

For Immediate Release

NILA Infrastructures Ltd announces unaudited financial results for Q2-FY2022

Ahmedabad, November 13, 2021: The Board of Directors of Nila Infrastructures Ltd (BSE: 530377/NILA; NSE: NILAINFRA) at its meeting held at Ahmedabad on November 13, 2021, approved the Unaudited Financial Results for the quarter and half-year ended on September 30, 2021.

Standalone Financials at a Glance:

₹ in millions ¹	Q2-FY2022	Q2-FY2021	Growth (%)	H1-FY2022	H1-FY2021	Growth (%)
Total Revenue	280.2	258.7	8%	511.3	349.2	46%
EBIDTA	16.3	-8.1	300%	37.6	-38.0	199%
PAT	3.2	-21.2	115%	5.5	-57.7	110%
Confirmed Unexecuted Order Book at September 30, 2021: ₹ 6,999.0 million						

Standalone Financial highlights for the quarter ended on September 30, 2021:

- During Q2-FY2022, the total revenue of the Company is ₹ 280.2 million i.e. higher by ₹ 21.5 million to Q2-FY2021's ₹ 258.7 million, while it was ₹ 231.0 million during Q1-FY2022. Profitability at EBIDTA level is ₹ 16.3 million as compared to ₹ 21.4 million of Q1-FY2022. The Company has booked profit of ₹ 3.2 million i.e. higher by ₹ 0.8 million to Q1-FY2022's ₹ 2.4 million.
- At June 30, 2021, the Standalone Networth of the Company is ₹ 1,445.1 million and Standalone Gross Debt is ₹ 1,371.6 million, while the Cash and Bank Balances on the standalone basis is ₹ 24.0 million. The Net debt to Networth computes 0.93x.

Consolidated Financial highlights for the quarter ended on September 30, 2021:

- During Q2-FY2022, the total consolidated revenue is ₹ 276.0 million i.e. higher by ₹ 18.7 million to Q2-FY2021's ₹ 257.2 million, while it was ₹ 169.2 million during Q1-FY2022. Profitability at EBIDTA level is ₹ 16.9 million as compared to ₹ 19.0 million of Q1-FY2022. The profit is ₹ -0.2 million i.e. higher by ₹ 6.0 million to Q1-FY2022's ₹ -6.0 million.

Standalone Financial highlights for the half-year ended on September 30, 2021:

- During H1-FY2022, the total revenue of the Company is ₹ 511.3 million i.e. higher by ₹ 162.0 million to H1-FY2021's ₹ 349.2 million. Profitability at EBIDTA level has also been restated to a large extent at ₹ 37.6 million i.e. higher by ₹ 75.6 million to H1-FY2021's ₹ -38.0 million. The Company has booked profit of ₹ 5.5 million i.e. higher by ₹ 63.2 million to H1-FY2021's ₹ -57.7 million.

¹1 million = 10 lakh

INVESTOR RELEASE: Earnings Release for Q2 and H1-FY2022



Consolidated Financial highlights for the half-year ended on September 30, 2021:

- During H1-FY2022, the total consolidated revenue is ₹ 445.2 million i.e. higher by ₹ 100.2 million to H1-FY2021's ₹ 345.0 million. Profitability at EBIDTA level has also been restated to a large extent at ₹ 36.0 million i.e. higher by ₹ 73.7 million to H1-FY2021's ₹ -37.8 million. The profit is ₹ -2.1 million i.e. higher by ₹ 67.1 million to H1-FY2021's ₹ -69.1 million.

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

“The global economic outlook remains fairly positive with respective governments extending fiscal support and central banks offering monetary support. Q2-FY2022 has been a comeback quarter for India. While the Second wave of COVID-19 was abated faster than expected, the macro-economic indicators denote that the disruption it created was leaner than the first. India has already completed more than one billion vaccinations and the fresh cases are also reducing. With a near normal monsoon, the green shoots are already visible in economy from the latter half of Q2-FY2022, and the recent festive season gave a major fillip. However, the supply side inflation challenges continue to remain a source of worry. During Q2-FY2022, we have received a significant increment in a particular order from AMC that provides a promising revenue visibility for next couple of years. With the remote risk of the Third wave, we envisage a very busy H2-FY2022 in terms of operations. Under this scenario, the Company continues to focus on profitable execution of its large order book, leverage strong momentum in affordable housing, cost optimization measures, release of funds through improved working capital management and a phased divestment of non-core assets. We have been striking a balance between “profitable growth” and “capital employed” with the return ratios being pursued rigorously irrespective of the macroeconomic volatility. The company is confident of building on the current business momentum and is committed to creation of sustainable returns for all its stakeholders.”

Order-book:

At September 30, 2021 the Company has confirmed and practically executable order-book of ₹ 6,999.0 million. The summary is furnished further.

(₹ in millions)

Activity	Gujarat			Rajasthan			Total A+B	%
	GoG	PWL/Misc.	Total (A)	GoR	EPIL	Total (B)		
Affordable Housing	5,348.1	-	5,348.1	1,021.4	-	1,021.4	6,369.5	91%
EPC	7.5	-	7.5	1,021.4	-	1,021.4	1,028.9	15%
PPP	5,340.6	-	5,340.6	-	-	-	5,340.6	76%
Civic Urban Infra (EPC)	-	629.5	629.5	-	-	-	629.5	9%
Total	5,348.1	629.5	5,977.6	1,021.4	-	1,021.4	6,999.0	
%	76%	9%	85%	15%	0%	15%		100%

INVESTOR RELEASE: Earnings Release for Q2 and H1-FY2022



In line with ethos of the good corporate governance, ethical practices, fairness, and transparency; the confirmed-unexecuted Order-book at 1-Oct-2021 is prudently realigned to depict the factual revenue potential. The book-to-bill ratio is not comparable at this point in time.

The Company's order-book is in line with its focus on core competence of "Affordable Housing" with 91% orders (₹ 6,369.5 million), while high-margin PPP is the major tributary with 76% orders (₹ 5,340.6 million).

Geographically the state of Gujarat accounts for 85% orders (₹ 5,977.6 million), and Principalwise government entities account for 91% (₹ 6,369.5 million). AMC and GoR are the largest government clients. The other orders mainly include orders from the Company's associate/JV/subsidiary/related parties.

Overall, the Company is executing construction of 8,629 units of affordable housing.

External credit rating:

Brickwork Ratings India Pvt Ltd

March 19, 2021

"BBB+" (Stable) and "A2"

Reaffirmed the bank loan rating of the Company.

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

(₹ in millions)

Particulars	Q2-FY2022	Q1-FY2022	Q-on-Q	Q2-FY2021	Y-on-Y	H1-FY2022	H1-FY2021	Y-on-Y	FY2021
	Unaudited	Unaudited		Unaudited		Unaudited	Unaudited		Audited
TOI (A)	244.7	203.1	21%	234.0	5%	447.8	300.3	49%	1,011.2
ADD: Other income (B)	35.6	27.9	27%	24.7	44%	63.5	48.9	30%	99.9
Total Income (A + B)	280.3	231.0	21%	258.7	8%	511.3	349.2	46%	1,111.1
Less:									
<i>Operating expense</i>	228.4	181.7	26%	242.1	-6%	410.2	338.3	21%	920.7
<i>Depreciation</i>	4.9	4.7	4%	4.3	14%	9.6	8.7	10%	17.8
<i>Finance cost</i>	41.4	40.8	2%	40.5	2%	82.2	79.0	4%	160.9
= Profit Before Tax (PBT)	5.5	3.8	45%	-28.2	120%	9.3	-76.8	112%	11.7
Less: Tax	2.3	1.4	63%	-6.9	133%	3.8	-19.1	120%	6.8
= Profit After Tax (PAT)	3.2	2.4	34%	-21.2	115%	5.5	-57.7	110%	4.9

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

INVESTOR RELEASE: Earnings Release for Q2 and H1-FY2022



Summary Balance Sheet (Standalone):

(₹ in millions)

Equities & Liabilities	At	At	Assets	At	At
	30/09/2021 (Unaudited)	31/03/2021 (Audited)		30/09/2021 (Unaudited)	31/03/2021 (Audited)
Equity	393.9	393.9	Non-CA:	1,710.8	1,532.2
R&S	1,051.2	1,045.2	PPE	53.2	55.9
Networth	1,445.1	1,439.1	Investment properties	322.1	326.2
			Intangible assets	0.3	0.1
Non-CL:	1,155.1	1,250.0	Financial assets	1,315.8	1,097.9
Borrowings	1,056.9	1,156.1	Other Tax assets	17.6	12.9
Other non-current financial liabilities	9.6	9.3	Other non-current non-financial assets	1.7	39.2
Provisions	8.1	9.0			
Deferred Tax liabilities	80.6	75.6			
			CA:	2,104.1	2,121.2
CL:	1,214.6	964.4	Inventories	357.6	289.0
Borrowings	311.2	293.2	Trade receivables	511.4	650.4
Trade Payable	550.9	484.4	Cash and Bank	41.0	189.4
Other financial liabilities	10.8	18.7	Loans	1.6	1.6
Other CL	332.1	158.8	Other financial assets	1.0	1.0
Provisions	9.5	9.2	Other CA	1,191.6	989.9
TOTAL	3,814.8	3,653.4	TOTAL	3,814.8	3,653.4

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

Operating review for H1-FY2022 (Standalone):

- The Turnover of the Company has increased; however, certain constraints of the Second-wave of COVID-19 induced disorder as well as heavy-monsoon restricted the operations and accordingly the revenue generation.
- The profitability at EBIDTA level is substantially positive mainly due to the lower-base in H1-FY2021 mainly due to cessation of income, while the overheads were being incurred.
- The project/operations cost and other costs have increased with initiation of new project-sites.
- The depreciation and amortisation expense charged to the profit and loss account has increased corresponding to the increase in the fixed assets.
- While the bank-guarantee commission and processing charges contributed to increment in finance cost in absolute numbers, the per cent of Finance cost to turnover has reduced mainly due to availment of WCTL under ECLGS 2.0 with subsidised/restricted Rate of Interest.
- The overall increment in income has increased PBT, which has also spilled over at PAT level.
- The networth of the Company has increased corresponding to the PAT on account of ploughing-back-of-profit.
- The total debt of the Company has reduced by ₹ 82.9 million. The Company's account is "Standard" with all the lenders.
- None of the Bank Guarantees submitted by the Company has ever been invoked by any Principal/Client.

INVESTOR RELEASE: Earnings Release for Q2 and H1-FY2022



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

(₹ in millions)

Particulars	Q2-FY2022	Q1-FY2022	Q-on-Q	Q2-FY2021	Y-on-Y	H1-FY2022	H1-FY2021	Y-on-Y	FY2021
	Unaudited	Unaudited		Unaudited		Unaudited	Unaudited		Audited
TOI (A)	245.4	145.7	68%	234.3	5%	391.1	300.3	30%	968.5
ADD: Other inc (B)	30.6	23.5	30%	22.9	34%	54.1	44.7	21%	91.1
Total Inc (A+B)	276.0	169.2	63%	257.2	7%	445.2	345.0	29%	1,059.6
Less:									
Operating expense	228.4	126.7	80%	242.1	-6%	355.1	338.0	5%	871.5
Depreciation	4.9	4.7	4%	4.3	14%	9.6	8.7	10%	17.8
Finance cost	41.6	40.6	3%	40.5	3%	82.2	79.0	4%	160.9
= PB share in profit of JV, associates	1.0	-2.8	137%	-29.7	103%	-1.7	-80.8	98%	9.4
Less: Tax	1.1	-0.7	251%	-7.3	114%	0.4	-20.1	102%	3.9
Add: Share in profit of JV/asso (net of tax)	-5.3	-4.0	-33%	-6.3	-100%	-9.3	-8.4	-11%	-12.0
= PAT	-5.4	-6.0	10%	-28.7	100%	-11.4	-69.1	84%	-6.5

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

Summary Balance Sheet (Consolidated):

(₹ in millions)

Equities & Liabilities	At	At	Assets	At	At
	30/09/2021	31/03/2021		30/09/2021	31/03/2021
	(Unaudited)	(Audited)		(Unaudited)	(Audited)
Equity	393.9	393.9	Non-CA:	1,480.1	1,314.3
R&S	944.8	955.7	PPE	53.2	55.9
Networth	1,338.7	1,349.6	Investment properties	322.1	326.2
			Intangible assets	0.3	0.1
Non-CL:	1,117.2	1,215.5	Financial assets	1,085.2	880.1
Borrowings	1,056.9	1,156.1	Other Tax assets	17.6	12.9
Other non-current financial liabilities	9.6	9.3	Other non-current non-financial assets	1.7	39.2
Provisions	8.1	9.0			
Deferred Tax liabilities	42.7	41.0			
			CA:	2,307.2	2,323.4
CL:	1,331.4	1,072.7	Inventories	600.3	471.6
Borrowings	311.2	293.2	Trade receivables	511.4	650.4
Trade Payable	551.1	484.5	Cash and Bank	41.1	189.9
Other financial liabilities	10.8	12.0	Loans	1.6	1.6
Other CL	448.7	273.8	Other financial assets	1.0	1.0
Provisions	9.5	9.2	Other CA	1,151.9	1,009.0
TOTAL	3,787.3	3,637.8	TOTAL	3,787.3	3,637.8

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

INVESTOR RELEASE: Earnings Release for Q2 and H1-FY2022



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 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") 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 assuredly ISO 9001:2015 accredited. The Company has notable presence in Gujarat and Rajasthan. The major clientele includes Ahmedabad Municipal Corporation (AMC), Ahmedabad Urban Development Authority (AUDA), Government of Rajasthan, EPIL (a Mini-Ratna Company of GoI), Adani Group, etc. The Company possesses an excellent track record of consistent profitability, dividend distribution and has accumulated strong capital reserve base. To know more, please visit www.nilainfra.com

For more Information please contact:

Nila Infrastructures Limited (CIN: L45201GJ1990PLC013417)

Mr. Prashant Sarkhedi

Email: pksarkhedi@nilainfra.com

Mobile: +91 9978445566

Valorem Advisors

Mr. Anuj Sonpal

Email: anuj@valoremadvisors.com

Mobile: +91 9930609010