



## Kolte-Patil Developers Ltd. Q1 FY20 Financial Results

**Sales trajectory improved 9% in volume terms and 10% in value terms**

**Collections robust at Rs 343 crore, higher by 11% YoY**

**Signed three new projects in Pune under the Development Management Model**

**Pune, 6<sup>th</sup> August, 2019:** Kolte-Patil Developers Ltd. (BSE: 532924, NSE: KOLTEPATIL), a leading Pune-based real estate player announced its results for the first quarter ended 30<sup>th</sup> June, 2019.

### **Operational Highlights – Q1 FY20**

New area sales	Q1 FY20	Q1 FY19	YoY	FY19
Volume (million sq. ft.)	0.51	0.46	9%	2.67
Value (Rs. million)	2,837	2,590	10%	14,316
Realization (Rs./Sq. ft.)	5,616	5,580	1%	5,372
Collections (Rs. million)	3,431	3,093	11%	11,791

**Commenting on the performance for Q1 FY20, Mr. Gopal Sarda, Group CEO, Kolte-Patil Developers Limited said,** "The last quarter witnessed a decisive mandate for a second term to the incumbent government. After implementing path-breaking reforms like GST and RERA, the government presented its Union Budget 2019-20 with a clear intent to further improve the regulatory environment for the housing sector. The focus on 'Housing for All' and 'Affordable Housing' has been reinstated by creating additional incentives. We also believe that the recent advisory on subvention plans will accelerate consolidation in the sector towards organized players with financial discipline and a proven execution track record, like Kolte-Patil.

Our continued focus on execution led to robust collection to the tune of Rs 343 crore in Q1 FY20, higher by 11% YoY & QoQ, despite sluggishness seen in the market. We have used the strong cash flows to further strengthen our balance sheet and accelerated execution across projects, especially those nearing completion with deferred payment schedules, where significant portion of collections are linked to possessions. We expect completion of ~1,400 units (~1.4 msf) ready for deliveries over the next two quarters, which includes completion of another ~1 msf in Bengaluru, driving our collections and setting the stage for the next phase of growth.

Sales trajectory improved 9% in volume terms and 10% in value terms in Q1 FY20 driven by Life Republic, Opula, Ivy Estate, Tuscan, Western Avenue and DMA projects. Furthering our business development initiatives, we are delighted to announce the addition of three projects in Pune under the development management (DM) model, leveraging our strong brand name and execution capabilities. The DM model will help diversify our revenue stream with the inclusion of fee-based income and enable us to increase our customer reach across product categories and geographical micro-markets. This is in line with our ongoing strategy of looking for capital-light growth opportunities, and will continue to evaluate further such opportunities in the future.

Over the last one year, we have created a strong framework for sustainable long term growth on the back of successful project launches, improved collections from customers, focused on timely deliveries and committed investment to the tune of ~Rs 270 crore in buying out our partners' stakes in our key projects, Life Republic and Downtown. In the ensuing quarters, we will continue our focus on collections, execution and approvals and expect acceleration in sales volume based on growing visibility from Pune and increasing contribution from Mumbai and Bengaluru. We are also in the advanced stages of closure of acquisition of a few projects through structured deals with land owners, which will provide further impetus to our sales trajectory. We see our focus on 360 degree operational excellence driving sales, revenue and profitability on a diversified operating base to create long term growth opportunities."

### **Financial Highlights – Q1 FY20**

P&L Snapshot (Rs. crore)	Q1 FY20*	Q1 FY19*	Q1 FY20^	Q1 FY19^	YoY
Revenue Recognition Method →	Reported CCM	Reported CCM	POCM	POCM	POCM
Revenue from Operations	585.7	390.6	308.0	278.1	10.8%
EBITDA	195.1	135.6	67.7	55.9	21.1%
EBITDA Margin (%)	33.3%	34.7%	22.0%	20.1%	1.9%
Net Profit (post-MI)	115.9	37.9	44.5	18.5	12.9%
PAT margin (%)	19.8%	9.7%	14.5%	6.6%	7.8%
EPS	15.29	5.00	5.83	2.44	

**\*Note:** The Company has adopted IND AS 115 (Completion Contract Method – CCM) during Q1 FY19, effective from 1<sup>st</sup> April 2018 and has opted for modified retrospective method; ^In order to facilitate like-to-like comparison and continuity of information flow, financials based on the previously applicable Percentage of Completion Method (POCM) of accounting for revenue recognition have also been included.

### **About Kolte-Patil Developers Limited:**

Kolte-Patil Developers Ltd. (BSE: 532924, NSE: KOLTEPATIL), incorporated in 1991, is a leading real estate company with dominant presence in the Pune residential market. Kolte-Patil is a trusted name with a reputation for high quality standards, design uniqueness, transparency and for delivery of projects in a timely manner. The company has developed and constructed over 50 projects including residential complexes, commercial complexes and IT Parks covering a saleable area of ~18 million square feet across Pune, Mumbai and Bengaluru.

Kolte-Patil markets its projects under two brands: 'Kolte-Patil' (addressing the mid-income segment) and '24K' (addressing the premium luxury segment). The Company has executed projects in multiple segments – standalone residential buildings and integrated townships. Several of the company's projects have been certified by the Indian Green Building Council (IGBC).

Consolidating its leadership position in Pune, the company forayed into the Mumbai market in 2013 focusing on low capital intensive society re-development projects. The company has already signed six projects till date at prime locations across the city.

*The Company's long-term bank debt and non-convertible debentures have been rated 'A+ / Positive' by CRISIL, the highest rating accorded by CRISIL to any publicly listed residential real estate player in India.*

For more details on Kolte-Patil Developers Ltd., visit [www.koltepatil.com](http://www.koltepatil.com).

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