



## Kolte-Patil Developers Ltd. Q1 & FY21 Financial Results

**Resilience amidst unprecedented times**

**Strong launch pipeline with aggregate sales area of ~4.5 msf and topline potential of ~Rs. 4,150 crore across Pune, Mumbai and Bengaluru**

**Net Debt stable at Rs.438 crore**

**Pune, 21<sup>st</sup> August, 2020:** Kolte-Patil Developers Ltd. (BSE: 532924, NSE: KOLTEPATIL), a leading Pune-based real estate player, today announced its financial results for the first quarter ended 30<sup>th</sup> June, 2020.

### **Operational Highlights – Q1 FY21**

New area sales	Q1 FY21	Q4 FY20	Q1 FY20	YoY	QoQ
Volume (million sq. ft.)	0.31	0.67	0.51	-38.4%	-53.2%
Value (Rs. million)	1,642	3,549	2,837	-42.1%	-53.7%
Realization (Rs./Sq. ft.)	5,228	5,292	5,563	-6.0%	-1.2%
Collections (Rs. million)	1,046	3,781	3,604	-71.0%	-72.3%

**Commenting on the performance for Q1 FY21, Mr. Gopal Sarda, Group CEO, Kolte-Patil Developers Limited said,** *"In the first quarter, various phases of lockdown led to the curtailment of human as well as business activity weighing down on almost every sector of the Indian economy, particularly real estate. Our entire organization has continued to work efficiently within our business continuity and risk management framework ensuring minimum impact on all stakeholders. While prioritizing the health and safety of all whose lives we touch, we have progressed on our customer commitments, conserved financial resources and maintained resource readiness to resume full operations at the earliest upon the return to normalized conditions.*

*As could be expected, sales momentum in Q1 has been weaker with volume at 0.31 msf and sales value at Rs. 164 crore during the quarter. However, we are highly encouraged by the number of deal closures achieved across projects and products in the backdrop of widespread and protracted*

weakness in all discretionary spending activity. Our customer visibility was supported by digitized interactions while physical visits and site experiences remained constrained. We promptly revamped our overall ecosystem scaling up digital sales platform to ensure secure, dedicated virtual collaboration & communication with customers. Advanced digital tools and user friendly virtual assistance heightened the customer confidence.

Given the lockdown for major portion of the quarter, construction, banking and registration activity suffered severely, thereby adversely impacting collections. However, the labor force strength is gradually increasing and reached at ~55-60% in mid-August from ~40% at the end of June. We are already recording month-on-month improvement in sales, collections and construction activities, which are expected to deliver an improvement in the second quarter.

Efficient working capital management and sustained cash flow generation has resulted in stable liquidity position for the Company. We have sufficient undrawn bank limits, good pipeline of new launches, sufficient sold receivables, meaningful RTMI inventory with OC and unreleased inventory which will further improve our free cash flows.

We see the current situation as one of demand deferment. Our value offerings in the affordable, MIG and even 24K segments continue to find strong interest that should translate into sales velocity in future. While current sales activity is driven by sustenance sales in existing projects across cities, we have a strong pipeline of new launches in Pune, Mumbai and Bengaluru with aggregate sales area of ~4.5 msf and topline potential of ~Rs. 4,150 crore. Contributions from these projects should expand our growth visibility and once again accelerate the virtuous cycle of sales, execution and cash flows. Our overall performance during the remaining nine months of FY21 is expected to be better.

The sudden change in our operating environment has also instilled increased usage of technology across the Company. We look forward to taking this learning to build a differentiated position in our target markets as customers find greater comfort in brand, quality, governance and execution led developers.”

### **Financial Highlights – Q1 FY21**

<b>P&amp;L Snapshot (Rs. crore)</b>	<b>Q1 FY21*</b>	<b>Q1 FY20*</b>	<b>Q1 FY21^</b>	<b>Q1 FY20^</b>	<b>YoY</b>
<b>Revenue Recognition Method →</b>	<b>Reported CCM</b>	<b>Reported CCM</b>	<b>POCM</b>	<b>POCM</b>	<b>POCM</b>
<b>Revenue from Operations</b>	<b>140.8</b>	<b>585.7</b>	<b>77.4</b>	<b>308.0</b>	<b>-74.9%</b>
<b>EBITDA</b>	<b>-12.5</b>	<b>195.1</b>	<b>-19.0</b>	<b>67.7</b>	<b>-128.1%</b>
<b>EBITDA Margin (%)</b>	<b>-8.9%</b>	<b>33.3%</b>	<b>-24.6%</b>	<b>22.0%</b>	<b>-46.6%</b>
<b>Net Profit (post-MI)</b>	<b>-26.98</b>	<b>115.9</b>	<b>-31.7</b>	<b>44.5</b>	<b>-171.2%</b>
<b>PAT margin (%)</b>	<b>-19.2%</b>	<b>19.8%</b>	<b>-41.0%</b>	<b>14.5%</b>	<b>-55.4%</b>
<b>EPS</b>	<b>-3.54</b>	<b>15.21</b>	<b>-4.16</b>	<b>5.84</b>	<b>-</b>

**\*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 ~20 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 twelve projects till date at prime locations across the city.*

*The Company's long-term bank debt and non-convertible debentures have been rated 'A+ / Stable' 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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