
Puravankara Projects Q1 FY11 Net Profit Up 258%

Bangalore, 29 July 2010

The Puravankara Projects consolidated net profit for the quarter ended 30 June 2010 is up by 258%, in comparison to the corresponding quarter last year and stands at Rs 366.90 million. Revenues this quarter have increased by 108% over last year at Rs 1162.90 million.

The net profit margin for the quarter at over 31% continues to exhibit healthy trends and the performance is above industry levels. The gross profit margin is above the 42% level whilst selling, general and administrative expenses have once again been closely monitored and controlled.

The recent launch of Purva Skywood in Bangalore, a residential project of 1.24 million sft, has been a tremendous success.

Provident Housing, the 100% affordable housing subsidiary of Puravankara Projects Limited, has successfully launched its first two projects totalling 5,534 homes covering an area of 5.69 million sft. The first project in Chennai, Provident CosmoCity, measures 2.23 million sft. and comprises 2,174 apartments. Provident's second project, Provident Welworth City in Bangalore, is a 3.46 million sft township with 3,360 apartments and includes over 0.2 million sft of retail space. The price range of homes in these two projects is between Rs 15 lakhs and Rs 20 lakhs.

The area currently under development is 20.25 million sft with projects spread across the cities of Bangalore, Chennai, Hyderabad, Cochin, and Kolkata. There are 14 on-going residential projects and 2 commercial projects currently under development.

The current land bank has been significantly augmented through recent land acquisitions and currently stands at 143.25 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 0.57 and a manageable net debt of Rs 861 crores as at 30 June 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 are encouraged by the recent improvements in market conditions. Our new project launch at Puravankara has been well received whilst sales at Provident Housing continue to be most encouraging. Our product offerings of homes across the South Indian market which range from high quality affordable homes to premium apartments is expected to do well in the coming quarters based on recent trends.'