

November 18, 2025

National Stock Exchange of India Limited The Listing Department Exchange Plaza, 5 th Floor Plot C 1 – G Block Bandra-Kurla Complex, Bandra (E) Mumbai 400 051 Scrip Code: SHRIRAMPPS	BSE Limited Dept of Corporate Services Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 001 Scrip Code: 543419
--	--

Dear Sir/Madam,

Sub: Transcript of Earnings Call on the Company's Financial & Operational Performance for Q2 held on November 12, 2025

In continuation of our intimation dated November 12, 2025, please find enclosed herewith the transcript of the Investor Conference Call held to discuss the financial and operational performance of the Company for the second quarter and half-year ended September 30, 2025.

We request you to take the above information on record.

Thanking you
Regards

For Shriram Properties Limited

K. Ramaswamy
Company Secretary & Compliance Officer
ACS 28580

Shriram Properties Limited

'Shriram House', No. 31, T Chowdaiah Road,
Sadashivanagar, Bengaluru - 560 080

Registered office:

Lakshmi Neela Rite Choice Centre, 1 Floor,
#9, Bazulla Road, T. Nagar, Chennai – 600 017

P: +91-80-40229999 | F: +91-80-41236222 | W: www.shriramproperties.com

CIN No. : L72200TN2000PLC044560 Email: cs.spl@shriramproperties.com





“Shriram Properties Limited Q2 and H1 FY'26 Earnings Conference Call”

November 12, 2025

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 12th November 2025 will prevail.”



MANAGEMENT:

MR. MURALI M– CHAIRMAN AND MANAGING DIRECTOR

MR. GOPALAKRISHNAN J – EXECUTIVE DIRECTOR &CEO

MR. RAVINDRA KUMAR PANDEY – CHIEF FINANCIAL OFFICER

SGA – INVESTOR RELATIONS ADVISORS

Moderator: Ladies and gentlemen, good day and welcome to the Q2 and H1 FY'26 Earnings Conference Call hosted by Shriram Properties Limited.

As a reminder, all participant lines will be in the listen-only mode, and there'll be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone telephone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Murali – Chairman and Managing Director from Shriram Properties. Thank you and over to you, sir.

Murali M.: Thank you. Good evening everyone and thank you for joining us today.

We are pleased to share that Q2 has been yet another encouraging quarter for Shriram Properties with strong operational performance and sequential growth across key metrics. Despite temporary headwinds on the financial side due to regulatory transitions in Bangalore, our fundamentals remain robust, and we are confident of delivering a strong second half and achieving our full-year goals.

During the quarter, we achieved sales volumes of about 1.1 million square feet, up 39% quarter-on-quarter, valued at INR 685 crores, a growth of 55% sequentially. Cumulatively, for the first half, sales stood at ~2 million square feet, worth INR 1,126 crores, reflecting a 19% year-on-year increase.

In terms of business development, FY'26 has been a productive year so far. We added 5 new projects with an aggregate development potential of 2.3 million square feet and a GDV of INR 2,350 crores.

We are also at advanced stages of finalizing additional projects with over 6 million square feet of potential in the second half, providing healthy visibility for growth ahead. Looking forward, with multiple launches lined-up and regulatory issues behind us, we expect a strong rebound in H2, driven by project completions and revenue recognition. Our priorities remain on accelerating execution, driving cash flow generation, and unlocking value from our growth portfolio.

With that, let me now hand it over to Mr. Ravindra Kumar Pandey - CFO, to take you through the financial details.

Ravindra Kumar Pandey: Thankyou sir. Good evening, everyone. My name is Ravindra Pandey. I am the CFO of Shriram Properties. Thank you for taking time to join us today as we present the performance highlights for Q2 FY26. We have uploaded the Presentation on the website of the Company and the Stock Exchanges, and I hope you all have access to it. Over the next few minutes, I will walk you through the operational and financial performance of the Company for the quarter gone by and on the strategic priorities and growth roadmap for H2 FY'26.

I will be referring to the slides of the presentation what we have uploaded. I am referring to the Slide #2. So, before we move to the performance section, a quick overview of Shriram Properties, especially for those who have joined the call for the first time.

We have over 25 years leadership and trust, with a strong presence across Bangalore, Chennai, Kolkata, and Pune. Our delivery record stands at 48 completed projects and over 29 million square feet delivered, backed by consistent execution standards. Customer trust continues to be our core strength, over 31,000 happy customers with nearly 1/4th of our sales driven by referral. Financially, we remain one of the most disciplined developers in the sector with a debt equity of 0.3x and a CRISIL A- positive rating, reaffirming our governance and financial prudence. In essence, Shriram Properties is a credible mid-market and mid-premium residential brand built on legacy, driven by performance and trusted by thousands.

Referring to the Slide #4 of the presentation, Q2 FY'26 was one of the challenging quarters as the regional industry witnessed once-in-a-lifetime event involving division of BBMP, the old municipal corporation, into 5 municipal corporation effective 2nd September 2025. This transition nearly paralyzed the real estate sector in approvals, completion certificates and issue of eKhata that are mandatory for unit registration ahead of handover and income recognition. The single biggest factor shaped the performance of regional players, making the quarter as one of the most difficult quarters in recent times. Viewed in this context, SPL's performance is satisfactory. We delivered strong operational KPIs, robust YOY growth in financial performance, but our absolute numbers were muted, thus stressing margins and profitability for the quarter. With governance stabilizing, the normalcy returning from end-October, outlook for H2 looks robust. New corporations have started functioning. Approvals started moving. OC/CC files started getting cleared. eKhata issuance resumed. Many of our pending OCs have also started flowing now.

In view of the above, we expect stronger handovers, higher revenue recognition, stronger pipeline of launches, better operating leverage and we remain confident of recouping lost ground in H2 FY2026.

Slide # 5. This slide highlights the extent of our efforts in Q2:

Over 650 units across five projects with aggregate revenue recognition potential of INR 420 crores got deferred. We expect these units to be handed over to the customers over time during the second half as the OC/eKhata process progresses from here on.

Slide # 7. This is our KPI snapshot. Let me now attempt to highlight our operational and financial performance in detail:

Q2 was a very strong quarter operationally. We achieved 1.14 million square feet of sales volume, which is 39% higher on QoQ basis and 10% higher on YoY basis. This reflects the

excellent response to our recent launches. Sales value stood at INR 685 crores, registering a 55% QoQ increase and 21% year-on-year growth. This demonstrates both healthy absorption and firm pricing in our micro-markets. Collections improved to INR 388 crores growing 15% QoQ and 7% YoY. This is satisfactory considering delays in OC/CC and registration. We handed over 764 units in Q2, up 3% QoQ and up 30% YoY. Nearly 56% of handovers of Q2 handovers were in JV projects, which strengthened execution momentum, although had limited impact on the topline. Overall, Q2 reflects strong operational resilience and customer confidence, even in a disrupted regulatory environment.

Looking at the first half of the year, H1 sales volume was 1.96 million square feet, up 13% year-on-year, showing sustained market traction. Also, it reflects ~40% of our annual sales target. H1 sales value reached INR 1,126 crores, which is a solid 19% YoY growth, driven by strong launch performance and consistent absorption. H1 collections were INR 725 crores growing 6% YoY. H1 handovers stood at 1,504 units, representing a 34% YoY increase. With OC flowing now and eKhata issues resuming post-October, we expect significantly higher handovers and robust revenue recognition.

Slide #8. Despite regulatory disruption, we delivered a satisfactory financial performance. Revenue stood at INR 229 crores, reflecting a 48% YoY increase. Gross profit at INR 61 crores, growing 34% YoY, with gross margins remaining healthy and consistent at over 30%. EBITDA for the quarter was INR 23 crores, despite higher relative overhead absorption due to deferred revenue recognition. And finally, PAT for the quarter was INR 9 crores, a meaningful improvement over last year when we had reported a loss. I want to highlight that these YoY growth numbers reflect the lower base of the previous year. Our absolute revenues and absolute earnings for the quarter remain modest, solely because of deferred handovers. Had these OCs and Khatas been processed on time, our Q2 topline and profitability would have been significantly higher. But since these are only deferment of revenue, we remain confident of delivering target earnings on a full year basis. Overall, the operational engines have remained strong, margins are stable and the financial performance reflects resilience in a disruptive quarter.

Slide #9. This slide summarizes the discussions in the earlier slides:

Slide #10. Business development highlights. On the BD side we have added 5 high-quality projects in our pipeline during FY'26, having potential to develop ~2.3 million square feet with a GDV of INR 2,350 crores. Of this, 3 projects had been concluded during Oct '25 alone and highlight the momentum build-up on the back of existing efforts taken during this year. Across all 5 additions, the common thread is clear – strategic location, capital-efficient structures, high-velocity micro-markets, and strong margin potential. But what is even more potential is what lies ahead. We are on track to add another 5-6 new projects with over 6 million square feet of development potential over the next few months. We have visibility on these new additions as these projects are already in the advanced stage of diligence closure and documentation. Apart

from this, our BD funnel is strong with 20+ million square feet under active evaluation across Bangalore, Chennai, and Pune. We are therefore confident of moving ahead with our targeted pipeline addition over the next 12-18 months.

Slide #11 – Project Pipeline and Business Development Overview:

This slide highlights the status of our current project pipeline, both ongoing and upcoming projects. The upcoming projects alone represent a GDV of over INR 11,400 crores, with ownership well-diversified between Own, JDA, JVs, and DMs. We are clearly on track to nearly doubling our upcoming pipeline within the next 18-24 months, maintaining capital discipline while deepening our presence in high-velocity micro-markets.

Slide #12 – Project Launch Highlights:

We launched 3 projects during the first half, and all have delivered solid traction. Code Name Superstar in Pune launched in May, with a project area of 0.89 million square feet and 0.44 million square feet opened in Phase 1. We have already sold 48%. Code Name The One at Electronic City in Bangalore launched in July. 0.5 million square feet launched, and we have achieved an impressive 80% sell-through, reflecting strong demand in this corridor. Springfield Phase 2 in Kolkata launched in September. Out of 0.28 million square feet released, we have already sold 43%, showing healthy momentum in the Kolkata region as well. Across markets, the response has been robust. Reaffirming that launch sentiment and end user demand remains very strong.

Slide #13 – Project Launch Outlook:

Looking ahead, we have a high-confidence launch lineup of ~2.7 million square feet, with GDV of nearly INR 2,200 crore across Bangalore, Chennai, and Kolkata. All these launches are well-prepared, micro-market validated, and backed by strong per launch momentum. This positions us for a very strong H2 in terms of sales and collection.

Slide #14 – This slide highlights our handover and income recognition outlook:

We have a very strong and highly visible set of projects ready for handover during H2. With OCs and eKhatas starting flow, we will be handling over nearly 2,800 units during H2, involving 2.5 plus million square feet, with over INR 1,000 crores of revenue recognition potential. We remain confident of reaching our handover targets of 3,000 -3,500 units for the full year. This is one of the most robust recognition pipelines we have had in recent years. In summary, the pipeline is ready, the execution engine is aligned, and H2 is positioned for a robust growth.

Slide #15 – Project Completion Outlook:

This slide shows the status of projects which are getting ready for delivery during this year.

Slide #16 – Glimpse of some awards we received during the year.**Slide #18 – Financial Highlights:****Let me now shift gears to highlight our financial performance and outlook:**

We already discussed these points in our earlier slides. To recap, Q2 was impacted by the GBA transition and resulted in deferred handover and deferred revenue recognition across multiple completed projects. Our YoY growth trend has been strong due to the lower base of last year, but absolute revenues and earnings were muted, reflecting deferred revenue recognition. This is purely temporary and we are confident of recouping lost ground during H2 FY'26. The good news is that the situation is already normalizing. OCs have now been received in all but one project, and eKhata issuance process has begun. With project completions on track and the regulatory environment stabilizing, we have a strong revenue recognition outlook for H2, and deferred income from H1 will flow through.

Slide #19 – Financial Highlights:**Let me summarize the financials:**

Q2 operating revenues have grown 49% YoY to INR 220.5 crores while total revenues have grown 48% YoY to INR 229 crores. A strong growth trend reflects lower base of last year when we suffered an initial teething issue with introduction of eKhata in Bangalore last year. Q2 EBITDA remained healthy at INR 23.3 crores, up 73%, and our interest charges have dropped by 19% YOY to INR 22 crores. Consequently, we recorded net profit of INR 8.6 crores against negative net profit last year. The muted quarterly earnings is solely on account of reduced revenue base, as our gross margins have remained stable. However, on a half-year basis, our performance is satisfactory. H1 operating revenue grew 33% YoY to INR 475 crores, and total revenues grew 34%. H1 gross profit is INR 143 crores, up 53% YoY. Gross margins are stable at 32%, reflecting strong underlying project profitability. Other expenses were slightly higher because of Pune's ground building efforts and non-recurring one-time settlement costs associated with Ashiana land parcel in Kolkata, as well as new launches spends during the first half. H1 EBITDA is around INR 70 crores, broadly in line with last year. The temporary softness in absolute profits is entirely due to deferred revenue recognition from completed projects. Finance costs are lower by 18% YoY. H1 PAT stood at INR 29 crores compared to INR 17 crores in last year H1. With key projects now reaching OC stage and eKhata progressing, we expect significantly stronger revenue and profit momentum in H2, as the deferred income will start flowing through.

Slide #20, this slide summarizes our discussion in the earlier slide.

Slide #21, Consolidated Cash Flows:

On cash flows, we have maintained strong discipline through a disruptive quarter. Operating inflows improved year-on-year with INR 264 crores collected in Q2 and INR 485 crores in H1, despite the delays in registration. As handover picks up in H2, this number will strengthen further. Construction and launch spending continued as planned and we still delivered a positive operating cash flow of INR 52 crores in Q2. We also generated INR 99 crores of net free cash flows in Q2, even after divesting INR 68 crores into new BD projects. For H1, we have invested INR 143 crores into new positions, fully aligned with our pipeline expansion strategy. Our closing cash balance stand at INR 286 crores, giving us ample liquidity to support ongoing construction and capture BD opportunities as the market stabilizes. Overall, cash flow remains healthy, well-managed and positioned to accelerate as milestone collection strengthens in H2.

Slide #22 debt profile:

Our balance sheet continues to remain very strong. Net debt stands at INR 407 crores and our net debt to equity is only INR 0.29x, well within our comfort range and healthier than last year. Our cost of debt has steadily reduced to 11.1%. We continue to enjoy A- positive outlook rating from CRISIL, reaffirming our credit strength. Overall, we have a robust balance sheet, ample funding capacity and the strength to support our growth pipeline confidently.

Slide #24, business outlook:

With the new GBA organization stabilizing and approval flowing, we see a robust outlook for H2. A strong launch pipeline, lined up already and on track for execution, as well as likely robust handover momentum with OCs in-hand and eKhata processes progressing already, we see significant revenue recognition line-up during H2.

As highlighted earlier 2,500+ units are getting ready for handover, with revenue recognition potential of over INR 1,000 crores. A significant part of this will materialize in H2, thus improving our outlook for the full year.

Overall, we just remain confident of delivery on our FY'26 target. Also, as emphasized, our business development efforts are on our full swing and growing momentum gives us confidence on targeted pipeline addition, this in turn should enable us to sustain growth momentum in the coming years.

Slide #25, this is the guidance given for FY'26 and we remain confident of achieving the same.

Slide #26, “Mission 1234”:

Our mission for delivering significant value for our shareholders by FY'28 remains fully intact. As of September '25, we have ~9.8 million square feet of area pending revenue recognition and it represents a potential revenue of over INR 5,000+ crores over the next 3 years.

This should provide significant boost to earnings and move us towards the mission target comfortably. Meanwhile, on the supply side, to deliver the mission, we need about 30-35 million square feet over the next 3 years. We already have 22.4 million square feet visible today and we are adding another 15-20 million square feet over the next 12-18 months. So, our growth engine is fully aligned, our supply is secured and we are firmly on track to deliver mission 1234. To summarize before I end the presentation, despite the temporary regulatory disruptions in Bangalore, we have maintained strong momentum in sales, collection and project execution. With the GBA transition stabilizing and eKhata issues largely behind us, we are entering H2 on a very solid footing.

Our launch pipeline is strong, our balance sheet is healthy and demand across the market remains robust. We are confident of delivering a strong rebound in H2 and staying firmly on course towards our FY28 growth mission.

Thank you all for your continued trust and support. I now hand over call back to the operator. Myself along with CEO and CMD will be glad to answer all your queries. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question comes from the line of Divakar from Prudent Equity. Please go ahead.

Divakar: Hello, sir. Good evening. My first question is on the contingent liability pertaining to the Calcutta projects. What is the total amount?

Gopalakrishnan J: This is Gopal, Executive Director and CEO of Shriram Properties. The contingent liability (Provision) on the books is INR 259 crores, substantial part of which is already provided for.

Divakar: Okay. What are the provisions we are making per quarter basis on this WB project?

Gopalakrishnan J: Historically, it used to be around INR 5 crores per quarter. Since we are almost at the end of the provision needs, during this quarter Q2 FY'26, we have provided 1.7 crores. On a half yearly basis, we have provided INR 3.2 crores as compared to INR 16 crores for the previous year. We are at the fag end of the process and we also believe we should have a resolution on the ongoing discussions fairly soon. And therefore, we see this whole provision disappearing in the coming quarters, hopefully during this year itself.

Divakar: Yes. So, sir, this case is pending in the High Court, right? High Court of West Bengal?

Gopalakrishnan J: Correct.

Divakar: So, when will be the next hearing of the same?

Gopalakrishnan J: You will hear from us very soon on this.

Divakar: Okay. And sir, one more question. Basically, we are tracking your company from last 3-4 years, so I remember, in I think 2023-2024, we used to give guidance of 10% PAT margin, that would be around INR 100 crore PAT. But, it's been 3-4 years and we have not touched even 80 Cr.-85 Cr. So, how do you plan to reach INR 100 crore PAT or INR 1,000 crore revenue and crore 10% PAT margin company?

Gopalakrishnan J: So, as you are aware, we are working towards similar margins. Do not know how you reach INR 100 crore on the past turnover, but I am happy to take that question separately. On an overall basis over the last few years, we have been in the mid-20s EBITDA margin, which is what we have consistently guided the market. And we have always said that we will be in the 9-11% at the PBT level. And FY25, our PAT margin was about 8%, INR 77 crore on overall revenue recognition of about INR 816 crores. So, we are on the path. In this year, hopefully we will reach the 1,000 odd crore revenue mark that you talked about. We should hopefully exceed that number this year as we guided at the beginning of the year. And that should actually translate into the profitability level that you envisaged or you alluded to in the call just now.

Divakar: Yes. Sir, but revenue delay is kind of a normal. I think in Q4, it happened also that we were not able to book some revenue. And same thing happened this quarter. So, I know for real estate company, this is quite normal, the delay in OC. But for us, it happens in very continuous fashion.

Gopalakrishnan J: Just want to point out that facts are incorrect. Last year, Q2 we had similar issue. Q4 was our bumper quarter. Q2 last year faced issues due to introduction of eKhata that impacted the entire real estate sector in Bengaluru. We did as well. That is what Mr. Pandey alluded to when we talked about a lower base of last year.

And as you are perhaps aware, the BBMP, which is a regulatory municipal corporation in Bengaluru, like in Mumbai, has got divided into five pieces effective 3rd of September. And there has been a complete stoppage or lack of progress in any front. And if you are tracking real estate sector, and you would track the real estate players in Bengaluru, you would see that everybody's revenue recognition, earnings, and margins, all of them would have gone through the difficulty during Q2 because of the macro environment.

Like in any other sector, this sector also goes through quarter-to-quarter volatility. At the end what matters is, are we delivering consistently and are we progressing? If you look at over the last 3-4 years, our earnings have moved. As you would probably remember, since you are saying you are tracking from '22, we were about 18 crores-19 crores of PAT. We have moved up all the

way to INR 77 crores-INR 78 crores of profit and a margin of about 7%-8% now. And we are working towards stabilizing the margin at around 10% at the PAT level.

Divakar: Yes. Okay sir. Sir, I just would like to know, in our inventory, there is around INR 2,600 crores. So, can you just give me a split of finished... What is the finished goods and the work-in-progress in this?

Gopalakrishnan J: Sir, you can repeat the question.

Divakar: Sir, in inventory, we have around INR 2,600 crores. So, what will be the finished inventory and what will be the work-in-progress in this?

Gopalakrishnan J: So, just to clarify, we have a very insignificant part of finished goods inventory in our books. All the inventory in the balance sheet, what you see is all work-in-progress projects. Completed projects receiving OC, maybe the transient part would be there. As you can see from the slide here, the value of projects that have received or pending OC as of 30th September and those have come through is about INR 300 crores, as you can see in Slide #15, first four rows. And those are the inventories that you can say it is a value of inventory of finished goods. We have about out of 19-20 million square feet ongoing, we have an unsold inventory of about 3 plus million square feet. And therefore, 85% of the inventory is sold. So, practically speaking, completed project inventories are insignificant in Sriram's portfolio.

Divakar: Okay. That is all from my side, sir. And wish you a very good luck for the future.

Moderator: Thank you. The next question comes from the line of Nitin Jain from Fairvalue Advisors. Please go ahead.

Nitin Jain: Thank you for the opportunity. My first question is regarding the BBMP restructuring that you mentioned. So, what I wanted to know is that it must have been like the company must have known about it earlier, right? So, I am just surprised that there was no mention of it in the last call that this kind of restructuring is upcoming. So, I mean it's kind of a surprise now.

Gopalakrishnan J: No, it is not. The restructuring was known but the timing of implementation is not known. The act was passed somewhere in May, June this year by the Karnataka Assembly. Implementation time was not known to anyone. And even if it was known, it would have been impossible to pre-plan handover or registration.

What surprised most players was that when the 3rd or 2nd of September was set as effective date and kicked off the process, BBMP stopped taking decision, be it a plan approvals or OCs or eKhata, the new organization took some time to stabilize. There were no officers appointed as Mr. Pandey alluded to in the speech. Officers appointed later, but they did not know their jurisdiction, roles. It takes time in such big, one-time transition, like we went through in RERA. Fortunately, here now from mid of October, we have seen officers taking charge and releasing

papers. So, looking back, one can say we should have planned for it. I do not think it is possible to plan either accelerated construction or accelerated paperwork. Both would be difficult. In such large, historical transition, from BBMP perspective, couple of months of delay is not something that they would be worried about. From our perspective, as a listed company, quarter to quarter makes a difference, but we need to overcome in best possible manner. But if you look at it in a fiscal year as a whole, I do not think it will make any significant difference to us as well as any other player in southern regional sector.

Nitin Jain:

So, just to follow up to that, it is just because we have been following the Company for some time. It is happening that the companies repeatedly finding themselves in regulatory hurdles like last year it was in Maharashtra, now Karnataka. So, is it may be somewhere we are falling short of planning or what exactly? Can you provide some color?

Gopalakrishnan J:

No, I think it is an incorrect impression. Just to be candid, every company goes through learning curve in a new market, we took 6 months to get regulatory approvals, where we had some learnings. That is the risk of entering the new market apart from customers accepting your brand. And in Bangalore, we have had eKhata issues last year and BBMP transition into 5 different corporations this year. It happens. It happens in any business. We know how to overcome such issues in this business. If you are inside the business, we need to be able to manage these challenges and overcome, and I am sure we all experienced enough in the business in the sector like we did in Pune, like we did in last year in Bangalore.

I hope you appreciate, what we did with all the challenges in eKhata last year. We still delivered 3,300 homes. There will always be some challenges and that is the nature of business. But I assume brands like Shriram, all other players are seasoned enough to overcome these challenges. Be assured, these are temporary aberrations in volumes and they will get caught up in subsequent quarters like we did last year.

Nitin Jain:

That is very helpful, sir. Thank you. My next question is on the OCs. So, you mentioned that the OCs were delayed and the collection growth was slow correspondingly. However, the handover growth was pretty good. So, how do you reconcile the two, like collection growth being slow but handover was good?

Gopalakrishnan J:

Handover growth is not that robust. It should have been much higher. These are the projects that we have got OCs and the eKhatas. They were all OCs were received, handovers were being given. Therefore, customer had to pay full money. Registration could not happen because of eKhata or other issues which we faced last year. Like for example, Q4, 1,200 homes were handed over. At that time, we did say that we have some more units to catch up. That is what is going to feed us the handovers in Q1 and Q2 till the new projects get completed. That is exactly what is happening. If you look at last year's projects, which are getting handing over, there overall collection is about 5% of the balance amount. When you launch new projects and when some of these handovers happen in large volume, that is when the collection growth can gain further

momentum. If you look at the overall collections for the whole 6 months and it is not a big drop. basically, I am looking at INR 725 crores of collection, a 6% growth as compared to your overall handovers is about 1,500 units, 34%. I understand where you are coming from and it is fundamentally, it is a combination of 3 factors. One, the mix of units that you hand over because Bangalore suffered. Majority of the handovers would have been in Kolkata. I can give you the breakup offline or maybe my colleagues can pull out the number. Kolkata have unit volumes. Each unit will have a balance value about INR 4-5 lakh rupees to be received because the ticket size is about 45 lakh. So, the number of units and the collections might not necessarily, it is a basket of 3 markets and 3 different ticket sizes. But we remain confident that we will reach this number of whatever the collection number that we have set out for ourselves about 1,800 crores. I think we are on track. Two things will help us. One, the new launches that we are doing, second half is more robust as always in southern regional sector. Those new sales will bring new collections and therefore that will improve. Second is the pending pent-up handovers that we have about INR 460 crores worth of stocks to be handed over to customers. Those will have anywhere between 5% to 10% depending on the legacy. In the past, we used to leave almost 10% for the handover stage. Off late in the last 2-3 years, we have tightened it to say only last 4%-5% will be pending for handover. So, combination of all these will deliver that cash flow for us.

Nitin Jain: Sure. And my last question, sir, is on the borrowing increase in this quarter. So, I think it would be right to assume that these were lined up to make sure the launches happen on time?

Gopalakrishnan J: No, these are nothing to do with launches. When we start constructing the new project, that is when we start borrowing for construction finance. A couple of construction financing would have happened, but they would have drawn much smaller. These were primarily growth capital raised towards the locking in new projects. As you know, we have locked 5 projects during the year so far of which 3 were done in October. So, we would have, as part of those kind of acquisitions, we have to raise capital. And as we have said, consistently maintained, we will keep an eye on the debt equity. And these capital that is being raised will be more a short-term fuel for accelerated growth. As and when the new projects get completed and the capital, our share of profits gets unlocked as a cash flow from operations, these debts will be repaid. So, on a net basis will remain under control. And these were therefore raised for growth funding.

Nitin Jain: Thank you, sir, for the elaborate answers and all the best.

Gopalakrishnan J: Thank you, Nitin.

Moderator: Thank you. The next question comes from the line of Vidhi Shah from CRK. Please go ahead.

Vidhi Shah: Hello, sir. So, can you please explain it to me? So, you said 450 is the deferred revenue and out of this 4 part 6.2 MSF is pending revenue recognition. So, is this 450 a part of this pending revenue recognition?

- Gopalakrishnan J:** Yes., I will take you to 2 slides as a reference point. Slide #6 talks about the projects that did not get OC during Q2 and but has got the OC now. So, those are 420 crores of worth of stocks which are to be handed out to customers. If you look at the another slide which is there, which talks about the full year, what are the projects that are scheduled for completion and handover, which is slide say 15, that tells you about 1,128 crore worth of stock which has to be handed over to customer. Substantial part of that is sold and therefore, that could be the potential revenue recognition during the second half on top of what we have done already. So, therefore, we believe the second half will bring in a large part of revenue recognition contribution. And therefore, we should be able to cross that 1,100 crores-1200 crores of revenue that we have always talked about. So, we are on track because we have already clocked nearly 40% of our annual number and the balance will come from these 1,128 crore which includes whatever you have seen the earlier, 460 number. So, Slide #15 gives you the complete picture of OC received as we speak now, as well as some of them are pending in Q3 and Q4, all put together for reminder of the year that is the maximum revenue recognition that we should be able to do and that will add up to whatever we have done up to Q2.
- Vidhi Shah:** Slide #26 that you say 5000 Cr. by FY'28. So, out of this revenue recognition that is pending that is INR 1,100 Cr. which will be recognized in H2, right?
- Gopalakrishnan J:** Might not be possible because if you get the OC and during Q4, all of them may not be possible. Substantial part could be recognized, balance will spill over to Q1 and Q2 next year.
- Vidhi Shah:** Okay. So, can you give me a rough estimate by year wise FY'26-FY'27-FY'28, how this 5,000 CR will flow in as part of your sales?
- Gopalakrishnan J:** That will be very difficult for me to explain on a large audience group. Maybe you can get in touch with one of us offline. We will probably walk you through. But obviously, that modeling has to be done by you. We can only broadly guide you. And my team members Mr. Pandey or Mr. Shrikanth will be able to help you. You can come through SGA. They will organize a conversation between us and you. Based on what inputs we can give, you should be able to appreciate how this 5,000 CR will flow back into the Company.
- Vidhi Shah:** All right. Sure, sir. Just one last question. So, this 1,100 Cr. you said, 1,100 Cr. will be spread in the next four quarters, right? H2 of '26?
- Gopalakrishnan J:** INR 1,100 Cr. will get spread mostly in second half, which is Q3 and Q4. Some part will spill over to Q1 next year. Q2 next year will be a very small number. So, substantial part of 1,100 Cr. that you see in Slide #16 will be recognized in second half of this financial year alone. Some part will get spilled over to Q1 of next year. That is all I meant.
- Vidhi Shah:** Thank you, sir.

- Moderator:** Thank you. The next question comes from the line of Saumil Shah from Paras Investments. Please go ahead.
- Saumil Shah:** Hi, sir. Good evening. So, my question is on this Hindustan Motor land, which we own in Kolkata. So, what is the size of that land? And is it a freehold? I mean, 100% belongs to us?
- Gopalakrishnan J:** Yes, sir. It is over 313 acres of land, and it is a freehold. We have paid for it and purchased this land many years ago. So, it is in our books for many years. It is a freehold completely purchased by, it was purchased originally by a private equity player called Walton Street, who was a partner with us at the SPV. Then we merged the private equity player into parent company. Therefore, it is owned by Shriram Properties Limited as a listed company through its subsidiary. Out of it, some part we have developed already. We are going through some discussions with the government of West Bengal, which hopefully you will hear from us soon. And whatever the land which is leftover will be still be developed by us or monetized by us. So, we have always had this strategy that we want to develop over 10 million square feet by ourselves, rest all we want to monetize. The strategy remains, it got put on hold because of the ongoing challenges with litigation with the government, which we believe we are at an advanced stage. Give us some time, you will hear from us soon.
- Saumil Shah:** Okay. And if I may know, what could be the price per acre of this land?
- Gopalakrishnan J:** It is very difficult to comment. You go through the sub registrar records, it is anywhere between 3.5 crore- 4 crores to all the way to 6 crores. That is the public record available.
- Saumil Shah:** So, 1,200 crores to 1,500 crores for this land, approx?
- Gopalakrishnan J:** May not be attributable to Shriram because out of the 313-314-315 acres, we have utilized about 40 for development. It is a large parcel. So, there are a lot of water bodies that has to be maintained. So, the developable area can be about, apart from whatever we have used already for Shriram Grand One, Shriram Sunshine, all that, maybe we would have about 130 acres of developable area. And out of which we are doing some settlement and to overcome this litigation that we have been facing the litigation. We believe we are at the end of the process. Hopefully, you will hear from us soon and at that point of time, you will know the details of what is the leftover land for further development. But we believe a large chunk, large value is residing there as a simple acreage value, which market does not appreciate. So, I am glad that you asked the question because the market does not appreciate as of now.
- Saumil Shah:** Correct. And do we have to pay any dues for this?
- Gopalakrishnan J:** No, it is a fully paid freehold land.
- Saumil Shah:** Okay. So, as of now, if we want to calculate, we have 125 acres to 130 acres to be developed?

- Gopalakrishnan J:** Yes, sir.
- Saumil Shah:** Okay. And sir, my next question is, if I am looking at our presentation, I think I am a bit confused. So, what could be our GDV for next 2.5-3 years for our projects? I mean, for our own projects and for other JV and JDA projects?
- Saumil Shah:** Just I am talking about till maybe till FY'28. So, what could be the total size?
- Gopalakrishnan J:** So, you can see Slide #11. The upcoming projects GDV is about INR 11,470 crores. Nearly half of it is own or INR 5,000 crores is our own. Upcoming, this is different from another slide, which talks about ongoing project value. This is GDV of upcoming projects.
- Saumil Shah:** I understood. I am just talking about till FY'28. So, whatever is going to be developed.
- Ravindra Kumar Pandey:** So, substantial part of this will be launched before FY'28. Because we do not have a land bank. Other than Kolkata, we do not have any land bank in the balance sheet. It is all raw material that we acquire. We acquire the land, put through the approvals and we launch it. So, these lands that we have, a substantial part of it will get launched by FY'28.
- Saumil Shah:** Okay. So, if I were to summarize, if I wanted to calculate your profits for next 2-3 years. So, I mean till FY'28, can it be INR 550 crores to INR 600 crores, if I want to add for three years?
- Gopalakrishnan J:** Cumulative for three years?
- Saumil Shah:** Yes, cumulative INR 550 crores to INR 600 crores for next 2.5 years?
- Gopalakrishnan J:** Cumulative would be possible, but not annual profit.
- Saumil Shah:** No, of course, cumulative for next 2.5 years. So, that is possible, right?
- Gopalakrishnan J:** Yes, cumulative is possible.
- Saumil Shah:** Okay, fine. That is it from my side. Thank you and all the best.
- Gopalakrishnan J:** Thank you, Saumil.
- Moderator:** Thank you. The next question comes from the line of Raj Mehta from Raj Mehta and Associates. Please go ahead.
- Raj Mehta:** Thank you for giving me the opportunity. So, I wanted to know a few things related to how do you think the sector in Bengaluru is performing, the regulatory hurdles which are all behind us. And since you told that from October onwards, you are seeing a good progress in getting overseas and getting regulatory things are going on. I wanted to know how is the sector as a

whole in Bengaluru specific is performing and whether we are facing any challenges with respect to construction or with respect to any demand and do we or we are getting a good amount of response and we are able to increase or maintain the margin which we are supposed to have?

Gopalakrishnan J:

Yes, it is a good question. As I alluded to earlier, some interruptions will keep happening. If I give you an on ground reality check that we feel is going on in the market, market is doing very well. The demand situation is very strong. Customer decision making is faster. I think there is enough purchasing power in the system. Some of the sectors may go through some uncertainty or surprises from time to time, but overall there is enough consumer demand available on the ground. It is also evident from the fact that not just us, if you look at the press release that I have been closely tracking all the regional player press releases and if you have seen in our own Slide #12, we said Codename The One which we launched half a million square feet, we almost 80% is sold in less than three months, right. July end we launched, by September we are almost done with 80%. So, that is the level of pull which is there in the market. Therefore, market sentiment, market undercurrent is very strong. That is point number one.

And this is true for most players. If you look at the launch track record of several of our peer group listed and unlisted, all have been doing very well from a volume perspective. Number two, from a pricing perspective. Post COVID, we saw some big spike in selling price, which may not happen. We are in a very steady state, mature pricing environment where you can very safely max 5% to 8% price hike on annual basis, which will more than compensate. As you know, construction cost is about half of the pricing most of the time. So, the 5% to 8% increase will cover more than the required inflationary pressure on the construction side. Therefore, we do not see a margin pressure. More importantly, margin will stabilize and may go up for some players like us. At a consolidated company level margins has an upside because they are upgrading the portfolio. If you see COVID, we used to sell less than 5,000 per square foot for mid-market products. Today, our average portfolio realization for mid-market is in around close to 6,500-7,000. So, overall portfolio upgrade as well as scale improvement should help in margin enhancement in players like us. But as a market as a whole, I think prices will be rising in a moderated or a meaningful way, not a substantial big spike. That is on the price front.

Supply side pressure will come and go from time to time. It could be depending on the election pressure, the regulatory pressure, the bureaucracy issues. Those will keep happening and that is the nature of business. And therefore, I think all mature, all seasoned players, all the top 10 players are mature enough to manage the situation. So, we therefore think supply side will not be an unusual stress at any point of time. Industry consolidation is actually playing off. So, there is no mindless supply here. So, supply driven price pressure, is unlikely as we see it. And in certain pockets within some micro markets, supply alone can trigger new demand because they are emerging new micro markets. So, overall, I think the demand supply side and the pricing side seems reasonably strong. Competitive pressures will always be there. But fortunately, big part of industry is consolidating among 200, 300 players and with different objectives. I think the top 10 players now account for more than 55%-56% of the organized market or organized

residential sector. And within that, again, if you look at the top three, top four players will dominate majority of the mid-market or of luxury. Each player has their own focus areas. The area that we have a clear dominance in mid-market and mid-premium segment. And we have about 4, 5 brand names which keep competing with. So, I think competitive pressures are more structured now, therefore, we do not think there is undercutting and margin pressure as a result of undercutting by each other. So, industry is benefiting from the consolidation which has been going on for last 3-5 years since RERA came in. That is about the dynamics. Where do we see? I think the residential sector will continue its journey for another couple of years. Mid-market should see a much more longer runway because the desire for owning home, desire for owning larger homes is more prominent. Post-COVID, this theme came and the theme is still continuing. Therefore, I think mid-market will perform reasonably well for next 3, 4 years. Having said that, it is not a linear curve, it will go through its own volatility. But on a year-to-year basis or a medium-term basis, if you see, we would have seen a reasonable growth in demand situation in this city. Lastly, Bangalore, just to put this into context most of the publicly available research used to say Bangalore is about 45,000-55,000 homes market, new homes between 45,000 and 55,000 depending on which year you take. Today, Bangalore is in excess of 75,000-80,000 homes market. So, it has grown and it is continuing to grow and will continue to grow. And therefore, this will remain an interesting market for us.

Raj Mehta:

And secondly, I also wanted to check, there are smaller players or regional players in Pune also which have tied up where the big PE funds have invested in them and now they are aggressive growth. So, in a similar way, since our portfolio is also tilted towards upper-middle class and towards premiumization, aren't we seeing any possibility where we can chase growth and bring certain bigger players so that we don't have to leverage our balance sheets and side-by-side be aggressive and not being conservative since the cycle will last for next 2-3 years and when that cycle changes or the cycles get stagnant, at that moment we become aggressive and it becomes a dent on our profitability too. So, isn't it possible or the management should think of bringing a better player in the Company so that we can expand it aggressively or we are just thinking growing consistently and focusing more on conservative basis?

Gopalakrishnan J:

I would approach this differently. I think the market at least views us as bigger players. We are not looking for a bigger player to come and drive what we need to do. In Pune, if you look at, several local players called us to figure out what we are trying to do because we have kind of painted the city in blue as they called it. We entered the market. Southern Pune is one of the difficult markets to enter because the micro-market which is called Undri, the annual sales velocity for the last four years was only about 400 units a year, annual velocity of the micro-market. We have sold more than 250 units in the last four months, one player. That is the dominance that we bring in. We see it as an aggressive entry and within six months of entry, we have already signed another project in Hinjewadi which is an emerging new hub, one of the corridors that you all will envy. We are in the process of signing up for another large project in the other side of the city which is another happening area. So, what we are trying to do is expand in right markets aggressively on our own because we believe we have the track record, we have

the capability. Yes, there will always be some growth capital requirement as long as this is manageable. We cannot say we will not leverage the balance sheet as well as we will not grow. We have never grown beyond 0.3, 0.5 debt equity ever and that will not be our comfort zone as well to cross that. And therefore, within the prudent norms of our debt equity, we should be able to raise growth capital and grow aggressively. We are not a passive player. So, we believe we should be able to show the aggression and consolidate a smaller player in us, either as an investor or as a DM partner, whose project we can execute, instead of we giving ourselves a large player, which I think may not be a right strategy for us.

Raj Mehta:

Okay, great. And so, the last question, the Bangalore has always been a tech hub and if you see the industry, how it is growing, the Hyderabad is becoming a new tech hub and people are shifting from Bangalore to Hyderabad. So, is it as a company as a whole, are we looking, since we already have the dominance in Bangalore market, are we looking to go to Hyderabad or some other niche markets, just how you did it in Pune. Similarly, are we able to think internally that we should diversify from a few cities to a larger cities and at least have a diversification and those problems should not be faced when there is a specific problem in a specific state. What are your thoughts? How do you want to grow going forward, other than where we are already growing in Bangalore and Chennai?

Gopalakrishnan J:

So, one step at a stage, Rome was not built in one day. We will build this over time. Today, we have entered a new market called Pune and it is a new market when a year ago, a lot of apprehensions were there, whether Pune will treat us well, being a South Indian player, will we succeed. I think we have had a good entry and a strong presence will mean at least 4-5 projects to be running on the ground. So, let us try to assemble that first and then we will look for the next growth market. At this point, if you spread it too wide and too thin, and that can become a new concern for external stakeholders like yourself and therefore, we would like to focus on a generic growth coming from our existing core markets like Bangalore, Chennai and Kolkata, we are accelerating our activity in Kolkata. Apart from these three, we will focus on Pune as our new growth engine. Once you stabilize Pune over the next year or so, then we will think about whether it should be Hyderabad or whether it should be Mumbai, MMR, all that we can think about it. There are enough opportunities for a credible, large brand with a proven track record irrespective of which market you want to go. This is our belief. And therefore, we will go one step at a stage and we will try and penetrate newer markets as we gain strength in the recently entered market of Pune.

Raj Mehta:

Okay. Thank you. All the best. And so, one last thing I recommended last call also, whether we are taking any steps towards building investor confidence by doing any roadshows or we are attending any conferences so that people come to know about what we are able to do it.

Gopalakrishnan J:

We have accelerated the effort, helped by our IR teams as well as external IR consultants. We are meeting, we are now engaged with not only analysts, but also several fund managers and family offices. Hopefully, this will result in some traction. As some of the people on the call

said, they have been tracking us for 3-4 years, they have not written research on it as yet. So, like that, we need to work with the team like yourself and other people to enhance coverage, to enhance confidence in them and in the fund managers to make an entry. We took your suggestion very seriously. And over the last two quarters, both our CFOs and the IR team have been on the road after every result trying to go and meet the large investors consistently apart from analysts. So, I believe we should be able to break through in a reasonable time.

Raj Mehta:

Okay. Great, sir. Thank you and all the best for the future.

Gopalakrishnan J:

I also request some of the analysts on this call to see they will track it. Some of them said they have been tracking for many years. Hopefully, they are now able to understand the Company and hopefully, they will start coverage which will also go a long way in this institutionalization process.

Moderator:

Thank you. The next question comes from the line of Nitin Jain from Fairvalue Advisors. Please go ahead.

Nitin Jain:

Thank you, sir, for the follow-up opportunity. So, my question is regarding Slide #15, if you can revisit that. Are we trying to say here that our H2 revenue potential could be approximately INR 1,100 crores? And I am just trying to put it in context given that in H1, we have done INR 450 crores.

Gopalakrishnan J:

Substantial part of INR 1,100 crore is a potential. It may not be all. If you look at the previous slide, same data is given in project-by-project. There are some projects which are due for completion, completion certificate, the OC in Kolkata as well as in Bangalore in Q4 and some in Q3. it may not be possible to consummate the entire revenue recognition in Q3 or Q4 alone. And therefore, the entire revenue potential of 1,128 is the potential that we would have. Substantial part will come through in the second half. The rest will come through in Q1 as somebody else asked me the same question. I clarified the same way. Substantial part of this will be in second half and then leftover or spillover will come in Q1 next year.

Nitin Jain:

Great, sir. This looks good if it materializes. Thank you so much.

Gopalakrishnan J:

We are working towards it. We are very confident that it will happen.

Nitin Jain:

Thank you, sir.

Moderator:

Thank you. The next question comes from the line of Vidhi Shah from CRK. Please go ahead.

Vidhi Shah:

Sir, just one last question. So, in the last call that you uploaded, you had said 250 Cr. to 280 Cr. of PAT and 3,000 Cr. of revenue. So, I just wanted to confirm, is this for FY'28 alone or cumulated for '26, '27 and '28?

- Gopalakrishnan J:** The numbers are for FY'28.
- Vidhi Shah:** 2,500 to 3,000 for FY'28 alone?
- Gopalakrishnan J:** The numbers that you have pointed out is our target number or aspirational or mission numbers for FY'28, not a cumulative number.
- Vidhi Shah:** All right. Thank you, sir.
- Moderator:** Thank you. As there are no further questions from the line of participants, I would now like to hand the conference over to the management for closing comments.
- Gopalakrishnan J:** Thank you, everyone, for taking your time off and joining us to hear about our performance and our outlook. We look forward to your continued support. And as I said during the call, we look forward to receiving research coverage support from some of the analysts. And we will also take our efforts towards reaching out institutional investors through the roadshows as suggested by some of you. Thank you for your inputs and suggestions and queries. We hope we answered all your queries. If there is anything pending, please connect with us directly or through SGA at any point of time. We are happy to clarify and provide additional inputs, whatever we can to an excellent stakeholder. Thank you so much. Have a great evening.
- Moderator:** On behalf of Shriram Properties Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.