



**Nirlon Limited**

CIN:L17120MH1958PLC011045

Pahadi Village, off the Western Express Highway, Goregaon (East), Mumbai 400 063.

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CIN:L17120MH1958PLC011045

E-mail id :[info@nirlonltd.com](mailto:info@nirlonltd.com), Website:[www.nirlonltd.com](http://www.nirlonltd.com)

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**August 9, 2022**

**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 9, 2022: Earnings Presentation for the quarter ended June 30, 2022

**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 9, 2022 have considered Earnings presentation for the 1<sup>st</sup> Quarter of the F.Y. 2022 – 2023 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**

**FCS4178**

**Encl: a/a**



**NIRLON LIMITED**

**EARNINGS PRESENTATION**  
**Q1-FY23**

# Snapshot



Present in the commercial / IT-ITES real estate sector for 16 years



Experienced management team



Prime location in Mumbai's western suburb



LEED Platinum / Gold Certified Buildings (Core & Shell) – Environmentally Friendly Campus



Marquee licensees including leading companies from IT / Financial Services sectors



Occupier friendly design with typical ~80% efficiency



Historically high average occupancy



World Class infrastructure



GIC Singapore (through its affiliate) is the major shareholder



Consistent and Sustainable License Fee Income



3 Year CAGR (2019-2022) : Revenue: 8.8%, PAT: 20.3% \*



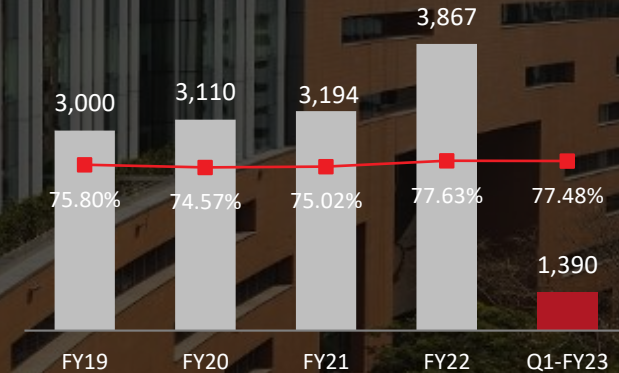
FY22 CFO: INR 3,402 Mn  
FY22 ROE: 23.18% \*

FY18 onward figures as per Ind AS;  
\* Impact of IndAS-23 FY20 onwards (refer slide 12 for details)

# Company Overview

- Nirlon Limited was incorporated in 1958 and was a pioneer in the manufacturing of synthetic yarns and industrial rubber products in India.
- Since 2006, Nirlon has primarily been in the business of development and management of commercial / IT-ITES Real Estate.
- The company currently owns two primary assets: Nirlon Knowledge Park (NKP), which is an approx. 23 acre Information Technology Park located in Goregaon (East), Mumbai and also 75% of undivided interest in approx. 0.05 Mn sq. ft. in Nirlon House, which is a building in the prime location of Worli, Mumbai.
- The development of the company's landmark project of Nirlon Knowledge Park began in phases from 2006, with the final phase i.e. Phase V was completed in FY22.
- Phases I to IV have a chargeable area of approximately 1.9 Mn sq. ft. and Phase V has a chargeable area approximately 1.16 Mn sq. ft. NKP is licensed to marquee multinational and Indian corporates.
- GIC Singapore became the majority shareholder and a co-promoter in 2015 vide an open offer through its affiliate, Reco Berry Private Limited (Reco) of Singapore, and currently has a 63.92% holding in the company.

Total Income (INR Mn) & EBITDA Margin (%)

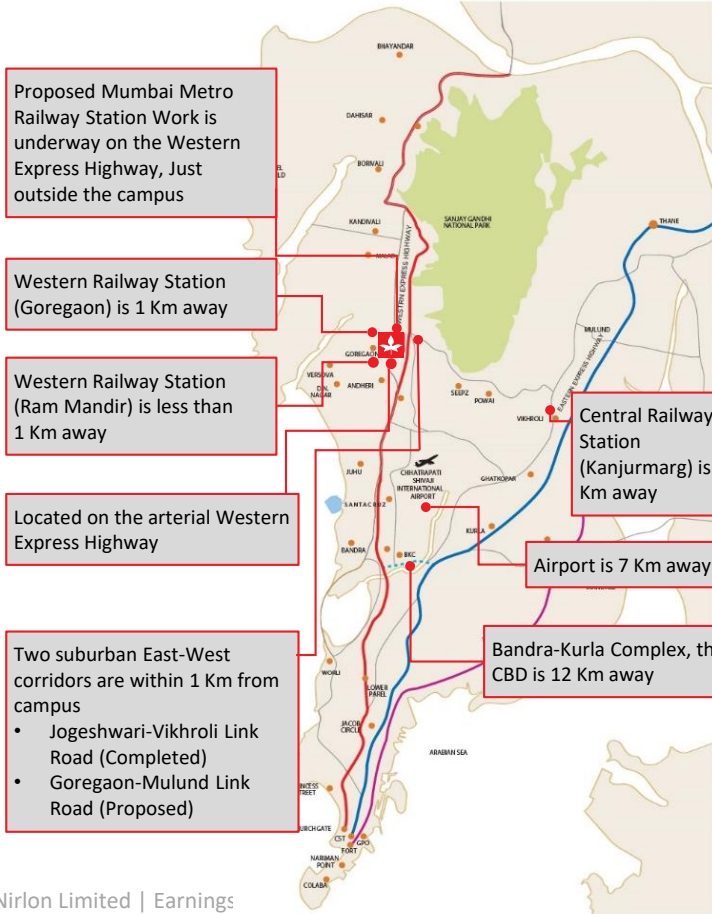


**NIRLON LIMITED**

FY18 onward figures as per Ind AS



# Nirlon Knowledge Park – The Master Plan

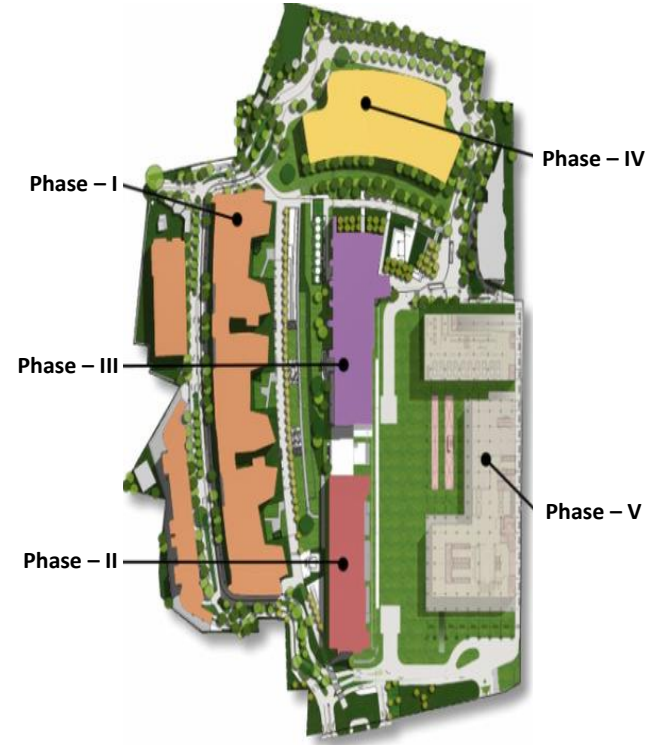


Conveniently located on Mumbai's Western Express Highway, one of Mumbai's main arterial roads, NKP is an easy commute from the western and eastern suburbs of Mumbai. A majority of the city's professional workforce live in the western suburbs, which have a ready availability of residential accommodation. NKP is also located close to educational institutions, hospitals, and recreational facilities.

≈ 1.90 Mn Sq. ft. Operational office space

≈ 1.16 Mn Sq. ft. Completed in FY 2021-22

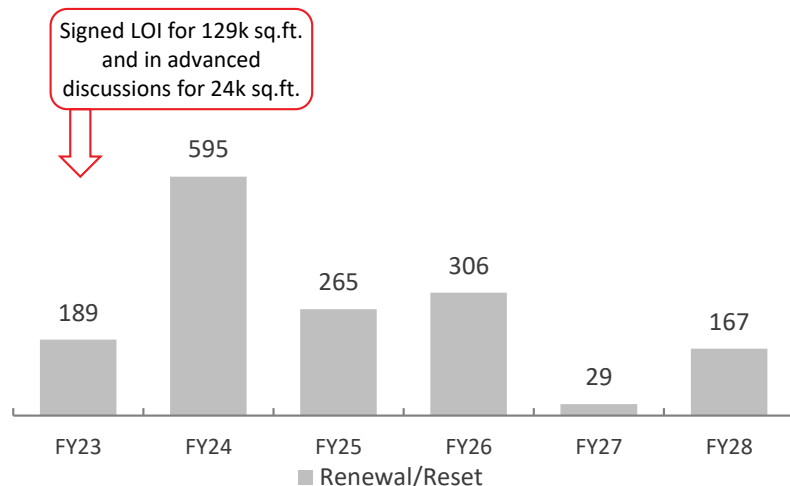
≈ 3.06 Mn Sq. ft. Total office space



# Phase Wise Details & License Renewals

Phases	I	II	III	IV	V	Total
Constructed Area (Mn Sq. Ft.)	1.29	0.38	0.55	0.76	~1.78	<b>~4.77</b>
Chargeable Area (Mn Sq. Ft.)	0.77	0.31	0.4	0.4	~1.16	<b>~3.06</b>
Date of Completion	Oct-09	Jun-10	Sep-13	Mar-15	FY22	<b>NA</b>

**License Due for Renewals/Resets (Thousands Sq. ft.)  
as on 30 June 2022**

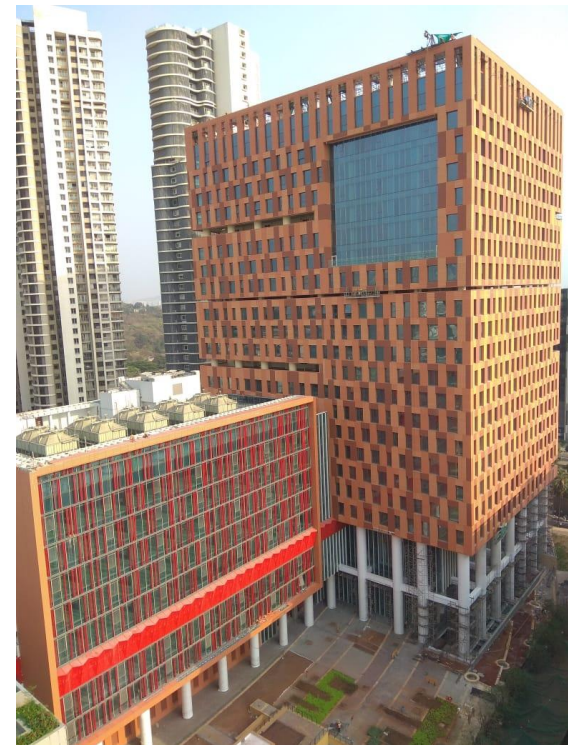


As on 30 June 2022, approx. 90,000 sq. ft. area was vacant.

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

# Phase V Update

- J.P. Morgan Services India Pvt. Ltd. has begun paying License Fees as per the agreement from 15<sup>th</sup> May 2022 onwards.





**Q1-FY23 Financial Overview**





# Operational Highlights

## Marketing Updates

- Barclays renewed approx. 94,000 sq.ft. of its space due for renewal/expiry in FY23.
- Anunta renewed approx. 13,000 sq.ft. of its space due for renewal/expiry in FY23.
- Growth Source licensed an additional approx. 5,000 sq.ft. at NKP; F&B operators renewed approx. 1,600 sq.ft. at NKP and two parties licensed approx. 3,200 sq.ft. (Nirlon's 75% share) at Nirlon House.
- As on 30 June 2022, approx. 90,000 sq.ft. area was vacant. Of this vacant area, the Company has signed an LOI for approx. 37,000 sq.ft.
- Cultfit (support services - gym operator) has given notice to vacate approx. 6,000 sq.ft. in September 22.

## Debt Summary (as of 30 June 2022)

- Total secured debt facility sanctioned by HSBC is 1230 cr. which includes an OD facility.
- Debt outstanding as on 30 June 2022 from HSBC Bank was Rs. 1150 cr.
- Crisil has assigned 'CRISIL AA+/Stable' rating to this facility.

# Notes to Financials

The financials for Q1-FY23 have **significant variations from Q4 FY22** due to the following key changes:

- One Time Expenses incurred in Q1-FY23 of Rs. 2507 lakhs on account of refinancing of the Company's loan included in Finance Cost and an additional Rs. 86 lakhs included in Other Expenses.
- Other Expenses also include:
  - CSR expenses of Rs. 342 lakhs for the full FY 23 provided in Q1 FY23 as per statutory requirements
  - Marketing Fees of Rs. 350 lakhs for a renewal which is entirely charged to P&L (due to no lock-in), as against other renewals where Marketing Fees are amortized over the lock-in period of the license.
- **Tax:**
  - To maintain flexibility for any future restructuring opportunities, the Company continues under the old Tax Regime as the decision to change to the new tax regime is irrevocable.

# Q1-FY23 Financial Highlights

## Q1-FY23 Financial Highlights:

<b>INR 1,390 Mn</b> Total Income	<b>INR 1,077 Mn</b> EBITDA	<b>77.48%</b> EBITDA Margin
<b>INR 230 Mn</b> PBT	<b>INR 142 Mn</b> PAT	<b>10.22%</b> PAT Margin

*Please refer to notes on slide 9.*

# Quarterly Financial Performance (Ind AS)

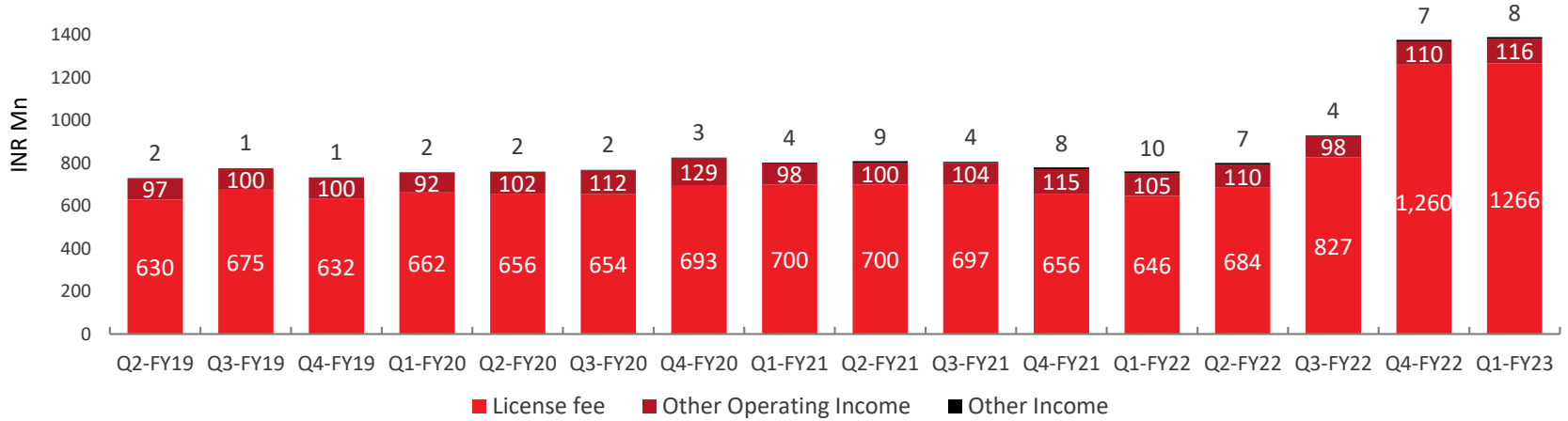
Particulars (INR Mn)	Q1-FY23	Q4-FY22	Q-o-Q	Q1-FY22	Y-o-Y
License Fees	1,266	1,260	0.5%	646	96.0%
Other Operating Income (CAM, etc.)	116	110	5.5%	105	10.5%
Other Income	8	7	14.3%	10	(20.0)%
<b>Total Income</b>	<b>1,390</b>	<b>1,377</b>	<b>0.9%</b>	<b>761</b>	<b>82.7%</b>
Total Expenses	313	242	29.3%	242	29.3%
<b>EBITDA</b>	<b>1,077</b>	<b>1,135</b>	<b>(5.1)%</b>	<b>519</b>	<b>NA</b>
<b>EBITDA Margins (%)</b>	<b>77.48%</b>	<b>82.43%</b>	<b>(495) Bps</b>	<b>68.20%</b>	<b>928 Bps</b>
Depreciation	369	361	2.2%	115	NA
Finance Cost*	478	220	NA	37	NA
<b>PBT</b>	<b>230</b>	<b>554</b>	<b>(58.5)%</b>	<b>367</b>	<b>(37.3)%</b>
Tax	88	183	(51.9)%	101	(12.9)%
<b>Profit After Tax / Total Comprehensive Income</b>	<b>142</b>	<b>371</b>	<b>(61.6)%</b>	<b>266</b>	<b>(46.6)%</b>
<b>PAT Margins (%)</b>	<b>10.22%</b>	<b>26.94%</b>	<b>NA</b>	<b>34.95%</b>	<b>NA</b>
Diluted EPS (INR per share)	1.58	4.11	(61.6)%	2.94	(46.3)%

Please refer to notes on Slide 9

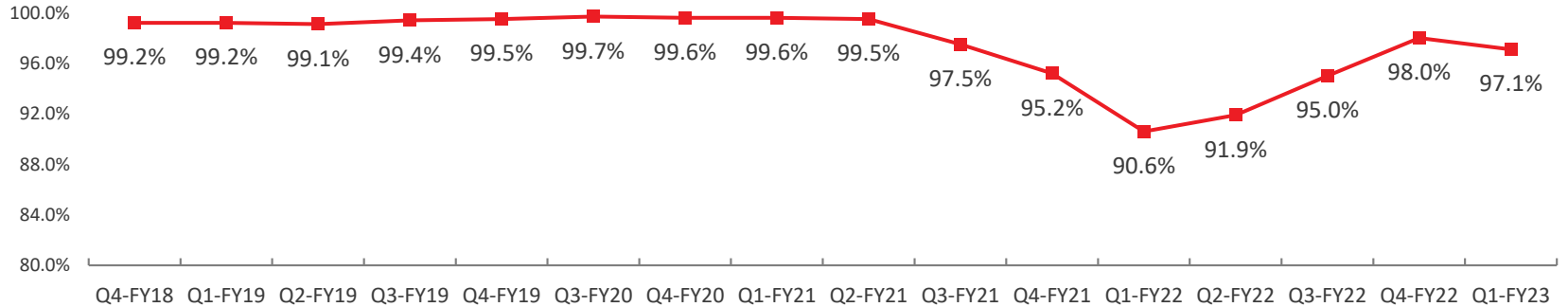
\* - Pursuant to the amendment in Ind AS-23 "Borrowing Costs," the Company has considered the specific borrowings obtained for completed phases as a part of general borrowings. Accordingly, the finance cost related to such borrowings has been capitalized as a part of Capital Work in Progress until Phase V was capitalized i.e. 15 December 2021.



# License Fees & Occupancy Rates



## Occupancy Rate



# Historical Financial Performance (Ind AS)

Particulars (INR Mn)	FY19	FY20	FY21	FY22	Q1-FY23
License Fees	2,556	2,665	2,753	3,416	1,266
Other Operating Income (CAM, etc.)	431	435	416	423	116
Other Income	13	10	25	28	8
<b>Total Income</b>	<b>3,000</b>	<b>3,110</b>	<b>3,194</b>	<b>3,867</b>	<b>1,390</b>
Total Expenses	726	791	798	865	313
<b>EBITDA</b>	<b>2,274</b>	<b>2,319</b>	<b>2,396</b>	<b>3,002</b>	<b>1,077</b>
<b>EBITDA Margins (%)</b>	<b>75.80%</b>	<b>74.57%</b>	<b>75.02%</b>	<b>77.63%</b>	<b>77.48%</b>
Depreciation	589	533	487	755	369
Finance Cost	697	321*	140*	346*	478
<b>PBT</b>	<b>988</b>	<b>1,465</b>	<b>1,769</b>	<b>1,901</b>	<b>230</b>
Tax	351	370	495	793	88
<b>Profit After Tax / Total Comprehensive Income</b>	<b>637</b>	<b>1,095</b>	<b>1,274</b>	<b>1,108</b>	<b>142</b>
<b>PAT Margins (%)</b>	<b>21.23%</b>	<b>35.21%</b>	<b>39.89%</b>	<b>28.65%</b>	<b>10.22%</b>
Diluted EPS (INR per share)	7.07	12.15	14.14	12.30	1.58

Please refer to notes on Slide 9

\* - 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 related to such borrowings has been capitalized as a part of Capital Work in Progress until Phase V was capitalized i.e. 15 December 2021.



# Balance Sheet (Ind AS)

Particulars (INR Mn)	FY20	FY21	FY22
<b>EQUITY</b>	<b>4,538</b>	<b>5,744</b>	<b>4,780</b>
a) Equity Share Capital	901	901	901
b) Other Equity	3,637	4,843	3,879
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>	<b>12,210</b>	<b>12,019</b>	<b>14,231</b>
a) Financial Liabilities			
i) Borrowings	9,634	9,784	10,939
ii) Other Financial Liabilities	1,463	1,004	1,450
b) Provisions	4	5	5
c) Deferred Tax Liabilities (Net)	587	751	1,189
d) Other Non-Current Liabilities	522	475	648
<b>Current Liabilities</b>	<b>1,132</b>	<b>1,298</b>	<b>2,976</b>
a) Financial Liabilities			
i) Borrowings	256	-	845
ii) Trade Payables	86	70	256
iii) Other Financial Liabilities	614	1,082	1,583
b) Other Current Liabilities	174	145	237
c) Provisions	1	1	1
d) Current Tax Liabilities (Net)	1	-	54
<b>GRAND TOTAL - EQUITIES &amp; LIABILITIES</b>	<b>17,880</b>	<b>19,061</b>	<b>21,987</b>

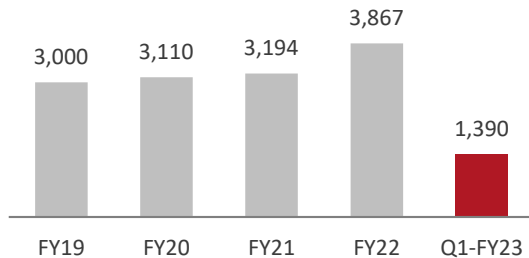
Particulars (INR Mn)	FY20	FY21	FY22
<b>Non-Current Assets</b>	<b>17,534</b>	<b>18,845</b>	<b>20,831</b>
a) Property, Plant and Equipment	5	4	4
b) Capital Work In Progress	9,482	11,402	132
c) Investment Properties	7,407	7,050	19,851
d) Financial Assets			
i) Loans	22	22	-
ii) Other Financial Assets	12	12	29
f) Non-Current Tax Assets (Net)	44	30	32
g) Other Non-Current Assets	562	325	783
<b>Current Assets</b>	<b>346</b>	<b>216</b>	<b>1,156</b>
a) Financial Assets			
i) Trade Receivables	39	19	32
ii) Cash and Cash Equivalents	116	16	963
iii) Bank Balances other than ii) above	10	12	39
iv) Other Financial Assets	19	23	26
b) Other Current Assets	162	146	96
<b>GRAND TOTAL – ASSETS</b>	<b>17,880</b>	<b>19,061</b>	<b>21,987</b>

Please refer to notes on Slide 9.

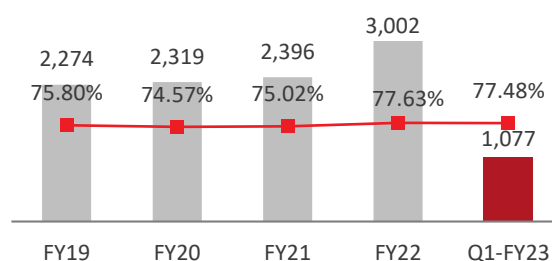


# Key Financial Highlights

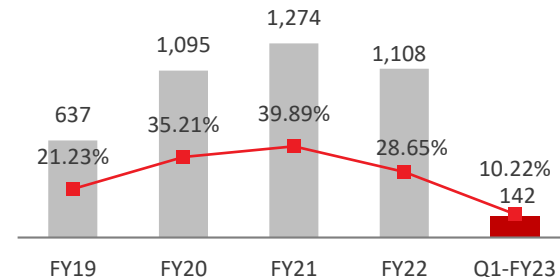
### Total Income (INR Mn)



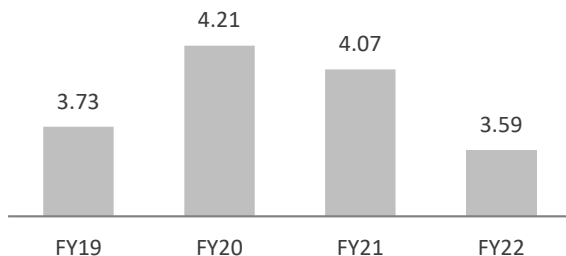
### EBITDA (INR Mn) & EBITDA Margin (%)



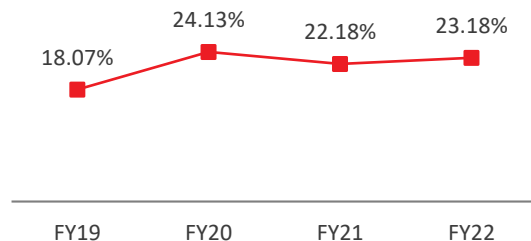
### PAT\* (INR Mn) & PAT Margin (%)



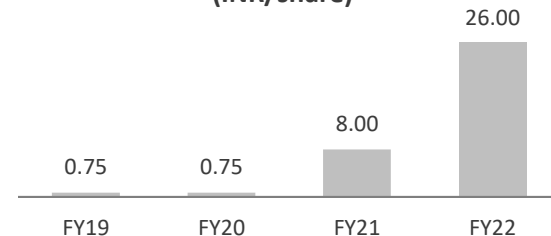
### Net Debt to EBITDA (x)



### ROE\* (%)



### Dividend Track Record (INR/share)



Please refer to notes on Slide 9

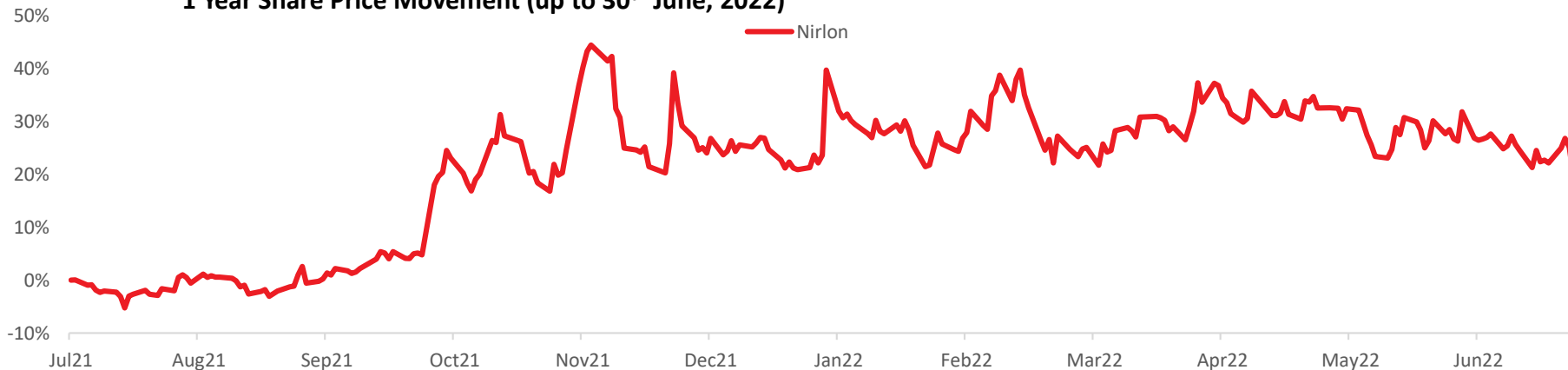
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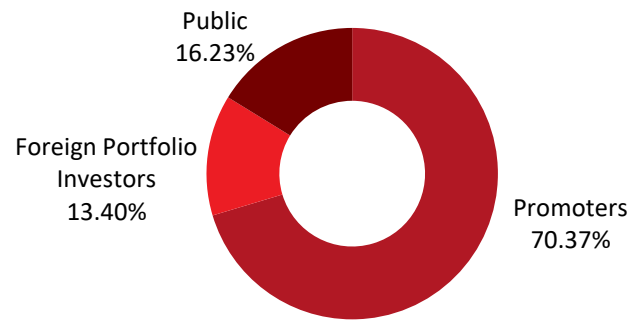
# Capital Markets

### 1 Year Share Price Movement (up to 30<sup>th</sup> June, 2022)



Price Data (As on 30 <sup>th</sup> June, 2022)	INR
Face Value	10
Market Price	357.75
52 Week H/L	444.90/ 279
Market Cap (Mn)	32,239.73
Equity Shares Outstanding (Mn)	90.12
1 Year Avg Trading Volume ('000)	8.36

### Shareholding Pattern (As on 30<sup>th</sup> June, 2022)



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## **Nirlon Limited**

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