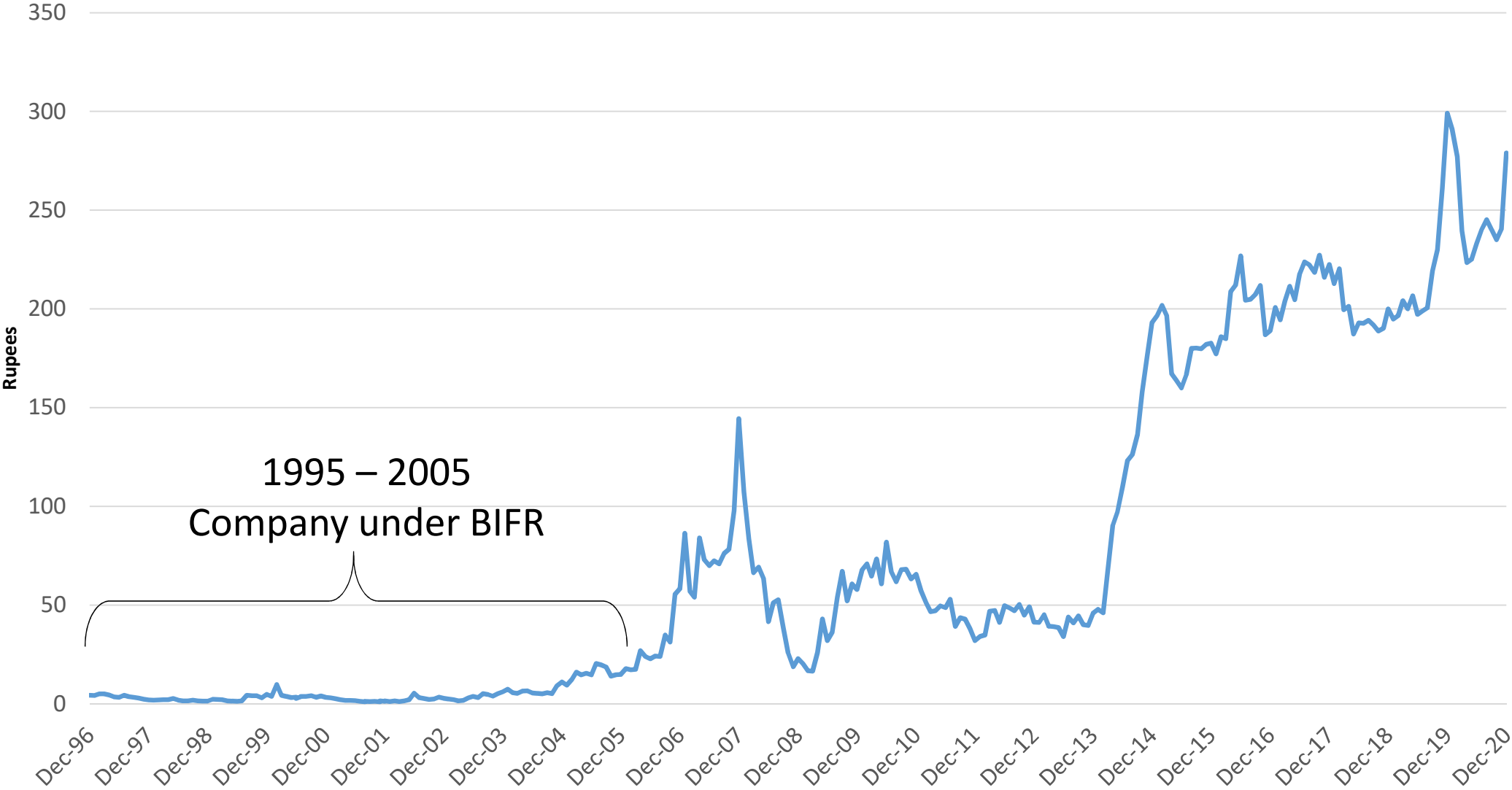


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- Nirlon Ltd (“Nirlon”) was incorporated in 1958
- Nirlon was a pioneer in the manufacture of synthetic yarns and industrial rubber products. Considered a blue chip company, it was listed on the BSE in 1976
- From 1988 to 2006, Nirlon successfully 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. 1.16 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 – Phase V



- The under construction Phase V (chargeable area approx. 1.16 mn. sq.ft.) is expected to increase the total chargeable area from approx. 1.94 mn. sq.ft. to 3.09 mn. sq.ft.
- Subject to work completion, receipt of OC and any delays on account of macro factors such as the current pandemic, revenues from Phase V are estimated to commence in Q4 of FY 21-22.
- Assuming full occupancy of the additional chargeable area, Phase V has the potential to contribute additional revenue of approx. Rs. 2,000 mn. p.a. to the Company

# Financial Updates – Summarized P&L Account



SUMMARIZED RESULTS AS PER IND-AS	Q3FY21	Q2FY21	Q3FY20	Q3FY21 vs Q2FY21 (%)	Q3FY21 vs Q3FY20 (%)	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 for the quarter (%)	97.5%	99.5%	99.7%			
	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>			<b>Rs. Mn.</b>
License Fees *	697	700	654	0%	6%	2,665
Other Revenue	108	109	114	-1%	-5%	445
<b>TOTAL REVENUE</b>	<b>805</b>	<b>809</b>	<b>768</b>	<b>-1%</b>	<b>5%</b>	<b>3,110</b>
<b>EBITDA</b>	<b>615</b>	<b>619</b>	<b>572</b>	<b>-1%</b>	<b>8%</b>	<b>2,319</b>
<b>PBT</b>	<b>455</b>	<b>463</b>	<b>379</b>	<b>-2%</b>	<b>20%</b>	<b>1,465</b>
<b>PAT</b>	<b>328</b>	<b>334</b>	<b>273</b>	<b>-2%</b>	<b>20%</b>	<b>1,095</b>
EPS (Rs.)	3.64	3.71	3.03			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 105 mn. related to such borrowings has been capitalised as a part of Capital Work in Progress in Q3FY21 (Rs.380 mn. YTD). This has resulted in increase in the Earnings per Share (Basic & Diluted) for the current quarter by Rs 1.16 (not annualised).

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



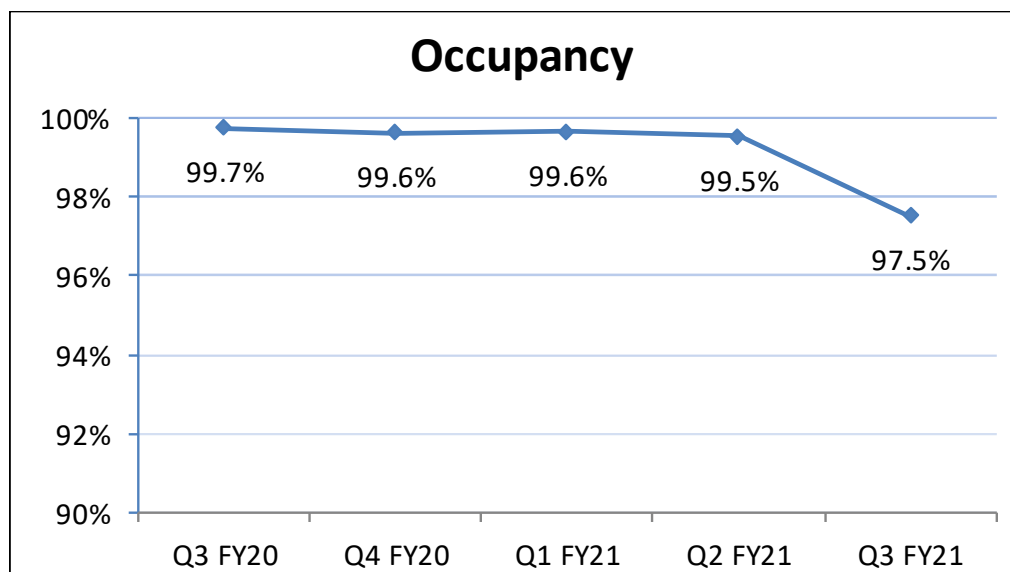
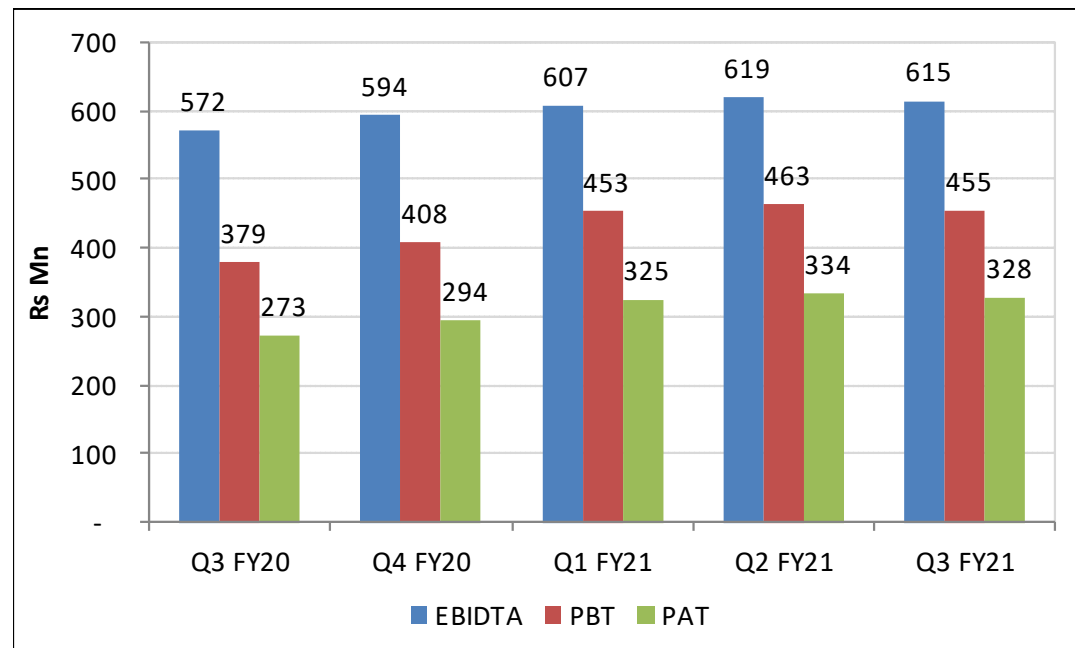
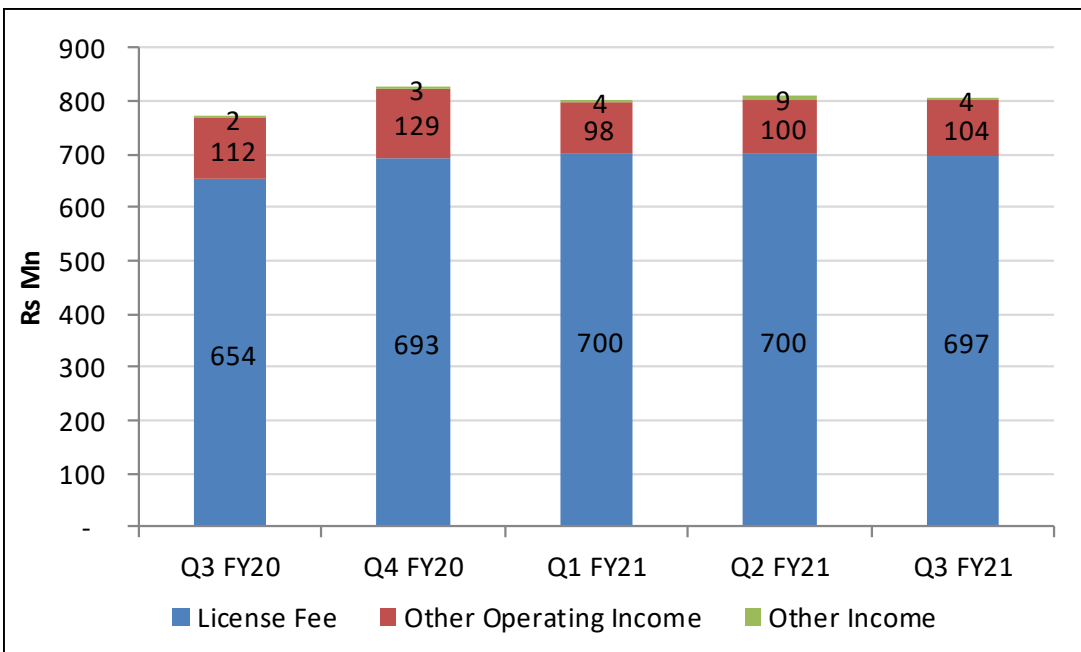
# Financial Updates – Summarized Balance Sheet



UNAUDITED ABRIDGED IND-AS BALANCE SHEET AS ON	31-Dec-20	31-Mar-20
	Rs. Mn.	Rs. Mn.
Capital Work in Progress	10,719	9,482
Other Non-current Assets	7,588	8,051
Current Assets	243	346
<b>TOTAL</b>	<b>18,550</b>	<b>17,880</b>
Equity	5,457	4,538
Net Borrowings	9,634	9,890
Other Non-current liabilities	2,262	2,576
Other Current liabilities	1,197	876
<b>TOTAL</b>	<b>18,550</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 31 December 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	2,450

- 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% p.a. w.e.f. 1 November 2020.
- The above numbers are as per Indian GAAP.

# Quarterly Updates



## Marketing Updates

- Morgan Stanley has agreed to license an additional approx. 32,000 sq.ft. at NKP from March 2021.

# Other Updates – Covid-19 Preparedness



- NKP awarded the WELL Health-Safety Rating for Facility Operations and Management in January 2021 by International WELL Building Institute, USA. NKP achieved all 16 features across 6 categories.

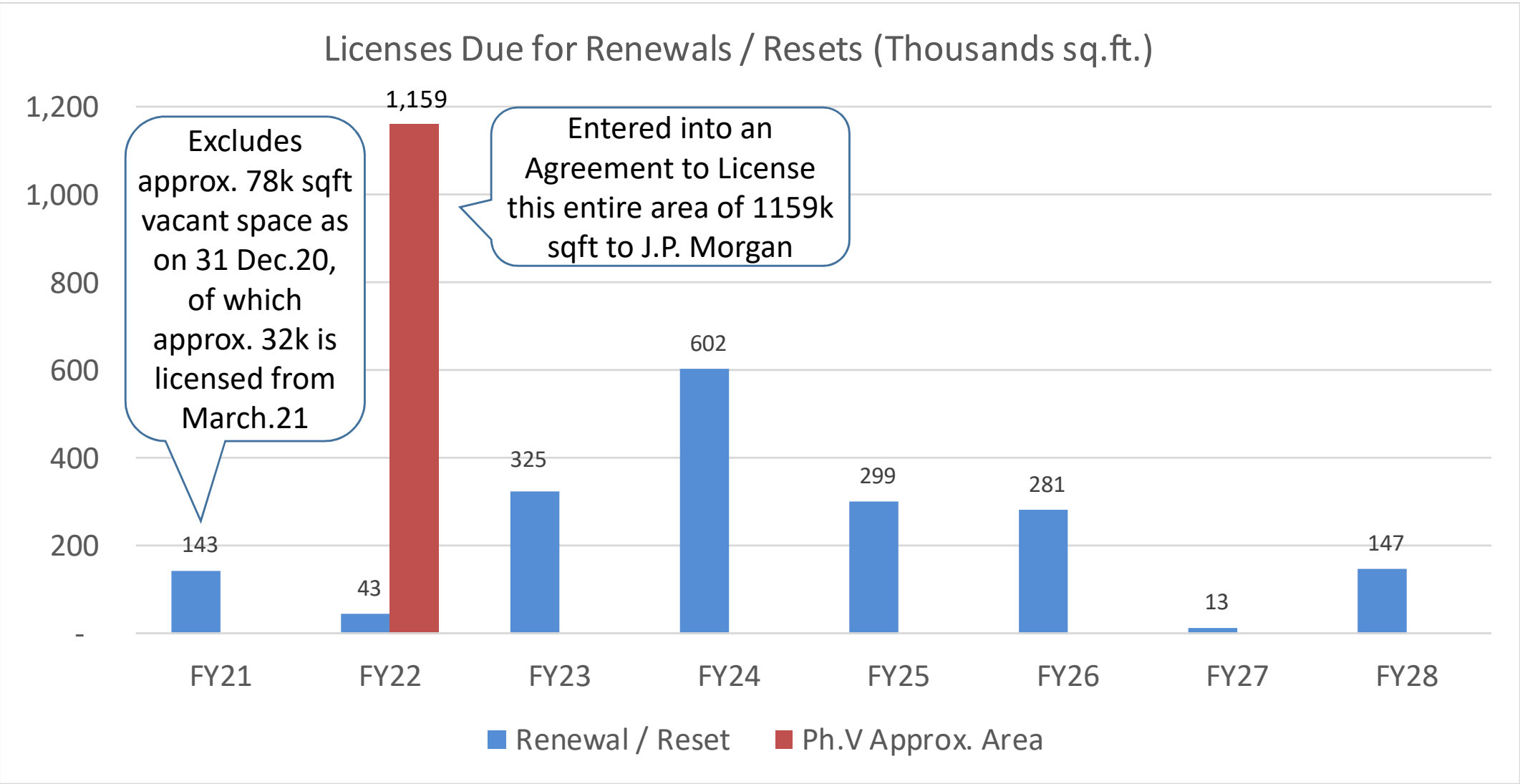


# Other Updates – Covid-19 Preparedness (contd.)



- 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 approx. Rs. 1 mn. per month (less than 0.5% of total contracted license fees) w.e.f. 21<sup>st</sup> March 2020.
- The Company has collected approx. 99% of its total contracted license fees for the quarter.

# License Renewals / Expiry 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 Occupants



Morgan Stanley

J.P.Morgan  
(For upcoming  
Ph.V)



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 (%)	91% (As on 31 <sup>st</sup> December 2020)
Scheduled Completion / OC	Presently estimated in Q1 FY22 due to Covid-19 lockdowns and assuming no further Covid-19 related interruptions

# Financial Summary – Phase V



Budgeted Cost (including Interest)	Rs. 12,291 mn.
Proposed to be funded by: *	
Internal Accruals	Rs. 5,783 mn.
Debt	Rs. 4,995 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.

PHASE V - COST SUMMARY (Rs. Mn.)	Budgeted	Committed	Incurred / Certified
Civil	3,621	3,599	3,531
MEP	1,530	1,435	1,041
Common Area Interiors	374	345	211
Landscape	209	60	29
Façade	939	905	443
FSI Premiums	1,306	1,279	1,279
Finance Cost / Interest	1,070	808	808
Soft services and Others	3,243	2,908	2,536
<b>TOTAL</b>	<b>12,291</b>	<b>11,338</b>	<b>9,878</b>

These numbers are as per Indian GAAP.

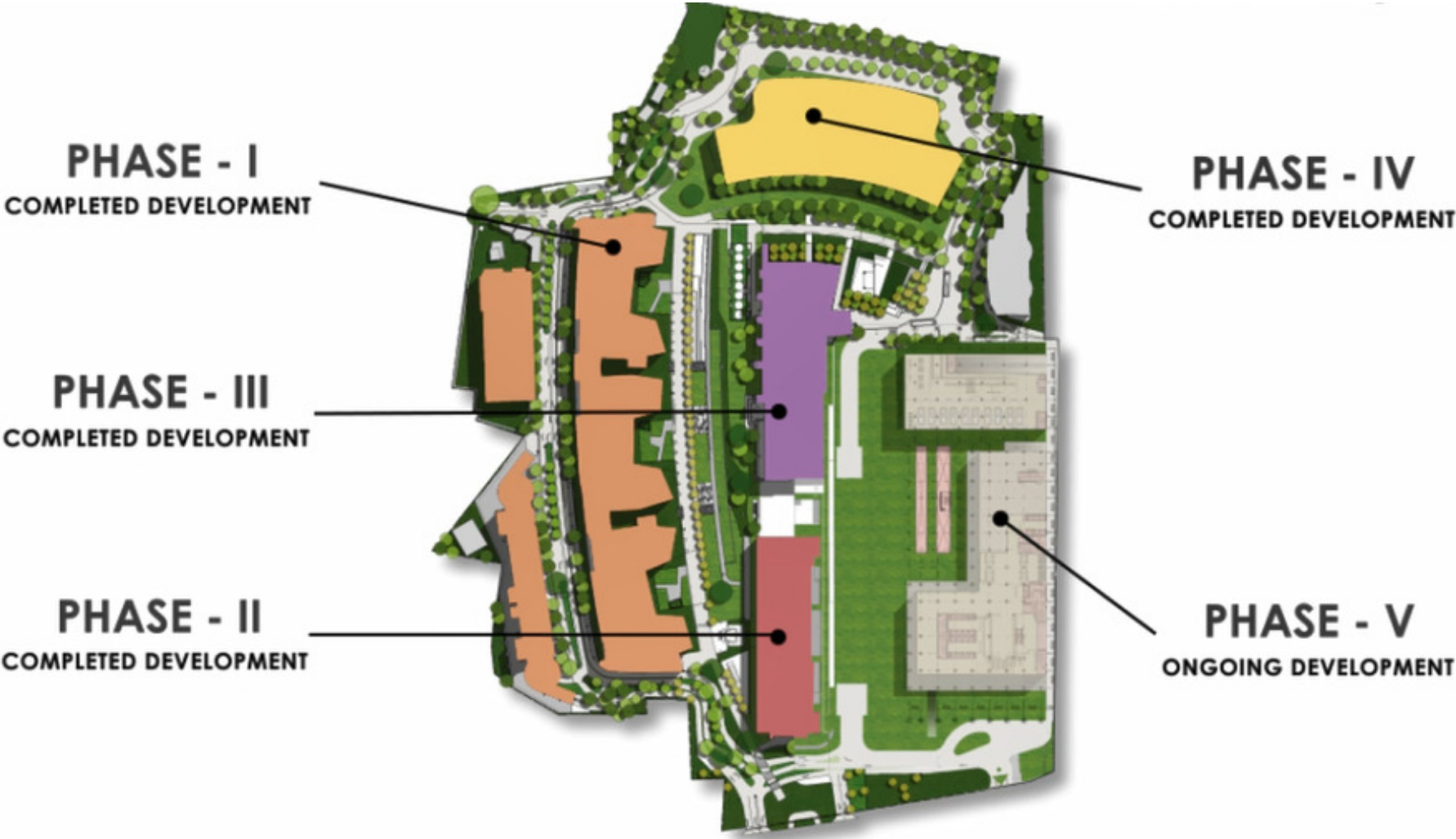
# Construction Updates (December 2020)



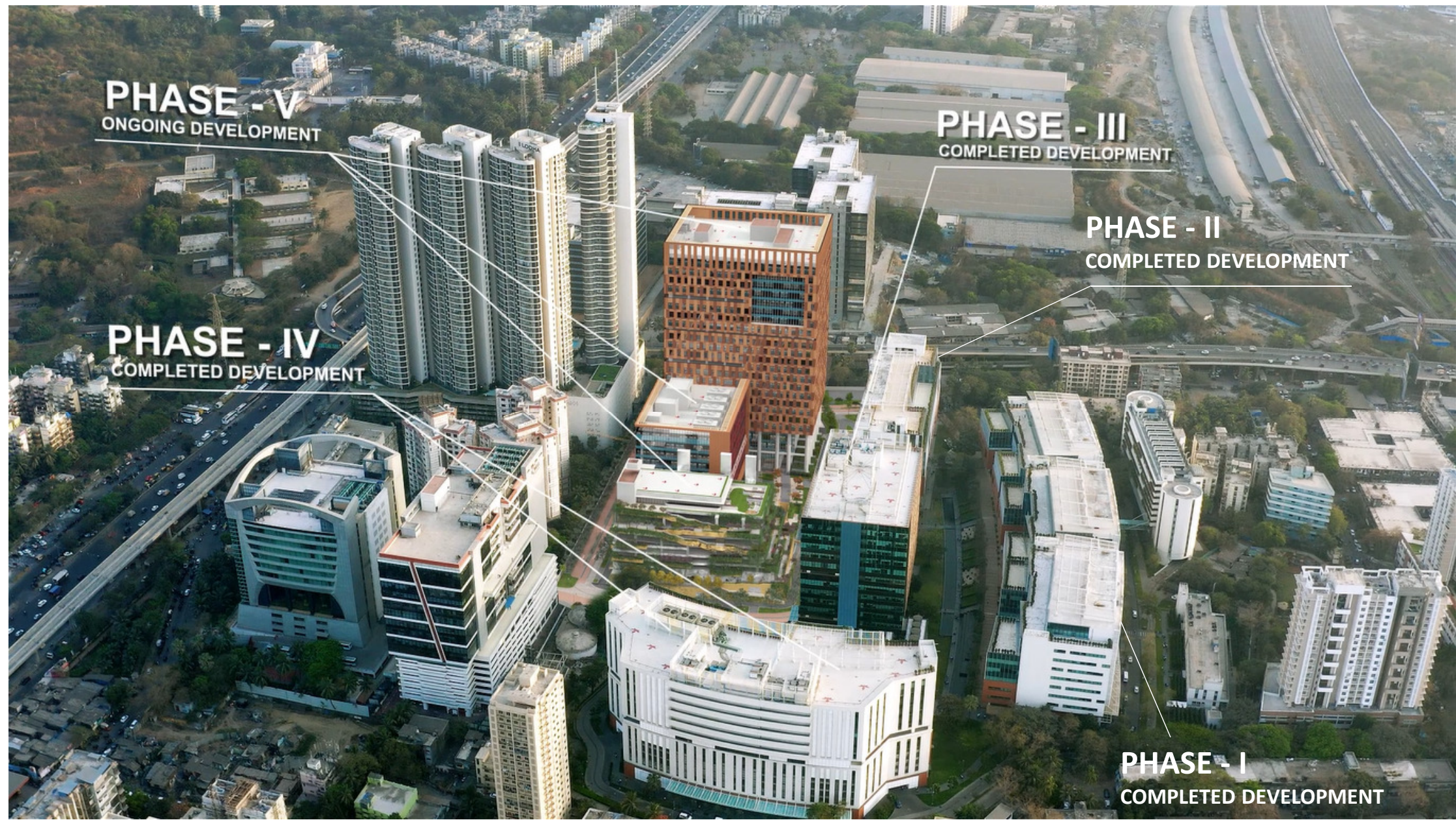
# Construction Updates (December 2020)



# NKP Master Plan

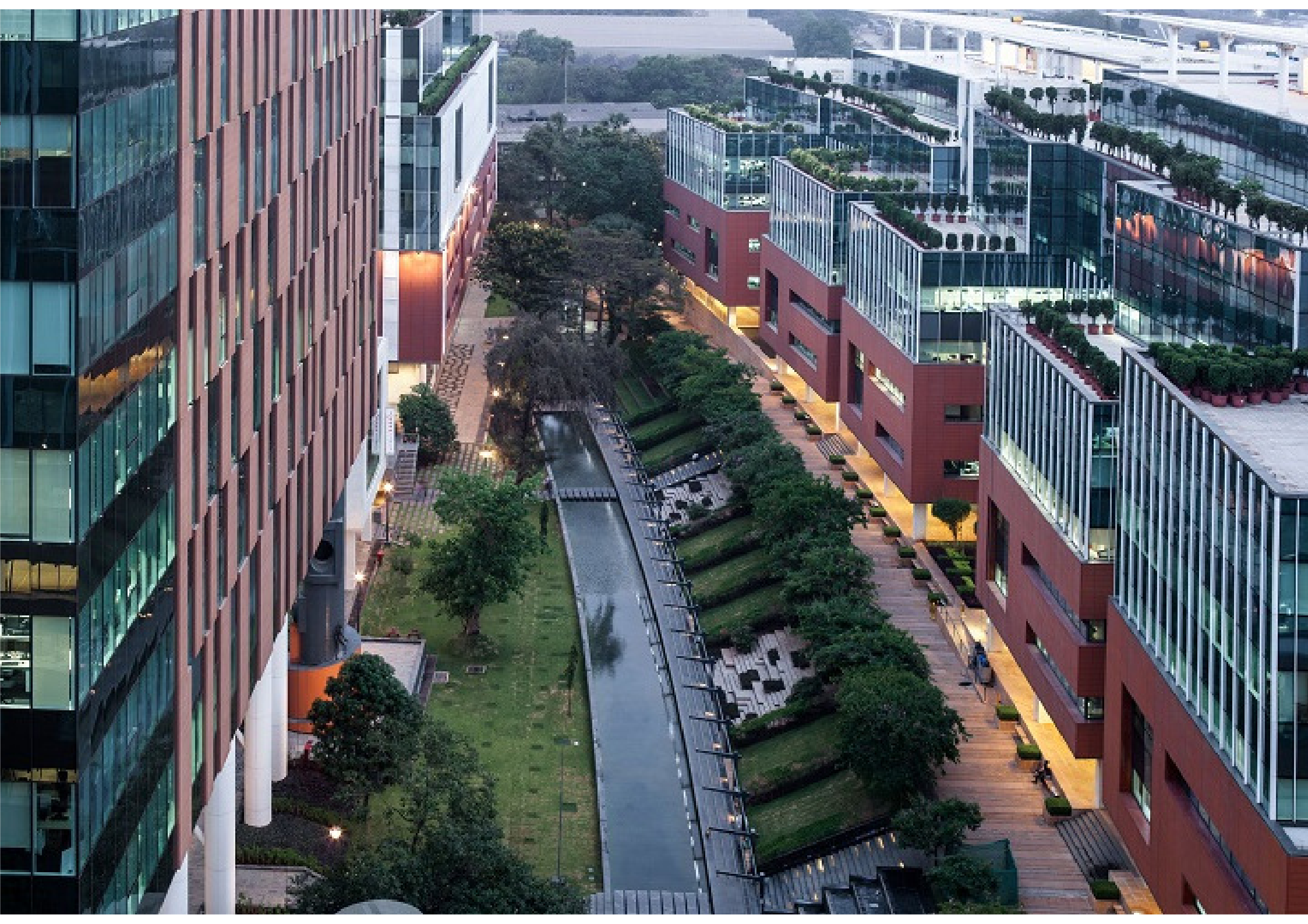


# NKP Master Plan











# Disclaimer



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# Thank You

*For further Information, please contact:*

*Mr. Jasmin K. Bhavsar*

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

*Phone No.: 022 - 40281919*

*Email: [info@nirlonltd.com](mailto:info@nirlonltd.com)*

**Nirlon Limited**

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