

**NILA  
INFRASTRUCTURES  
LIMITED**

Nila/Cs/2019/91  
Date: February 12, 2019

To,  
The General Manager  
Department of Corporate Services  
**BSE Limited**  
Phirozee Jeejeebhoy Tower,  
Dalal Street, Fort, Mumbai - 400001

To,  
The Manager  
Listing Department  
**National Stock Exchange of India Ltd.**  
Exchange Plaza, Bandra Kurla Complex,  
Mumbai - 400051

**Scrip Code: 530377**


**Scrip Symbol: NILAINFRA**

Dear Sir,

**Sub: Earnings Release of Nila Infrastructures Ltd.**

We are hereby submitting a copy of Earnings Release of Nila Infrastructures Ltd. on the financial results for the quarter/nine months ended on 31.12.2018 and request the exchange to take on record.

Thanking you,  
Yours faithfully  
For, **Nila Infrastructures Ltd.**

  
Dipen Y. Parikh  
Company Secretary



Encl: a/a

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# INVESTOR RELEASE: Earnings Release for Q3/9M-FY2019



For Immediate Release:

**Standalone Revenue growth of -0.36% for Q3-FY2019**  
**Standalone EBITDA growth of 10.23% | EBITDA Margin 18.25%**  
**Standalone PAT growth of -7.14% | PAT margin 9.57%**

## Standalone Financials at a Glance:

₹ in millions <sup>1</sup>	Q3-FY2018	Q3-FY2019	YoY	9M-FY2018	9M-FY2019	YoY
Total Revenue	548	546	-0.36%	1,718	1,581	-7.97%
EBIDTA	88	97	10.23%	295	258	-12.54%
PAT	56	52	-7.14%	167	148	-11.38%

**Confirmed Unexecuted Order Book at December 31, 2018: ₹ 5,084.2 million**

**Ahmedabad, February 12, 2019:** The Board of Directors of Nila Infrastructures Ltd. (BSE: 530377/NILA; NSE: NILAINFRA) at its meeting, held at Ahmedabad on February 12, 2019, approved the Unaudited Financial Results for the third quarter ended on December 31, 2018.

- Standalone Financial highlights for quarter ended December 31, 2018:**  
 Standalone Revenue reduced marginally to ₹ 546.0 million from ₹ 548.2 million in the corresponding previous quarter. On the profitability front, the EBITDA for Q3-FY2019 increased by 159 bps, i.e. from ₹ 88.4 million to ₹ 96.9 million with an EBITDA margin of 18.25% in Q3-FY2019. The Profit after Tax is ₹ 52.3 million.
- Standalone Financial highlights for 9 months ended December 31, 2018:**  
 Standalone Revenue has reduced by 7.97% to ₹ 1,581.6 million from ₹ 1,718.6 million in the previous corresponding period. On the profitability front, the EBITDA has witnessed a degrowth by 75 bps, i.e. from ₹ 295.0 million to ₹ 258.2 million with an EBITDA margin of 17.00% in 9M-FY2019. The Profit after Tax is ₹ 147.7 million.

At December 31, 2018, the Standalone Network is ₹ 1,173.2 million and Standalone Gross Debt is ₹ 1,173.9 million, while the Cash and Bank Balances on standalone basis is ₹ 64.8 million. The Net debt to Net worth computes 0.95x.

<sup>1</sup> 1 million = 10 lakh

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Commenting at this juncture **Mr. Deep Vadodaria, Chief Operating Officer** said:

*“The exceptional base effect of Q1-FY2018 is dwarfing the otherwise normal growth achieved by the Company during FY2019. The contracts that contributed to the revenue during Q1-FY2018 were governed by the Service Tax, wherein such tax was exclusive, and at times exempt (e.g. Affordable Housing Project under PMAY/CMJAY). However, with implementation of GST the contracts are inclusive of such taxes, which confined the revenue during 9M-FY2019. We have commenced four (4) new projects – including two (2) PPP projects of Slum Rehabilitation and Redevelopment, during Q3-FY2019 and we are confident to catch up with the continual growth momentum by timely execution of projects. For the year as a whole, we are confident to maintain the growth momentum with sustainable profit margins.”*

### Order Book:

With fresh net inflow of orders worth ₹ 1,400.5 million during 9M-FY2019, the Company has built a robust order-book. The total confirmed-unexecuted Order Book is ₹ 5,084.2 million and the summary is furnished further.

(₹ in millions)

Activity	Gujarat			Rajasthan			Total (A+B)	%
	AMC	PWL/Misc.	Total (A)	GoR	EPIL	Total (B)		
<b>Affordable Housing</b>	<b>266.1</b>	<b>2,118.3</b>	<b>2,384.4</b>	<b>602.9</b>	-	<b>602.9</b>	<b>2,987.3</b>	<b>59%</b>
EPC	17.0	2,118.3	2,135.3	602.9	-	602.9	2,738.2	54%
PPP	249.1	-	249.1	-	-	-	249.1	5%
<b>Civic Urban Infra (EPC)</b>	<b>54.7</b>	<b>1,726.4</b>	<b>1,781.1</b>	-	<b>315.7</b>	<b>315.7</b>	<b>2,096.8</b>	<b>41%</b>
<b>Total</b>	<b>320.8</b>	<b>3,844.7</b>	<b>4,165.5</b>	<b>602.9</b>	<b>315.7</b>	<b>918.6</b>	<b>5,084.2</b>	
<b>%</b>	<b>6%</b>	<b>76%</b>	<b>82%</b>	<b>12%</b>	<b>6%</b>	<b>18%</b>		<b>100%</b>

The Company’s order-book is quite balanced with a focus on its core competence of “Affordable Housing” with 59% orders (₹ 2,987.3 million); and 41% is other Civic Urban Infrastructure projects (e.g. Medical College Campus, Commercial Complex and captive office complex for a prime business house, Community Hall). EPC is the major tributary with 95% orders (₹ 4,835.1 million). Geographically, the state of Gujarat accounts for 82% orders (₹ 4,165.5 million), and Principalwise government entities account for 24% (₹ 1,239.5 million). The major Government clientele comprise Engineering Projects India Ltd. (EPIL – a Mini Ratna), Ahmedabad Municipal Corporation (AMC), Government of Rajasthan, while Adani Group is a major corporate client. Overall, the Company is executing construction of about 3.3 million sq. ft. area; including 7,324 units of affordable housing.

### External credit rating:

CARE Ratings Limited (CARE)	Brickwork Ratings India Pvt Ltd
March 19, 2018	November 3, 2018
Initiated the bank loan rating of the Company at ‘BBB+’ and ‘A2’ (Credit watch with developing implication).	Reaffirmed the bank loan rating of the Company at ‘BBB+’ (Stable) and ‘A2’.

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## Summary Profit and Loss Statement (Standalone) (as per Indian Accounting Standards (Ind-AS):

(₹ in millions)

	Q3- FY2019	Q2- FY2019	Q-o-Q	Q3- FY2018	Y-o-Y	9M- FY2019	9M- FY2018	Y-o-Y
<b>Total Operating Income (TOI)</b>								
• <i>Infrastructure</i>	523.0	476.5	9.76%	522.8	0.04%	1,494.7	1,651.2	-9.48%
• <i>Rental income</i>	7.9	8.3	-4.82%	7.9	0.00%	23.8	11.2	112.50%
<b>Total TOI (A)</b>	<b>530.9</b>	<b>484.8</b>	<b>9.51%</b>	<b>530.7</b>	<b>0.04%</b>	<b>1,518.6</b>	<b>1,662.4</b>	<b>-8.65%</b>
<b>Add: Other income (B)</b>	15.1	21.5	-29.77%	17.5	-13.71%	62.1	56.1	10.70%
<b>Total Income (A+B)</b>	<b>546.0</b>	<b>506.3</b>	<b>7.84%</b>	<b>548.2</b>	<b>-0.40%</b>	<b>1,580.6</b>	<b>1,718.6</b>	<b>-8.03%</b>
Operating expense	434.0	395.4	9.76%	442.3	-1.88%	1,260.4	1,367.9	-7.86%
Depreciation	5.0	4.3	16.28%	4.5	11.11%	13.6	13.6	0.00%
Finance cost	31.7	38.4	-17.45%	23.1	37.23%	101.5	85.7	18.44%
= Profit Before Tax (PBT)	75.2	68.1	10.43%	78.2	-3.84%	205.1	251.9	-18.58%
Less: Tax	22.9	21.0	9.05%	22.1	3.62%	57.4	85.3	-32.71%
<b>= Profit After Tax (PAT)</b>	<b>52.3</b>	<b>47.1</b>	<b>11.04%</b>	<b>56.1</b>	<b>-6.77%</b>	<b>147.7</b>	<b>166.6</b>	<b>-11.34%</b>

**Note:** The figures for the corresponding periods have been restated, reclassified, regrouped and rearranged wherever necessary.

### Operating review for 9M-FY2019 (standalone):

- The Total Operating Income of the Company continues to be range-bound mainly due to GST effect and exceptional base effect of Q1-FY2018.
- The movement in EBITDA margin is mainly due to the change in revenue-mix with contribution from PPP projects being minimal/negligible. With contribution from other income (mainly from interest), the PAT level has remained range-bound at ~9%.
- With certain projects being in nascent/primary stage, the finance expense has increased towards interest as well as Bank Guarantee Commission. However, the Company has successfully negotiated the RoI with lenders/banks and the weighted average rate of interest has reduced during Q3 and 9M-FY2019.
- The networth of the Company has increased to ₹ 1,173.2 million due to plough-back of profit.
- The total debt of the Company has increased to ₹ 1,173.9 million. The Company has honoured all its financial commitments and the account is 'Standard' with all the lenders. None of the Bank Guarantees submitted by the Company has ever been invoked by any Principal/Client.

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### Safe harbor Statement

*All financial and other information in this release, other than financial and other information for specific subsidiaries/JVs/Associate where specifically mentioned, is on an unconsolidated basis for Nila Infrastructures Limited only unless specifically stated to be on a consolidated basis for Nila Infrastructures Limited and its subsidiaries/JVs/Associate. Please also refer to the statement of unaudited unconsolidated results required by Indian regulations that has, along with this release, been filed with the stock exchanges where Nila Infrastructures Limited's equity shares are listed, and is available on our website [www.nilainfra.com](http://www.nilainfra.com)*

*Except for the historical information contained herein, statements in this release which contain words or phrases such as 'will', 'expected to', etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results, opportunities and growth potential to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, the actual growth in demand for real estate, infrastructure, etc. construction and other construction activities and services in the geographies that we operate or where a material number of our customers reside, our ability to successfully implement our strategy, including our selecting apt Project, getting possession of site within stipulated time, executing the Project as per stipulated schedule, employing and deploying sufficient skilled/unskilled manpower, and manage the risks associated with timely sales and collection to achieve our strategic and financial objectives, our ability to manage the increased complexity of the risks we face following our rapid growth, future levels of profit margins, our growth and expansion in affordable housing and other urban infrastructure related sectors, the adequacy of our allowance for low-margin infrastructure business, technological changes, our ability to get into new markets, cash flow projections, the outcome of any legal, tax or regulatory proceedings against us or we become a party to, the future impact of new accounting standards, our ability to implement our dividend policy, the impact of changes in real-estate/infrastructure related regulations and other regulatory changes on us, the capital market and bank credit leniency and availability of liquidity amongst the investor community in these markets, the nature or level of profit margins, cost escalations from time to time, availability of raw materials e.g. cement, steel, etc., including the possibility of increasing rates of raw materials, our ability to roll over our short-term funding sources and our exposure to credit, market and liquidity risks as well as other risks that are detailed in the reports filed by us with the statutory authorities. Nila Infrastructures Ltd undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof. This release does not constitute an offer of securities.*

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### About Nila Infrastructures Limited

Incorporated in the year 1990, Nila Infrastructures Limited (the “Company”) has been promoted by first-generation promoters, Mr. Manoj B. Vadodaria and Mr. Kiran B. Vadodaria. The Company is a well-established player in developing Civic Urban Infrastructure Projects on EPC, Turnkey, PPP Mode, as well as Private White Label Construction and Industrial Infrastructure Projects. The Company is registered as Special Category-I Buildings Class and pre-approved contractor with various civic bodies as well as established corporate real estate players. The Quality Management System of the Company is ISO 9001:2015 accredited. The Company has major presence in Gujarat and Rajasthan. The major clientele include Ahmedabad Municipal Corporation (AMC), Government of Rajasthan, EPIL (a Mini-Ratna Company of GoI), Adani Group, etc. The Company possesses excellent track record of profitability, dividend distribution and has accumulated strong capital reserve base. The Company has recently spun-off the Real Estate undertaking into a separate company viz. Nila Spaces Limited (BSE: 542231 | NSE: NILASPACES), pursuant to order of the National Company Law Tribunal. To know more, please visit [www.nilainfra.com](http://www.nilainfra.com)

### For more Information please contact:

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