



# Nirlon Limited

## COMPANY BACKGROUND.....

- 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 Real Estate.
- The company currently owns two primary real estate parcels: Nirlon Knowledge Park (NKP), which is a 23 acre Information Technology Park located in Goregaon (East), Mumbai and 75% of undivided interest in 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 all 5 phases of development completed in FY22.
- GIC Singapore became the majority shareholder and a co-promoter in 2015 vide an open offer through its affiliate, M/s. Reco Berry Private Limited (Reco) of Singapore, and currently has a 63.92% holding in the company.
- NKP has a total chargeable area of approximately 3.06 Mn.sq.ft.

## KEY STRENGTHS.....

- Present in the commercial real estate sector since 17 years
- Prime location in Mumbai’s western suburb
- LEED Platinum/ Gold Certified Buildings (Core & Shell) Environmentally Friendly Campus
- Marquee licensees including leading companies from IT and Financial Services sectors such as Citi, Barclays, Ernst & Young and JP Morgan
- Historically high average annual occupancy rate
- Consistent and Sustainable License Fee Income
- GIC Singapore (through its affiliate) is the major shareholder

## FINANCIAL HIGHLIGHTS (Ind AS).....

(INR Mn)	Total Income	EBITDA	EBITDA%	PAT	PAT%	EPS
<b>FY21</b>	3,194	2,396	75.02%	1,274	39.89%	14.14
<b>FY22</b>	3,867	3,002	77.63%	1,108	28.65%	12.30
<b>FY23</b>	5,756	4,610	80.09%	1,579	27.43%	17.52
<b>FY24</b>	6,074	4,814	79.26%	2,056	33.85%	22.81

### Key Data

<b>BSE Code</b>	500307
<b>NSE Code</b>	-
<b>Reuters</b>	NIRL.BO
<b>Bloomberg</b>	NIRL:IN

### Market Data (INR) As on 31<sup>st</sup> March, 2024

<b>Face Value</b>	10.00
<b>CMP</b>	426.50
<b>52 Week H/L</b>	475.05/363.15
<b>MCap (Mn)</b>	38,435.34
<b>Shares O/S (Mn)</b>	90.12
<b>1 Yr Avg. Vol ('000)</b>	21.86

### Performance As on 31<sup>st</sup> March, 2024

	3M	6M	12M
<b>NIRLON</b>	3.27%	1.55%	10.81%
<b>SENSEX</b>	1.98%	11.91%	24.56%
<b>BSE MIDCAP</b>	6.22%	21.43%	62.87%

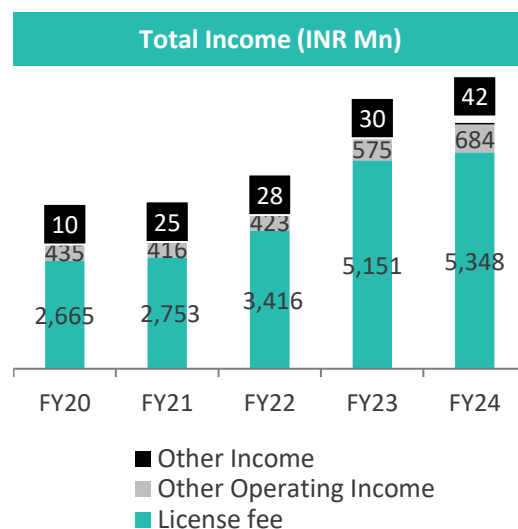
### Shareholding Pattern As on 31<sup>st</sup> March, 2024

<b>Promoters</b>	67.84%
<b>FPI</b>	14.34%
<b>Public</b>	17.82%

## BUSINESS OVERVIEW .....

### Nirlon Knowledge Park (NKP)

- 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.
- The Master Plan is designed around an Environmentally friendly Green Campus with a 200,000 sq. ft. or approx. 4 acres of traffic free central park and a more than 250 meter long water feature to give the location the quality of an urban oasis.
- Some of the major licensees of Nirlon Ltd. include JP Morgan, Citi Bank, Barclays, Morgan Stanley, Ernst & Young, ICICI Prudential, BNP Paribas, amongst others.
- The company has very consciously maintained the quality of its licensees over the years and has maintained a high average occupancy historically.
- Nirlon Knowledge Park is one of the first campuses of this scale in India to achieve Platinum/Gold LEED certification for its buildings (core and shell).
- Phases I to IV have already been LEED certified to a Gold standard and Phase V has a Platinum rating. NKP has been awarded the WELL Health Safety Rating for Facility Operations and Management.
- NKP has been felicitated with many awards some of which are:
  - Best Commercial Renovation/ Redevelopment – Asia Pacific in the year 2012-2013
  - Best Commercial Property 2013 Worldwide Achievers Real Estate Awards, etc.



**Phase Wise Details**

Phases	Constructed Area (Mn Sq. Ft.)	Chargeable Area (Mn Sq. Ft.)
I	1.29	0.77
II	0.38	0.31
III	0.55	0.4
IV	0.76	0.4
V	1.78	1.16
<b>Total</b>	<b>4.77</b>	<b>3.06</b>

## KEY GROWTH DRIVERS .....

- Rental income from leasable area of ~1.16 Mn sq. ft. licensed to JP Morgan Chase.
- Sustainable source of income from the licensees.
- Portfolio of quality licensees including global companies in the Financial Services and IT/ITES sectors.
- Strong cash flows.

## PEER COMPARISON (TRAILING 12 MONTHS) INR MN .....

Company	Op. Income	EBITDA	EBITDA%	Net Profit	PAT%	Market Cap
Nirlon	6,032	4,814	79.27%	2,056	33.9%	38,435
Nesco	6,782	4,293	62.85%	3,628	53.49%	58,439
Oberoi Realty	44,985	2,4099	53.60%	1,9266	42.85%	5,35,822
DLF	64,270	21,237	33.04%	27,235	42.38%	22,23,573
The Phoenix Mills	39,777	21,768	54.73%	13,328	33.51%	4,95,043

## INCOME STATEMENT (Ind AS)

INCOME STATEMENT (INR MN)	FY21	FY22	FY23	FY24
License Fees	2,753	3,416	5,151	5,348
Other Operating Income (CAM, etc.)	416	423	575	684
Other Income	25	28	30	42
<b>Total Income</b>	<b>3,194</b>	<b>3,867</b>	<b>5,756</b>	<b>6,074</b>
Total Expenses	798	865	1,146	1,260
<b>EBITDA</b>	<b>2,396</b>	<b>3,002</b>	<b>4,610</b>	<b>4,814</b>
<b>EBITDA Margins (%)</b>	<b>75.02%</b>	<b>77.63%</b>	<b>80.09%</b>	<b>79.26%</b>
Depreciation	487	755	1,028	564
Finance Cost*	140	346	1,257	1,235
<b>PBT</b>	<b>1,769</b>	<b>1,901</b>	<b>2,325</b>	<b>3,015</b>
Tax	495	793	746	959
<b>Profit After Tax</b>	<b>1,274</b>	<b>1,108</b>	<b>1,579</b>	<b>2,056</b>
<b>PAT Margins (%)</b>	<b>39.89%</b>	<b>28.65%</b>	<b>27.43%</b>	<b>33.85%</b>
Diluted EPS (INR per share)	14.14	12.30	17.52	22.81

\* - 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)	FY22	FY23	FY24	Particulars (INR Mn)	FY22	FY23	FY24
<b>EQUITY</b>	<b>4,780</b>	<b>4,018</b>	<b>3,731</b>	<b>Non-Current Assets</b>	<b>20,831</b>	<b>20,614</b>	<b>20,480</b>
a) Equity Share Capital	901	901	901	a) Property, Plant and Equipment	4	4	4
b) Other Equity	3,879	3,117	2,830	b) Capital Work In Progress	132	60	26
<b>LIABILITIES</b>				c) Investment Properties	19,851	19,318	19,096
<b>Non-Current Liabilities</b>	<b>14,231</b>	<b>14,975</b>	<b>15,586</b>	d) Financial Assets			
a) Financial Liabilities				i) Loans	-	-	-
i) Borrowings	10,939	11,450	11,456	ii) Other Financial Assets	29	97	96
ii) Other Financial Liabilities	1,450	1,470	1,690	e) Non-Current Tax Assets (Net)	32	129	284
b) Provisions	5	3	3	f) Other Non-Current Assets	783	1,006	974
c) Deferred Tax Liabilities (Net)	1,189	1,530	1,963	<b>Current Assets</b>	<b>1,156</b>	<b>399</b>	<b>783</b>
d) Other Non-Current Liabilities	648	522	474	a) Financial Assets			
<b>Current Liabilities</b>	<b>2,976</b>	<b>2,020</b>	<b>1,945</b>	i) Trade Receivables	32	29	32
a) Financial Liabilities				ii) Cash and Cash Equivalents	963	173	539
i) Borrowings	845	-	-	iii) Bank Balances other than ii) above	39	57	70
ii) Trade Payables	256	167	133	iv) Other Financial Assets	26	27	29
iii) Other Financial Liabilities	1,583	1,604	1,378	b) Other Current Assets	96	113	112
b) Other Current Liabilities	237	246	299				
c) Provisions	1	1	1				
d) Current Tax Liabilities (Net)	54	2	134				
<b>GRAND TOTAL - EQUITIES &amp; LIABILITIES</b>	<b>21,987</b>	<b>21,013</b>	<b>21,262</b>	<b>GRAND TOTAL - ASSETS</b>	<b>21,987</b>	<b>21,013</b>	<b>21,262</b>

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