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## Shriram Properties aims to sustain growth momentum in FY24



Shriram Properties Ltd.'s (SPL) main focus is to reduce debt and interest costs in the coming quarters and emerge as one of the fastest growing and profitable residential real estate companies, said CMD M. Murali.

“Currently, SPL has a gross debt of ₹553 crore and net debt of ₹432 crore. This will be brought down to ₹252 crore in FY24 and to zero the next year,” he said during an interaction.

Elaborating further, he said that SPL had zero inventory in completed projects and more than 75% of ongoing project inventories had already been sold.

The real estate player, which ranks among the top 10, intends to complete and deliver another six million sq.ft. Over the next two fiscals (FY24 and FY25) through 26 projects. During FY23, SPL completed 3.8 million sq.ft. With a sales value of ₹1,850 crore.

Asserting that the company stood firm in its growth path and remained focused on leveraging its robust operating platform for profitable growth going forward, he said that this should help sustain the growth momentum in FY24 and deliver significant value for stakeholders.

“The company’s long-term prospects remain strong. Promising demand outlook, especially in the mid-market and affordable segments, and favorable market trends augurs well. Supported by a strong project pipeline, SPL is well positioned to benefit from ongoing consolidation in the industry,” he said.

SPL, meanwhile, reported 3.8 times increase in consolidated net profit for FY23 at ₹68 crore due to higher volumes, better realization and change in product mix.

Revenue from operations grew by 56% to ₹674 crore. “We hope to see over 50% jump in profitability and 20% in sales value during FY24,” he said.

The company had been able to sustain sales momentum over the quarters, despite deferment of two launches to FY24 and two delayed launches from Q3 to end-Q4 due to external factors. Gross collections stood strong at ₹1,200 crore, despite delayed launch impact, he said.