



Creation, not construction.

To,
The Assistant Manager,
National Stock Exchange of India Limited
Listing Department,
'Exchange Plaza',
Bandra Kurla Complex, Bandra (East),
Mumbai – 400051

To,
The General Manager,
BSE Limited,
Corporate Relationship Department,
1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001

April 19, 2017

Sub: Analyst and Investor Presentation of Kolte-Patil Developers Limited

**Ref: NSE Symbol and Series: KOLTEPATIL and EQ
BSE Code and Scrip Code: 9624 and 532924**

Dear Sir/Madam,

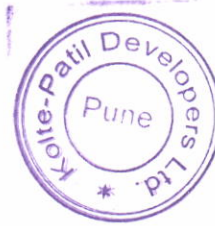
Please find enclosed herewith softcopy of “**Analyst and Investor Presentation**” of the Company and the presentation also will be posted on the company’s website:-
www.koltepatil.com.

This is for your information and record.

Thanking you,

For Kolte-Patil Developers Limited

**Vinod Patil
Company Secretary and Compliance Officer
Membership No. A13258**



Encl: As above

KOLTE-PATIL DEVELOPERS LTD.

CIN : L45200PN1991PLC129428

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KOLTE-PATIL DEVELOPERS LIMITED

Analyst and Investor Presentation – April 2017



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.

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Kolte Patil Overview



5 | **KPDL – At a Glance**

#1

Residential real estate player in Pune

2+

Decades of presence

15-25%

Dividend Payout of Annual PAT

>15_{MSF.}

of construction across Pune, Bengaluru and Mumbai

CRISIL A+/STABLE

Highest rated residential player

>20_{MSF.}

of approved land bank

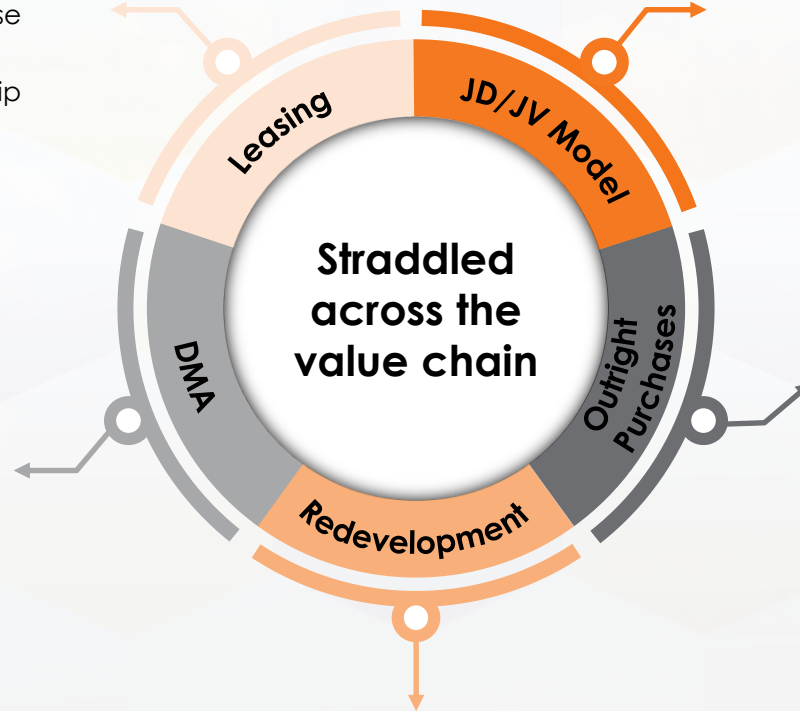
PROFESSIONAL MANAGEMENT

with diverse industry experience

Real Estate Solutions Provider

- ▶ Asset management team in place to rent, sell, lease properties
- ▶ Extending customer relationship cycle – creating goodwill

- ▶ Leveraging brand and execution capabilities to source opportunities in India's most fragmented real estate market
- ▶ Diversifying revenue stream with inclusion of fee-income



- ▶ Tapping high potential Mumbai market through private/tenanted society redevelopment
- ▶ Capital light approach
- ▶ Already signed 11 projects

- ▶ Flexible, project-specific capital structuring philosophy based on cash flow and approval visibility

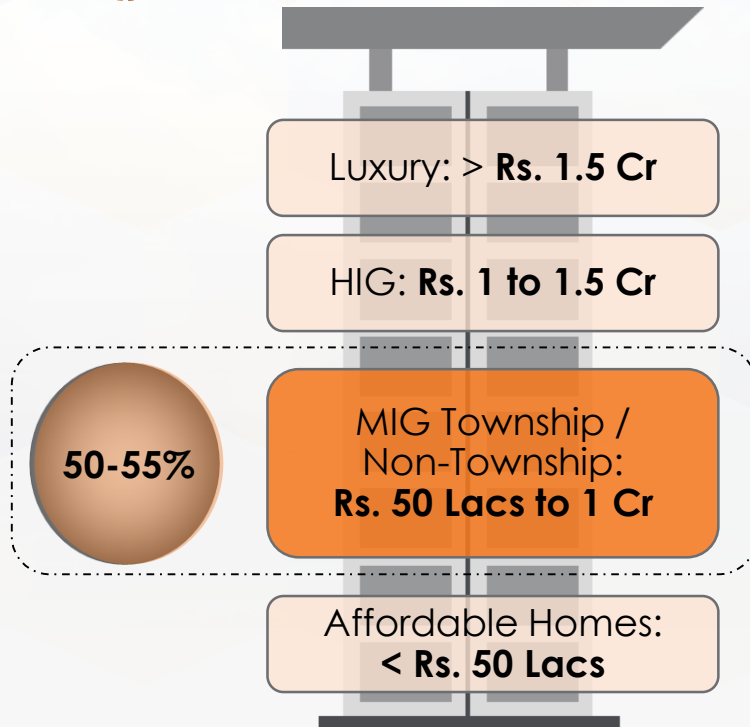
- ▶ Organizational framework evolved to take on larger projects independently

- ▶ Strong brand name, execution track record and robust balance sheet
- ▶ Strong internal processes and teams
- ▶ Selective PE participation based on specific project modalities

Pune Presence across Growth Markets and Price Points

Flexibility Based On Demand

Targeting MIG audience which is the pulse of the Pune market, a market with diverse economic drivers



Delivering the right Product, at the right Place, with the right Positioning

Mumbai Redevelopment Projects in Prime Locations

KPDL Positioning

- ✚ Mumbai being a land-locked city makes redevelopment the most preferred mode of development going forward and represents a huge opportunity
- ✚ KPDL's Mumbai entry was timed with the changes in the Development Control Rules, 2013 (DCR, Section 79 A) making it a level-playing field for all developers
 - ❑ Synergies to existing Pune business
 - ❑ Facilitates margin expansion
 - ❑ Reduces working capital cycle
 - ❑ Geographical diversification - establish strong brand in Mumbai
- ✚ Low capital commitment with payment of the corpus fund and rental to the tenants linked to approvals
- ✚ Focus on redevelopment projects; no SRA projects
- ✚ Within a short period, KPDL has established itself as one of the largest listed real estate company in society redevelopment space in Mumbai











**Signed eleven redevelopment projects till date with total saleable area of ~1 msf.
spread across premium locations in western suburbs**

Bengaluru Portfolio

KPDL Positioning

- ✚ Bangalore city's residential demand is dominated by an immigrant salaried employee class working and a strong end-user market with stable market
- ✚ KPDL's presence in the Bengaluru market which provides geographical diversification in another volume driven market
- ✚ Increased traction to expand Bengaluru share in KPDL portfolio
- ✚ Ongoing/planned projects to the tune of over 2.0 msf. at prime locations like Hennur Road, Kormanagala, Horamavu and Hosur Road
- ✚ Strategic objective is to enhance presence in Bengaluru thereby further de-leveraging the portfolio concentration

Key Financial Partnerships

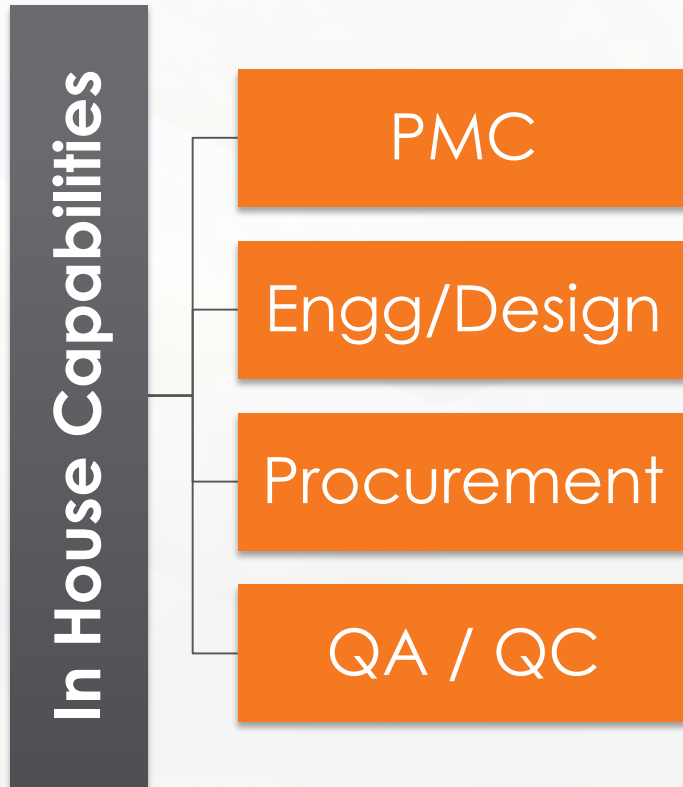
Name of SPV	Name of Projects	Stake of PE Fund	Location	Area (acres)	Land Cost (Rs. crore)
Tuscan Real Estate Pvt. Ltd.		49% 	Kharadi, Pune	12.8	67.6
Kolte-Patil I-Ven Township (Pune) Ltd		50% 	Hinjewadi, Pune	383.0	340.0
Kolte-Patil Real Estate Ltd		49% 	Kharadi, Pune	41.5	198.0
Snowflower Properties Pvt Ltd		70%* 	Kondhwa, Pune	30.0	160
Jay-Vijay Society		~36% 	Ville Parle-E, Mumbai	2.25	NA

- Kolte-Patil – Portman Holdings 50:50 JV completed its Margosa Heights project in Pune in September 2016, generating an IRR of 36% and a money multiple of 3.1 times for itself and its JV partner, Portman Holdings, USA
- In October 2015, KPDL completed buy-out of 100% stake in its SPV, Corolla Realty Limited, from 37% held earlier, for a total consideration of Rs. 164 crore from ICICI Ventures

Key Attributes/ Philosophies



Execution Focused – Land is a Key Strategic Asset



KPDL treats land purely as raw material with the objective of fast inventory turnover

KPDL is in the business of building homes and communities catering to the aspirational needs of the middle class consumer

Construction outsourced - multiple partners depending on product type

Early adopters of new construction technology in Pune, invested Rs. 68 crore in FY12, which resulted in reduced slab cycles and labor requirements from conventional methodology

Streamlining internal processes and controls to sustain construction quality across projects and reducing cost inefficiencies

Strong Brand Presence in Pune

Leading residential real estate brand in Pune

Well-reputed, trusted brand name that has delivered over 15 msf. in Pune

Homes bought on track record, brochures, 'blue print' making it a trust/credibility decision

Reputational advantage enables KPDL to extract pricing premium, better payment terms and/or greater sales velocity

Kolte-Patil has leveraged its brand to enter into the Mumbai market and fee-based Development Management Agreement (DMA) model in Pune

Customer purchases through mobile app and through online platforms testimony to market trust

Customer-Centric Approach

- ▶ Delighting customer through timely delivery and execution the key
- ▶ Selling to what is promised as far as specs etc. is concerned
- ▶ Treating real estate as a consumption business - selling large volumes of a product which is a basic human necessity through a strong sales and marketing network, leveraging strong brand presence and replenishing inventory which is utilized
- ▶ Asset management team in place to rent, sell, lease properties - extending customer relationship cycle and creating goodwill

Judicious Capital Allocation

- ▶ Focus on timing of cash flows through execution of multiple projects – constructing and delivering increasing square feet of area, adjusting prices as per demand
- ▶ Mitigating three types of risks
 - Litigation risk – acquiring land clear of title to ensure capital is not blocked
 - Regulatory risk – willing to pay more to acquire land with key approvals in place/working with land owner to obtain key approvals – payments linked to receipt of approvals
 - Macro risk – operating with low debt and focus on sales velocity and cash flows
- ▶ JV's to enable scale and internal discipline and processes
- ▶ Organizational framework evolved to take on larger projects independently - flexible, project-specific capital structuring philosophy based on cash flow and approval visibility
- ▶ Foray in Mumbai through capital-light society redevelopment and after change in DCR rules that made the entire engagement process more process-oriented
- ▶ DMA, another capital light approach, adding fee-income to revenue stream, leveraging strong brand presence and timely execution track record

Key Strategic Initiatives

Best-in-class corporate governance practices

- ✚ Expanded scope of engagement with Deloitte and KPMG from SPV level to corporate entity level
- ✚ Managerial remuneration closely linked with earnings
- ✚ Stated dividend policy of distributing 15-25% of annual profits
- ✚ Improving information disclosure practices

DISHA

- ✚ Only real estate developer to have invested in advanced CRM recently
- ✚ Improving process orientation – implementing SAP, defining SOP's
- ✚ Mined extensive data
- ✚ Leveraged analytics
- ✚ Enhanced informed selling through effective marketing spend and next level marketing analysis
- ✚ Creating robust knowledge management mechanisms

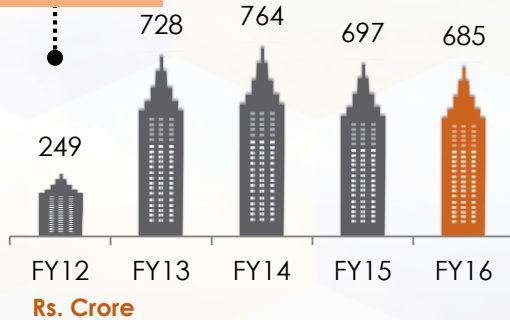
KPDL Way of Doing Business

- ✚ Increased training
- ✚ Standardized customer engagement
- ✚ Strengthened service
- ✚ Increased customer feedback collection points
- ✚ Increased customer access to senior management
- ✚ Enhanced operational transparency

Strong Financial & Operational Performance

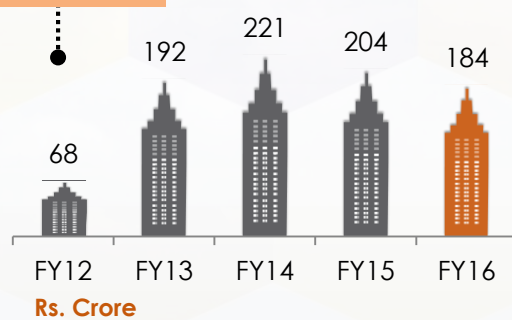
Operating income

CAGR: 29%



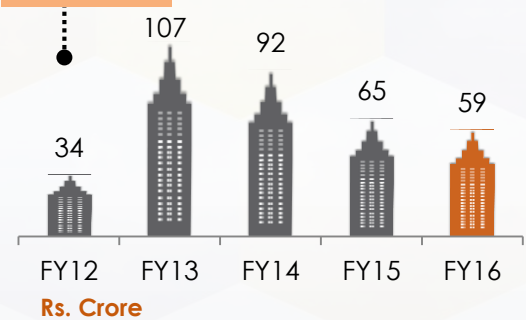
EBITDA

CAGR: 28%



PAT

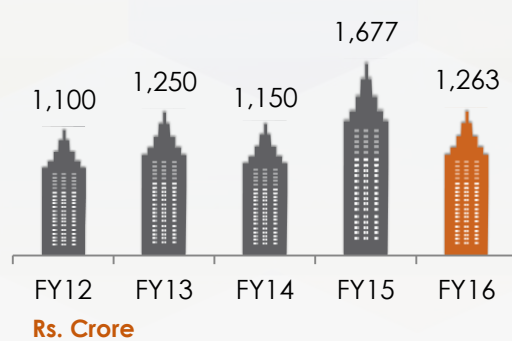
CAGR: 15%



Sales Volume



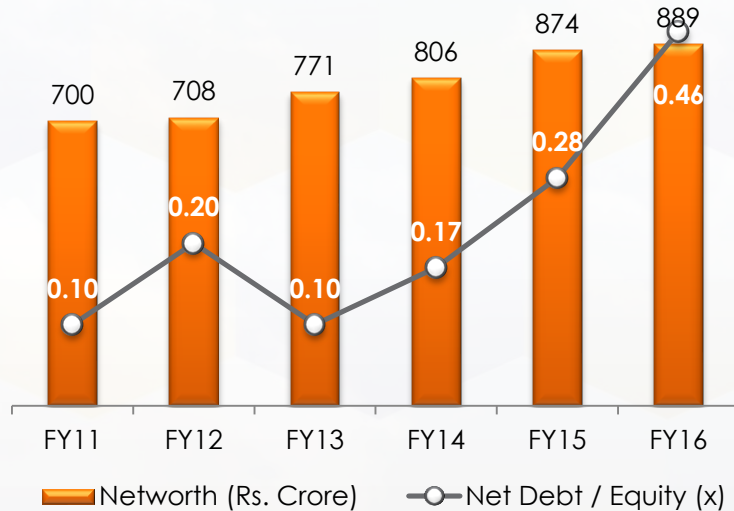
Sales value



Price realization



Robust Balance Sheet Delivering Capital Efficiencies



Conservative to debt financing

CRISIL A+/Stable rating for the long-term bank facilities and non-convertible debentures

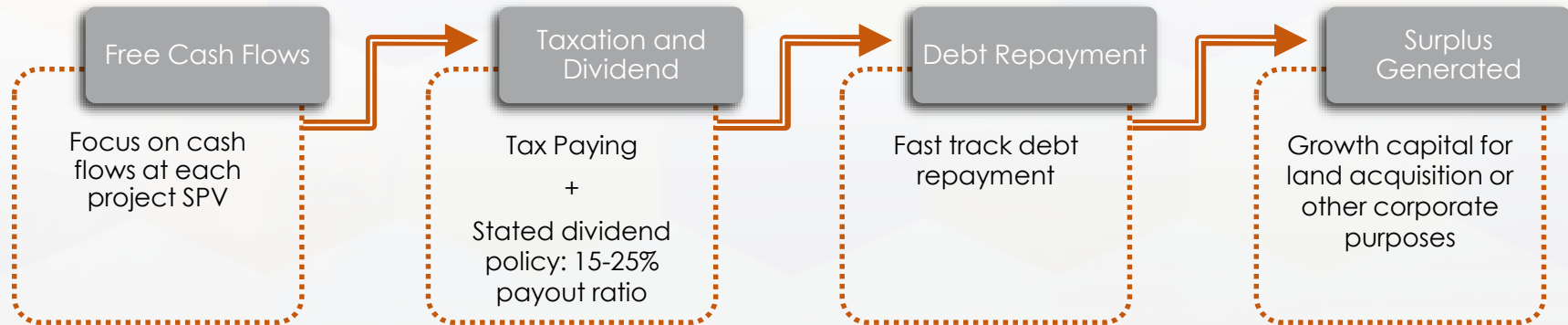
Net debt/equity maintained at comfortable levels

Asset-light approach –

Focus on spending aggressively on construction and outperforming delivery timelines

Generating Strong Cash Flows

Cash Flow Snapshot (in Rs. cr)	FY16	FY15	FY14	FY13
Opening cash and cash equivalents	37.7	56.2	111.8	46.2
Net cash from/(used In) operating activities	21.9	34.4	-117.0	208.1
Net cash from investing activities	-173.2	0.5	-36.6	-45.8
Net cash from financing activities	182.2	-53.4	98.0	-96.7
Closing cash and cash equivalents	73.5	37.7*	56.2*	111.8



Healthy cash generation expected to continue as land parcels move to launches / revenue recognition stage

***Note:** Including FD's more than 3 months but less than 12 months and balance in bank account earmarked for unpaid dividend closing C&CE for FY15 stood at Rs. 40.5 crore and Rs. 69.1 crore in FY14

Recent Performance – Q3 & 9M FY17



CMD's Message

Commenting on the performance for Q3 FY2017, Mr. Rajesh Patil, CMD, Kolte-Patil Developers Limited said:

"Q3 was an eventful quarter with the announcement of the demonetization of Rs. 500 and Rs 1,000 currency notes. This initiative will create a level playing field and in the long run benefit all organized developers like us. We were beginning to see a clear revival in sales volumes in October, prior to this announcement, on the back of a buoyant festive season this year. Sales were impacted post the announcement given the uncertainty that prevailed in the market.

During this period of uncertainty, we have stuck to our core philosophy, focused on execution and cash flows across all our projects, which has resulted in strong collections of Rs. 247 crore during the quarter. Our collections have been consistent and robust this entire year to the tune for Rs. 711 crore in 9M FY17. Our financial and operational performance also continues to see good improvement. Revenue for 9M FY17 was up 15.2% YoY to Rs. 632 crore. EBITDA margins have expanded 130 bps YoY to 27.1% on the back of overall cost competitiveness. Profit after tax has expanded 38% to Rs. 55.6 crore in 9M FY17. Net margins have expanded 150 bps to 8.8%. We continue to execute well across all our projects and offered 0.46 msf for possession during Q3, taking our total tally for 9M FY17 to 1.7 msf.

The economic environment impacted sales volumes with the uncertainty and cash crunch causing customers to defer their purchase decisions. We recorded pre-sales of 0.32 msf. or Rs. 195 crore during the quarter. However, we are confident that the slowdown will be a temporary phenomenon and we have already started seeing an uptick in the volumes in the ongoing quarter. With several initiatives like the implementation of RERA, passage of GST and simplification of environmental laws etc, we are well-positioned to capitalize on the shift from unorganised developers to transparent, strong brands of repute like Kolte-Patil. Additionally, several initiatives announced in the Union Budget will aid sector recovery. Expectations of a steep reduction in interest rates and fall in inflation will improve consumer sentiment and spur demand. We will continue to maintain our thrust on execution and cost efficiencies at all projects and utilize the cash flows to further strengthen our balance sheet."

Business updates in Q3 & 9M FY2017

New area sales	Q3 FY17	Q3 FY16	YoY	9M FY17	9M FY16	YoY
Volume (million sq. ft.)	0.32	0.52	-39%	1.54	1.47	5%
Value (Rs. million)	1,948	3,044	-36%	8,935	8,869	1%
Realization (Rs./Sq. ft.)	6,150	5,863	5%	5,793	6,025	-4%
Collections (Rs. million)	2,470	1,872	32%	7,105	6,759	5%

Collections

- ▶ Robust collection momentum in a challenging environment
 - Strong execution resulting in achievement of construction / payment milestones across portfolio

Sales

- ▶ Sales impacted temporarily on the back of uncertainty post demonetization announcement
 - Seeing some uptick in Q4 FY17
 - Expected to normalize over the next few months

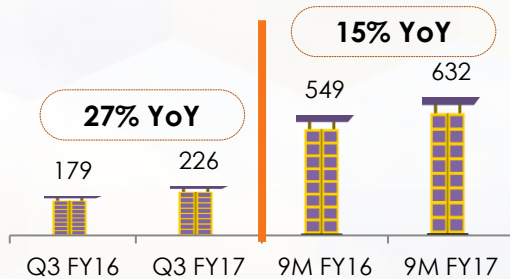
Price Realization

- ▶ YoY rise in the APR in Q3 FY17
 - Greater share of luxury and few commercial sales in Pune
 - Contribution from Mumbai portfolio

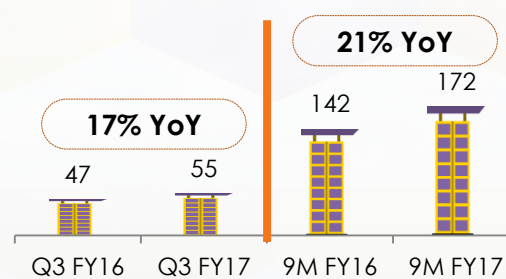
Performance Highlights

Kolte-Patil adopted Ind-AS framework starting Q1 FY17. Comparable prior period numbers have been restated in compliance with Ind-AS for a meaningful comparison.

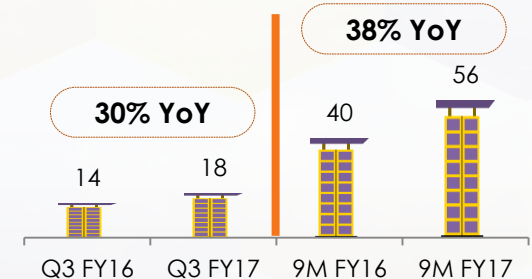
Revenue, Rs. Crore



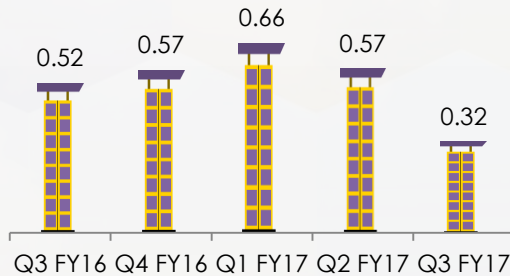
EBITDA, Rs. Crore



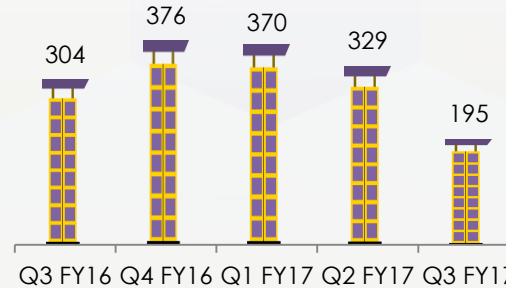
PAT, Rs. Crore



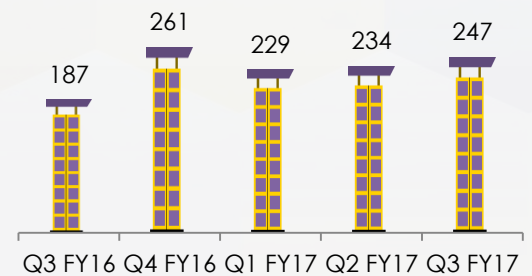
Sales Volume, million sq. ft



Sales value, Rs. Crore



Total Collections, Rs. Crore



New Sales Analysis – Q3 FY17

msf.

0.64

1.00

0.50

0.46

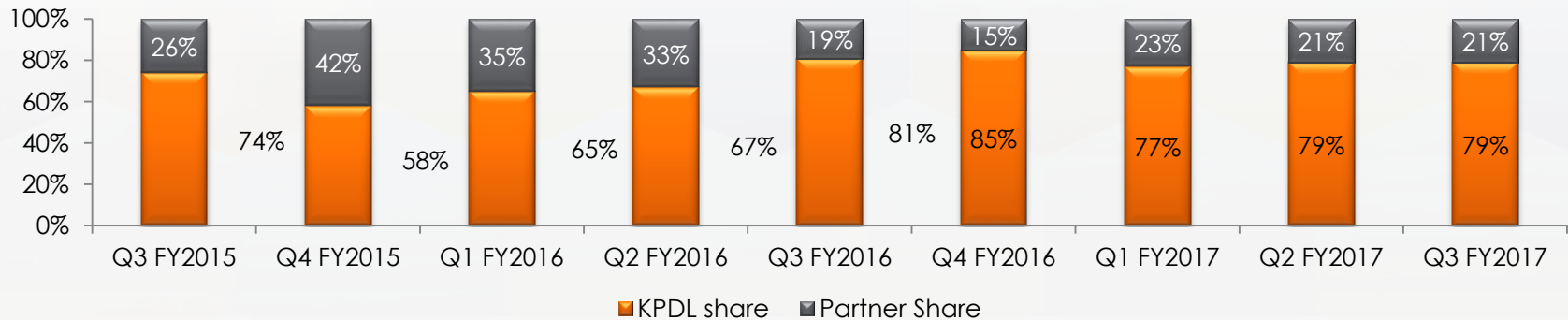
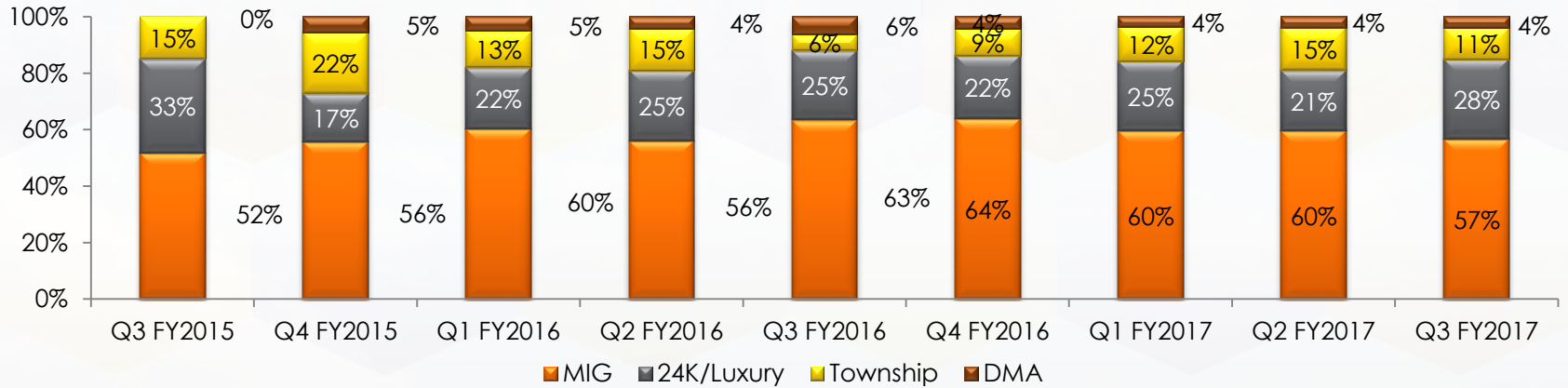
0.52

0.57

0.66

0.57

0.32



Note: Corolla stake has increased from 46.25% in Q2 FY16 to 100% in Q3 FY16

Ind-AS Impact on KPDL

- ✚ Under Ind-AS, consolidation is based on control and not just shareholding which has resulted in certain joint ventures being classified as subsidiaries.
- ✚ Under Ind-AS dividend on equity shares is recognized on receipt of approval. Proposed dividend recognized under Indian GAAP has thus been derecognized under Ind- AS.
- ✚ As per Ind-AS, the Equity settled share based payment transactions have been measured at fair value.
- ✚ As per Ind-AS, gain or loss on actuarial valuation is recognized in Other Comprehensive income.
- ✚ Investments in Optionally convertible Debentures, Compulsorily Convertible debentures and Optionally Convertible redeemable preference shares have been measured at fair value and any gain or loss is recognized in profit or loss.
- ✚ As per Ind-AS, loans and deposits have been accounted for at amortized cost.

Profit and Loss Snapshot – Q3 FY17 vs Q3 FY16

P&L Snapshot (Rs. crore)	Ind-AS (Unaudited)		
	Q3 FY17	Q3 FY16	YoY (%)
Total operating income	226.4	178.5	27%
Total Expenses	174.5	134.8	29%
EBITDA	55.4	47.4	17%
EBITDA Margin (%)	24.5%	26.5%	-2.1%
EBIT	51.9	43.7	19%
EBIT Margin (%)	22.9%	24.5%	-1.6%
Other income	1.2	5.6	-80%
Finance costs	21.6	22.5	-4%
Profit before tax	31.5	26.9	17%
Taxes	15.7	12.9	21%
Profit after tax	15.8	13.9	14%
Non-controlling Interest	-2.2	0.1	
Adjusted PAT after minority interest	18.0	13.9	30%
PAT margin (%)	8.0%	7.8%	0.2%
Basic EPS (Rs.)	2.38	1.83	

Note: Kolte-Patil adopted Ind-AS framework starting Q1 FY17. Comparable prior period numbers have been restated in compliance with Ind-AS for a meaningful comparison.

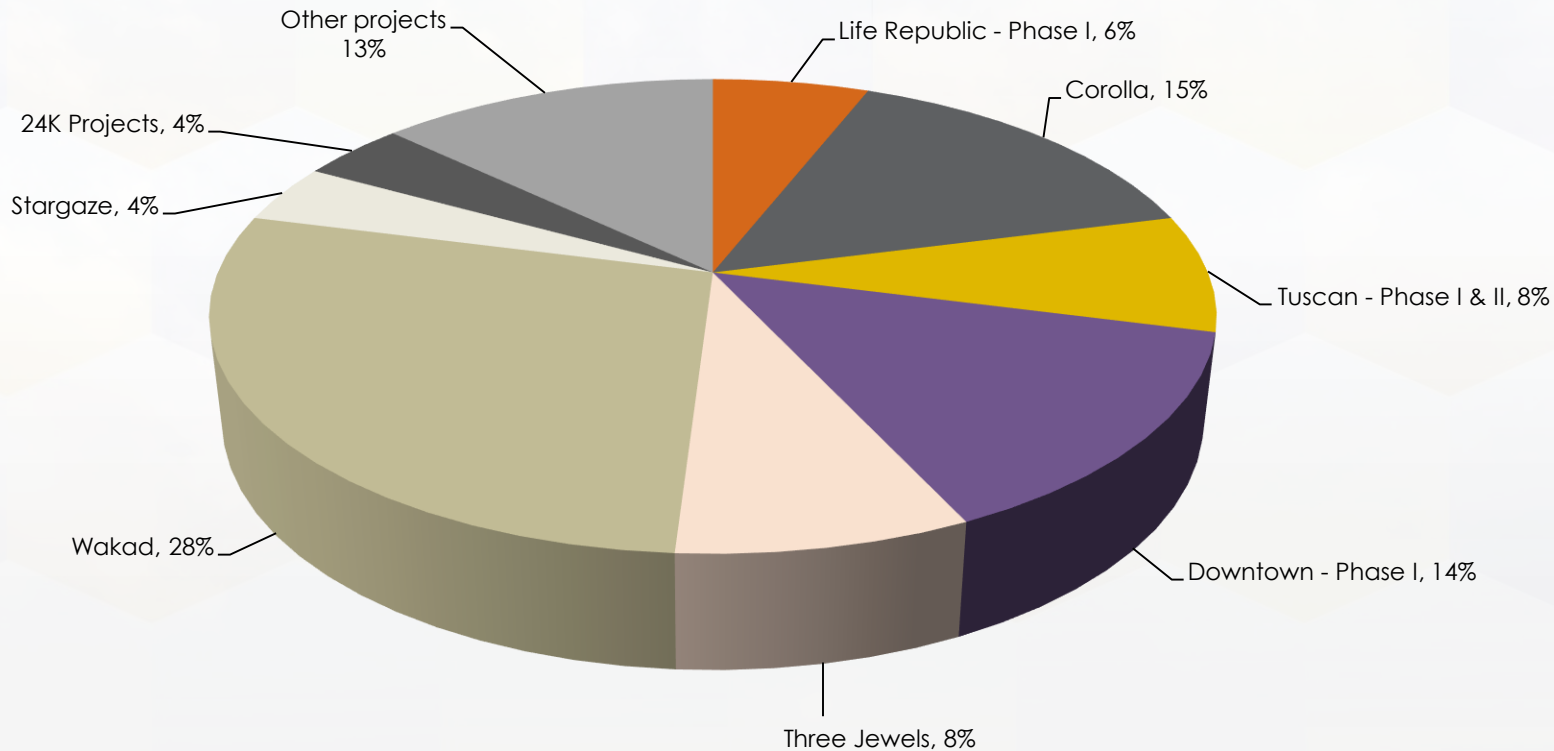
Profit and Loss Snapshot – 9M FY17 vs 9M FY16

P&L Snapshot (Rs. crore)	Ind-AS (Unaudited)		
	9M FY17	9M FY16	YoY (%)
Total operating income	632.2	548.6	15%
Total Expenses	471.2	417.1	13%
EBITDA	171.6	141.7	21%
EBITDA Margin (%)	27.1%	25.8%	1.3%
EBIT	161.0	131.5	22%
EBIT Margin (%)	25.5%	24.0%	1.5%
Other income	4.8	12.3	-61%
Finance costs	63.7	60.7	5%
Profit before tax	102.1	83.2	23%
Taxes	47.1	39.0	21%
Profit after tax	55.0	44.2	24%
Non-controlling Interest	-0.6	3.9	-114%
Adjusted PAT after minority interest	55.6	40.3	38%
PAT margin (%)	8.8%	7.3%	1.5%
Basic EPS (Rs.)	7.34	5.31	

Note: Kolte-Patil adopted Ind-AS framework starting Q1 FY17. Comparable prior period numbers have been restated in compliance with Ind-AS for a meaningful comparison.

Revenue Recognized in Key Projects – Q3 FY17

Revenue Breakup – Rs. 226 cr



Consolidated Debt Profile

Balance Sheet Snapshot (Rs. crore)	31 st Dec, 2016	30 th Sep, 2016
	Ind-AS (Unaudited)	
Networth	852	837
Gross debt	774	769
Less: OCD / CCD / OCRPS	234	234
Debt	541	535
Less: Cash & cash equivalents & Current Investments	82	67
Net debt	459	468
Net debt to equity	0.54	0.56

Note: Kolte-Patil adopted Ind-AS framework starting April 2016

Business Outlook

- ✚ Demonetization impact seen to be transitory
 - Sales volumes expected to see revival in the coming months

- ✚ Focus on execution and thrust on collections to be maintained

- ✚ Initiatives like demonetization, RERA and GST will lead to a level playing field and bring about consolidation in the sector and will benefit organized developers like KPDL

- ✚ Evaluating potential expansion in Affordable Housing within existing portfolio

- ✚ Company is planning to launch another project in its Mumbai redevelopment portfolio at Dahisar West, named 'Breeze'

- ✚ Company is also targeting launch of two projects at prime locations in Bengaluru, at Kormangala and Hosur Road respectively

Details of Ongoing Projects – Q3 FY2017

Gross Details (including partner's share)

Projects	Saleable Area (msf.)			Location	Area Sold (msf.)	Sales value (Rs. mn.)	Average Realization (Rs./sft.)	Collections (Rs. mn.)
	Gross	KPDL	KPDL					
Life Republic - Phase I & II	4.0	45%	1.8	Hinjewadi, Pune	0.035	184	5,209	255
Corolla - Phase I & II (Ivy Estate)	3.6	100%	3.6	Wagholi, Pune	0.048	207	4,313	461
Tuscan - Phase I & II	0.8	51%	0.4	Kharadi, Pune	0.024	161	6,765	163
Allura - Phase I & II (24K Glamore)	0.6	75%	0.4	Undri - NIBM, Pune	0.004	18	4,537	28
Margosa Heights I, II & III	1.0	50%	0.5	Mohamad Wadi, Pune	0.008	37	4,466	104
Downtown - Phase I & II	1.32	51%	0.7	Kharadi, Pune	0.021	135	6,559	291
Giga Residency	0.4	100%	0.4	Viman Nagar, Pune	0.003	30	10,152	0
Wakad	1.3	100%	1.3	Wakad, Pune	0.050	328	6,528	304
Jazz I (Glitterati II) & Jazz II (Opula)	0.9	100%	0.9	Aundh, Pune	0.021	145	6,871	178
Three Jewels	1.0	100%	1.0	Kondhwa, Pune	0.035	179	5,168	143
Rutu Bavdhan (Stargaze)	0.5	62%	0.3	Bavdhan, Pune	0.025	157	6,210	241
Other Projects (Including DMA)	2.1		2.0		0.033	198	6,012	78
Total (Pune Projects)	17.6		13.4		0.307	1,778	5,793	2,245
Ragga	0.65	100%	0.7	Hennur Road, Bengaluru	0.001	2	4,576	63
Mirabilis	0.80	70%	0.6	Horamavu, Bengaluru	0.001	6	5,162	62
Exente	0.59	100%	0.6	Hosur Road, Bengaluru	0.000	0	0	0
Total (Bengaluru Projects)	2.0		1.8		0.002	9	4,986	125
Link Palace Society	0.0	100%	0.0	Khar (W), Mumbai	0.000	0	0	69
Jai-Vijay Society	0.2	100%	0.2	Ville Parle (E), Mumbai	0.005	119	24,189	27
Breeze				Dahisar (W), Mumbai	0.003	42	13,437	5
Total Mumbai Projects)	0.2		0.2		0.008	161	20,004	100
Total (Pune + Bengaluru + Mumbai Projects)	20.2	77%	15.6		0.32	1,948	6,150	2,470

Note: Collections do not include contribution from DMA projects

Forthcoming Projects / Future Development Potential

Forthcoming Projects	Saleable Area (msf.)		
	Gross	KPDL Share	KPDL Share
Life Republic Phase II	1.3	45%	0.6
24K Province	0.4	100%	0.4
Wakad	1.3	100%	1.3
Kondhwa Phase III	0.4	100%	0.4
Stargaze Phase II	0.6	62%	0.4
Downtown	0.5	51%	0.2
Corolla Phase III	1.3	100%	1.3
Total	5.7	79%	4.5

Future Development	Saleable Area (msf.)		
	Gross	KPDL Share	KPDL Share
Sanjivani Township, Urse, Pune	15.0	50.5%	7.6
Life Republic - Phase III	2.9	45%	1.3
Ghotawade, Pune	3.2	50%	1.6
Aundh, Pune	1.0	100%	1.0
Kalyani Nagar	0.6	100%	0.6
Boat Club Road, Pune	0.3	100%	0.3
Mumbai Projects	1.0	100%	1.0
Total	24.0		13.4

Note: Saleable area based on current FSI norms and subject to change

About Kolte-Patil Developers Ltd.

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 the 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 ~15 million square feet across Pune 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 six 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

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