

NIRLON LIMITED

Pahadi Village,
Goregaon (E), Mumbai - 400 063.
T +91-22-4028 1919 / 2685 2256 - 59.
F +91-22-4028 1940.
www.nirlonltd.com, Email:info@nirlonltd.com
CIN:L17120 MH1958PLC 011045



August 6, 2018

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 6, 2018

Ref: Pursuant to the provisions of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby inform you that interalia; the following items were considered by the Board of Directors of the Company at their meeting held on August 6, 2018:

- i. A comparison between the Un-audited Financial Results of the Company for the quarter ended on June 30,2018 and the Annual Budget of the Company for the Financial Year 2018-2019; and
- ii. Nirlon Knowledge Park (**NKP**) - Update on the development of Phase 5 (i.e. re-development of Phase 0) of NKP at Goregaon (East), Mumbai 400 063 with Budget

These matters were considered and taken on record by the Board of Directors and details thereof, i.e. Comparison between Un-audited Financial Results for the quarter ended June 30,2018 and Budget for the F.Y. 2018-19 and Note on Phase 5 of NKP with budget annexures 1, 2, and 3 with disclaimers, are attached herewith.



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The said information with details will also be made available on the website of the Company i.e. "**www.nirlonltd.com**".

We request you to take the same on record.

Thanking you,
Yours faithfully,
For Nirlon Limited

Jasmin K. Bhavsar



Company Secretary, Vice President (Legal) & Compliance Officer

FCS 4178

Encl: a/a.

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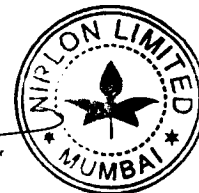


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NIRLON LIMITED		(INR in LAKH)		
COMPARISION OF ACTUAL VERSUS BUDGET				
		APPROVED	QUARTER 1	QUARTER 1
ANALYSIS OF PROFIT & LOSS A/C		BUDGET	ACTUALS	BUDGET
		01-Apr-18	01-Apr-18	01-Apr-18
		to	to	to
		31-Mar-19	30-Jun-18	30-Jun-18
LICENCE FEES		25,265.82	6,316.76	6,301.47
ADD : OTHER OPERATING INCOME		4,283.86	964.60	1,054.77
TOTAL OPERATING INCOME		29,549.68	7,281.36	7,356.23
LESS : PROPERTY MANAGEMENT EXP		(3326.73)	(734.72)	(831.68)
NET OPERATING INCOME		26,222.95	6,546.64	6,524.55
LESS : OPERATING COST		3,630.20	*909.34	889.84
OPERATING PROFIT/(LOSS) BEFORE INT. & DEPR.		22,592.75	5,637.30	5,634.72
ADD : OTHER INCOME		24.00	76.65	6.00
OPERATING PROFIT/(LOSS) BEFORE INT. & DEPR.		22,616.75	5,713.95	5,640.72
LESS : INTEREST		5,326.91	1,356.01	1,328.01
CASH PROFIT/(LOSS)		17,289.84	4,357.94	4,312.70
LESS : DEPRECIATION		5,638.03	1,470.15	1,409.51
NET PROFITFOR THE PERIOD		11,651.81	*2,887.79	2,903.20
*Includes one time payments of Rs. 104.67 lakh				
NOTE : VARIANCE (ACTUAL Vs BUDGET) CAN BE UP TO 10 %.				

Certified True Copy
For NIRLON LIMITED

J. K. Bhavsar
Company Secretary, V. P. Legal & Compliance Officer
F.C.S. 4178



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Nirlon Knowledge Park Phase 5 (re- development of Phase 0) update with Budget

The area of Phase 5 is 11.59 Lakh Square Feet of Chargeable Area and 17.83 Lakh Square Feet of Constructed Area. The Phase 5 budget of Rs.1,168 Crore (excluding marketing cost) is for the original area of 10.90 Lakh Square Feet of Chargeable Area and 16.74 Lakh Square Feet of Constructed Area. The actual area being developed is therefore 6.6% higher, i.e. 11.59 Lakh Square Feet of Chargeable area and 17.83 lakh Square Feet of Constructed area.

The current status can be seen in the attached Budget Sheet i.e. **annexures 1, 2 and 3.**

The Company has received regulatory approval to construct the entire area of 17.83 Lakh Square Feet. The IOD, which effectively constitutes the building approval, has been received in June 2018. Plans for this entire area have been approved simultaneously with a payment of Rs.176 Crore to MCGM and UD (Town Planning & Urban Development). This payment constitutes the premium payable @30% of R.R Rates to be paid to GOM for the additional FSI from 2 to 3. Currently, the Company has used FSI of approximately 2.63 in NKP. NKP is eligible for 3:1 FSI and plans to develop approx. 10.56 Lakh Square Feet FSI against a total potential of approx. 16.51 Lakh Square Feet FSI (including Fungible FSI). The balance potential available FSI (on payment of the applicable premium) is therefore 5.95 Lakh Square Feet.

There are two primary objectives for Phase 5 now:

- To continue to execute in as safe a manner as possible, and to try and complete the Project earlier than target due to higher productivity, technical innovation and with a minimum increase in cost.



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- To try and execute 17.83 Lakh Square Feet with the original Budget for 16.74 Lakh Square Feet.

The following factors are playing a major role in the cost of Phase 5:

- Premiums and regulations are fluctuating / changing prior to the new DP 2034 being released by the State Government.
- Steel Prices are at near record highs in India, and have increased approx. 45% from the contracted prices. Cement prices have increase approx. 25% from contracted prices.
- The Rupee has depreciated approx. 10% against the US Dollar from Phase 4.
- GST has been introduced in July 2017 after the Budget for Phase 5 was finalized. This has resulted in a direct cost increase in some areas/cases.

However, despite these issues the Company will target completion of Phase 5 within the original Budget (excluding Marketing Cost), notwithstanding the increased volume and the negative factors mentioned above, and ahead of schedule to the best extent possible (approx. by the end of the October – December 2020 quarter).

The Company continues to avail construction finance from HDFC Ltd. Accordingly, Phase 5 continues to be financed through a mix of construction finance and internal accruals in approx. equal proportion



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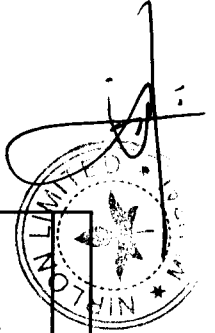
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The image shows a handwritten signature in black ink, which appears to be a stylized 'S' or 'N' with a horizontal line extending to the right. To the right of the signature is a circular stamp. The stamp has a double border. The outer border contains the text 'NIRLON LIMITED' at the top and 'MUMBAI' at the bottom, separated by two small stars. The inner border contains a smaller version of the company logo, which is a stylized leaf.

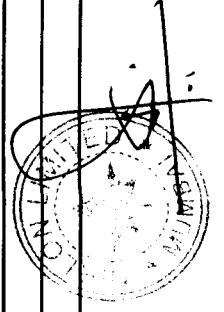
NIRLON KNOWLEDGE PARK - PHASE 5
BUDGET VARIATION SHEET SUMMARY - HARD COST

Annex. 1

Sl. No.	Budget Head	Original Budget in INR Crores	Projected / Targeted Cost in INR Crores	Remark
		Original Constructed Area - 1674000 Sq.Ft.	Revised Constructed Area - 1783000 Sq.Ft.	
		Original Chargeable Area - 1090000 Sq.Ft.	Revised Chargeable Area - 1159000 Sq.Ft.	
1	Preliminaries	5.74	7.74	Shore piling for the entire area was not considered in budget. This was required from a schedule and safety point of view. Approx Rs. 4.3 crore increases for shore piling and other misc. work, however Rs. 2.30 crore received from the demolition work, i.e. the net increase of Rs. 2.00 Cr.
2	Main Building - Core & Shell Excavation and Site preparation works	302.47 9.41	340.47 - 345.47 13.41	Increase includes Royalty charges. Budget was for 2 basements. However work executed for 3 basements.
	Main Building- Concrete Shell and Civil Works	282.98	316.98- 321.98	This increase is inclusive of anticipated price escalation of Rs. 30 crore (approx.) (as on date Rs 9 crore), Rs. 6 crore for Peri Skydeck system, other GST variations after setoff, extra items, etc. . However the overall BOQ qty. variation will be assessed on receipt of all drawings (GFC's) from Consultant.
	Post Tensioning work	9.48	9.48	The overall BOQ qty. variation if any will be assessed on receipt of all drawings from Consultant.
	MS and GI Fabrication	0.60	0.60	

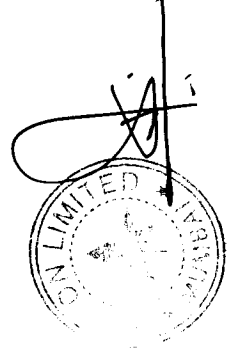


3	Facade and Terrace Structures	100.13	92.13 - 90.13	The overall BOQ qty. variation if any will be assessed on receipt of all drawings and after tender finalization. The Targeted/anticipated variation is based on anticipated local vendor prices.
	Structural Glazing and Façade Work	95.42		
	Special Façade Fabrication works	4.70		
4	Common Area Interiors	41.89	37.88	The overall variation if any will be assessed on receipt of all drawings, BOQ and tender finalization.
	Interior Fitout for common area - Lobby, Staircase, Passages, toilet, etc.	36.40	32.40	Rs. 4 crores will be overall targeted saving by value additional and negotiation
	Signage	0.26	0.26	
	Fire and General MS Doors	4.83	4.83	
	Fire Sealing	0.39	0.39	
5	External Development	20.86	20.86	The overall variation if any will be assessed on receipt of all drawings, BOQ and tender finalization.
	Hardscape - Road zone, Park zone and Pathway	8.91	8.91	
	Gratings and Covers	0.94	0.94	
	External Civil Works	7.38	7.38	
	Irrigation, rain water harvesting, etc.	0.74	0.74	
	Softscape	2.30	2.30	
	Artifacts and Accessories	0.05	0.05	
	Water features	0.54	0.54	



6	Utilities	190.18	175.18	We are anticipating for a saving of 15 crores for utilities budget, out of that Rs. 11 crores (approx.) by way of GST setoff of Capital items and Rs. 4 crores will be overall targeted saving by negotiation. Further Rs. 8.00 Crores can be saved by changing the make of DG engine from MTU to Perkins/ or equivalent.
	HVAC System	28.16		
	Electrical	36.50		
	Luminaries	5.21		
	DG Sets (8) with HSD Yard	46.93		
	PHE & Fire Fighting System	26.07		
	Sanitary ware, CP fittings	0.88		
	Elevators (29)	27.12		
	IBMS	13.56		
	STP	5.74		
7	Site Overheads	1.04	1.04	
8	Contingency for Hard cost/direct construction)	10.67	-	This contingency will be utilized to offset the increased in hard cost.
	TOTAL HARD COST	672.96	675.29 - 678.29	This is without change of DG Brand. Change from MTU to Perkins will be approximately Rs. 8 Crore.

The overall cost EVEN AFTER the volume increase of 6.6% should be approximately 1% up or down from the original Budgeted hard cost Steel Prices are at a near record highs and are assumed to be at this price till the end of the Project.



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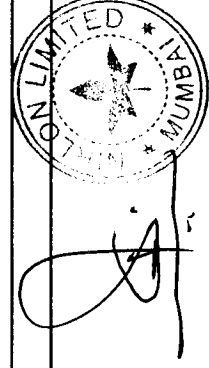
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**NIRLON KNOWLEDGE PARK - PHASE V
BUDGET VARIATION SHEET SUMMARY - SOFT COST**

Annex. 2

Sl. No.	Budget Head	Original Budget in INR Crore	Projected / Targeted Cost in INR Crore	Remark
		Original Constructed Area - 1674000 Sq.Ft. Original Chargeable Area - 1090000 Sq.Ft.	Revised Constructed Area - 1783000 Sq.Ft. Revised Chargeable Area - 1159000 Sq.Ft.	
1	Soft Cost (Consultants) + MSC Charges	109.62	104.62	The projected reduction is despite the approximately Rs. 3 Crores is lost due to change in tax structure from Service Tax to GST. This is a dead loss.
2	Authorities (Fees, Connections, etc.) and Land Cost/ FSI Purchase Cost	235.55	225.55	Currently projected to be lesser by approximately 10 Crores despite increased volume. However, Statutory Costs remain very unpredictable.
3	Finance Cost	110.18	100.18	Finance cost could have been lower. However, Due to unpredictable nature of Statutory Costs, the finance costs will vary.
4	Other (Non - Direct Construction related eg Taxes, Insurance, etc)	40.00	40.00	
	TOTAL SOFT COST	495.35	470.35	

Marketing Cost has been excluded in this projection.

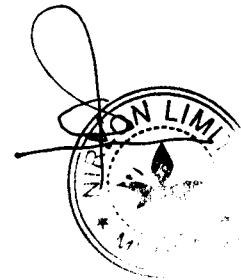


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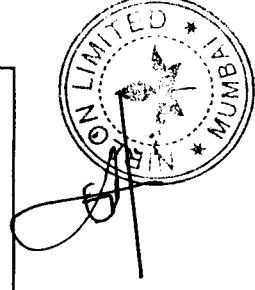


**NIRLON KNOWLEDGE PARK - PHASE V
BUDGET VARIATION SHEET SUMMARY - HARD COST AND SOFT COST**

Annex. 3

Sl. No.	Budget Head	Original Budget in INR Crores	Projected / Targeted Cost in INR Crores	Remark
		Original Constructed Area - 1674000 Sq.Ft.	Revised Constructed Area - 1783000 Sq.Ft.	
		Original Chargeable Area - 1090000 Sq.Ft.	Revised Chargeable Area - 1159000 Sq.Ft.	
1	Hard Cost	672.96	675.29 - 678.29	Hard Cost should be approximately 1% higher or lower than the original Budget.
2	Soft Cost	495.35	470.35	Soft Cost should be approximately 5% lower than the original Budget
	TOTAL COST	1,168.32	1,145.64 - 1,148.64	Approximate Cost reduction of 2% from the original Budget, after increased area

Marketing Cost has been excluded in this projection.



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