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Shriram Properties (“SPL” or “Company”) has today announced its financial results for the first quarter ended June 30, 2023/(Q1FY24). The Company has reported yet another strong quarter with quarterly improvement in key operating and financial metrics for Q1FY24. SPL also inducted Ashish Debora as Director on the Board of the Company.

The Company has achieved Q1 sales volumes of 0.78 msf (+17% YoY) and sales values of Rs.459 crores (+47% YoY), driven by strong sustenance sales in ongoing projects and two successful launches during Q1FY24. Robust rise in sales value reflects the change in product mix and improved pricing. The share of plotted development stood at ~21%, while the DM model accounted for 12% of sales volumes during the quarter. Given the seasonality in our business (Q1 being the weakest and Q4 being the strongest), sequential growth (QoQ) comparisons may not provide a reasonable conclusion.

During the quarter, SPL launched ‘Shriram Esquire’, a premium residential project in Koramangala, Bangalore and ‘Shriram Hebbal 1’ at Bangalore, both of which received excellent market response and achieved sales-at-launch of 38%. The Company has lined up two launches in Chennai and another launch in Bangalore during Q2, and is targeting 3 further launches during Q3FY24.

Blended avg. realisation for constructed units was higher at Rs.5,463/sqft in Q1FY24 vs. Rs.4,694 / sqft in Q1FY23 (+16% YoY). On a comparable basis, mid-market units clocked 1-6% higher realisation across projects and averaged at Rs.6,525/sqft, while affordable units registered 8% YoY growth at Rs.4,711/sqft in Q1FY24. Plotted unit realisation averaged at Rs.3,045/sqft.

Project execution remained robust during Q2FY24. Construction activities in projects slated for completion during the year are on-track and the planned start of construction in 3 new projects in Bangalore and Chennai would fuel growth in construction spending during the remainder of FY24.

During the quarter the Company achieved ‘*completion*’ in 3 projects viz., Shriram Blue, Shriram Rainforest and Eden144, with an aggregate development area of 1.36 msf) during the quarter. The Company is on-track to hand over 3,000+ units in FY24, which should boost revenue recognition in FY24 during the year.

The Company has reported excellent financial results for the quarter, reflecting the impact of improving scale and operating leverage, robust project execution and consistent fee contribution income from the DM model.

Revenue from Operations grew 10% YoY to Rs.135.0 crores, reflecting continued handover and registration momentum in recently completed projects. Total Revenues grew by 8% YoY to Rs.157.2 crores and DM Fee income accounted for 12% of Total Revenues.

Total Operating Expenses declined 5% YoY to Rs.103.8 crores, supported by 15% lower cost of revenues and 2% lower employee costs. Reflecting improved revenue recognition and cost control, EBITDA margins stood strong at 34%, against 24% in Q1FY24.

Interest expenses were down 14% YoY at Rs.16.0 crores (vs. Rs.18.7 crores in Q1FY23). In addition, the Company has provided for a non-cash finance charge of Rs.5.1 crores (same on YoY basis and relates to 4% NCF on Bengal) and non-recurring interest cost of Rs. 6.9 crores associated with the acquisition of a new project in Chennai during May’23.

Remarkable reduction in recurring interest expenses reflects success of our ongoing efforts to reduce absolute debt and cost of debt. SPL expects cost of debt to drop to ~11.5% levels in Q2FY24, from 11.9% in FY23 and 13.7% in FY21, amidst rising benchmark rates.

Profit Before Tax and JV Income stood at Rs.18.3 crores, up 134% YoY, in Q1FY24.

The Company's share of profits from JVs stood at Rs. 6.1 crores reflecting sustained revenue recognition momentum at Shriram Park63 Chennai, a JV with Mitsubishi Corporation of Japan. The impact was partly offset by SPL's share of marketing and refinancing costs at three other JVs that have not yet reached revenue recognition thresholds.

Net Profit stood at Rs.16.6 crores in Q1FY24, compared to Rs.10.5 crores in Q1 last year, reflecting a growth of 59% YoY.

The Company has strong visibility on income recognition from projects scheduled for completion and handover during the remainder of the year and thus remains confident of strong earnings momentum for the full year.

The Company's gross debt stood 12% lower at Rs. 488 crores, while net debt stood at Rs.403 crores as at the end of Jun'23. This was despite the assumption of debt related to the acquisition of a new project at Chennai during May'23, which is being launched as "Shriram 122 West" shortly. With the proposed transfer of Shriram 122 West to the ASK co-investment platform by end-Aug'23, the Company's gross debt would drop materially during Q2FY24. SPL remains focused on reducing debt and the cost of debt further in the future.

Shriram 122 West will be the 2nd investment by the SPL-ASK Co-investment Platform, set up with a capital commitment of Rs.500 crores in Nov'22. For Shriram 122 West acquisition, the co-investment platform will invest ~Rs.205 crores, and the transaction is expected to be closed by the end of Aug'23. With this, the SPL-ASK platform would have used 60% of its committed capital and is evaluating further opportunities for investment during FY24. The platform's maiden investment was launched as premium plotted development, under the brand Shriram Pristine Estates, and is performing well exceeding expectations on volume and pricing since its launch in Feb'23.

The Company remains confident of its outlook. Supported by positive market trends and robust opening stock in ongoing projects and planned launches for forthcoming quarters, we see strong outlook for volumes and pricing. Project execution activities remain strong and are likely to gain further momentum with the planned commencement of construction in new projects. Continuing revenue recognition momentum and relentless focus on costs should help sustain margins and profitability even in the coming quarters.

The Company's long-term prospects remain strong. Promising demand outlook, especially in the mid-market and affordable segments and favorable market trends augur well. Supported by a strong operating platform and a strong pipeline comprising of 49 projects with an aggregate saleable area of 52msf (including 23 msf in ongoing projects, ~75% of which is sold already), SPL is well positioned to benefit from ongoing consolidation in the industry. SPL intends to complete and deliver over 10 msf over the next 3 years. While supporting income recognition and free cash flows, this should help sustain growth momentum and deliver significant value for its stakeholders.

Commenting on the performance, M Murali, CMD, Shriram Properties said: "We are encouraged by the continuing strong operating and financial performance. Our impressive results achieved by Shriram Properties serve as a resounding testament to the unwavering dedication and strategic approach. These favorable results not only validate our relentless pursuit of excellence but also fortify our resolve to continuously enhance the Company's landscape. Looking ahead, with our launches we remain positive in our commitment to, delivering homes and contributing meaningfully to the growth of the Company.

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[Shriram Properties to launch 5.7 million square feet of saleable area this fiscal year](#)

In an interview with CNBC-TV18, Gopal Krishnan, executive director and group chief financial officer of Shriram Properties, projected a positive impact on sales volumes from the upcoming launches.

Bengaluru-based Shriram Properties Ltd on Wednesday (August 16) said the company is gearing up to launch 5.7 million square feet (MSF) of saleable area this fiscal year

Shriram Properties is a real estate developer with a primary focus on mid-income housing projects, predominantly concentrated in the southern regions of India.

In an interview with CNBC-TV18, Gopal Krishnan, executive director and group chief financial officer of Shriram Properties, projected a positive impact on sales volumes from the upcoming launches.

He anticipates that these launches will serve as catalysts for growth, contributing significantly to sales figures over the course of the next few quarters.

The company also reported its financial results for the quarter ending in June, revealing an impressive 18 percent increase in volume growth, accompanied by a nearly 50 percent surge in sales value compared to the previous year.

Krishnan began by expressing his optimism about the company's line-up of projects. He emphasized the company's confidence in achieving a strong and robust sales trajectory for the launches that lie ahead.

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Shriram Properties (SPL) has announced a substantial 58.74% growth in its net consolidated profit for the quarter ending June 30, 2023. The company reported a profit after tax of Rs 16.62 billion in Q1 FY24, compared to Rs 10.47 billion in the corresponding quarter of the previous fiscal, according to a BSE filing.

During Q1 FY24, the net consolidated total income of the company reached Rs 157.17 billion, marking an 8.31% increase from Rs 145.11 billion recorded in the same quarter the previous year.

M Murali, the chairman and managing director of SPL, stated that the company aims to complete and deliver more than 10 million sq ft within the next three years. He expressed confidence in maintaining margins and profitability in the upcoming quarters through sustained revenue recognition and cost management.

The board of directors approved the appointment of Ashish P Deora as additional director, who is the founder of Aurum Ventures, the parent company of Aurum PropTech. Aurum recently acquired 14.37% equity capital in Shriram Properties.

During Q1 FY24, SPL achieved sales volumes of 0.78 million sq ft (+17% YoY) and sales values of Rs 459 billion (+47% YoY). The plotted development share was ~21%, while the DM model constituted 12% of sales volumes. The blended average realization for constructed units was higher at Rs 5,463 per sq ft in Q1 FY24 compared to Rs 4,694 per sq ft in Q1 FY23 (+16% YoY). Plotted unit realization averaged Rs 3,045 per sq ft.

Operating expenses decreased 5% YoY to Rs 103.8 billion, with lower cost of revenues and employee

costs. SPL expects the cost of debt to decrease to ~11.5% levels in Q2 FY24. The company's gross debt decreased 12% to Rs 488 billion, while net debt was Rs 403 billion as of June 2023.

SPL-ASK Co-investment Platform's second investment, Shriram 122 West, is set to be completed by August 2023 with an investment of about Rs 205 billion. The platform has utilized 60% of its committed capital and is exploring further investment opportunities in FY24.

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[Shriram Properties Q1 profit rises 59% to Rs 16.62 cr on better income.](#)

Realty firm Shriram Properties on Monday reported a 59 per cent increase in its consolidated net profit to Rs 16.62 crore for the first quarter of this fiscal.

Its net profit stood at Rs 10.47 crore in the year-ago period. The total income rose to Rs 157.17 crore during the April-June period of 2023-24 from Rs 145.11 crore in the year-ago period, according to a regulatory filing.

Its sales volumes increased 17 per cent year-on-year to 0.78 million square feet during the first quarter of this fiscal. Sales bookings in value terms rose 47 per cent annually to Rs 459 crore, driven by strong sustenance sales in ongoing projects and two successful launches during April-June.

M Murali, CMD, Shriram Properties said: We are encouraged by the continuing strong operating and financial performance...Looking ahead, with our launches, we remain positive in our commitment to, delivering homes and contributing meaningfully to the growth of the company".

The company's gross debt was 12 per cent lower at Rs 488 crores, while its net debt stood at Rs 403 crore at the end of June 2023.

Shriram Properties' board also approved the appointment of Ashish P Deora as Non-Executive Non-Independent Director of the company. Deora is the founder and CEO of Aurum PropTech Ltd.

Also Read Aurum PropTech to fully acquire home rental platform NestAway for Rs 90 cr HDFC Capital to hike stake in proptech startup Reloy by up to 2.4% Ashiana Housing's sales bookings jump 2-fold to 1,313 crore in FY23 Shriram Properties eyes 25% growth in housing sales in FY'24, says CMD Shriram Finance looking to sell 15% stake in housing finance arm: Report Boeing front-runner to secure order for wide body jet from IndiGo: Report Finolex Cables net profit rises 39% to Rs 132.2 cr in Q1, revenue up 19% Wockhardt loss widens to Rs 136 cr in Q1 due to higher expenses AstraZeneca Pharma India Q1 PAT jumps over two-fold to Rs 53.86 cr Hi-Tech Pipes Q1 net profit grows around 80% to Rs 8 cr, revenue up 24%

Shriram Properties Ltd has delivered 39 projects with a saleable area of 21.9 million square feet, mostly in Bengaluru and Chennai. It has a strong development pipeline comprising 49 projects comprising 51.6 million square feet as of June 30, 2023.

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[Shriram Properties Q1 net profit jumps 58.73% to ₹16.62 cr](#)

Bengaluru-based real estate player Shriram Properties witnessed a 58.73 per cent surge in net profit at ₹16.62 crore for the quarter ended June. Against ₹10.47 crore recorded during the corresponding quarter in the previous year.

The company also revealed the appointment of Ashish Deora as director.

The company's revenue from operations grew 10.5 per cent to ₹135 crore (₹122.17 crore). Profit before tax saw a 40 per cent growth at ₹24.37 crore (₹17.39 crore).

According to the company, its total operating expenses declined 5 per cent y-o-y to ₹103.8 crore. The decline was bolstered by a 15 per cent reduction in the cost of revenues and a 2 per cent decrease in employee costs. Reflecting improved revenue recognition and cost control, EBITDA margins stood strong at 34 per cent against 24 per cent in Q1FY24.

"We are encouraged by the continuing strong operating and financial performance. Our results are a resounding testament to our unwavering dedication and strategic approach. Looking ahead, with our launches, we remain positive in our commitment to, delivering homes and contributing meaningfully to the growth of the company," said M Murali, CMD, Shriram Properties.

Consistent Sales volumes increased 17 per cent year-on-year to 0.78 million square feet (msf), while sales value stood at ₹459 crore – a 47 per cent improvement compared to the previous year. "This growth was driven by consistent sales in ongoing projects and the successful launch of two projects during Q1FY24.

The improved sales value can be attributed to an enhanced product mix and more favorable pricing. Plotted development represented 21 per cent of sales, while the DM model contributed 12 percent of sales volumes during the quarter,” the company said.

The company remains confident of its outlook, supported by positive market trends and robust opening stock in ongoing projects and planned launches for forthcoming quarters, and expects a strong outlook for volumes and pricing.

With a pipeline comprising 49 projects and a combined saleable area of 52 million square feet (msf), including 23 msf in ongoing projects (75 per cent of which has already been sold), Shriram Properties is strategically positioned to capitalize on the ongoing industry consolidation.

Additionally, the company aims to complete and deliver over 10 msf in the next three years. The strategic move supports income recognition and free cash flows and sustains growth momentum, delivering substantial value to stakeholders, it added.

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[Shriram Properties' net profit up 58.74% in Q1 FY24](#)

NEW DELHI: Shriram Properties (SPL) has reported a growth of 58.74 per cent in its net consolidated profit during the quarter ended June 30, 2023. Its profit after tax stood at Rs 16.62 crore in Q1 FY24 as against Rs 10.47 crore it registered in the corresponding quarter of the previous fiscal, the company said in a BSE filing. The company's net consolidated total income stood at Rs 157.17 crore in Q1 FY24, a growth of 8.31 per cent from Rs 145.11 crore it recorded in the similar quarter last year. M Murali , chairman & managing director of the company said, "SPL intends to complete and deliver over 10 million sq ft over the next three years. Continuing revenue recognition momentum and relentless focus on costs should help sustain margins and profitability even in the coming quarters. "The board of directors have approved the appointment of Ashish P Deora as an additional director (non-executive- non independent), of the company. Deora is the founder of Aurum Ventures, the parent company of Aurum PropTech . Aurum has recently acquired 14.37% of equity capital in Shriram Properties. The company has achieved Q1 sales volumes of 0.78 million sq ft (+17% year-on-year) and sales values of Rs 459 crore (+47% year-on-year). The share of plotted development stood at ~21%, while the DM model accounted for 12% of sales volumes during the quarter. Blended average realisation for constructed units was higher at Rs 5,463 per sq ft in Q1 FY24 versus Rs 4,694 per sq ft in Q1 FY23 (+16% year-on-year). Plotted unit realization averaged was at Rs 3,045 per sq ft. Total operating expenses declined 5% year-on-year to Rs 103.8 crore, supported by 15% lower cost of revenues and 2% lower employee costs. SPL expects cost of debt to drop to ~11.5% levels in Q2 FY24, from 11.9% in FY23 and 13.7% in FY21, amidst rising benchmark rates. The company's gross debt stood 12% lower at Rs 488 crore, while net debt stood at Rs 403 crore as at the end of June 2023. Shriram 122 West will be the second investment by the SPL-ASK Co-investment Platform, set up with a capital commitment of Rs.500 crores in Nov'22. For Shriram 122 West acquisition, the co-investment platform will invest about Rs.205 crore, and the transaction is expected to be closed by the end of August 2023. With this, the SPL-ASK platform would have used 60% of its committed capital and is evaluating further opportunities for investment during FY24.

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Its sales volumes increased 17 per cent year-on-year to 0.78 million square feet during the first quarter of this fiscal. Sales bookings in value terms rose 47 per cent annually to Rs 459 crore, driven by strong sustenance sales in ongoing projects and two successful launches during April-June. M Murali, CMD, Shriram Properties said: "We are encouraged by the continuing strong operating and financial performance...Looking ahead, with our launches, we remain positive in our commitment to, delivering homes and contributing meaningfully to the growth of the company".

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