



POWER OF DISCIPLINE

Doing more with less to deepen
our anti-fragile foundation

Kolte-Patil Developers Limited
Integrated Annual Report 2020-21

Disclaimer: Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations. Kolte-Patil Developers Limited (KPDL) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Abbreviations used in the Annual Report

IOD: Intimation of Disapproval or Authorisation (first permit for construction); key approval or milestone in redevelopment projects

OC: Occupation Certificate (facilitating apartment handover)

OCF: Operating Cash Flow

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**“DISCIPLINE
IS CHOOSING
BETWEEN WHAT
YOU WANT NOW
AND WHAT YOU
WANT MOST”**

ABRAHAM LINCOLN

DISCIPLINE AND KOLTE-PATIL



POWER OF DISCIPLINE

The first half of FY 2020-21 was one of the most challenging for the Indian economy in general and the country's real estate sector in particular.

India's Gross Domestic Product de-grew 7.3%, a rare economic occurrence in decades.

Kolte-Patil responded to this challenging environment by doing what it always had: offered a wide consumer choice, delivered properties on schedule, marketed smarter, diversified and deepened its footprint, augmented its projects portfolio, entered into global partnerships, accelerated collections and moderated debt.

In doing so, KPDL maintained its dominant position in its largest market (Pune), strengthened its brand presence in Mumbai and Bengaluru and protected the integrity of its Balance Sheet.

The Company's response can be encapsulated in one word.

Discipline.

DISCIPLINE. SUSTAINABILITY. STAKEHOLDER VALUE.

At Kolte-Patil, discipline is the practice of making considered choices and staying true to them across market cycles.

Discipline is the commitment to invest prudently in these select choices with the objective to generate long-term business upsides.

Discipline is the resolve to stay true to our focus on creation - not construction – that translates into the building of communities, aggregating neighbours for life, creating homes and spaces that grow on residents, providing sustainable value to communities, graduating employees into entrepreneurs and seeing in every associate a long-term stakeholder.



THE D3 CONVICTION: DISCIPLINE DELIVERS DIVIDENDS

Spread thick

Grow the business
in locations with
multi-decade
potential

Spoil the consumer

Offer a wide choice
of home across
sizes, locations and
budgets

Enhance predictability

Deliver properties
on schedule

Fight for recall

Market properties
smarter; make it
easier to buy

Global partnerships

Seek global
partners – capital
or builders

Fiscal discipline

Moderate debt;
accelerate
collections

Kolte-Patil Developers Limited.

AHEAD OF THE CURVE.

The Company was faced with the challenge of growing its presence in one city *but extended to three.*

It encountered diverse growth options *but entered India's financial capital with a niche strategy.*

It encountered a slowing market *but protected its liquidity.*

It invested in growth *but enhanced accruals and deleveraged.*

Result: Stronger brand, respect and competitiveness.

Protected by values.

Driven by discipline.

Footprint

Kolte-Patil Developers Ltd. is one of India's leading residential real estate companies. The Company was formed nearly three decades ago with the philosophy of 'Creation, not Construction'. Over the years, the Company has established itself as one of the leading residential real estate developers in the country.

Even as the Company is headquartered in Pune, it is present in three Indian markets with attractive potential – Pune, Mumbai and Bengaluru. The Company has been enjoying a dominant position in Pune for years, holding its ground against national builders of repute. The Company has developed and constructed over 50 projects, including residential complexes, commercial complexes and IT parks, covering a saleable area of over 20 Million square feet across the markets of its presence.

Promoters

The promoters of Kolte-Patil Developers Limited possess three decades of rich sectorial experience. Their able stewardship empowered the Company to weather market cycles, validating its competitiveness in some of the most challenging economic phases. The promoters validated their employees-first commitment when they voluntarily took a 50% salary reduction in FY 2020-21 to tide over COVID-19 uncertainties.

Track record

The Company had delivered over 20 Million sq. ft of residential units across Pune, Bengaluru and Mumbai in its existence by the close of FY 2020-21. The Company had about 9.13 Million sq. ft under execution (sold and unsold) by the close of FY 2020-21.

Credit rating

The Company is not only a respected developer; it is also one of the least leveraged, with an established track record of positive operating cash flows. The Company enjoys CRISIL A+ / Stable rating, one of the highest ratings accorded to an Indian residential real estate developer by CRISIL.

