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Shriram Properties reports strong earnings



Bengaluru, May 28, 2022: Shriram Properties Limited (“SPL”), a leading residential real estate developer in South India, announced its financial results for the quarter and full yearended March 31, 2022 (“FY22”).

The Company has reported sales volumes of 3.76 million square feet (msf) for the full year, up 25% year-on-year (“YoY”) in FY22. The company had 12 launches during the year.

Aggregate sales value stood at Rs.1,482 crores, up 19% YoY in FY22. Gross collections reached Rs.1,263 crores, up 37% YoY in FY22, while the construction spend jumped 157%YoY to Rs.644 crores in FY22.

Quarterly sales volumes stood at 1.17 msf in Q4FY22 while sales value at Rs.479 crores, up 15% QoQ. Quarterly gross collections were at Rs.361 crores and construction spend higherat Rs. 221 crores in Q4.

FY22 total revenue stood at Rs.517.8 crores despite delayed revenue recognition in a coupleof projects. EBITDA gone up 51% YoY to Rs.181.5 crores in FY22. Net profit for the year stood at Rs.17.7 crores in FY22.

Commenting on the company’s performance, Murali M, Chairman and Managing

Director, SPL, said: “Given our thrust on asset light models and strong growth momentum, our ROCE should stabilise at even higher levels from 11% in FY22. Our focused efforts to ramp-up and build scale towards leveraging strong operating platform in recent years is yielding results. We believe, we are on the right path to delivering superior shareholder value in the coming years”.

Key Highlights:

Sales Volume & Sales Value:

Q Net sales at 3.76msf in FY22 and at 1.17msf in Q4
FY22 Plotted development accounted for 25% of
overall volumes Average run rate of 1.0+ msf net sales
in last 3 quarters

Aggregate sales value at Rs.1,482 crores during FY22, up 19% YoY. Quarterly sales at Rs.479crores in Q4FY22 vs. Rs.416 crores in Q3FY22. On a comparable basis, average realization for plotted development and residential apartments stood at Rs.2,365/sqft and Rs.4,616/sqft respectively in FY22.

12 launches with aggregate saleable area of 3.5 msf in FY22; 4 launches during Q4
“Sales-at-launch” maintained at 38% for the full year

New Projects

Added 17 projects to the pipeline aggregating to ~14 msf development potential since filing

Of the red herring prospectus in Nov’21

DM model accounts for ~30% of pipeline, JV/JDA accounts for ~45% of project pipeline.

Other Highlights

As of Q4FY22, the Company had near-zero inventory in completed projects and nearly 73% of inventories in launched projects have been sold already.

Construction sites operating at full swing, notwithstanding Covid-led interruptions. Labor count at record high levels of 5000+ as at end of Q4FY22, compared to 4000+ at pre-covid levels.

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