

February 20, 2026

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
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Dear Sir/Madam,

Sub: Transcript of Earnings Call on the Company's Financial & Operational Performance for Q3 held on February 14, 2026.

In continuation of our intimation dated February 14, 2026, please find enclosed herewith the transcript of the Investor Conference Call held to discuss the financial and operational performance of the Company for the third quarter and nine months ended December 31, 2025.

We request you to take the above information on record.

Thanking you
Regards

For Shriram Properties Limited

K. Ramaswamy
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“Shriram Properties Limited
Q3 and 9 Months FY '26 Earnings Conference Call”
February 14, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recording uploaded on the stock exchange on 14th February 2026 will prevail.



MANAGEMENT:

MR. M. MURALI – CHAIRMAN AND MANAGING DIRECTOR

MR. GOPALAKRISHNAN J – EXECUTIVE DIRECTOR & CEO

MR. RAVINDRA KUMAR PANDEY – CHIEF FINANCIAL OFFICER

STRATEGIC GROWTH ADVISORS – INVESTOR RELATIONS ADVISORS

Moderator: Ladies and gentlemen, good day, and welcome to Q3 and 9 Months 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 will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

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

M. Murali: Thank you. Good evening, everyone, and thank you for joining us today. We are pleased to share a significant breakthrough achieved during this quarter. The long-pending commercial matter relating to our Kolkata land parcel has been amicably resolved through the conveyance of 42.37 acres of land to the government of West Bengal. With this settlement, the associated liability stands fully discharged. We'll walk you through the details of this development during the course of the call.

Importantly, amidst the external challenges related to approvals and e-katha, our core business operations have remained healthy and stable. Customer demand continues to be encouraging, execution across ongoing projects is progressing as planned, and our sustenance portfolio continues to generate steady traction.

Backed by a robust response to our FY '26 launches and a healthy sales trend in sustenance projects, we delivered a resilient performance for the 9 months ended FY '26, with sales of 2.9 million square feet and a value of INR1,691 crores. Looking ahead, with multiple launches lined up and key regulatory matters now largely behind us, we are confident of a strong rebound in Q4, supported by project completions and revenue recognition.

Our focus remains firmly on accelerating execution, strengthening cash flow generation, and unlocking value across our growing portfolio. With that, I'll now hand it over to Mr. Gopalakrishnan, CEO; and Mr. Ravindra Kumar Pandey, CFO, to take you through the financial and operational details in greater depth. Thank you.

Gopalakrishnan J.: Thank you and good evening, everyone. My name is Gopalakrishnan. I am the CEO of the company. Let me start with the presentation which is already on the website.

Let me start with the most important development that has happened during this quarter. I'm referring to Slide 4. During the quarter, we have successfully completed and resolved all the outstanding issues that we had with the state with regard to our Kolkata land parcel. These issues have been resolved amicably.

The disputed royalty payment obligation for which the details are provided to all of you in the past and is there in our balance sheet as well, an aggregate liability to the extent of about INR259 crores has been settled with no cash outflow. Prolonged and persistent efforts with government of West Bengal have eventually yielded positive results. There will be no cash outflow from the company and we have conveyed 42.37 acres of land from the land parcel aggregating to 314 acres that we currently own in Bengal.

Government orders have been received, in fact, they were received in November, and the administrative processes took some time, and we have completed the execution and registration of the conveyance deed in February 2026. As part of the government order, we were also requested that the litigation initiated by Shriram Properties against the state needs to be withdrawn and we have already initiated that process.

With this, our obligations with regard to the non-compete fee or a royalty, whatever way you all have understood in the past, now stand fully discharged and its impact will become zero going forward. More important than the development and associated cash flow conservation, it accelerates not only the development of our projects but also monetization of the surplus land.

As you are aware, out of the 314 acres of land parcel, we have ongoing projects aggregating to 5 million square feet spanning across 48 acres. These launched projects, nearly 80% of them have been sold. Our strategic intent for this land parcel remains unchanged. As we have always said, we will develop close to 10 million square feet on our own and monetize the remaining land.

We have already launched 5 million square feet and 80% of it is sold already. Therefore, we will now focus on launching new projects involving 5-6 million square feet of development potential and with a GDV of almost INR3,000 crores to be sold over the next 5 years. Simultaneous to this focus, we will also focus on monetizing the remaining land in the foreseeable future, thus unlocking significant value for the company. We believe the Kolkata site has the potential to unlock cash flows in excess of INR1,500 crores in the next five years.

Shifting focus to operational matters on slide 5. During the quarter, we have benefited from improving operating environment, but strong recovery is still underway. We have got enhanced external visibility now. All pending OCs have been resolved and they have been received. We're still stabilizing around the e-katha and registration portal related issues in Bangalore; however, we see no external operational challenges or hurdles in Chennai, Pune, and Kolkata. So overall external environment remains conducive.

Markets have remained strong. A lot of conversation around likely industry slowdown, but we believe slowdown fears seem unfounded. New launches are receiving good traction. Sustenance sales are strong, which clearly shows that customers purchase decision is continuing with a good momentum, and therefore we see the markets remaining positive for some time.

Regional industry suffered predominantly on the administrative issues that all the residential real estate players in Bangalore have reported, but other markets remain stable. Even in Bangalore, the situation around handover and registration, which is eventually resulting in revenue recognition, things have improved substantially from where we were in September-October to Jan-Feb has been substantial improvement that gives us a better stability and better visibility on the remainder of Q4, and therefore we see overall operating momentum to strengthen in quarter 4, and the past quarter or two would we believe be transitory in nature.

Our core operations have remained strong and the operating platform is efficient and well-oiled now. Therefore, we are confident of delivering our Q4 as well as the full year, as well as the next couple of years towards our medium-term mission that we have set for ourselves.

With this backdrop, let me move to a few operational, a few more highlights of various contours of our KPIs.

From a sales perspective, early signs of stabilization that was seen in October got impacted a little bit; recovery momentum was slow and therefore focused on launches outside Bangalore, as Bangalore launches are taking time still. The system has stabilized only recently and we believe the industry will see more launches coming up in the next couple of weeks.

At Shriram Properties, the situation is almost similar. We are targeting for multiple launches during the remainder of this quarter, and I'll explain them in subsequent slides. Meanwhile, we focus heavily on the sustenance sales and markets have remained supportive both on volumes and pricing.

Our recent launches have done very well and that gives us the confidence that the positive market environment and increasing launch supplies should help us clock a very robust Q4 like in the previous years. As all of you are aware, Q4 is usually the peak quarter for most real estate residential players and for us as well. We have lined up a minimum of two launches, a maximum of four launches that are likely to happen in Kolkata, Chennai, and also in Bangalore. I'll explain them in subsequent slides.

We, therefore, see a very strong Q4 coming back with all the OC issues resolved. Four OCs were received, out of which two of them were received in Q3; the third one was received towards the end of Q2, so all of them had some good impact on our revenue recognition. But given the unstable E-Khata and registration system portal in Karnataka, we believe things have now shown a good traction and therefore, we will continue to work towards the next 6, 7 weeks to achieve our handover volumes in excess of last year.

I'll explain each of the metrics in detail as we go through. Slide 6, which primarily captures the impact of the handover and E-Khatha issues that I talked about. It's continuing for the second quarter if I'm not mistaken. We had some additional turbulence in Q2, improved a little bit in Q3 towards the end of Q3, and Q4 has become more stable.

We have about 380 plus units to be handed over from four projects that received OC during Q3, adding up to about INR350 of revenue recognition potential. We have two milestones coming up, of which part of the OCs have been received in Kolkata; two tower OCs are pending, balance OCs have been received, which gives us handover-worthy units of about 1,490 units or 1,500 units approximately.

Against these 1,900 plus units, we should be able to recognize about INR800 crores of revenue in Q4 to a large extent should have been handed over before the end of this financial year. As I highlighted, these are just a temporary Q3 carryover issues. Overall, if you look at over the nine months, if you look at Slide 7, the operating cash flows that reflect the strength of our core operation have remained positive.

Overall operating inflows, which is the collection mechanism that we have, has shown a, these are net collections to us, net of JDA, net of DM, net of land owner shares, INR787 crores of operating inflows reflecting 27% year-on-year growth. Our cash flow from operations has remained robust at INR193 crores, reflecting a 23% growth year-on-year on a nine-month basis. Our overall project investments have also remained very strong.

We have more than doubled our commitment towards new projects at INR246 crores during this year so far. One of the highest levels of capital commitment that we have made for building our pipeline in recent times, as you can see from the trend line chart below. On a combined basis, if I look from FY23 to nine months of FY26, we have generated an operating inflow of about INR3,000 crores.

Cash flow from operations has been in excess of INR840 crores, and we have made capital commitments in excess of INR600 crores during the last 45 months. Shifting focus to the next slide, which is slide number 8, reflecting high capital commitment that we have made towards investment towards building pipeline, we have added about 2.8 million square feet during the nine-month period.

Another 3-4 million square feet is likely before we end the year FY26. So what is already been added, they aggregate to about INR2,900 crores of GDV; that's 2.8 million square feet equals to INR2,900 crores of GDV during the nine-month period. As I said, we unlocked significant capital from operations. As a result of this, even with a large investment in pipeline, our debt-equity remains conservative, one of the lowest in the sector at 0.3:1.

Given Q4's historical strength, we are confident of ending FY26 on a robust and comprehensive note. I must say here, we believe we are on track for delivering revenues in excess of INR1,300-1,500 crores range and earnings in the INR90-100 crores range for the full year. So Q3 or nine-month earnings is one part of our story, based on the visibility we have for Q4, now that we are almost at the half of Q4 is over, based on the registrations we have done.

And based on the registrations we have lined up for income recognition, we believe we should be ending the year with full-year revenues in the range of INR1,300-1,500 crores and earnings in the range of INR90-100 crores for the full year. We have at least 80% to 90% confidence in reaching these numbers, depending on how reliable the Bangalore registration system behaves, which we believe has improved now remarkably.

And therefore we should be able to, with a great confidence, we should be able to reach this number almost entirely. Now let me shift focus on some of the specifics of Q3 and nine months. Slide number 10 talks about nine-month performance. We have sales value growing by 5% year-on-year at INR1,691 crores. Volumes are slightly lower at 2.86 million square feet.

We believe we should be able to, with the two to four launches that we have lined up for ourselves over the next six weeks, we believe we should be able to grow higher than last year's sales volume, maybe a slightly lower than our earlier indicated annual number of about 5 million square feet target, but we would be reaching, we are fairly confident about reaching higher than last year numbers.

On collections, we are about 12% higher at INR1,150 crores. On handovers, we are 20% higher at 2,117 units. We believe we are on track to deliver 3,200 to 3,300 homes for the full year as originally envisaged. Q3 numbers show a bit of a mixed trend. Sales value at INR565 crores, sales volume at about 0.9 million square feet, collections INR424 crores, and quarterly handover at about 613 units, all of which compare reasonable compared to our performance last year same time, as well as the previous quarter.

Shifting focus on financial metrics, slide number 11 talks about a nine-month revenue of INR694 crores, a 27% growth on a year-on-year basis. Gross profits at about INR184 crores, EBITDA at INR83 crores, and PAT of INR22 crores. As I said, we have lined up a robust handover of projects, and the pipeline of handovers is very full, and we believe based on what we have done over the last 45 days.

And we believe we will be able to do over the next 45 days based on the registrations lined up, we believe we should be able to deliver a very robust Q4 for our stakeholders. Slide 12 talks about some of the same factors that I mentioned over the last few minutes. So I'll shift attention to Slide 13 where we have talked about our pipeline additions. During the nine-month period, as I said earlier, we have added 2.8 million square feet.

Accelerated pipeline efforts are paying off. Six projects with 2.8 million square feet and a GDV of INR2,900 crores has been added so far in FY26, the details of which is visible on Slide 13. 5 projects with over 6 million square feet potential are at an advanced stage of closure. 3+ million square feet is at a very advanced stage and you should be hearing these acquisition completions in the coming weeks in the public announcements.

Several projects are at an advanced stage of diligence and documentation. In all, we have close to 20 million square feet under evaluation at different stages. Our focus remains on Bangalore, Pune, and Chennai in terms of pipeline addition and aggressive development focus on Kolkata with the resolution of the impediments recently.

We remain focused on asset-light acquisitions, but a right balance is being made between asset-light as well as outright purchases for immediate growth. Slide 14 talks about the same pipeline at a different composition in terms of our own projects, JDA, JV, and DM, as well as ongoing and future.

All I wanted to highlight was the table there on the right-hand side top: 18.5 million square feet of potential pipeline which is not launched as yet carry a GDV of INR11,670 crores. So close to INR12,000 of GDV is sitting in our pipeline. Our focus is on unlocking this at a faster pace across all markets so that we can bring these projects to market and start realizing the sales value potential.

At this stage of talking about the pipeline growth, I must also say our launches have also done well, which is equally important like pipeline addition. The pipeline monetization or pipeline liquidation is happening successfully. We did six launches during the year, four new product launches, two new phase launches. During the quarter, we did Skybloom villas -- which has far exceeded our own expectations.

It's a villa as concept is new to the micro market that we are in, Uttarpara in West Bengal, and the product has taken off well, has received tremendous response. And we are very encouraged by the fact that this product can therefore be extended to much larger land base, given that now we have a completely hurdle-free development potential in Kolkata over a 314-acre parcel less what we have developed and less what we have conveyed back to the government.

We also started monetizing the small commercial space that we have in Kolkata. Simultaneously, we did a launch an apartment, new apartment wing called Shriram Springfield, as well as we have done a new plot launch during the quarter at Chennai called Shriram Subham, a second phase of that project was launched.

Overall, it has been a reasonable 9 months from a launch perspective, but what I wanted to highlight is Page 16 summarizes the launch-ready pipeline that we have. Barring a couple of projects which are still awaiting regulatory approvals, meaning RERA and plan sanction, plan sanction in one case and RERA approval in another case, rest of the projects are under our control in terms of timing of the launches.

We believe at least two between two to four projects out of these six will get taken off from the ground to a launch mode before end of this financial year. We will also be soon adding two more projects to this phase where we are at an advanced stage of both acquiring an approved project as well as we are at an advanced stage of submission of plan for another project.

So we have a very busy, very tight and busy launch pipeline for Q1 and Q2 as well. So we are very excited about what's in store for us not only in the remainder of the Q4 but also for Q1 and Q2. By then, we believe the subsequent part of our pipeline will become launch-ready pipeline. So busy year ahead in FY '27 from a launch perspective.

Slide 17 talks about the overall potential we have for handovers based on where we have received OCs and where we are either received Khata as well or waiting for Khata in Bangalore, in case of other cities, there is no concept, the relevant approvals have been received so the handover will commence fairly soon.

So in all, as you can see from this column there, pending handover, 2,490 units will be available for handover already -- with us or it is getting ready for handover over the next couple of weeks.

Slide 18 talks about some of the honours and accolades that we have received, including re-endorsement of our certification as a great place to work with much better and higher ranking that we've got this year, which is well above mid-cap & small-cap sector average has been far exceeded from a ranking perspective, which is an encouraging point to note that we are becoming a much better organization from an employee perspective.

With this, I would pause here. I would request my colleague Mr. Ravindra Pandey, CFO, to walk us through the presentation on the financial performance and where do we see as an outlook. Over to you, Mr. Pandey.

Ravindra Kumar Pandey: Thank you, sir, for setting the context so clearly. Good evening everyone. I will take few minutes to walk you through our financial performance, cash flows, and balance sheet position and also our outlook for the Q4 and the full year.

Let me begin with the Q3 performance. As we are aware that quarter was impacted by continued procedural delay in receipt of e-khata and intermittent issue with the Kaveri online registration portal. Despite our best efforts operationally, these external factors led to deferment of revenue recognition, which in turn impacted reported numbers.

That said, there are few important positives. For Q3, revenue stood at INR203 crores, reflecting a healthy 13% year-on-year growth. Gross profit came to INR41 crores, up by 19% year-on-year. Margins were impacted slightly due to commencement of revenue recognition in project Shriram Sunshine in Kolkata, which is a relatively low margin project, but overall project level profitability remains stable.

EBITDA for the quarter was INR13.1 crores. The year-on-year decline is largely attributable to the lower revenue base and higher operating expenses related to our Kolkata launches. We reported a loss of INR7 crores for the quarter compared to profits in the previous years.

However, I want to emphasize that this is a timing issue, not a structural issue. On a 9-month basis, the underlying strength of the business is clearly visible. 9-month revenues from operation grew 51% to INR627 crores and total revenue grew 27% to INR694 crores. Gross profit for 9 months stood at INR184 crores, up 40% year-on-year, with gross margin stable at around 29%, which clearly reflects the strength and stability of our project portfolio.

EBITDA for 9 months was INR82.9 crores versus INR113.7 crores last year. This softness in EBITDA is entirely due to deferred revenue recognition from completed projects, not due to margin erosion. Importantly, finance costs are lower 16% year-on-year, reflecting disciplined capital management.

PAT for nine months stood at INR22.4 crores. Had the e-khata process moved in line with the expectation, both top line and profitability for 9 months would have been meaningfully higher. Since this is only deferment, we remain confident of achieving our full-year earning outlook.

In summary, our operational engine remains strong, margins are stable, and resilience of the business is evident even in a disrupted quarter. Referring to the next slide, we just spoke about it. We'll move on to the next slide, consolidated cash flow. Let me now move to the cash flows, which in my view is where the real strength of the quarter is visible.

We have maintained strong financial discipline throughout the year. In Q3 alone, we collected INR302 crores, reflecting our sharp focus on milestone-led collections and execution intensity. We generated INR117 crores of operating cash flow during the quarter, a significant jump sequentially.

During the quarter, we repaid INR67 crores of scheduled debt and invested over INR100 crores into new business development opportunities. On a 9-month basis, operating inflow stood at INR787 crores and we generated INR193 crores of operating cash flow.

At the same time, we have invested nearly INR250 crores into new project over 9 months, building a strong and visible pipeline for the coming years. Importantly, while we continue to invest for growth, we are working to fast-track approvals and mitigate the challenges we have faced this year.

Our closing cash balance stands at INR217 crores, giving us ample liquidity to support construction launches and new opportunities. Overall cash flows are healthy, well managed, and positioned to accelerate meaningfully in Q4 as registration normalize.

Moving to next slide, debt profile. Coming to the balance sheet, our balance sheet remains robust and conservative. Net debt stands at INR418 crores, with a net debt-equity ratio of just 0.3x, well within our comfort zone and providing significant headroom for growth.

Our cost of debt stood at 11.1%, reflecting improved credit profile and disciplined treasury management. We continue to enjoy A-minus positive outlook rating from CRISIL, which reaffirms our credit strength and governance standards. In summary, we have a strong balance sheet, ample funding capacity, and the ability to confidently support our growth pipeline.

Moving to the next slide, outlook for Q4 and FY '26. Prolonged approval delays and slippage in launch timelines did impact our earlier sales guideline, however, we are confident that our full-year sales will outperform FY '25, supported by a strong Q4 launch pipeline and improved regulatory momentum.

Encouragingly, all other KPIs are broadly in line with the guidance given earlier. We expect to end the year with upwards of 4.5 million square feet of sales and revenue of around INR2,600 crores. Collections are expected to cross INR1,700 crores, reflecting healthy growth despite some moderation in launch-led collections.

With deliveries commencing in Kolkata and strong Q4 handovers, we expect to deliver close to 4 million square feet during the year. On the business development front, with the Pune deal closure and additional pipeline additions under documentation, we are confident of adding INR4,500-INR5,000 crores of GDV during the year, strengthening our forward visibility. To conclude, while Q3 numbers reflect temporary external disruptions, the fundamentals of the business remain intact and strong. Our cash flows are robust, our balance sheet is conservative, our pipeline is expanding, and Q4 momentum is clearly building.

On behalf of the management team, I would like to assure you that we are fully committed to bouncing back strongly in Q4, delivering a comprehensive performance for FY26 and carrying this momentum into FY27. Thank you once again for your continued support. Now I'll hand over the call to the operator, and myself along with our CEO and CMD will be glad to answer all your queries.

Moderator:

Thank you very much. We will now begin the question and answer session. The first question is from the line of Saumil Shah from Paras Investments.

Gopalakrishnan J:

Please go ahead.

- Saumil Shah:** Okay, so in the last quarter presentation, we had mentioned about INR420 crores of revenues were deferred due to non-receipt of OC and E-Khata. And I think there were total of five projects which got delayed. And now in this quarter also, out of that four projects still we are seeing it as delayed. So why is there so much of delays? Can you please help us understand?
- Gopalakrishnan J.:** In Bangalore, they have migrated -- it's not a Shriram problem, you would have seen this in all the company presentations, I don't know how much disclosure they have made. So in Bangalore and Karnataka, they have migrated to a concept of E-Khata last year, and they have their own reason of why it is not stabilizing for so long. It seems to stabilize and then again goes out of control.
- And same is with their Kaveri 2.0, which is a registration portal like you all have in Maharashtra. It's going through turbulent times in terms of registration. So registration gets set up and then gets cancelled, so customers come and go. So that has been continuing till recently. Even now interruptions are there, but very few interruptions on a daily basis, but in the past it's like till recently it was a nightmare for most registration departments and most customers. So OC issues got solved, so we got all the OCs now.
- Projects have been lined up and so this 380 homes and (recognisable income of) INR350 crores is not only from the past. It is previous ones adjusted for units liquidated and new units added during the quarter. So it's the net outstanding as of date. So we have achieved some good progress in terms of registrations and hence handed over 600 odd units. So it is happening, but it's happening at a slower pace in Government of Karnataka.
- It's beyond any industry bodies or any of our peer group's ability to fix this. So the industry body is taking up with the government and they have assured stabilization fairly soon. We expect the current stable trend to continue at least for the remainder of the quarter.
- Saumil Shah:** Okay, and how is this quarter shaping up? So we are almost halfway mark. So is it stabilizing or still there is an issue?
- Gopalakrishnan J.:** I think it is far superior to Q2 and Q3 that we have seen in terms of registration process. That's why we are saying, and in our context, out of the 1,400 homes, or 60% of our handovers during this quarter coming from other cities. Kolkata and Chennai account for I think about 60% odd percent of our registration or revenue recognition. Bangalore still accounts for balance 40%, but the situation is far better than what we saw, worst was I think Q2 and then Q3 was better, Q4 is far far better.
- Saumil Shah:** Okay. So in this quarter presentation, if we are seeing, you have mentioned that seven projects with INR800 of revenue recognition in Q4. So are we on track for that or we could see delays in that as well?
- Gopalakrishnan J.:** That's based on the confidence only I said we will end the year with INR1,300-1,500 crores of revenue, which means a large part of this INR800 crores will get recognized.
- Saumil Shah:** Because sir, last few quarters we are seeing, I mean there is every quarter in our presentation we are mentioning there is a delay of revenue recognition and the delay is in I mean it would be

shifted to the next half or next quarter. I do understand our industry is such that there are possibilities for delays. But sir, why don't instead why don't we do be on a safer side and commit for six months later only and then maybe we do it early and surprise the investor community. So why don't we do the other round?

Gopalakrishnan J.: Investor community is one part of the stakeholder. Yes, we can underplay that, maybe we will consider that as a suggestion. It is unpredictable situation from an external perspective. Capital market is one part of the stakeholder, there are other people watching this as well. There is RERA angle to it on handover timelines.

Saumil Shah: Okay. And sir on the Kolkata land, we have mentioned that we will be developing 10 million square feet and balance we will monetize. So that will be I mean how much million square feet and the amount we could realize with this sale and by when we can expect?

Gopalakrishnan J.: Overall the site has a potential of about INR1,500 crores of cash flow, both from our own development as well as the monetization. Very difficult for me because we have gone through this long battle or long persistent effort to get to this situation. Difficult for me to put a timeline on like you few minutes ago said we shouldn't be committing timelines with or without degree of confidence. So I wouldn't be able to put that kind of number now on how soon we can monetize and all that, because it will get questioned next quarter saying oh you said this and what happened to the progress.

So it's very difficult to comment, but I can say three to five years is the development timeline. So monetization can happen faster as you know. So maybe a three-year window for monetization and a five to six-year window for completing and handing over. You said 10 million, that's the total development we might do, out of which 5 million is already in progress, several of them are being handed over. So we should complete the construction and handover in about five to six years.

Three years for surplus land monetization could be a good target. Maybe we will try before the next analyst meet or by the year-end call, we'll see whether we can give you a granular visibility on approximate timeline for monetizing and launching new projects so you are able to do an NPV of the cash flows, the value of that land.

Saumil Shah: Yes sir, it would, it would help us because monetization how much value we can create. So that would be helpful?

Gopalakrishnan J.: Yes, sir.

Saumil Shah: And sir my final question, our guidance on this 5.2 to 5.5 million square feet, now we have revised it to 4.5 million. So are we seeing any slowdowns or any particular reason?

Gopalakrishnan J.: We are not seeing a slowdown in the market. Whatever we are launching is getting sold. I'll give you two instances. We launched one project in Bangalore called Shriram The One Codename, it's called Songs of the Earth in Anekal. Within now about 3.5-4 months, we have almost 75 plus percent is sold. And these are like a high ticket size, it's not a 40, 50 lakh, 60 lakh kind of product.

Similarly, in West Bengal when we launched, we tried a new product format in West Bengal that's the cover page of this presentation that you see is the recently launched our villas. They've taken off, this is a product which has not been tested in the micro market that we operate in Uttarpara in West Bengal. We tried and I think it has been a big success, all the large villas, these are all like INR1.8 crores ticket size from the apartments that we are selling are in the 40 lakh, 50 lakh, 60 lakh ticket size.

A big transformation from the micro market's perspective, it's a big transformation in ticket size, but they all sold. Nearly all of our four and five-bedroom inventory are sold within 3-4 weeks of launch. Market is willing to absorb. In Bangalore, Kolkata, Chennai, and Pune, all four markets we have seen a good traction. Even in Pune, we made meaningful progress during the quarter in terms of overall volumes sold, I think we are about 40% sold now.

So I think markets are doing well. It is the ability to supply, and as I mentioned and as you rightly pointed out, there is a challenge for all of us to supply ready products or supply launched products to the market, especially in Bangalore. Now things have improved after a bit of a long struggle between the industry and the regulators. Hopefully the supplies will pick up now. We are not banking on Bangalore launch right now.

As I said, two to four launches for the remainder of this quarter, and we're banking on Kolkata one more product to launch, a plotted development. We have launches coming up in Chennai. And if all goes well, we would have another launch in Pune as well in the near future. So I think markets are doing well. It is industry or company's ability to supply and that's constrained by some external factors, and that's what is showing lower numbers than market slowdown.

I think market has misunderstood the trend because I saw for the last 4 weeks there's a lot of talk about demand slowdown. We are not seeing it on the ground. Our partners in home loan businesses are also not seeing that kind of slowdown in home loan demand. So I assume on-ground trends remain positive.

Saumil Shah: Okay, okay. Thanks for your detailed answers. That's it from my side. Thank you and all the best.

Gopalakrishnan J.: Thank you, Saumil.

Moderator: The next question is from the line of Rohit Kumar from ADM Business Advisory LLP. Please go ahead.

Rohit Kumar: Hi sir, thank you for taking my question. You mentioned that there is 5-6 million square feet development potential, so may I know what is the expected IRR from these projects?

Gopalakrishnan J.: In Kolkata you are meaning?

Rohit Kumar: Yes.

Gopalakrishnan J.: Difficult to predict right at this point of time because it depends on the timing of launch and the product and the pricing. We have certain assumptions in mind in terms of what products can be

launched at what sequence. So timing will depend because it's a 3 to 5-year period for launch of this 5 to 6 million square feet. So it would be very difficult to project, but we will not do projects if it is less than 25% IRR in general.

In Kolkata, because it's our existing land, we would imagine IRR would be significantly higher at current price points. But overall the idea is to see what is that site can generate, right? Between the surplus land that we have and the project that we're going to launch, should generate about INR1,500 crores of cash flow in 5 years' time.

Rohit Kumar: Okay, got it. And sir my second question is to achieve 3x of revenue and 4x of profit, what is the company expecting the peak debt levels? What should we expect?

Gopalakrishnan J.: I will approach this question in another way. We are currently at 0.3. Our most comforting zone is about 0.5, not more than that. But towards reaching a peak pipeline addition and towards reaching the revenue, we might intermittently or at a very short-term basis we might go close to 0.7, but we would be very uncomfortable to go beyond that kind of number on a consol basis.

Rohit Kumar: Okay, sir. That's it from my side.

Moderator: The next question is from the line of Karan Mehra from Mehta Investment. Please go ahead.

Karan Mehra: Hello sir, thanks for the opportunity. Sir, so following the Kolkata settlement, what is the quantum of surplus land now available for monetization and based on current market transactions in Uttarpara, what would be the indicative price per acre there?

Gopalakrishnan J.: It will be difficult to comment on what the land price would be. Let me approach the question on the volume perspective first. Out of the 314 acres, we have utilized 48 acres for our ongoing projects. We've handed over about 42 acres to the government now, so roughly about 200 and odd acres would be available for development, out of which there will be always a area which will be utilized for roads, greens, and water bodies.

And therefore we believe we should have beyond the projects that we have in mind, we should still have between 90 to 100 acres of land available in our hand. What would they fetch will depend on what the market can at that point of time will deliver. But it's always going to be a constant battle between evaluating what is the per-acre net realization of sales versus our own development.

For example, the villa development that we have pursued now, we've launched about a month ago and it's done very well. Contribution to us at the pre-tax level should be in excess of INR7 crores per acre. Whereas whether we can monetize INR7 crores per acre on an entire surplus land, not possible. So it will have to be a combination of a profitable high-margin own development as well as a sale in the market.

If you go to Uttarpara or the sub-registrar data publicly available land record data, you can see anywhere between INR4 crores per acre to INR5 crores to INR6 crores per acre as well. So I think it'll be a combination --it's a portfolio, right? 300 acres cannot be an individual project. So

it's a portfolio. The forward realization can be a lot more attractive than what the current prices were.

We currently see in the markets between INR3 crores and INR5 crores per acre transactions happening. On own development, old historical development would have delivered less margin, I must candidly admit, because that market was not developed at that time. And we have sold apartments in the 24 lakh to 40 lakh ticket size.

INR3,500 to INR4,000 per square foot pricing, but today we are selling at INR5,500 per square foot pricing. So it evolves over a period of time. But overall cash flow wise, I remain unchanged on the expectation that of INR1,500 crores from this entire land bank that we have in Kolkata.

Karan Mehra:

Sure, thanks for clarity over there. And sir, despite E-Katha and portal related issues in Bangalore, are you seeing sequential improvement in price realizations in both Bangalore and Pune? And has pricing power remained intact or are incentives being used to sustain the velocity there?

Gopalakrishnan J.:

So there are two questions here. I think pricing and the E-Katha issues are not really related to the current market condition. That's just the customer handover and income recognition for the residential players. I don't think it would have an impact on pricing capability. But market trends are conducive.

If you are saying will the pricing be going up like post-COVID 15%-20% a year, I don't think so. Will the price be moving reasonably? I would imagine yes for the next couple of years you can see anywhere between 5%-6% max 8% kind of annual increase in prices. That we are seeing on the ground.

We have seen same product our own projects we are able to move quarter after quarter we're able to increase the prices by 1%-1.5% 2% depending on the micro market. So there sequential growth in pricing happening for the existing projects. New launches are being tested and priced at a very nice sweet spots combination of both market conditions as well as the product quality.

The product that we launched last in Bangalore was in Q2 end was called Shriram The One code name. Prices what we have achieved I think we've achieved about INR7,350 INR7,400 per square foot average. That is in excess of what we initially thought of, significantly higher than what we underwrote the project. So prices are doing well, but it is not likely to be 15%-20% or 15% kind of annual growth rate that we saw in the post-COVID spike.

Moderator:

Thank you, sir. The next question is from the line of Sunil Jatakia from B-Fly India Opportunity Fund. Please go ahead.

Sunil Jatakia:

Thank you for the opportunity and congratulations to the management on a amicable settlement with the Kolkata land issue. So my question relate to the Kolkata land, out of 314 acre of land, 43 acre goes to government, 48 for the ongoing projects, another 50 acre towards the new project, so we're left with around 171-175 acre of land.

So sir in that how much goes towards the infra development like road and water reservoir and what you have to develop, so how much goes for that and balance you said is going to be around 90-100 acre right? So is it 70 to 80 acre goes for the infra development, is that a right understanding?

Gopalakrishnan J.: The infra and existing water bodies all should take roughly about anywhere between 50 to 75 acres of area. Therefore 90 to 100 acres will be a developable area post all of this you rightly pointed out. Our own development already ongoing, minus government, minus new project, minus the infra, I think you should have anywhere between 90 to 100 acres.

Sunil Jatakia: So this 90 to 100 acre you going to monetize right? There is no plan of development in that. You already developing another 50 acre project worth 5 to 6 million square feet right? So this monetize is going to happen within three years' time, is that a right understanding? You quoted somewhere earlier.

Gopalakrishnan J.: Yes. We think we think the monetization can happen in a three-year period. As you know in such a large project it's very difficult to freeze the numbers up front. Yes, definitely the 90 to 100 is the surplus beyond what we have thought about as a development, it's basically two apartment complexes and a plotted development.

If I do all of this that 50 acres get utilized. So therefore we think 90 to 100 acre will be a surplus. I think we have to be circumspect or opportunistic in terms of if the per-acre realization of a quicker turnaround like a plots or a villas can generate a per-acre contribution more than a FSI sale per se, then we should be open enough we shouldn't lock ourselves into saying I've committed 90-acre sale I have to sell 90 acre.

Because if you look at a warehousing or a data center kind of business model, they will not be paying you more than INR3-4 crores per acre. But then if you do on your own development like we've done in villa, it can be a INR6-7 crores per acre contribution. So we have to really balance this in terms of timing of cash flows versus actual per-acre cash flow that can come, right?

It's all about NPV at the end of it. So you have to give us some time to work through all of this, but prima facie what we are seeing is we will complete this 6 million square foot of our own plots and apartments. Maybe we can think about a new product versus land monetization as and when the opportunities arise.

But you can take it as our commitment that over a three-year period surplus land should be monetized. Over a five to six-year period this development will be completed, so we would be completing the entire site in about six years hopefully.

Sunil Jatakia: So sir as you quoted INR3 crores to INR4 crores for a data center guys and maybe INR6 crores, INR7 crores, INR8 crores per acre for a land development, villa development you said. So maybe you can take a figure of say INR4 crores, INR5 crores per acre and can is it a right assumption to assume like INR500 crores or INR600 crores of value can be realized out of this surplus land? INR500 crores, INR600 crores. I'm just taking a ballpark figure?

M. Murali: It can be much more. See we are also evaluating now the villa project which we launched received tremendous response. In fact ticket size from 50 lakhs, 60 lakhs in that location we I mean discovered it's about INR1.5 crores to INR1.8 crores. So based on the success we will realign ourselves for doing villas. So easily whatever the numbers you talked about it we will be able to realize. Comfortably.

Sunil Jatakia: Okay, fine, fine. Okay, sir another question on the numbers basically, in terms of a numbers we have gone nowhere in terms of a say sales volume we were at the same level what we were in FY '25, sales value again same, collection same, handover same, in FY '26 there is no growth as such going by this parameter.

So where do you stand on your FY '28 mission what you had conveyed, sales value of INR5,000 crores, revenue of INR2,500 crores to INR3,000 crores and earning of around INR250 crores or so. So where do you stand on that? Now two years is left for that?

Gopalakrishnan J.: So one year is gone. We see the other way it's always the half glass full. So we have spent one year out of this journey and I would probably reserve this question or reserve my answer for this question till our Q4 results, then you would see with more credibility and confidence as to is there a growth or not. I wouldn't like to comment on we don't think the metrics are staying stagnant.

Yes, sales volume has not been up to what we thought about. But there are factors which is within our control, there are factors which are outside our control, right? It is like a capital market or a Sensex. There's an expectation you have and reality comes and hits you in a different way. And does it mean that we all pull out of equity immediately? I don't think so.

Do we expect the equity markets to go up over a three-year period? I would imagine so. Like that's exactly something similar. Quarter-to-quarter we can't really keep as a it's not a manufacturing firm where everything happens on a 97% capacity utilization stable quarter after quarter.

So I think this volatility will continue, will be there this year, will be there in future also. Are we moving year to year, are we moving ahead from a negative earnings in '22, we have come all the way to INR77 crores last year and we believe I told you that we are looking at anywhere between INR90 crores to INR100 plus crores.

In terms of revenue we have said we will hopefully be in the INR1,300 crores, INR1,500 crores, which should mean almost like 50%-55% growth year-on-year in income recognition. So I would remember and I would request you to join and we will have an offline conversation otherwise to talk about how we will reach there at that point of time, next quarterly results, only 45-60 days away. Let's reconnect this topic and you would have a much better confidence on what we are talking about.

Sunil Jatakia: So my I was talking from Kolkata land issue context because it's been resolved now, so I thought it's maybe achievable with the help of monetizing this excess land in two years' time. I thought this ultimately we still have 2 years' time for that and with the monetization of land I think

revenue and earning numbers can be reached with this what you have targeted for '28. So I was my question was in keeping that context in mind?

Gopalakrishnan J.: No, no, appreciate, I appreciate and I think there's a positivity to the approach that you're having. All I'm saying is from a core operation wise, if you look at the number of projects that we have added or adding, look at the pipeline and look at the pricing, right? We used to sell average of about INR5,500 crores, INR6,000 crores until recently.

Today we are all our new projects are getting into this INR6,000 crores, INR7,000 crores plus kind of ticket size. Therefore, the revenue will grow faster than the volume, that is point number one. Second is as the pricing goes up, the costs have been under control, so your margin profile will also change. Is changing, you would see.

And this is a real estate, please don't look at on a quarter-to-quarter margin profile, you see whether annually are they growing from a margin perspective, you would see it. At least from our perspective we are confident that we'll reach there. So I think monetization is one part of the game, which I don't know all of them will have a kick in in FY '28, which is our end target for the medium term mission that we have taken for ourselves.

Without full contribution from the monetization also, if you look at the kind of capital that we're committing on pipelines, right, should translate into new launches, new volumes. And so that's where we get our confidence from. We remain fully confident, not just committed, we remain confident of reaching our milestone. Yes, there may be some variations will be there but it is unlikely to be anything significant or a material at that point of time.

Moderator: Thank you, sir. The next question is from the line of Rajesh Agarwal from Moneyore. Please go ahead.

Rajesh Agarwal: Hello, so my question was on Kolkata land. I think more or less it is answered. What I have understood is we can monetize 100 acre of land, which can fetch us INR4 crores to INR5 crores rupees per acre without development, this is before tax?

Gopalakrishnan J.: Yes, sir.

Rajesh Agarwal: Okay. And balance land will develop which will have a GDV value of around INR3,000 crore.

Gopalakrishnan J.: Yes.

Rajesh Agarwal: Okay. And in government how we've settled? In the lieu of that we've given them some 42 acres of land?

Gopalakrishnan J.: Correct. So we conserved the cash flow which would have gone out. So we conserved that.

Rajesh Agarwal: So they have settled at a very less price then, nah? 42 acres maybe INR3 crores, INR4 crores per acre, which is around INR140 crores, INR150 acre, INR140 crores, INR150 crores overall?

M. Murali: No sir, if you've seen in the balance sheet of last year, this liability was estimated around INR259 crores.

- Rajesh Agarwal:** Okay, okay. So I think they've agreed to settle for a less, nah? That is what I have understood.
- Gopalakrishnan J.:** No, no, per acre is almost INR6 crores.
- Rajesh Agarwal:** Okay that INR6 crores you taking.
- Gopalakrishnan J.:** If I can supplement, I don't know what they would have thought about. Either they've taken a liability reduction or they've taken a per acre valuation very high. But it doesn't matter to us. For us, it's a set off at 42 acres and therefore liability is discharged. What assumption they had I don't know.
- Rajesh Agarwal:** Okay, understood. So sir 3 years can we sell the land, now? In next 2-3?
- Gopalakrishnan J.:** We are targeting monetization. If it is monetization, 3 years should be fine. As Mr. Murali pointed out to the earlier caller, earlier question, it is a it's a dynamic situation, right? If the opportunity exists for like when I say 5-6 million square feet we are thinking of one plotted development and two apartment complex like we've done in the past, right?
- Grand One, Grand Two, Sunshine, like that there are five or six names that I can roll out. The villa has now really given us a new dimension to the whole story on a per acre contribution perspective. But it may not give us that kind of volume, right? The villa cannot absorb you cannot sell entire 100 acre into villa.
- So it is a weighted average mix that we are talking about. What should be the weightage is what he pointed out that we are still working through and thinking through. But there is a large unlocked value available, which I think will get reflected in our company value.
- Rajesh Agarwal:** So suppose for example, just a hypothetical question, the balance land if we don't monetize and we join with a local developer or a developer of repute, so the land monetization may be much more the value of the land monetization might be much more?
- Gopalakrishnan J.:** That is also monetization, right. When we say monetization it does not mean we have to sell it only to warehousing or a data center guy. It can be a joint development where we are not in the operation and then somebody else is giving us the revenue.
- Rajesh Agarwal:** Okay. And so the last question, are we facing the same issue of in Chennai also in Bangalore also what for that regulatory approval of E-Katha or whatever?
- Gopalakrishnan J.:** Chennai, Pune, and Kolkata have no such instances in our in our knowledge. All our projects are moving well both from an approval perspective or a there is no E-Katha there, there is a Patta, it's just a different name for it. But that system had stabilized long ago. So everybody goes through this problem of system, right?
- Income tax department went through software problem when they launched the portal, like that Tamil Nadu also had it so they don't have this issue now. Bangalore is just going through the learning curve now, that's all...
- Rajesh Agarwal:** It's a local Bangalore issue, whatever, Karnataka issue?

- Gopalakrishnan J.:** We don't have this issue in Kolkata, Pune, and Chennai.
- Moderator:** Thank you, sir. The next question is from the line of Saumil Shah from Paras Investments. Please go ahead.
- Saumil Shah:** Hi, thanks for allowing me a follow-up. Sir just one bookkeeping question, this INR250 crores of liability which will be knocked off from our balance sheet, so will this increase our reserves and increase our book value or there will be no impact and it's just an accounting entry?
- Gopalakrishnan J.:** No, it may have some impact on the reserves eventually, but it's a gross liability and gross assets getting knocked off. But there will be some depending on we are still working with our statutory auditors, on the actual treatment of this and if there are any surpluses it might get eventually flow into reserves and surplus. It's a knock-off against both sides of the balance sheet, but there may be some small difference in value which may get added to reserves and surplus.
- Moderator:** Thank you, sir. As there are no further questions from the participants, I now hand the conference over to management for closing comments.
- Gopalakrishnan J.:** Thank you everyone for joining us on this call on a Saturday afternoon, Valentine's Day. I appreciate your interest in listening to our perspective on the performance and the outlook. We would like to give you comfort and assurance that we believe the temporary disruptions are over and we will end the financial year with a fairly robust financial performance.
- And look forward to explaining our full-year performance and the outlook at that point of time for FY '27. In the interim, if you need any data, any information, please feel free to reach us directly or through SGA our IR partner. Look forward to connecting with you all again in another conference call fairly soon. Thank you.
- Moderator:** Thank you, sir. On behalf of Shriram Properties Limited, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines. Thank you.