



BUILDING. PROTECTING.

PURAVANKARA
PROJECTS LIMITED
ANNUAL REPORT | 2015-16

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This document contains statements about expected future events and financial and operating results of Puravankara Projects Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties.

There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Puravankara Projects Limited annual report, 2015-16.

INSIDE THE REPORT

Corporate identity:	03
Building platforms. Protecting value:	06
Chairman's statements:	08
Our business model:	24
Review of our financial performance:	26
At the helm:	28
Directors' Report:	30
Report on Corporate Governance:	56
Management Discussion and Analysis:	74
Corporate information:	90
Consolidated financial statements:	91
Standalone financial statements:	133

LANDMARK.

The one word most people have used to describe the notification of the Real Estate (Regulation & Development) Bill, 2016, into an Act.

Because this is what RERA will do. Enhance sectoral benchmarks. Transform industry realities. Make real estate developers accountable. Enhance consumer protection.

A number of industry players are likely to see RERA as a threat; Puravankara sees this as opportunity.

Because this is precisely how we have been growing our business across the years...

BUILDING.
PROTECTING.



STRIKING THE RIGHT
NOTE
WITH OUR CUSTOMERS

PURAVANKARA IS NOT JUST ANOTHER REAL ESTATE DEVELOPMENT COMPANY. THE COMPANY IS A FORWARD-LOOKING BRAND THAT REDEFINES HOW PEOPLE LIVE.

PURAVANKARA IS NOT JUST ANOTHER COMPANY FOCUSED SINGULARLY ON SALE. THE COMPANY IS A CREDIBLE BRAND THAT BUILDS AND PROTECTS.

PURAVANKARA IS NOT JUST ANOTHER REAL ESTATE COMPANY PAYING LIP SERVICE TO TRUST. THE COMPANY IS GOVERNANCE-DRIVEN ACROSS ALL ASPECTS OF ITS BUSINESS.

PURAVANKARA IS NOT JUST ANOTHER REAL ESTATE COMPANY MARKETING TODAY'S PRODUCTS. THE COMPANY IS ENGAGED IN PROVIDING HOMES THE WAY PEOPLE WILL LIVE IN THE FUTURE.

We envision a future where Puravankara is a household name the world over. A future where our brand symbolizes unique landmarks and superior community living of the highest standards of quality and customer delight.

MISSION

The journey

CUSTOMER
BASE
~19,000

EMPLOYEES
1,009

DELIVERED
SPACE
14%
CAGR,
FY11-16

Legacy

Since inception in 1975, Puravankara is growing its business around quality and timely delivery. This commitment has been reinforced through an overarching culture of integrity - uncompromising values, customer-centricity, robust engineering and business transparency, making the Company a preferred real estate brand in India's residential and commercial segments

The Company enjoys a robust track record, having completed 50 residential and 4 commercial projects across a cumulative 27.23 mn sq. ft (proprietary economic interest of 24.35 mn sq. ft)

The Company possesses 23.64 mn sq. ft/ 17,725 units (proprietary economic interest of 20.40 mn sq. ft/ 15,480 units) under development and an additional 13.36 mn sq. ft (proprietary economic interest of 7.22 mn sq. ft) in projected development

The Group commenced real estate development in Mumbai, India's commercial capital, complemented by significant presence in Bengaluru, Kochi, Chennai, Coimbatore, Hyderabad, Mysuru and overseas (Dubai, Colombo and Saudi Arabia)

Business

Puravankara Projects has been extensively engaged in creating premium residential realty projects across South India, a zone accounting for 22-24% of India's GDP growth

Provident Housing Limited, a 100% subsidiary, is engaged in the development of premium affordable housing

Puravankara extended its real estate development business to western India (Mumbai and Pune) in 2015-16

Projects

Puravankara is one of the largest pure-play residential realty brands in India

Puravankara was engaged in the development of 13 projects in the cities of Bengaluru, Chennai, Hyderabad, Coimbatore and Mangaluru (as on 31 March 2016)

Provident is developing six projects in Bengaluru, Chennai, Coimbatore and Mangaluru (as on 31 March 2016)

Puravankara and Provident possess a consolidated pipeline of 84.08 mn sq. ft targeted for execution in 7-10 years

Certifications/ ratings

Puravankara was certified for ISO-9001 by DNV in 1998 and has been awarded ISO 2015 rating, the first in the Real Estate Industry; its DA2+ rating by CRISIL is testimony to its reputation for highest quality and reliability. The long-term borrowing rating of the group stands at BBB (stable outlook), which is an excellent rating considering the current real estate environment



'THE YOU PHILOSOPHY'

At Puravankara, all our endeavors revolve around just one entity – our customers. Their need, dreams and aspirations are pivotal to our decisions. We call this 'The You Philosophy'.

Promoters

Puravankara is helmed by Mr. Ravi Puravankara (Chairman), a first-generation entrepreneur and promoter with 42 years of sectoral experience

The second generation of promoters in the business is represented by Mr. Ashish Ravi Puravankara (Managing Director), who brings with him 16 years of sectoral experience

The Group's 10-member senior management team enjoy 150 person-years of cumulative experience in the country's real estate sector

Employees

The Group has a workforce of 1,009 employees permanently on its payroll (as on 31 March 2016)

28% are experienced engineers and architects; 24% are MBAs and post-graduates; the rest are graduates and others

The Company's high people productivity, coupled with enhanced process automation, has helped increase turnover per employee by 35% in the last two years

INCOME FROM OPERATIONS

14%
CAGR,
FY12-16

Listing

Puravankara Projects' equity share (nominal value ₹5) is listed on the NSE and BSE in India

The Company's market capitalisation on the NSE stood at ₹1,124 crores as on 31 March 2016 (₹1,471 crores as on 31 March 2015)

Dividend

The Company proposed a dividend of ₹0.78 (15.605%) per equity share for 2015-16 (31% dividend disbursed in 2014-15), which amounts to a cumulative outflow of ₹22.27 crores including the dividend distribution tax

BUILDING PLATFORMS. PROTECTING VALUE.

LAND BANK (mn sq ft.)



A GROWING LAND BANK...

REALTY DEVELOPMENT (mn sq ft.)



... CATALYSED THE COMPLETION OF DEVELOPED (AND DELIVERED) SPACE...

GROSS TURNOVER (₹ crores)



...LEADING TO A GROWING TURNOVER...

OPERATING PROFIT (₹ crores)



...THAT HELPED AMORTISE COSTS AND ENHANCE PROFITS...

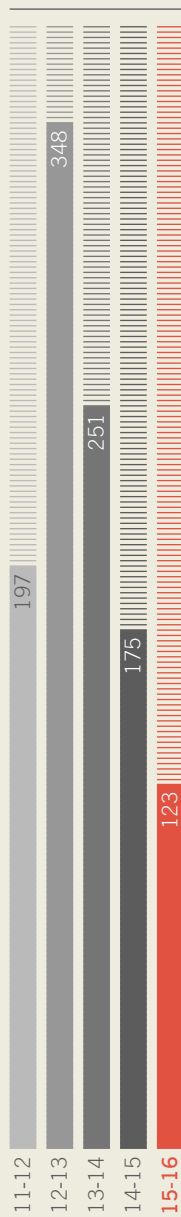
INTEREST COVER (times)



...THAT STRENGTHENED OUR FINANCIALS...

CASH PROFIT

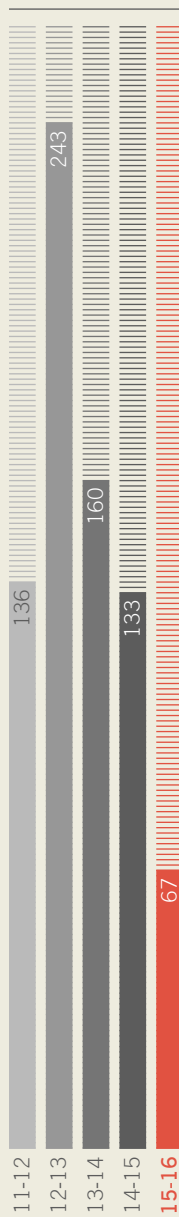
(₹ crores)



...AND HELPED
REPORT A
SURPLUS...

POST-TAX PROFIT

(₹ crores)



... THAT
STRENGTHENED
OUR POST-TAX
PROFIT

NETWORTH

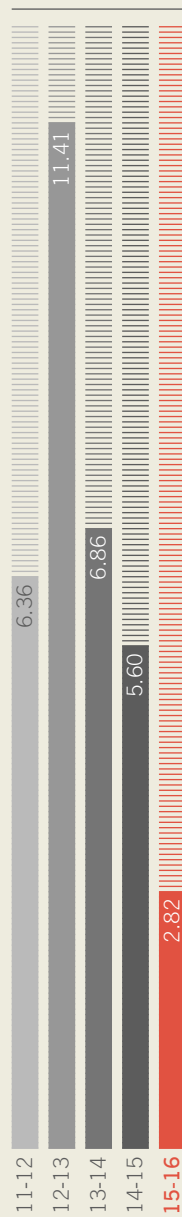
(₹ crores)



...THAT
STRENGTHENED
OUR BALANCE
SHEET ...

EARNINGS PER SHARE

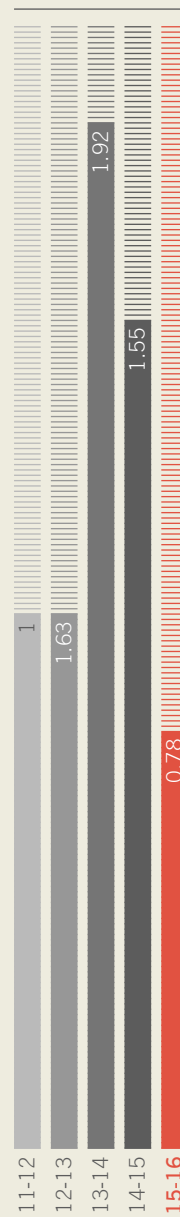
(₹)



...AND HELPED
REPORT
REASONABLE
EARNINGS...

DIVIDEND PER SHARE

(₹)



...LEADING TO
CONSISTENT
SHAREHOLDER
REWARD...

BOOK VALUE PER SHARE

(₹)



...AND CREATED
ROBUST
FUNDAMENTALS

