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Shriram Properties reports strong operational performance the first quarter Synopsis

The Company has achieved sales volumes of 0.66 mn sq. ft. in Q1FY23, up 20% year-on-year (“YoY”) compared to sales of 0.55 msf in Q1FY22. Aggregate sales value stood at Rs. 313 crores in Q1, reflecting a growth of 26% YoY, compared to Rs. 248 crores in Q1FY22.



SPL is planning for 16 launches with aggregate saleable area of 8.0msf during the remainder of FY23, including 13 new projects and 3 new phases of its ongoing projects.

Shriram Properties NSE 0.52 % (SPL) reported strong quarter with remarkable growth in sales, collections and construction for the quarter ended June 30, 2022 Q1.

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Aggregate collections grew by 34% y-o-y to Rs.324 crores in Q1FY23, compared to Rs. 242 crores in Q1FY22. Strong collections reflect the Company’s thrust on on-ground execution progress.

Aggregate construction spend at Rs.137 crores reflected a growth of 52% YoY, from Rs.90 crores achieved in Q1FY22. Overall construction momentum stayed strong with 4,000 labors on sites and should support timely completion of ongoing projects and collection momentum going forward.

Average realization was higher at Rs 4,694 per sq. ft. in Q1FY23 as compared to Rs.4,363 per sqft in Q1FY22, reflecting a growth of 8% y-o-y. Unit realization in case of plotted development was higher by 6% y-o-y while that of constructed units remained nearly flat in Q1FY23.

Traditionally, first quarter of the fiscal remains soft for the Company and gains momentum over the quarters, benefiting from auspicious months and festive season. The trend is more

Prominent in the mid-market and affordable housing segment that are core markets for the Company.

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As at the quarter end, SPL had near-zero inventory in completed projects. Nearly 85% of inventories in its ongoing projects have already been sold. The Company is thus focused on new launches to sustain growth momentum, while unlocking remaining inventories in ongoing projects.

The Company is focused on accelerated ramp-up and timely completion of its ongoing projects. Its strong pipeline comprises of 50 projects with aggregate saleable area of 51msf. SPL intends to complete and deliver over 10 msf over the next 3 years.

M Murali, Chairman and Managing Director, Shriram Properties said: “We are encouraged by the strong performance on key operating parameters, and it demonstrates the strength of our team and the operating platform. We are on track to deliver on volumes and profitability for the full year.”