

Investor Release

For Immediate Release



Nila Infrastructures Limited: Q1-FY2017

**NILA
INFRASTRUCTURES
LIMITED**

Standalone Financials at a glance:

₹ in millions ¹	Q1-FY2017	Q1-FY2016	YoY
Total Revenue	467.6	322.5	45%
EBIDTA	69.9	47.1	48%
PAT	40.1	30.2	33%

Confirmed Unexecuted Order Book at June 30, 2016: ₹ 2,288.1 million

Ahmedabad, August 12, 2016: The Board of Directors of Nila Infrastructures Ltd (BSE: 530377/NILA; NSE: NILAINFRA) at its meeting held at Ahmedabad on August 12, 2016, approved the Unaudited Financial Results for the Q1-FY2017 ended June 30, 2016.

Standalone Financial highlights for Q1-FY2017 ended June 30, 2016:

- Standalone Revenue increased by 45% to ₹ 467.6 million from ₹ 322.5 million in the corresponding previous quarter. On the profitability front, the EBIDTA for Q1-FY2017 has witnessed a growth of 48% from ₹ 47.1 million in Q1-FY2016 to ₹ 69.9 million, with an EBITDA margin of 15% in Q1-FY2017. The Profit after Tax is ₹ 40.1 million i.e. a growth of 33%.
- At June 30, 2016, the Standalone Network is ₹ 1,824.5 million i.e. an increment by ₹ 124.5 million mainly due to conversion of 22.5 million warrants into equity shares (alongwith premium), which were issued to the Promoters.
- Standalone Gross Debt is ₹ 1,541.4 million, while the Cash and Bank Balances on the standalone basis is ₹ 43.3 million. The Net debt to Net worth computes 0.82x. 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.

¹ 1 million = 10 lac



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

"Our Q1-FY2017 results represent a tremendous start to the year with growth on revenue as well as sustainable profits. We have secured meaningful EPC Construction Projects in the State of Gujarat and Rajasthan under the schemes of Affordable Housing. We envisage that, on back of enhanced pre-qualifications/bidding capacities, it will grow in natural/normal course of business. At present we are executing about 7,300 units under EWS, LIG and MIG categories (Affordable Housing) as well as the Slum Rehabilitation and Redevelopment Projects for meaningful blended profitability. We have secured another Slum Rehabilitation and Redevelopment Project in Ahmedabad, bid out on PPP basis. Our focus is to build significant PPP based order book of such Slum Rehabilitation and Redevelopment, where we get remuneration in the form of TDRs and the balance vacant land.

We are confident to continue the growth momentum in FY2017 in line with the performance of this FY so far. Our goal is to grow the Civic Urban Infrastructure Project's order-book by leveraging our execution capabilities to deliver within the stipulated time and cost of our Principals; while retaining the sustainable profitability levels. We believe the swift execution will be the key and we are geared-up to deliver.

With a focus on building greater differentiation, accelerating profitable growth and increasing shareholder value, we will continue to make meaningful strides in seizing growth opportunities. We are thoughtfully pursuing rational opportunities and exploring exciting new avenues, within Civic Urban Infrastructure space, that position us well for long term growth."

Order Book:

The Company has received contracts worth ₹ 668.7 million during Q1-FY2017. The total confirmed unexecuted Order Book at June 30, 2016 is ₹ 2,288.1 million of which 94% is of Affordable Housing. The major clientele for projects are Government agencies like Ahmedabad Municipal Corporation (AMC), Vadodara Urban Development Authority (VUDA), Government of Rajasthan. The Company is convinced about this Affordable Housing sector, moreso as it is now getting a significant big push from the Pradhan Mantri Awas Yojana – "Housing for All by 2022" Mission. It aims to construct more than 20.0 million houses across the length and breadth of the nation by 2022. The existing projects under execution by the Company are under EWS, LIG and MIG categories. Hence, the Company being already active in Affordable Housing space, the focus of Central and various State Governments on creating more affordable houses presents us with a huge opportunity for growth in our core area of strength. While EPC order-book will keep on growing in, almost, auto-mode, the Company is focusing to build Slum Rehabilitation and Redevelopment order-book on PPP basis, which is 21% of the cited order-book.



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Update on Slum Rehabilitation and Redevelopment - PPP Project:

The Company has already got the possession of the Project site from AMC. The project involves construction of 608 (revised) residential units over a period of 24 months. The total cost of the project is ₹ 472.1 million. The contract remuneration will be in the form of vacant land worth ₹ 258.4 million and Transferable Development Rights (TDR) worth ₹ 213.7 million. The Company has initiated the process to execute an agreement for sale of such TDR and the funds will be deployed to execute the Project. While, the balance vacant land at the prime locality at Ahmedabad can be either used for captive consumption or monetized depending on the market conditions and available opportunities. For social interactions and coordination with the slum-dwellers, the Company has appointed Mahila Housing SEWA Trust (MHT) - an autonomous organization promoted by the Self Employed Women's Association (SEWA) in 1994 with the vision to realize the right to shelter and dignity for all. On-site operation has already commenced and billing shall commence from Q2-FY2017.

Update on Memorandum of Understanding under the "Resurgent Rajasthan Partnership Summit – 2015":

During the quarter, the Company has secured five (5) contracts aggregating ₹ 668.7 million with two Urban Improvement Trusts ("UIT") of Rajasthan i.e. (i) Bhilwara, and (ii) Udaipur for the construction of total 2,044 affordable housing flats on turnkey basis under the Chief Minister's Jan Awas Yojana – 2015. The large scale affordable housing schemes for Economically Weaker Section ("EWS": 325-350 sq. ft.) and Low Income Group ("LIG": 500-550 sq. ft.) categories envisage overall construction of approx. 8,00,000 sq. ft. super built-up area on the Government lands. The Project will be constructed on 75% of the land area and remaining 25% will be allotted to the Company, free of cost.

Update on Memorandum of Understanding with Kataria Group:

Under the MoU executed on October 7, 2015 with Kataria Group, the Company has created three (3) legal entities in the form of Joint Venture (JV) and Associate to work jointly for acquiring land and developing industrial and logistics parks, units, sheds, plots, residential colonies, and allied infrastructure at various locations situated near the upcoming automobile hub at Bechraji – about 90 kms from Ahmedabad at Gujarat. The entities are actively engaged in land aggregation process.

External credit rating:

Brickwork Ratings India Pvt. Ltd. has upgraded the Company's Bank Loan Rating to "BWR BBB+" (BWR Triple B Plus) with Stable Outlook for the Fund Based Limits amounting to ₹ 705.2 million and "BWR A2" (BWR A Two) for the Non Fund Based Limits amounting to ₹ 294.2 million.



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About Nila Infrastructures Limited

Incorporated in the year 1990, Nila Infrastructures Limited (Nila) has been promoted by first-generation promoters, Mr. Manoj B. Vadodaria and Mr. Kiran B. Vadodaria. Nila is 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. It also has a long track record of developing and marketing own Real Estate Projects with varied spectrum ranging from Affordable Housing to Luxurious Housing. Nila has major presence in Gujarat and has expanded footprint into Rajasthan. Nila has been registered as approved Contractor in Special Category – I Buildings Class with Government of Gujarat, Roads and Building Department. The quality management system of the company is ISO 9001:2008 accredited. Its major clients include Ahmedabad Municipal Corporation (AMC), Vadodara Urban Development Authority (VUDA), Government of Rajasthan, EPIL, Adani Group, Sandesh Applewood, etc. Nila is a dividend-paying-public-listed-company with the equity shares listed on BSE and NSE. The Company possesses excellent track record of profitability, dividend distribution and has accumulated strong capital reserve base. For more information on Nila Infrastructures Limited, please visit www.nilainfra.com

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 Infrastructure Limited's equity shares are listed, and is available on our website 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



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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.

For more Information please contact:

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