
Puravankara Projects FY10 Net Profit At Rs 145 crores; Q4 Net Up 200%

Bangalore, 29 April 2010

The Puravankara Projects Group consolidated net profit for the year ended 31 March 2010 was Rs 145.32 crores with revenues of Rs 478.36 crores. The net profit margin for the year at 30.38% is above industry levels and has been achieved despite acute market pressures on profitability. Gross profit margins have sustained over the 42% level whilst selling, general and administrative expenses are lower than the previous year despite the launching of our affordable housing business.

Encouraged by the performance and results of the year the Board of Directors have recommended a dividend of 20% ie. Rs 1 per share on a par value of Rs.5.

Consolidated net profit for the quarter ended 31 March 2010 was Rs 43.73 crores representing a rise of 200% over the corresponding quarter last year. Net profit margins this quarter was over 35% supported by gross profit margins of above 36%.

The first two projects of Provident Housing, the 100% affordable housing subsidiary of Puravankara Projects Limited, have a total of 5,534 homes covering an area of 5.69 million sft. The first project in Chennai, Provident Cosmo City, measures 2.23 million sft. and comprises 2,174 apartments. Provident's second project, Provident Wellworth City in Bangalore, is a 3.46 million sft township with 3,360 apartments and includes over 0.2 million sft of retail space. Sales at these two projects have been most encouraging and with construction on at full swing at both locations, the coming quarters will reflect the revenues from Provident Housing in a more significant manner.

The area currently under development is 19.01 million sq. ft. with projects spread across Bangalore, Chennai, Hyderabad, Cochin, and Kolkata. There are 13 on-going residential projects, 11 of Puravankara Projects and 2 of Provident Housing.

The current land bank has been further augmented through land acquisitions in the cities of Chennai and Bangalore and currently stands at 125.39 million sq. ft. of developable area.

The Group's relatively strong financial position and liquidity is underlined by its comfortable debt to equity ratio of 0.54 and only a net debt of Rs 803 crores as at 31 March 2010.

All our promoter's shareholding in Puravankara Projects Limited is directly held by him and none of these shares are pledged or encumbered.

Commenting on the results Mr. Ravi Puravankara, Chairman and Managing Director, said, “We have admirably weathered difficult market conditions for real estate and have had another successful year in terms of profits, margins and overall financial performance. At Puravankara Projects we are poised to launch large new projects in the coming year across various locations in response to the steadily improving market scenario.”

“A significant achievement this year has been the success of our foray into affordable housing through Provident Housing. We are highly encouraged to move our affordable housing plans forward and are on course to deliver over 60,000 homes in this space in the next six to seven years. Our Group is well placed in terms of financial strength, land assets, current projects and premium and affordable product offerings to significantly benefit from the large unfulfilled demand for housing in the Country. ”

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