



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 16 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
FY20	3,110	2,319	74.57%	1,095	35.21%	12.15
FY21	3,194	2,396	75.02%	1,274	39.89%	14.14
FY22	3,867	3,002	77.63%	1,108	28.65%	12.30
FY23	5,756	4,610	80.09%	1,579	27.43%	17.52

Key Data

BSE Code	500307
NSE Code	-
Reuters	NIRL.BO
Bloomberg	NIRL/F:IN

Market Data (INR) As on 31st March, 2023

Face Value	10.0
CMP	375.70
52 Week H/L	418.0/301.1
MCap (Mn)	33,858.1
Shares O/S (Mn)	90.1
1 Yr Avg. Vol ('000)	7.1

Performance As on 31st March, 2023

	3M	6M	12M
NIRLON	18.6%	1.4%	(8.6)%
SENSEX	(3.1)%	2.8%	0.8%
BSE MIDCAP	(7.0)%	(5.2)%	(4.8)%

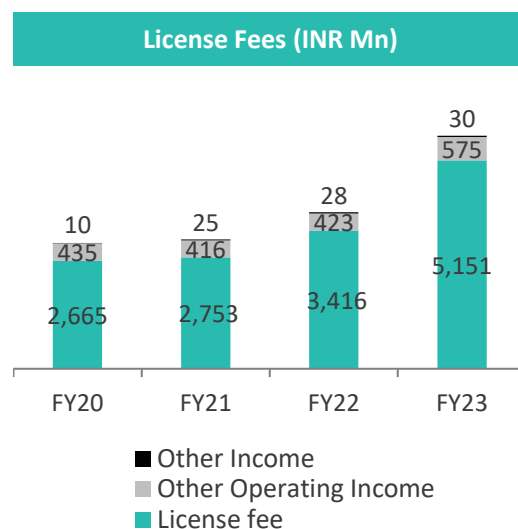
Shareholding Pattern As on 31st March, 2023

Promoters	70.34%
FII/ Banks	14.09%
Public	15.57%

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
Total	4.77	3.06

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	5,726	4,130	78.3%	1,579	29.9%	33,858
Nesco	5,460	3,487	63.9%	2,906	53.2%	36,438
Oberoi Realty	41,926	21,117	50.4%	19,045	45.4%	3,06,499
DLF	56,948	17,258	30.3%	20,340	35.7%	8,83,686
The Phoenix Mills	26,383	15,189	57.6%	14,776	56.0%	2,32,356

INCOME STATEMENT (Ind AS).....

INCOME STATEMENT (INR MN)	FY20	FY21	FY22	FY23
License Fees	2,665	2,753	3,416	5,151
Other Operating Income (CAM, etc.)	435	416	423	575
Other Income	10	25	28	30
Total Income	3,110	3,194	3,867	5,756
Total Expenses	791	798	865	1,146
EBITDA	2,319	2,396	3,002	4,610
EBITDA Margins (%)	74.57%	75.02%	77.63%	80.09%
Depreciation	533	487	755	1,028
Finance Cost*	321	140	346	1,257
PBT	1,465	1,769	1,901	2,325
Tax	370	495	793	746
Profit After Tax	1,095	1,274	1,108	1,579
PAT Margins (%)	35.21%	39.89%	28.65%	27.43%
Diluted EPS (INR per share)	12.15	14.14	12.30	17.52

* - 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)	FY21	FY22	FY23	Particulars (INR Mn)	FY21	FY22	FY23
EQUITY	5,744	4,780	4,018	Non-Current Assets	18,845	20,831	20,614
a) Equity Share Capital	901	901	901	a) Property, Plant and Equipment	4	4	4
b) Other Equity	4,843	3,879	3,117	b) Capital Work In Progress	11,402	132	60
LIABILITIES				c) Investment Properties	7,050	19,851	19,318
Non-Current Liabilities	12,019	14,231	14,974	d) Financial Assets			
a) Financial Liabilities				i) Loans	22	-	-
i) Borrowings	9,784	10,939	11,450	ii) Other Financial Assets	12	29	97
ii) Other Financial Liabilities	1,004	1,450	1,470	e) Non-Current Tax Assets (Net)	30	32	129
b) Provisions	5	5	3	f) Other Non-Current Assets	325	783	1,006
c) Deferred Tax Liabilities (Net)	751	1,189	1,530	Current Assets	216	1,156	398
d) Other Non-Current Liabilities	475	648	522	a) Financial Assets			
Current Liabilities	1,298	2,976	2,020	i) Trade Receivables	19	32	29
a) Financial Liabilities				ii) Cash and Cash Equivalents	16	963	173
i) Borrowings	-	845	-	iii) Bank Balances other than ii) above	12	39	57
ii) Trade Payables	70	256	167	iv) Other Financial Assets	23	26	26
iii) Other Financial Liabilities	1,082	1,583	1,604	b) Other Current Assets	146	96	113
b) Other Current Liabilities	145	237	246	GRAND TOTAL - EQUITIES & LIABILITIES	19,061	21,987	21,012
c) Provisions	1	1	1	GRAND TOTAL - ASSETS	19,061	21,987	21,012
d) Current Tax Liabilities (Net)	-	54	2				

Name	Designation	Email	Phone
Anuj Sonpal	CEO	anuj@valoremadvisors.com	+91-22-4903-9500
Surbhi Jain	Account Manager	surbhi@valoremadvisors.com	+91-22-4903-9500

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