

Date: 14th November, 2017

To
The Department of Corporate services
Bombay Stock Exchange Limited
P.J Towers, Dalal Street
Mumbai-400001

To
National Stock Exchange of India Limited
5th Floor, Exchange Plaza
Bandra (E)
Mumbai-400051

Scrip Code: - 540425

Scrip Symbol- SHANKARA

Sub: - Investor's presentation

Dear Sir/Madam,

Please find enclosed Investor's Presentation pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015.

You are requested to take note of the same.

Thanking You

Yours faithfully
For **Shankara Building Products Limited**

Ereena Vikram
Ereena Vikram

Company Secretary & Compliance Officer





Q2FY18
Result
Presentation

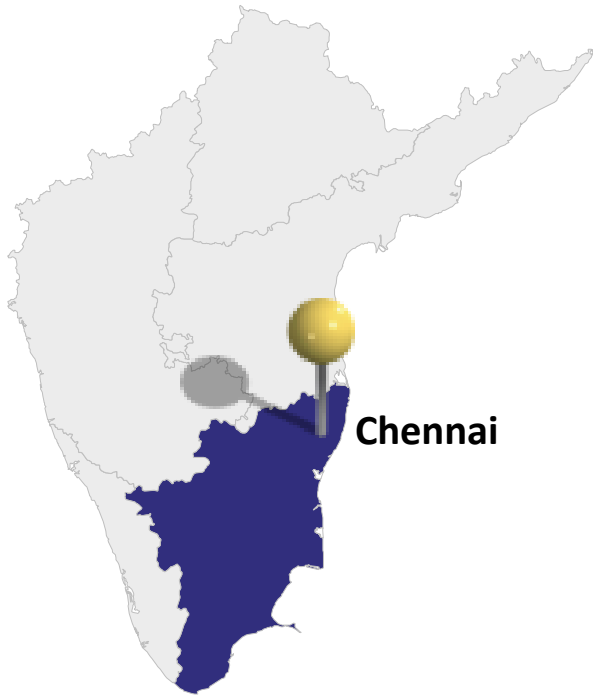
November
2017

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Increased Penetration in Tamil Nadu



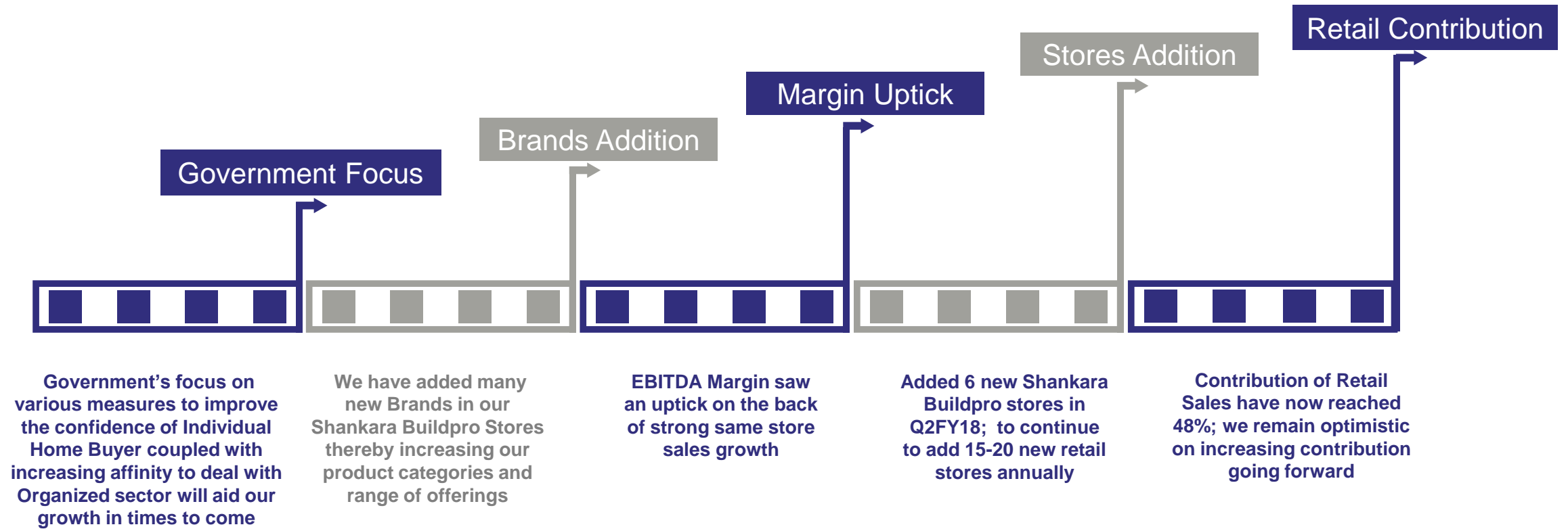
- ✓ **Taken over 3 stores of leading tiles and sanitary ware retailer, Vaigai Sanitation increasing our reach to 5 stores in Chennai**
- ✓ This will strengthen our presence in the categories of tiles, CP fittings & sanitaryware
- ✓ We will look to cross sell our wide range of building product categories across our customer segments

Adopting an Omni Channel Strategy

- ✓ Purchased an e-commerce website in the building products space
- ✓ The site carries products in the sanitaryware, taps and kitchen category
- ✓ Online catalogue to be further enhanced to include other building product segments
- ✓ This will aid customer selection process from our wide online product assortment and complement our display stocks in the store
- ✓ With this we look to **build on our omni-channel capabilities**

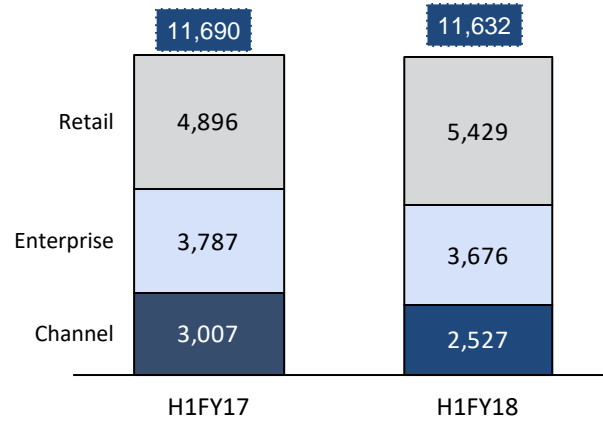


Performance Snapshot

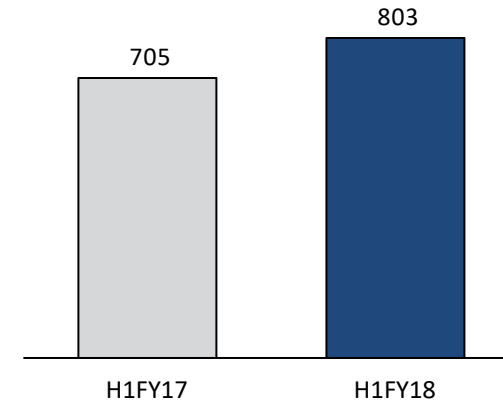


Key Financial Performance

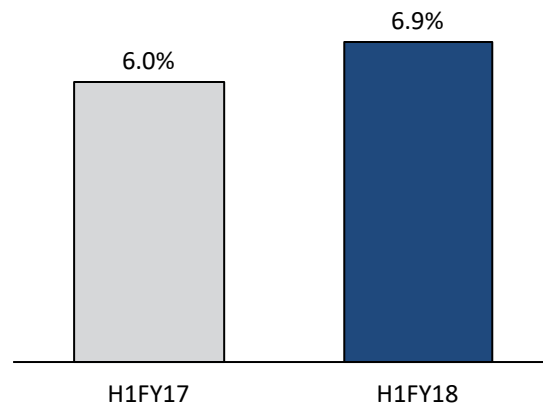
Segment wise Revenue & Net Revenue from Operations (Rs. mn.)



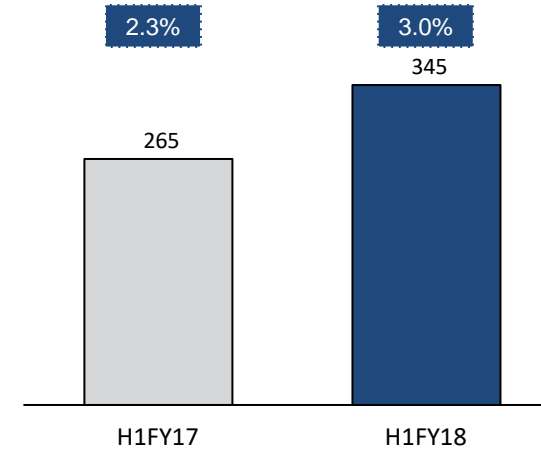
EBITDA (Rs. mn.)



EBITDA Margin (%)



PAT (Rs. mn.) & PAT Margin (%)



GST Impact on Revenue

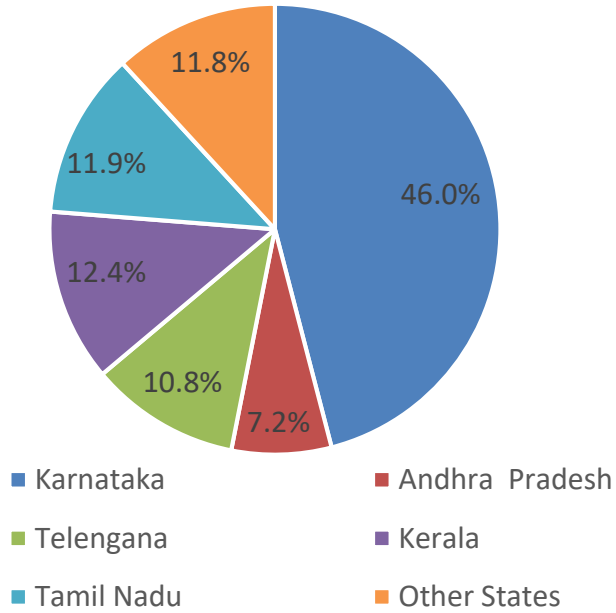
Particulars (Rs. Mn)	Q2 FY18	Q2 FY17	YoY	H1 FY18	H1 FY17	YoY
Revenue before Excise Adjustment						
Retail	2,728	2,664	2.4%	5,429	4,896	10.9%
Same Store Revenue	2,638	2,664	-1.0%	5,214	4,896	6.5%
Enterprise	1,771	1,855	-4.6%	3,676	3,787	-2.9%
Channel	1,217	1,501	-18.9%	2,527	3,007	-16.0%
Total Revenue	5,716	6,021	-5.1%	11,632	11,690	-0.5%

Particulars (Rs. Mn)	Q2 FY18	Q2 FY17	YoY	H1 FY18	H1 FY17	YoY
Revenue after Excise Adjustment						
Retail	2,728	2,368	15.2%	5,129	4,352	17.9%
Same Store Revenue	2,638	2,368	11.4%	4,927	4,352	13.2%
Enterprise	1,771	1,649	7.4%	3,464	3,366	2.9%
Channel	1,217	1,334	-8.8%	2,382	2,673	-10.9%
Total Revenue	5,716	5,352	6.8%	10,975	10,391	5.6%

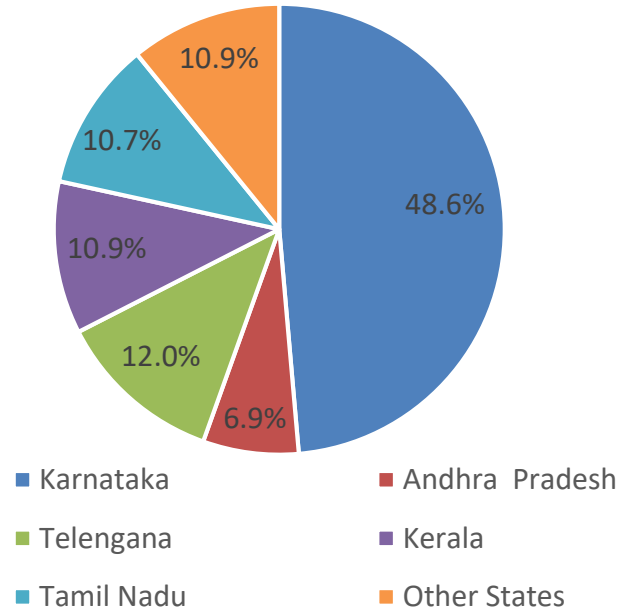
Before GST regime, excise duty was a part of revenue. Post GST implementation, excise duty is subsumed in GST and not a part of revenue.

The above table has been prepared, using estimates, to provide a like for like comparison across periods.

H1 FY17 Revenue mix across States

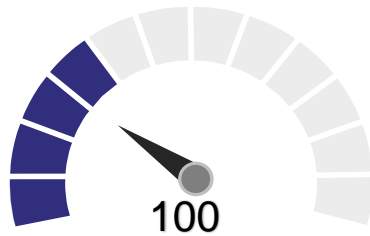


H1 FY18 Revenue mix across States

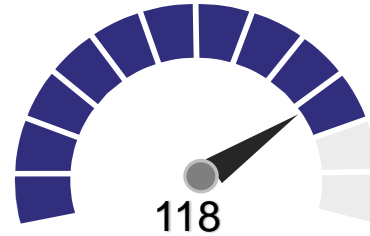


Key Highlights – Retail Business

Number of Stores

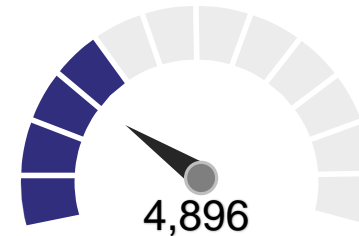


H1 FY17

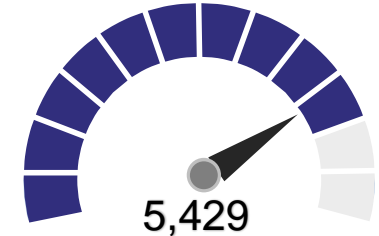


H1 FY18

Revenue (Rs. mn.)

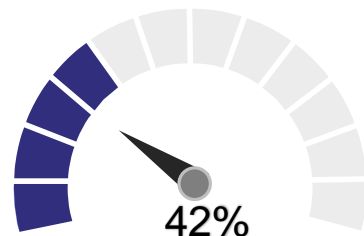


H1 FY17

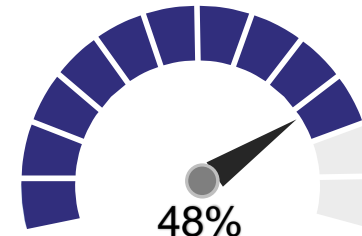


H1 FY18

Retail Share



H1 FY17



H1 FY18

Key Highlights – Retail Business

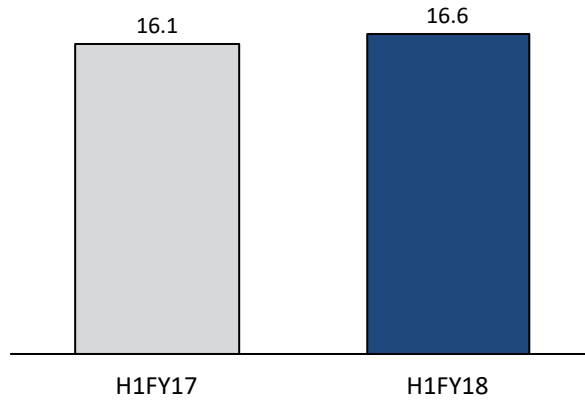
Particulars	Units	H1 FY18	H1 FY17	YoY	FY17
No of retail stores	Nos.	118	100	18.0%	106
Total Area	Sq. ft	4,41,103	3,64,785	20.9%	3,81,070
Average store size	Sq. ft	3,738	3,316	12.7%	3,624
Average ticket size	Rs.	23,969	22,235	7.8%	23,244
Revenue from retail stores	Rs. Mn	5,429	4,896	10.9%	9,807
Same store sales growth	%	13.2%*	19.7%		19.4%
EBITDA	Rs. Mn	587	513	14.4%	972
Margin (%)	%	10.8%	10.5%		9.9%
EBITDA per store	Rs. Mn	4.97	5.13	-3.1%	9.17
EBITDA per sq ft	Rs.	1,330	1,406	-5.7%	2,551
Average rental cost per sq.ft. per mth	Rs.	16.6	16.1	2.9%	16.1

*H1 FY18 Same store sales growth is adjusted for excise duty impact

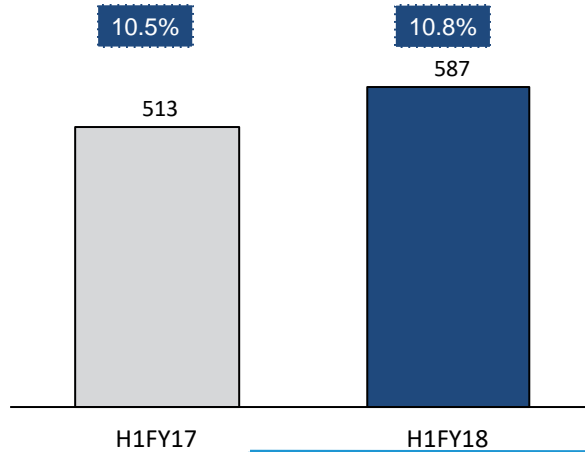
Other Key Highlights

Retail Business

Lease Rental Cost (Rs. per sq. ft. per month)

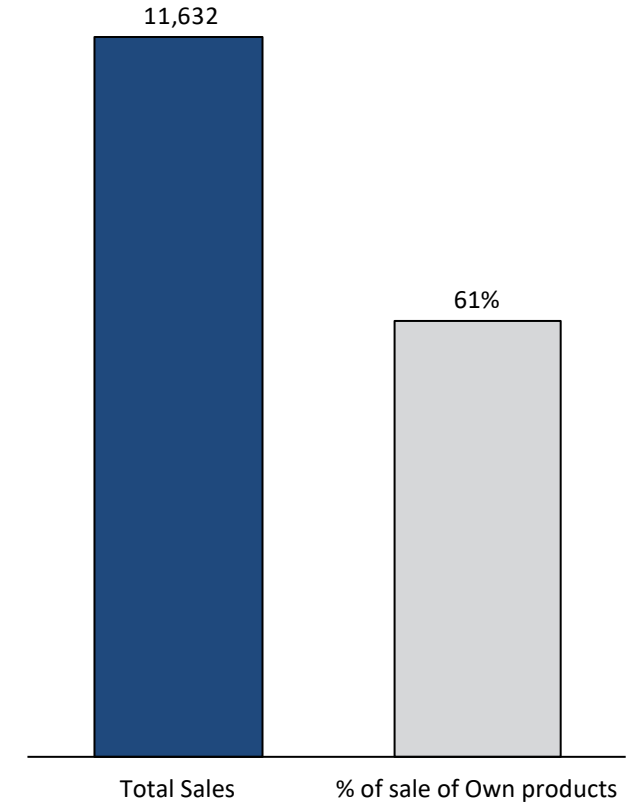


EBITDA (Rs. mn.) & EBITDA Margin (%)



Sales Mix

Own Products Sale (Rs. mn.)



Q2&H1 FY18 Income Statement (as per IND-AS)

Particulars (Rs. Mn)	Q2 FY18	Q2 FY17	YoY	H1 FY18	H1 FY17	YoY
Total Income	5,716	6,021	-5.1%	11,632	11,690	-0.5%
Raw Material	4,787	5,266		9,859	10,142	
Employee Expenses	149	145		278	245	
Other Expenses	368	237		693	599	
EBITDA	411	374	10.1%	803	705	13.9%
EBITDA %	7.2%	6.2%		6.9%	6.0%	
Other Income	2	1		3	3	
Depreciation	31	31		60	57	
Finance Cost	118	129		216	247	
Profit before Tax	264	214	23.2%	530	404	31.1%
Tax	91	79		184	139	
Profit after Tax	173	135	28.0%	345	265	30.3%
Cash Profit	204	167	22.7%	405	322	25.9%
EPS	7.58	6.18		15.12	12.12	

H1 FY18 Consolidated Balance Sheet (as per IND-AS)

Rs. Mn	Sep-17
Non Current Assets	2,899
Property, plant and equipment	2,491
Investment Property	80
Goodwill	140
Financial Assets	
- Trade Receivables	46
- Loans	114
Other non current assets	27
Current Assets	7,485
Inventories	3,444
Financial Assets	
- Trade Receivables	3,500
- Cash & Cash Equivalents	60
- Loans	0
- Others	1
Other current assets	481
Total Assets	10,384

Rs. Mn	Sep-17
Shareholders Fund	4,173
Share Capital	228
Other Equity	3,945
Minority Interest	1
Non Current Liabilities	186
Financial Liabilities	
- Borrowings	27
- Other financial liabilities	0
Deferred tax liabilities (Net)	149
Provisions	9
Current Liabilities	6,025
Financial Liabilities	
- Borrowings	2,744
- Trade Payables	2,947
- Other financial liabilities	191
Other current liabilities	53
Provisions	8
Current tax liabilities(Net)	81
Total Liabilities	10,384



Historical Financials

5 years of Profit & Loss Statement

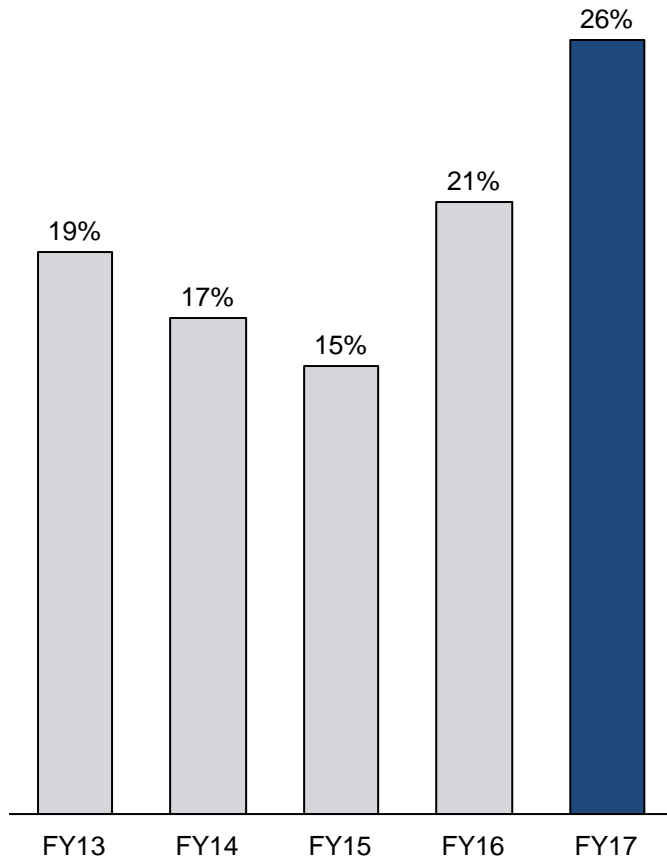
Particulars (Rs. Mn)	FY13	FY14	FY15	FY16	FY17	CAGR
Total Income	17,666	19,271	19,788	20,359	23,101	6.9%
Raw Material	15,920	17,364	17,580	17,672	19,794	
Employee Expenses	212	264	350	413	494	
Other Expenses	664	757	963	1,079	1,270	
EBITDA	869	886	895	1196	1544	15.4%
EBITDA %	4.9%	4.6%	4.5%	5.9%	6.7%	
Other Income	3	8	9	7	3	
Depreciation	46	58	88	95	114	
Finance Cost	349	416	470	460	508	
Profit before Tax & Minority Interest (MI)	478	420	345	648	925	18.0%
Tax	159	133	120	240	322	
Profit after Tax & before MI	318	287	226	407	603	17.3%
Minority Interest	-	-	-	-	-	
Profit after Tax & MI	318	287	226	407	603	17.3%
Cash Profit	365	345	314	503	717	18.4%
EPS	15.03	13.13	10.32	18.90	27.55	

Consolidated Balance Sheet

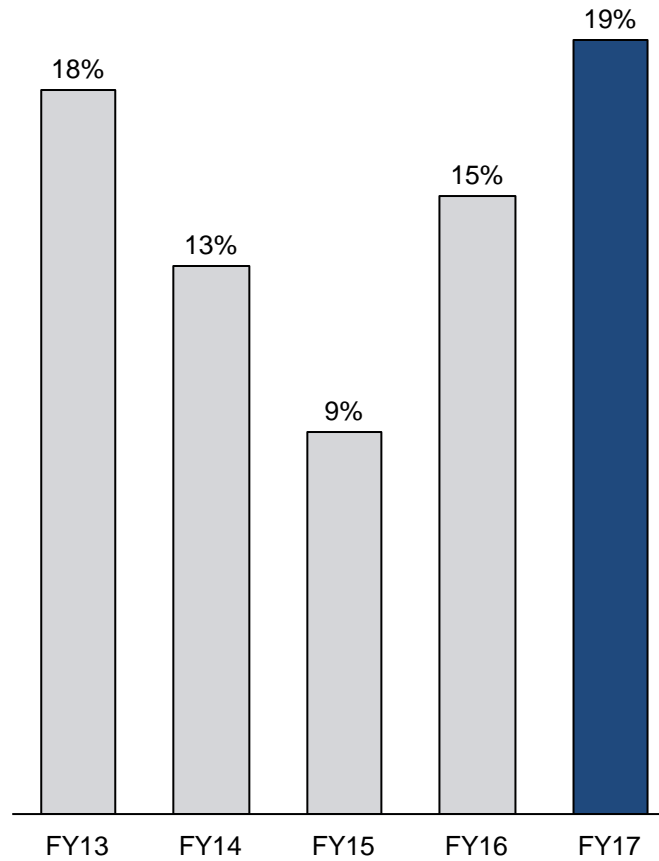
Rs. Mn	Mar-17	Mar-16
Shareholder's Fund	3,937	2,911
Share Capital	229	219
Reserves & Surplus	3,708	2,692
Minority Interest	1	0
Non-current liabilities	229	190
Long term borrowings	59	53
Deferred Tax Liabilities (net)	161	131
Other non-current liabilities	0	0
Long-term provisions	8	6
Current liabilities	14,796	12,883
Short term borrowings	2,101	2,083
Trade Payables	2,610	2,338
Other current liabilities	418	319
Short-term provisions	186	151
Total Liabilities	9,481	7,992

Rs. Mn	Mar-17	Mar-16
Non-current assets	2,771	2,483
Fixed assets	2,450	2,193
Goodwill on Consolidation	140	140
Long-term loans & advances	139	127
Other Non Current Assets	42	23
Current assets	6,710	5,508
Inventories	2,795	2,559
Trade receivables	3,123	2,810
Cash and bank balances	662	24
Short-term loans & advances	129	115
Other current assets	1	1
Total Assets	9,481	7,992

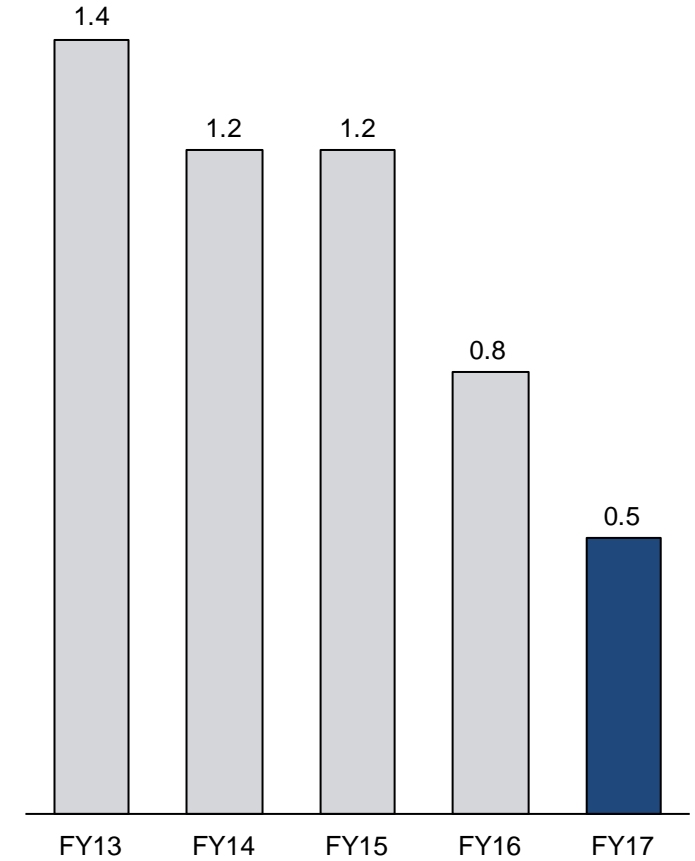
Average Return on Capital Employed*



Average Return on Equity*

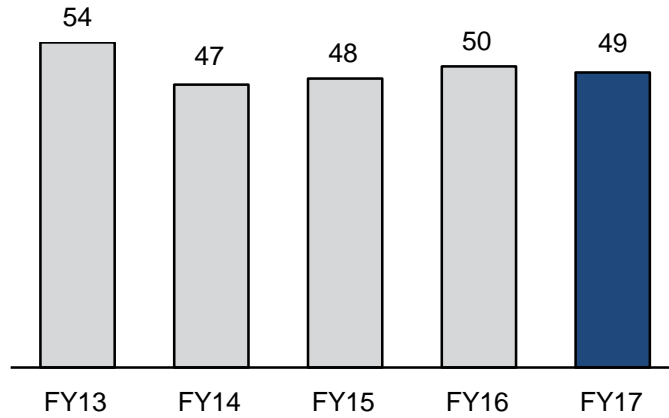


Net Debt : Equity*

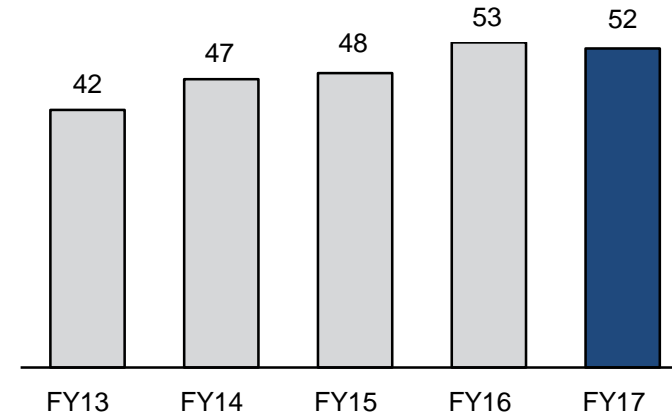


Maintaining Business efficiency

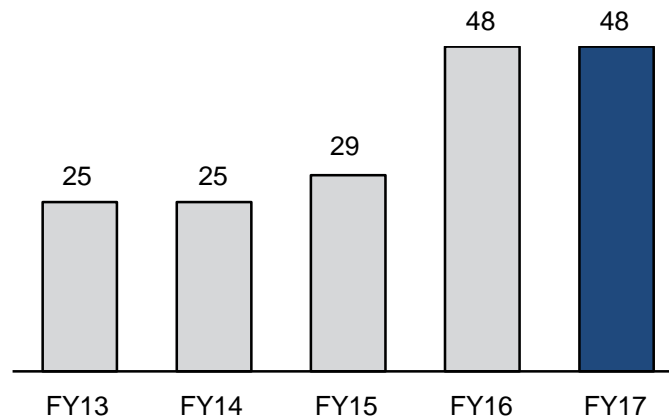
Receivable Days



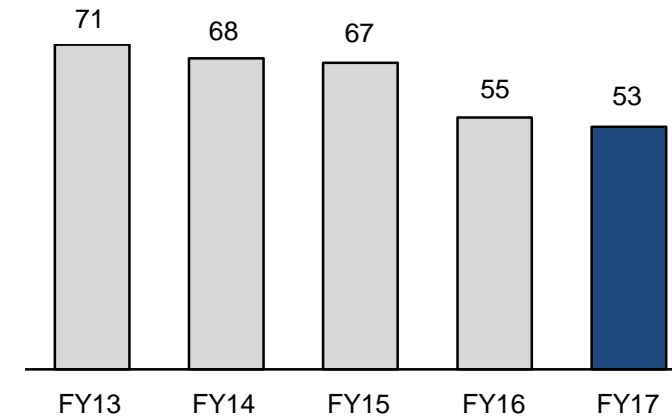
Inventory Days



Creditor Days



Working Capital Days



For further information, please contact:

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