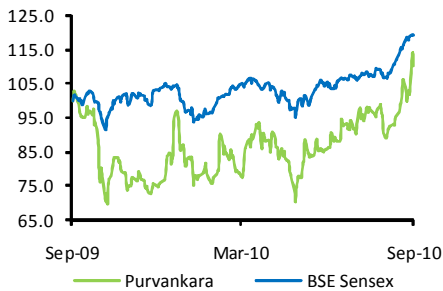


Stock Data

Bloomberg Code	PVKP IN
Market Cap. (Rs bn / US\$ mn)	29/636
52-week High/Low (Rs)	145/78
Shares Outstanding (mn)	213
Avg. daily volume ('000)	172
Avg. daily value (Rs mn)	21
Promoter holding (%)	90
Free float (%)	10
FII holding (%)	6.3

Relative Performance


BSE Sensex	19,956
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Uptick in Bangalore real estate markets

- Improving prices and volumes:** Our real estate market channel checks suggests that the Bangalore property markets are currently seeing an upswing. Prices are higher in the range of 5-10% across micro markets and volume sales rate up by 10% compared to Q4FY10 and Q1FY11. There is also improvement in the leads to sales conversion ratio across developers in the Bangalore region. This trend is largely driven by stability in IT industry and the subsequent wage hikes and employees additions that IT & ITes Industry is witnessing.
- Purvanakara a key beneficiary:** Purvanakara Projects with majority of its Land bank (65% of 143 million sq ft of its developable area) in Bangalore region will be a key beneficiary of this upswing. The company currently under development has 12 mn sqft under Purvanakara and 6 mn sqft under its affordable housing subsidiary Provident Housing.
- Reiterate our buy:** We maintain our positive stance on the stock and believe that the pricing and volume upswing provides increasing visibility to future prospects of the company. The Stock has moved up 17% since our last price target upgrade on the stock, we reiterate a buy on the stock maintaining our price target of Rs. 171 a 30% discount to its FY11NPV of Rs. 244 a share or 17.8 x its FY12 earnings

Rs mn	FY2008	FY2009	FY2010	FY2011E	FY2012E
Net Sales	5,658	4,449	4,784	4,873	8,277
EBITDA	2,133	1,367	1,693	1,617	2,412
Net Profit	2,400	1,444	1,453	1,464	1,933
EPS (Rs)	11.25	6.77	6.81	6.86	9.06
EPS Growth (%)	85.94	-39.84	0.62	0.73	32.03
EBITDA margin (%)	37.70	30.73	35.40	33.17	29.14
PER (x)	12.00	19.95	19.83	19.68	14.91
P/BV (x)	2.38	2.11	1.93	1.78	1.61
Price/sales (x)	5.09	6.48	6.37	5.91	3.48
EV/EBITDA (x)	16.40	26.84	23.51	23.78	15.88
Dividend Yield (%)	1.48	0.00	0.74	0.74	0.74
ROCE (%)	15.01	6.48	7.15	6.55	8.80
ROE (%)	33.47	11.21	9.81	9.34	11.22

Source: Company & Karvy Institutional Research

Stock Ratings	Absolute Returns
Buy	: > 25%
Out Performer	: 16 - 25%
Market Performer	: 0 - 15%
Under Performer	: < 0%
Sell	: <(25%)

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Disclosures Appendix

Analyst certification

The following analyst(s), who is (are) primarily responsible for this report, certify (ies) that the views expressed herein accurately reflect his (their) personal view(s) about the subject security (ies) and issuer(s) and that no part of his (their) compensation was, is or will be directly or indirectly related to the specific recommendation(s) or views contained in this research report.

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