NIRLON LIMITED

INVESTOR PRESENTATION

JUNE 2021

Snapshot

NIRLON LIMITED

Present in the commercial / IT-ITES real estate sector for 15 years

Experienced management team

Prime location in Mumbai's western suburb

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

Marquee licensees including leading companies from IT / Financial Services sectors

Occupier friendly design with ~80% efficiency

High Average annual occupancy rate of ~99%

World Class infrastructure with several modern facilities

GIC Singapore (through its affiliate) is the major shareholder

Consistent and Sustainable License Fee Income

3 Year CAGR (2018-2020) :
Revenue: 2.05%, PAT: 28.92% *

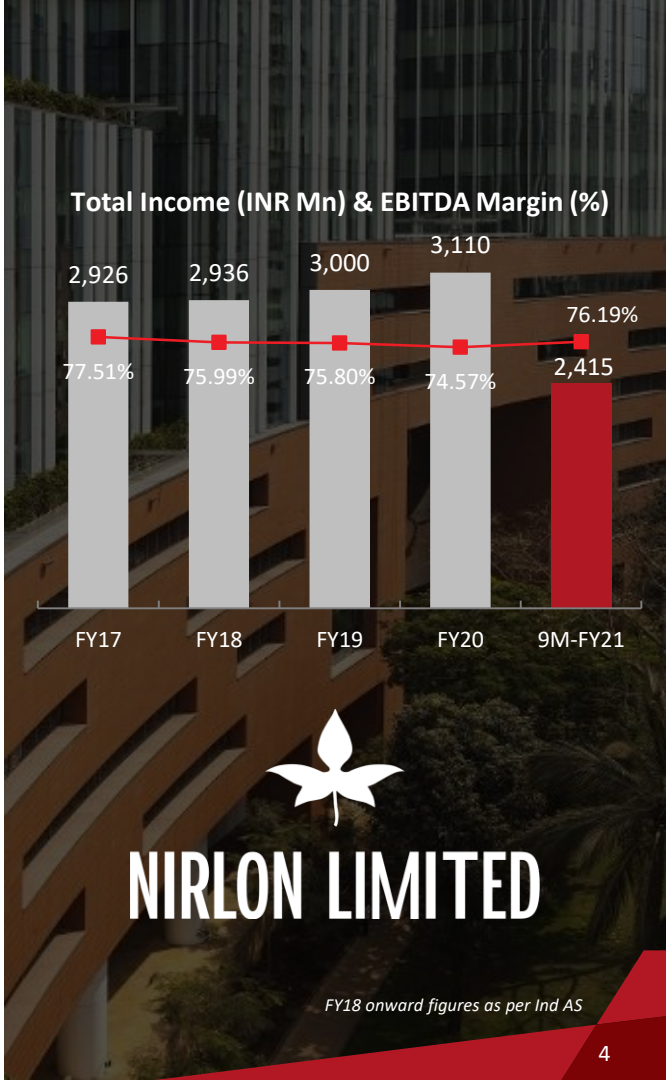
FY20 CFO: INR 3,109 Mn
FY20 ROE: 24.13% *

FY18 onward figures as per Ind AS;
** Impact of IndAS-23 FY20 onwards (refer slide 25 for details)*

Company Overview

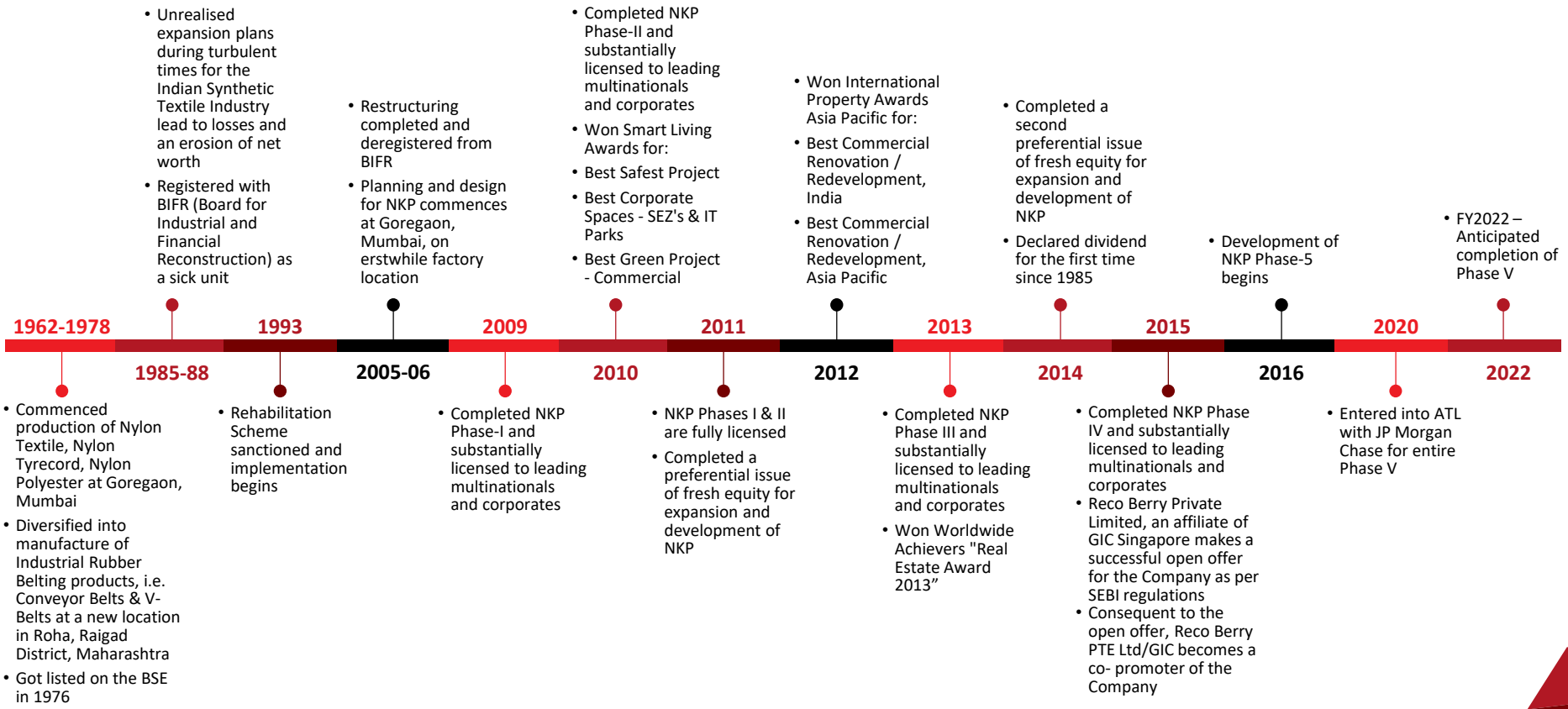
Company Overview

- 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 4 out of 5 phases of development completed, and the final Phase V expected to complete in FY22.
- Phases I to IV have a chargeable area of approximately 1.9 Mn sq. ft. which are licensed to marquee multinational and Indian corporates. The soon to be completed Phase V will have a chargeable area ~1.16 Mn sq. ft.
- 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.



Key Milestones

NIRLON LIMITED



Board of Directors

NIRLON LIMITED

Mr. Rajinder Pal Singh – *Chairman, Independent Director & Non-Executive Director*

Mr. Singh post graduated in Mathematics from the Advanced Centre for Pure Mathematics, Punjab University, Chandigarh in 1973, and after a brief stint teaching Pure Mathematics & Statistics to graduate classes, joined the Indian Administrative Service (IAS). Apart from the regular field assignments for IAS Officers, he has wide experience in regulatory areas of Finance, Industry, Urban Development and infrastructure.

Mr. Sridhar Srinivasan - *Independent Director & Non-Executive Director*

Mr. Srinivasan is a graduate of Delhi University and also a Chartered Accountant. He is a financial services expert with nearly 30 years of experience at Citigroup across Asia, Africa and Europe. After this, he joined Oliver Wyman as Partner and India Head, and is currently a senior advisor at the leading global management consulting firm. He is now an established non-executive board director/advisor with companies ranging from start-ups to the largest corporations in India.

Mr. Kunnasagaran Chinniah - *Non-Executive Director - Nominated by Reco Berry Pvt. Ltd.*

Mr. Chinniah is a qualified Chartered Financial Analyst (CFA) and his other academic qualifications include a Bachelor's Degree in Electrical Engineering from the National University of Singapore and an MBA from the University of California, Berkeley, USA. He retired in 2013 as the Managing Director/Global Head of Portfolio, Strategy & Risk Group with GIC Special Investments, the Private Equity arm of the GIC.

Ms. Anjali Seth - *Independent Director & Non-Executive Director*

Ms. Seth graduated with B.A.(Honours) and LLB. She has been advising and consulting with Banks, Financial Institutions, and large Corporates as a Legal Consultant. She comes with a rich and diverse more than twenty five years experience as a professional lawyer.

Mr. Kunal V. Sagar - *Promoter & Non-Executive Director*

Mr. Sagar is a Promoter Director in Nirlon Ltd. He completed his BA in Economics and International Relations from Brown University, USA. He has been on the Board of Nirlon since 1995 and was executive vice chairman from 1996 to 2015. He was also a Director of Sempetrans Nirlon Ltd. from 2000 to 2009. Along with his brother Rahul, he has been instrumental in extricating Nirlon from bankruptcy, conceptualizing NKP to global standards and ensuring a successful implementation of the development. Prior to joining Nirlon, he worked with the Republic National Bank of New York in the United States from 1990 to 1994.

Mr. Rahul V. Sagar - *Executive Director & CEO*

Mr. Sagar is a Promoter, Executive Director and CEO of Nirlon Ltd. He completed his BA in Economics from Boston University. He has been on the Board on Nirlon since 2006 and has been an Executive Director since 2009. Along with his brother Kunal, he has been instrumental in extricating Nirlon from bankruptcy, conceptualizing NKP to global standards and ensuring a successful implementation of the development. Prior to this he was COO of Sempertrans Nirlon Ltd. (now Sempertrans India Pvt. Ltd.) a JV between Nirlon and an Austrian multinational to manufacture conveyor belts, which he turned around from a heavily loss making unit to a highly profitable Company.

Major Licensees

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*

**For upcoming Phase V*

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NKP Overview

Nirlon Knowledge Park – The Master Plan

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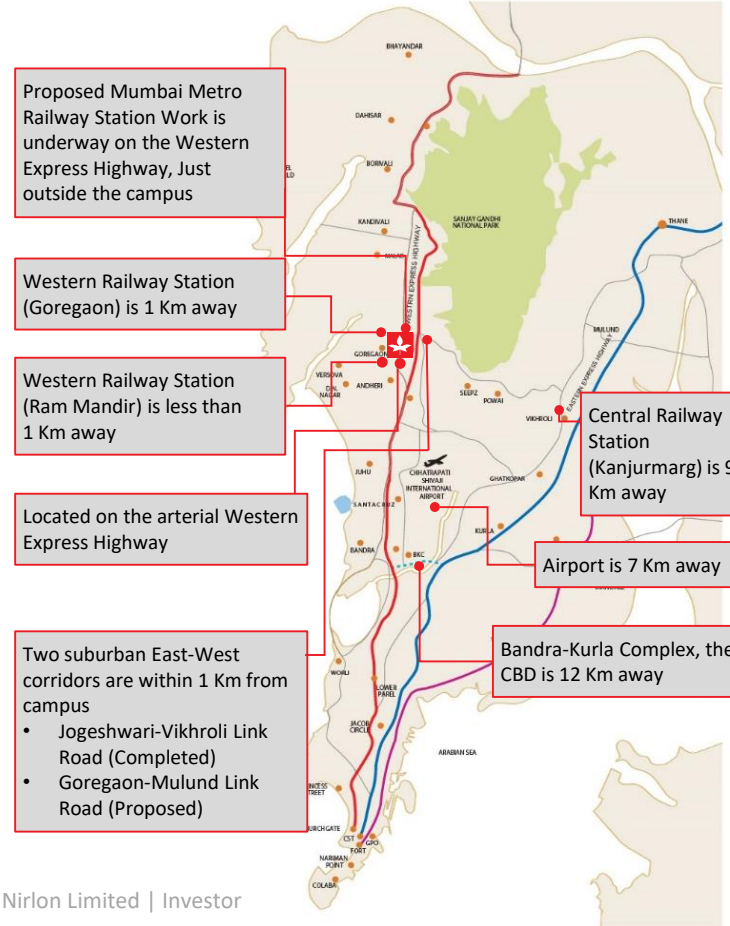
Proposed Mumbai Metro Railway Station Work is underway on the Western Express Highway, Just outside the campus

Western Railway Station (Goregaon) is 1 Km away

Western Railway Station (Ram Mandir) is less than 1 Km away

Located on the arterial Western Express Highway

Two suburban East-West corridors are within 1 Km from campus
- Jogeshwari-Vikhroli Link Road (Completed)
- Goregaon-Mulund Link Road (Proposed)



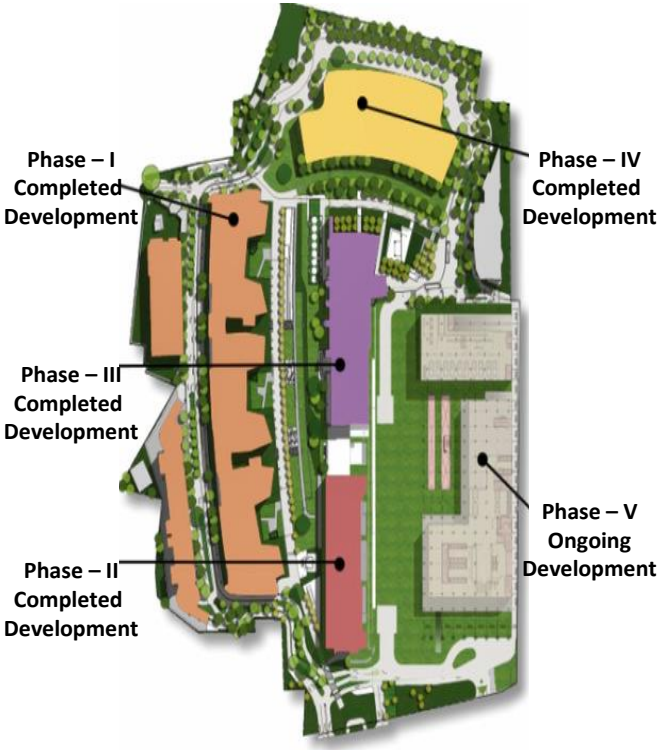
Central Railway Station (Kanjurmarg) is 9 Km away

Airport is 7 Km away

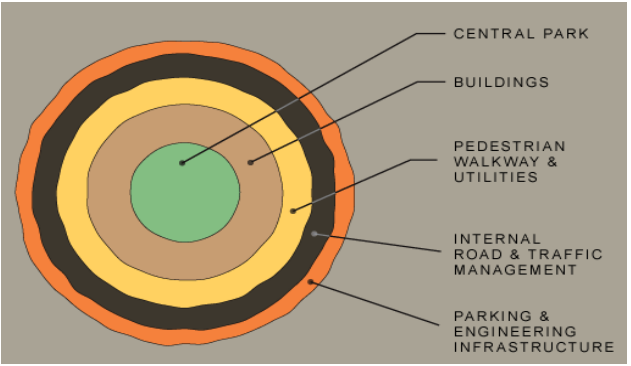
Bandra-Kurla Complex, the CBD is 12 Km away

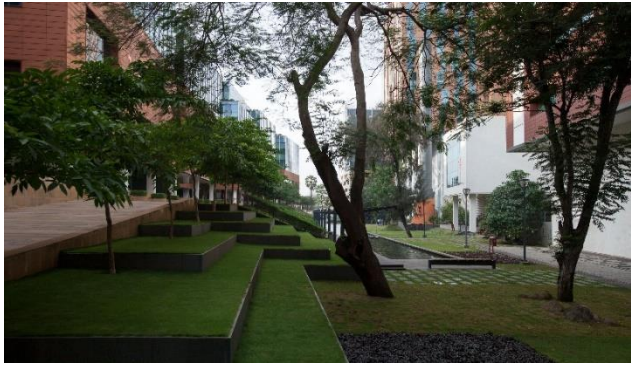
Conveniently located on Mumbai's Western Express Highway, one of Mumbai's main arterial roads, the Nirlon Knowledge Park is an easy commute from the western and eastern suburbs of Mumbai. A majority of the city's professional workforce live in the western suburbs, which have a ready availability of residential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

≈ 1.90 Mn Sq. ft.	Operational office space
≈ 1.16 Mn Sq. ft.	Under construction office space
≈ 3.06 Mn Sq. ft.	Total Planned office space



Amenities & Utilities





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.

Central Park & Buildings

The master plan was conceived with an extensive, sylvan, traffic free central park at its core, around which buildings are thoughtfully located to create the ambience of an urban oasis.

Pedestrian Walkway & Utility Ring

The buildings are, in turn, encircled by a broad, tree-lined walking path, for ease and convenience of pedestrian movement.
Below this pedestrian walkway runs an underground ring of state of the art utilities/services designed for efficient and clean maintenance. These include electricity and fiber cabling, storm water drainage and sewerage lines, chilled water lines, fire hydrant lines, potable water lines etc.

Amenities & Utilities

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Internal Ring Road

- The pedestrian walkway is bordered by a two way, four lane, external ring road. This road includes a dedicated bus/contract vehicle lane (adjacent to the pedestrian walkway) and a dedicated turning lane/median, to ensure free movement of traffic in the other two lanes.

Parking & Engineering Infrastructure

- Finally, to the outside of the internal road is a 9-level Multi Level Car Park (MLCP) housing the engineering infrastructure i.e. DG sets, chillers and other HVAC equipment, as well as the electricity receiving stations, substations, sewage treatment plants, etc. and diesel storage facilities.

Other Utilities:

- Differently-abled friendly
- Security and Safety – 24-Hour security. Controlled access. Extensive CCTV coverage.
- Fire Prevention / Suppression – Sprinklers, Smoke detectors, Fire extinguishers / Wet riser / Horse reels, Yard hydrants, Fire fighting, Telephone system, Integration with IBMS, Public Address System
- 100% Power Backup – Via Diesel generators to ensure 24x7 operations with N+1 redundancy
- Support Services – ATM, Emergency medical facility, Restaurants / Cafes, Concierge services, Day Care Centre, gym

LEED Platinum/Gold Certified Campus

NIRLON LIMITED

- Nirlon Knowledge Park is an ecologically friendly environment that people look forward to working in, and which is conducive to retaining skilled, motivated professionals.
- Extensive green spaces, water bodies, landscaped terraces, and courtyards have been created to ensure that the development has a tranquil, campus like feel.
- Green Design and construction practices significantly reduce or eliminate the negative impact of buildings on the environment and occupants by safeguarding water efficiency, Energy efficiency, conservation of materials & resources.
- 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.
- LEED stands for **Leadership in Energy & Environmental Design.** A leading-edge system for designing, constructing, operating and certifying India's green buildings.
- **LEED Benefits:**
- Reduce the impacts of natural resource consumption
- Minimize strain on local infrastructure and improve quality of life
- Lower utility costs significantly and improve the bottom line
- Enhance occupant comfort and health
- Recognizes corporate awareness and concern for the environment

Indian Green Building Council (IGBC)
hereby certifies that
Cooling Tower Café
Nirlon Knowledge Park, Goregaon East
has successfully achieved the Green Building Standards required for the following level of certification under the Leadership in Energy and Environment Design (LEED) India Green Building Rating System
LEED India for Core & Shell Gold
May 2011
C N Raghavendran, Chairman, LEED India
Dr Prem C Jain, Chairman, IGBC
Jamshyd N Godrej, Chairman, CII-Godrej GBC

Indian Green Building Council (IGBC)
hereby certifies that
Nirlon Knowledge Park (Phase 1)
An IT Park for Offices of IT / ITES & BFSI Companies
Mumbai
has successfully achieved the Green Building Standards required for the following level of certification under the Leadership in Energy and Environment Design (LEED) India Green Building Rating System
LEED India for Core & Shell Gold
May 2010
C N Raghavendran, Chairman, LEED India
Dr Prem C Jain, Chairman, IGBC
Jamshyd N Godrej, Chairman, CII-Godrej GBC

Indian Green Building Council (IGBC)
hereby certifies that
'Nirlon Knowledge Park, (Phase II)'
Goregaon East, Mumbai
has successfully achieved the Green Building Standards required for the following level of certification under the Leadership in Energy and Environment Design (LEED) India Green Building Rating System
LEED India for Core & Shell Gold
June 2011
C N Raghavendran, Chairman, LEED India
Dr Prem C Jain, Chairman, IGBC
Jamshyd N Godrej, Chairman, CII-Godrej GBC

Well Health-Safety Certifications

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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.

Awards

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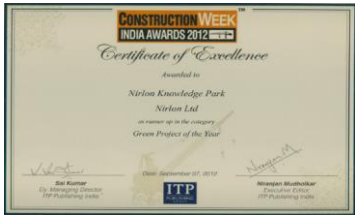

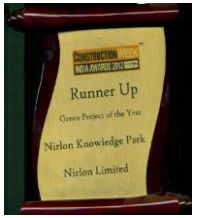

Runner Up – Green Project of the *Year* (Construction Week India Awards 2012)

Runner Up - Commercial Project of the Year (Construction Week India Awards 2012)

Best Commercial Property 2013 Worldwide Achievers Real Estate Awards

Smart Living Awards – Economic Times (2010)
Best Corporate Spaces – SEZs and IT Parks
Best Green Project – Commercial
Best Safest Project

Best Commercial Renovation / Redevelopment – India (2012-13)

Best Commercial Renovation / Redevelopment– Asia Pacific (2012-13)

Phase I

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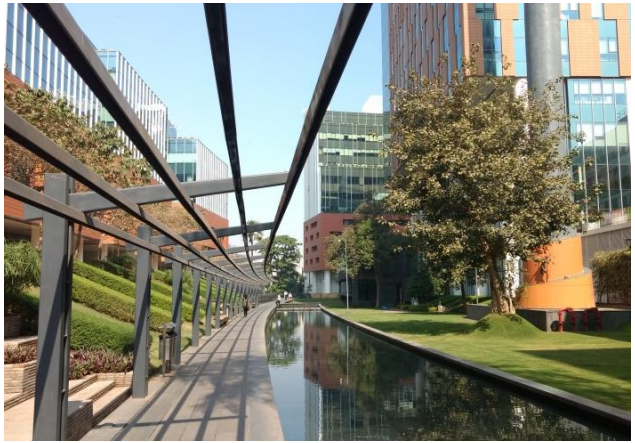


- **Constructed area:** 1.29 Mn sq. ft.
- **Chargeable area:** 0.77 Mn sq. ft.
- **Date of Completion:** October 2009
- **Typical floor plate:** 30,000 to 40,000 sq. ft. per block (3 blocks)
- **Amenities:** 6 Passenger & 2 Service lifts per block

Phase II

NIRLON LIMITED

- **Constructed area:** 0.38 Mn sq. ft.
- **Chargeable area:** 0.31 Mn sq. ft.
- **Date of Completion:** June 2010
- **Typical floor plate:** 30,000 to 40,000 sq. ft.
- **Amenities:** 6 Passenger & 2 Service lifts

Phase III

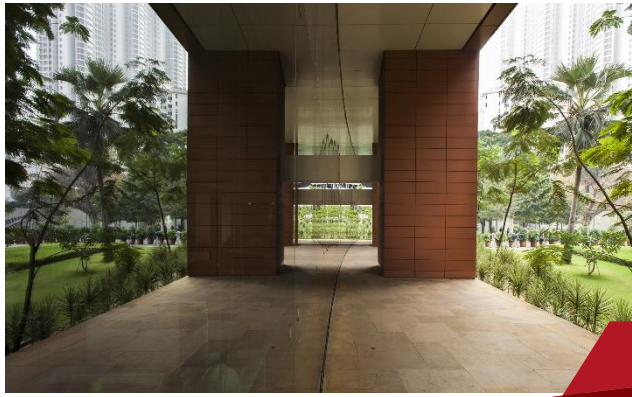
NIRLON LIMITED

- **Constructed area:** 0.55 Mn sq. ft.
- **Chargeable area:** 0.40 Mn sq. ft.
- **Date of Completion:** September 2013
- **Typical floor plate:** 30,000 sq. ft.
- **Amenities:** 8 Passenger & 2 Service lifts

Phase IV

NIRLON LIMITED

- **Constructed area:** 0.76 Mn sq. ft.
- **Chargeable area:** 0.40 Mn sq. ft.
- **Date of Completion:** March 2015
- **Typical floor plate:** 60,000 sq. ft.
- **Amenities:** 8 Passenger, 2 Parking & 2 Service lifts



Phase V

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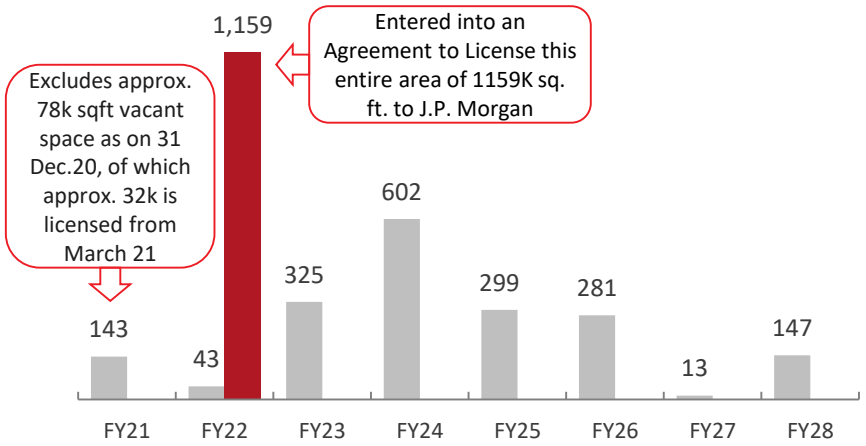
Building Configuration	B9 - 3 Basements + Ground Floor + 23 Floors B10 - 3 Basements + Ground Floor + 9 Floors B11 - 3 Basements + Ground Floor + 7 Parking + Terrace Cafe (Multi Level Car Parking)
Number of Car Parks	Approx. 1,150+
Construction Area	~1.78 Mn sq. ft.
Chargeable Area	~1.16 Mn sq. ft.
Scheduled Completion / OC	FY22
Typical Floor Plate (Estimated)	B9 - 42,000 sq. ft., B10 - 30,000 sq. ft.
Elevators	**Building B9** • 16 Passenger lifts, 2 Service lifts • 2 Parking lifts from Basement to Ground **Building B10** • 5 Passenger & 1 Service lifts **Building B11** • 2 Passenger & 1 Service lifts

Phase Wise Details & License Renewals

NIRLON LIMITED

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

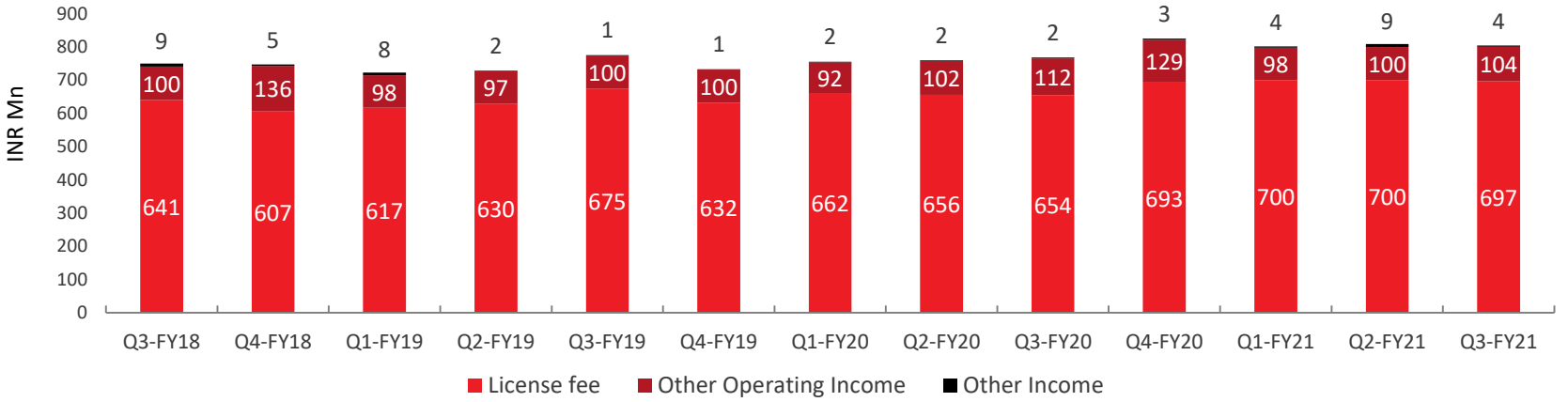
License Due for Renewals/Resets (Thousands Sq. ft.) as on 31 December 2020

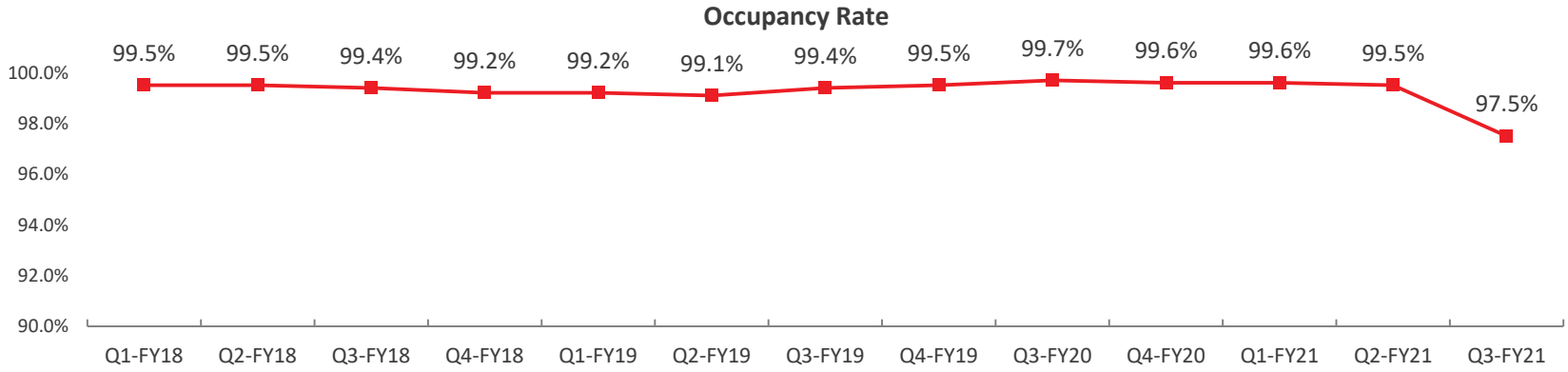


Assumes all licenses continue for the anticipated tenure of their License / notice period and only NL's share considered for co-owned space at Nirlon House.

License Fees & Occupancy Rates

NIRLON LIMITED





Financial Overview

Historical Income Statement (Ind AS)

NIRLON LIMITED

Particulars (INR Mn)	FY18	FY19	FY20	9M-FY21
License Fees	2,486	2,556	2,665	2,097
Other Operating Income (CAM, etc.)	422	431	435	302
Other Income	28	13	10	16
Total Income	**2,936**	**3,000**	**3,110**	**2,415**
Total Expenses	705	726	791	575
EBITDA	**2,231**	**2,274**	**2,319**	**1,840**
EBITDA Margin	***75.99%***	***75.80%***	***74.57%***	***76.19%***
Depreciation	722	589	533	365
Finance Cost	656	697	321*	104*
PBT	**853**	**988**	**1,465**	**1,371**
Tax	296	351	370	384
Profit After Tax / Total Comprehensive Income	**557**	**637**	**1,095**	**987**
PAT Margin	***18.97%***	***21.23%***	***35.21%***	***40.87%***
Diluted EPS (INR per share)	6.18	7.07	12.15	10.95

FY18 onward figures as per Ind AS

** - 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.*

Balance Sheet (Ind AS)

NIRLON LIMITED

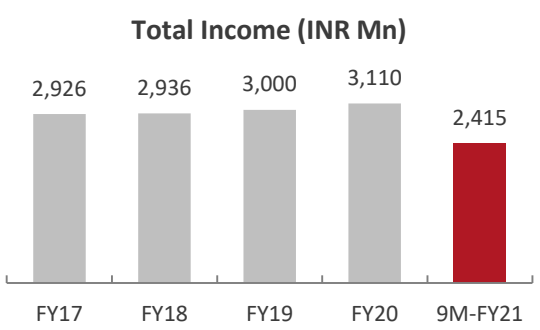
Particulars (INR Mn)	FY20	H1-FY21
EQUITY	**4,537**	**5,129**
a) Equity Share Capital	901	901
b) Other Equity	3,636	4,228
LIABILITIES		
Non-Current Liabilities	**12,210**	**11,882**
a) Financial Liabilities		
i) Borrowings	9,634	9,634
ii) Other Financial Liabilities	1,463	1,090
b) Provisions	4	5
c) Deferred Tax Liabilities (Net)	587	673
d) Other Non-Current Liabilities	522	480
Current Liabilities	**1,132**	**1,738**
a) Financial Liabilities		
i) Borrowings	256	255
ii) Trade Payables	86	127
iii) Other Financial Liabilities	614	1,128
b) Other Current Liabilities	174	175
c) Provisions	1	1
d) Current Tax Liabilities (Net)	1	52
GRAND TOTAL - EQUITIES & LIABILITES	**17,879**	**18,749**

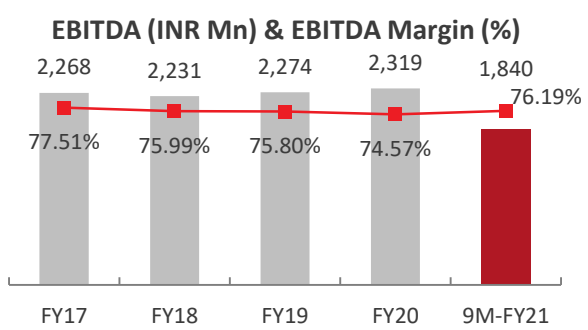
Particulars (INR Mn)	FY20	H1-FY21
Non-Current Assets	**17,533**	**18,167**
a) Property, Plant and Equipment	5	5
b) Capital Work In Progress	9,482	10,387
c) Investment Properties	7,407	7,291
d) Intangible Assets	-	-
e) Financial Assets		
i) Loans	22	22
ii) Other Financial Assets	12	12
f) Non-Current Tax Assets (Net)	44	48
g) Other Non-Current Assets	562	402
Current Assets	**345**	**582**
a) Financial Assets		
i) Trade Receivables	39	32
ii) Cash and Cash Equivalents	116	395
iii) Bank Balances other than ii) above	10	11
iv) Other Financial Assets	19	9
b) Other Current Assets	161	135
GRAND TOTAL – ASSETS	**17,879**	**18,749**

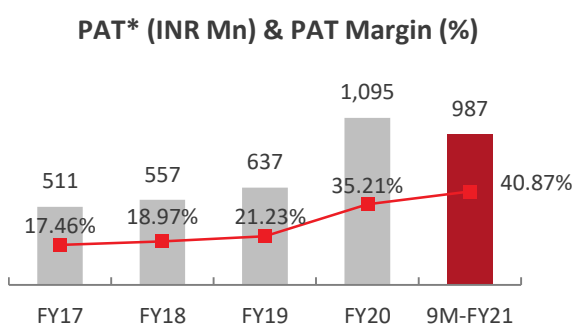
FY18 onward figures as per Ind AS

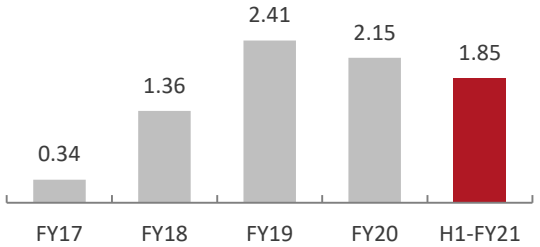
Key Financial Highlights

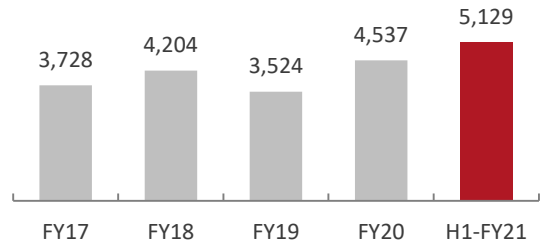
NIRLON LIMITED

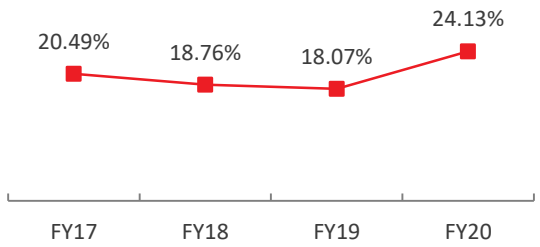












FY18 onward figures as per Ind AS

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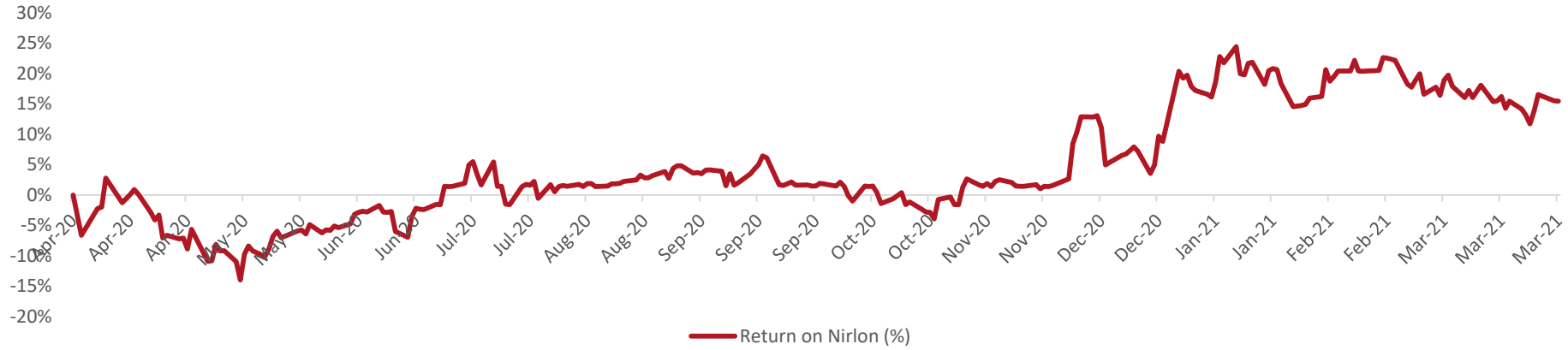
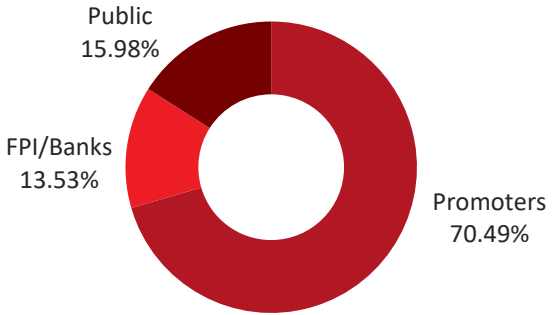
Capital Markets

NIRLON LIMITED



Price Data (31st March, 2021)	INR
Face Value	10
Market Price	273.2
52 Week H/L	299.1/202.65
Market Cap (Mn)	24620.25
Equity Shares Outstanding (Mn)	90.12
1 Year Avg Trading Volume ('000)	8.27

Shareholding Pattern as on 31st March 2021



Disclaimer

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