



**NILA
INFRASTRUCTURES
LIMITED**

NILA/CS/2017/365
Date: December 14, 2017

To,
The General Manager
Department of Corporate Services
BSE Limited
P. J. Towers, Dalal Street
Mumbai - 400 001

To,
The Manager
Listing Department
The National Stock Exchange of India Limited
Bandra-Kurla Complex
Mumbai - 400 051

Scrip ID 530377

Scrip ID: NILAINFRA

Dear Sir,

Sub: Result Release on Financial Results for the quarter / half year ended on 30.09.2017

With respect to the captioned subject matter we are hereby submitting Result Release on the financial results for the quarter/half year ended on 30.09.2017.

Please find the enclosure herewith and request the exchange to take the same on record.

Thanking you,
Yours faithfully,
For, Nila Infrastructures Limited


Dipen Y. Parikh
Company Secretary



Encl: a/a

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INVESTOR RELEASE: Earnings Release for Q2 & H1-FY2018



For Immediate Release

Standalone Revenue growth of 24% for H1-FY2018
Standalone EBITDA growth of 47% | EBITDA margin 18%
Standalone PAT growth of 42% | PAT margin 10%

Standalone Financials at a glance:

₹ in millions ¹	Q2-FY2017	Q2-FY2018	YoY	H1-FY2017	H1-FY2018	YoY
Total Revenue	571.4	594.1	4%	1,082.0	1,317.4	22%
EBIDTA	75.2	95.9	28%	147.4	217.1	24%
PAT	55.1	69.1	25%	95.4	135.1	42%

Confirmed Unexecuted Order Book at September 30, 2017: ₹4,825.8 million

Ahmedabad, December 14, 2017: The Board of Directors of Nila Infrastructures Ltd (BSE: 530377/NILA; NSE: NILAINFRA) at its meeting held at Ahmedabad on December 13, 2017, approved the Unaudited Financial Results for the quarter and half-year ended September 30, 2017.

- Standalone Financial highlights for quarter ended September 30, 2017:**
 Standalone Revenue increased by 4% to ₹594.1 million from ₹571.4 million in the corresponding previous quarter. On the profitability front, the EBIDTA for Q2-FY2018 has witnessed a growth of 28% i.e. from ₹75.2 million to ₹95.9 million with an EBITDA margin of 18% in Q2-FY2018. The Profit after Tax is ₹69.1 million i.e. a growth of 25%.
- Standalone Financial highlights for half-year ended September 30, 2017:**
 Standalone Revenue has increased by 24% to ₹1,317.4 million from ₹ 1,082.0 million in the corresponding previous period. On the profitability front, the EBIDTA has witnessed a growth of 24% i.e. from ₹147.4 million to ₹217.1 million with an EBITDA margin of 18% in H1-FY2018. The Profit after Tax is ₹135.1 million i.e. a growth of 42%.

At September 30, 2017, the Standalone Networth is ₹2,049.7 million and Standalone Gross Debt is ₹1,508.0 million, while the Cash and Bank Balances on the standalone basis is ₹24.0 million. The Net debt to Net worth computes 0.72x.

¹1 million = 10 lakh

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

“We are glad to share that during H1-FY2018, we completed redevelopment of a slum project of 630 units at Shahibaug, Ahmedabad and the erstwhile slum-dwellers have already been in-situ rehabilitated. This was our first PPP project with the Ahmedabad Municipal Corporation. It may be noted that this project was first-of-its-kind and we have delivered it within stipulated time and cost due to our meticulous planning and swift execution. We will apply our learning and deploy proprietary knowledge on our other Affordable Housing projects aggregating 10,240 units— including three (3) Slum Rehabilitation and Redevelopment Projects benefiting 3,972 families.

The determined focus of “Housing for All by 2022 Mission” has promoted an enabling environment for Affordable Housing. The scales are very encouraging and additionally now the Fiscal and Monetary ecosystems are also galvanized. Affordable Housing has since got the coveted “Infrastructure” status and loans on Affordable Housing are also being made readily available at economical/concessional rates. There is a lot of traction at the bottom-of-the-pyramid i.e. Low Cost Social Housing.

Apart from Affordable Housing, the Company is executing a variety of Civic Urban Infrastructure projects (within the Company’s core competence) e.g. Bus Terminals, Medical College Campus, Office Building, Industrial facility, Warehouses, Community Hall, etc.

In addition to that long term value-unlocking for all the stakeholders has always been on prime focus. The scheme of demerger of Real Estate business into a separate company is on track and, so far, progressing as envisaged. We expect to complete all the processes and list the new company on BSE and NSE during H1-FY2019.

We have precisely executed our strategy to address the concentration risk by having well-diversified order-book. The current order-book provides a base for the Company to graduate to the next orbit of growth. For the year as a whole we are confident to maintain the growth momentum, with sustainable profit margins.”

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Order Book:

With fresh inflow of orders worth ₹1,874.1 million during FY2018, Company has built a robust order book. The total confirmed unexecuted Order Book at September 30, 2017 is ₹4,825.8 million and the break-up on relevant parameters is furnished below as:

(₹in millions)

Geography	Gujarat				Rajasthan			Total (A+B)	%
	Client Activity	AMC	GSRTC	PWL/Misc.	Total (A)	GoR	EPIL		
Affordable Housing	413.7		1,316.7	1,730.4	747.1		747.1	2,477.5	51%
<i>EPC</i>	<i>94.1</i>		<i>1,316.7</i>	<i>1,410.8</i>				<i>1,410.8</i>	<i>29%</i>
<i>EPC+PPP</i>					<i>747.1</i>		<i>747.1</i>	<i>747.1</i>	<i>15%</i>
<i>PPP</i>	<i>319.6</i>			<i>319.6</i>				<i>319.6</i>	<i>7%</i>
Civic Urban Infra	134.4	291.8	1,243.3	1,669.5		678.8	678.8	2,348.3	49%
<i>EPC</i>	<i>134.4</i>		<i>1,243.3</i>	<i>1,377.7</i>		<i>678.8</i>	<i>678.8</i>	<i>2,056.5</i>	<i>43%</i>
<i>PPP</i>		<i>291.8</i>		<i>291.8</i>				<i>291.8</i>	<i>6%</i>
Total	548.1	291.8	2,560.0	3,399.9	747.1	678.8	1,425.9	4,825.8	
%	11%	6%	53%	70%	15%	14%	30%		100%

The book-to-bill ratio of 2.14 provides revenue visibility of further two (2) years. The major clientele comprise Government agencies like Government of Rajasthan, Ahmedabad Municipal Corporation (AMC), EPIL (a Mini-Ratna Company of GoI), Adani Group.

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

(₹ in millions)	Q2-FY2017 (Unaudited)	Q2-FY2018 (Unaudited)	H1-FY2017 (Unaudited)	H1-FY2018 (Unaudited)
Total Operating Income				
• <i>Infrastructure</i>	<i>456.1</i>	<i>467.9</i>	<i>812.8</i>	<i>1,124.2</i>
• <i>RE Project (with Construction)</i>	<i>50.7</i>	<i>60.6</i>	<i>58.4</i>	<i>81.2</i>
• <i>RE Project (without Construction)</i>	<i>0</i>	<i>0</i>	<i>100.0</i>	<i>0</i>
• <i>Rental income</i>	<i>7.0</i>	<i>8.0</i>	<i>14.1</i>	<i>15.9</i>
Total Operating Income (A)	513.8	536.5	985.3	1,221.3
Other income (B)	57.6	57.6	96.7	96.1
Total income (A+B)	571.4	594.1	1,082.0	1,317.4
Less:				
Operating expense	438.6	440.6	837.9	1,004.2
Depreciation	4.0	4.4	7.8	9.0
Finance cost	44.0	49.5	88.4	99.5
Profit Before Tax	84.8	99.6	147.9	204.7
Tax	29.7	30.5	52.5	69.6
Profit After Tax	55.1	69.1	95.4	135.1

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

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Summary Balance Sheet (Standalone):

(₹ in millions)

At the year ending	March 31, 2017	September 30, 2017
	(Audited)	(Unaudited)
Capital and Liabilities		
Capital	393.4	393.8
Reserves and surplus	1,560.0	1,647.5
Long-term Borrowings	1,237.1	1,244.2
Other long-term liabilities/provisions	143.1	122.1
Short-term Borrowings	55.0	98.9
Other short-term liabilities/provisions	804.9	1,088.1
Total – Capital and Liabilities	4,193.5	4,594.6
Assets		
Fixed assets	569.2	880.6
Investments	257.2	272.1
Other assets	164.5	270.8
Long-term Loans and Advances	289.0	324.7
Current assets	2,170.2	2,379.6
Cash and Bank Balances	51.4	24.0
Short-term Loans and Advances	692.0	442.8
Total – Assets	4,193.5	4,594.6

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

Operating review for H1-FY2018 (standalone):

- The Total Operating Income of the Company has grown by 22% over H1-FY2017 mainly due to timely execution of infrastructure projects (92% contribution to TOI),
- The EBIDTA margin has substantially improved mainly due to contribution from PPP project and certain projects which concluded wherein the margin was rear-ended. With contribution from other income (mainly from interest), the increment at PAT level is marginal.
- With increase in operations, the finance expense has increased as the Company has incurred financial facility processing/upfront charges. However, the average rate of interest has reduced.
- The networth of the Company has increased to ₹2,049.7 million due to plough-back of profit post payment of dividend.
- The total debt of the Company has increased to ₹1,508.0 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.

External credit rating:

On November 17, 2017, India Ratings & Research Pvt Ltd has placed the Company’s rating “BBB” and “A3+” on Rating Watch Evolving (RWE) in view of announcement of a scheme to demerge its real estate business. While Brickwork Ratings India Pvt Ltd, on July 31, 2017, has reaffirmed the bank loan rating of the Company at “BBB+” (Stable) and “A2”.

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Update on Memorandum of Understanding with Kataria Group:

Under the MoU executed on October 7, 2015 with Kataria Group, the Company has jointly acquired 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 procuring various requisite clearances and have selectively started delivering warehouses, dormitory, etc. to the MNC clients.

Update on the Scheme of Demerger:

The Board of Directors of the Company has approved a scheme of arrangement whereby the real estate undertaking is proposed to be transferred to and vested in M/s NILA Spaces Ltd. (earlier known as Parmananday Superstructure Ltd.), issue of equity shares by NILA Spaces Ltd. to the shareholders of the Company and subsequent listing thereof. In this connection application has been made with the stock exchanges for their approval under Regulation 37 of the SEBI (Listing Obligations and Disclosures) Regulations, 2015. The Company has already submitted Complaints Report with the Stock Exchanges and awaiting to obtain Observation. Upon receipt of the approval an application shall be made to the Hon'ble NCLT at Ahmedabad for giving direction and/or dispensation of meetings of the shareholders and creditors as the case may be.

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

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

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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.

About Nila Infrastructures Limited

Incorporated in the year 1990, Nila Infrastructures Limited (the “Company”) is 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. 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. 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 9001:2008 accredited. The Company has major presence in Gujarat and has expanded footprint into 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 total confirmed unexecuted Order Book at September 30, 2017 was ₹ 4,825.8 million towards construction of about 5.7 million sq. ft. super built up area; that includes 7,088 units of Affordable Housing. The book-to-bill ratio of 2.14 provides revenue visibility of further two (2) year+. To know more about the Company, please visit www.nilainfra.com

For more Information please contact:

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