

Date: 8th February, 2019

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 in relation to the Financial Results of the Company for the quarter and nine months ended 31st December, 2018.

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





Q3 & 9MFY19
Result
Presentation

February
2019

Safe Harbor

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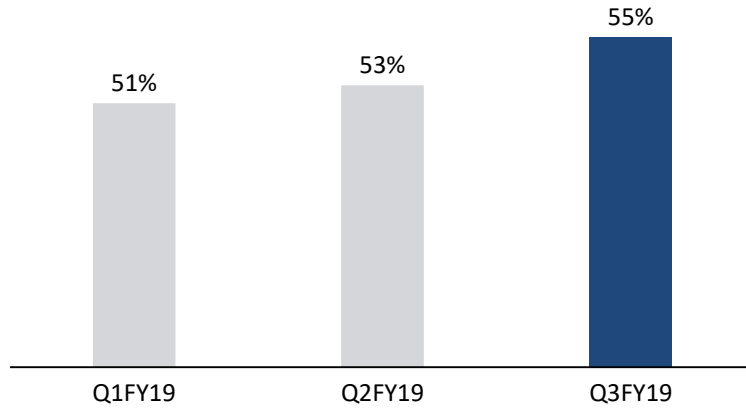
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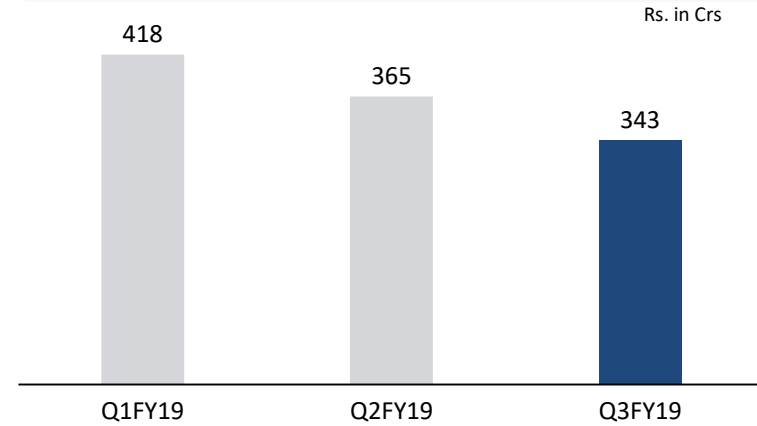
Our current focus areas



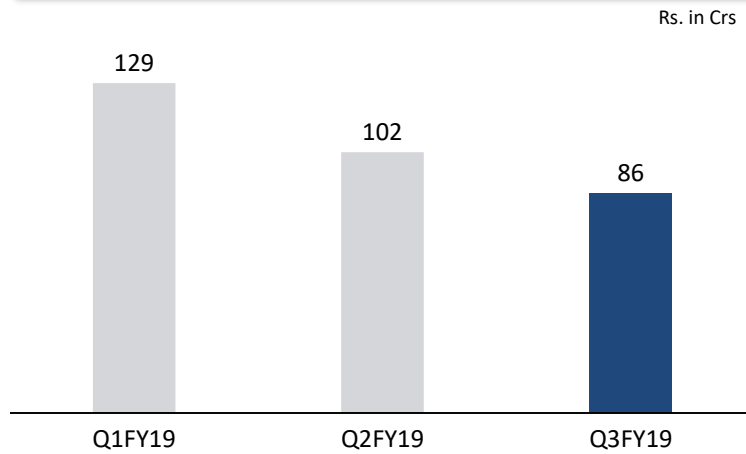
INCREASE in share of *Retail Business*



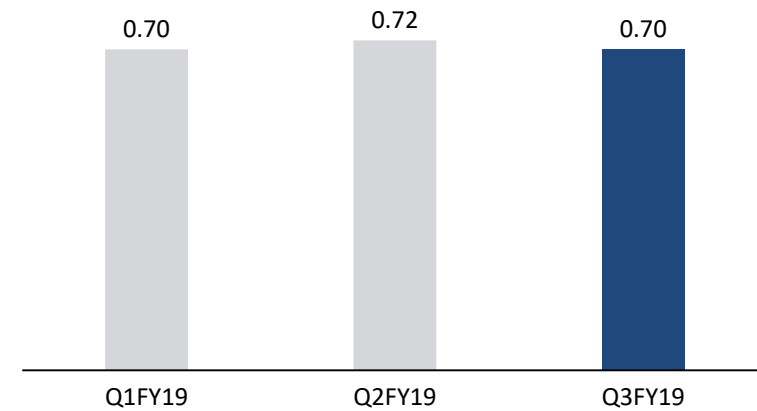
REDUCTION in *Debtors*



Conscious **DEFOCUS** on *Channel Business*



Rationalizing *Debt:Equity Ratio*



Processing business highlights

- ✓ Processing business has been unstable in the last few quarters
- ✓ Lower margins in processing has an impact on segment margins of retail, channel & enterprise
- ✓ Higher reliance on own processing also led to lower creditors with increased cash purchase of raw material
- ✓ Lot of measures as indicated below started in December. Positive impact to continue in Q4 FY 19

Processing Business	Q1FY19	Q2FY19	Q3FY19
Effect on Margins			
Processing Margins (in %)	4.9%	4.1%	2.3%
Retail Segment Margins (in %) (Impact of lower processing margins on retail business)	10.3%	9.7%	7.9%
Key Measures	<ul style="list-style-type: none"> ➤ Rationalizing production volumes ➤ Strong focus on trimming expenses ➤ Rationalizing sales of certain lower margin steel products ➤ Increasing third party purchases for steel products ➤ Increasing focus on newer product categories 		

Customer outreach activities strengthened

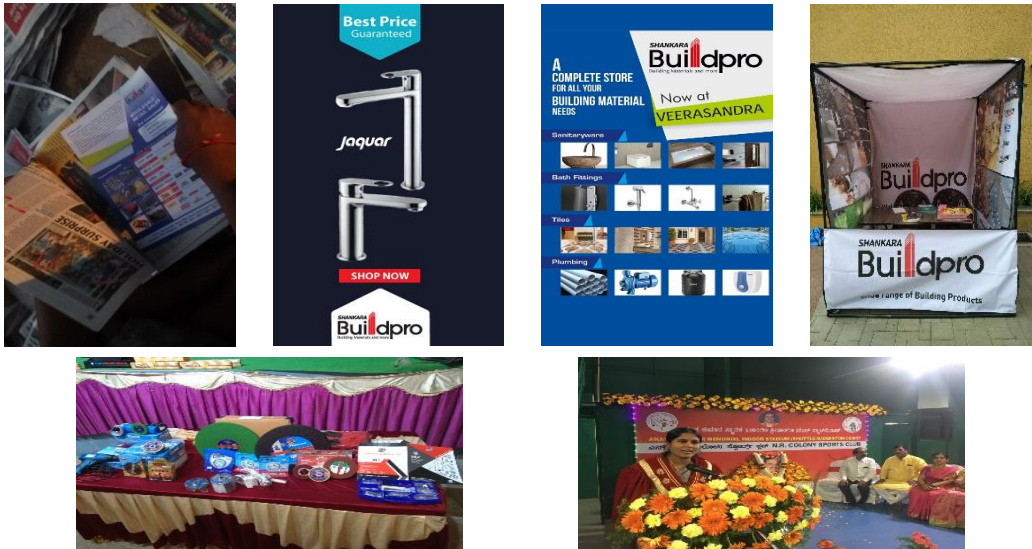
Customer meets



Orientation sessions

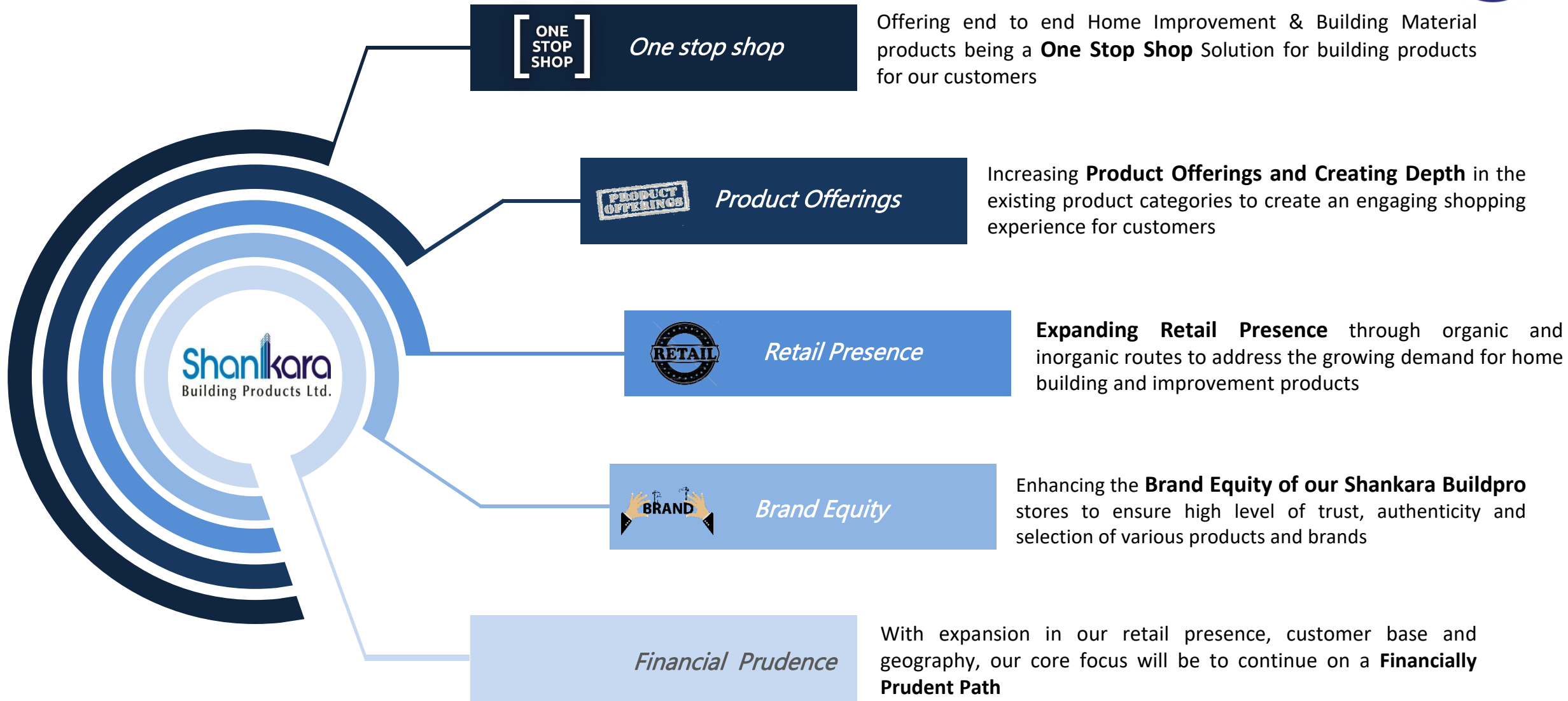


Customer outreach

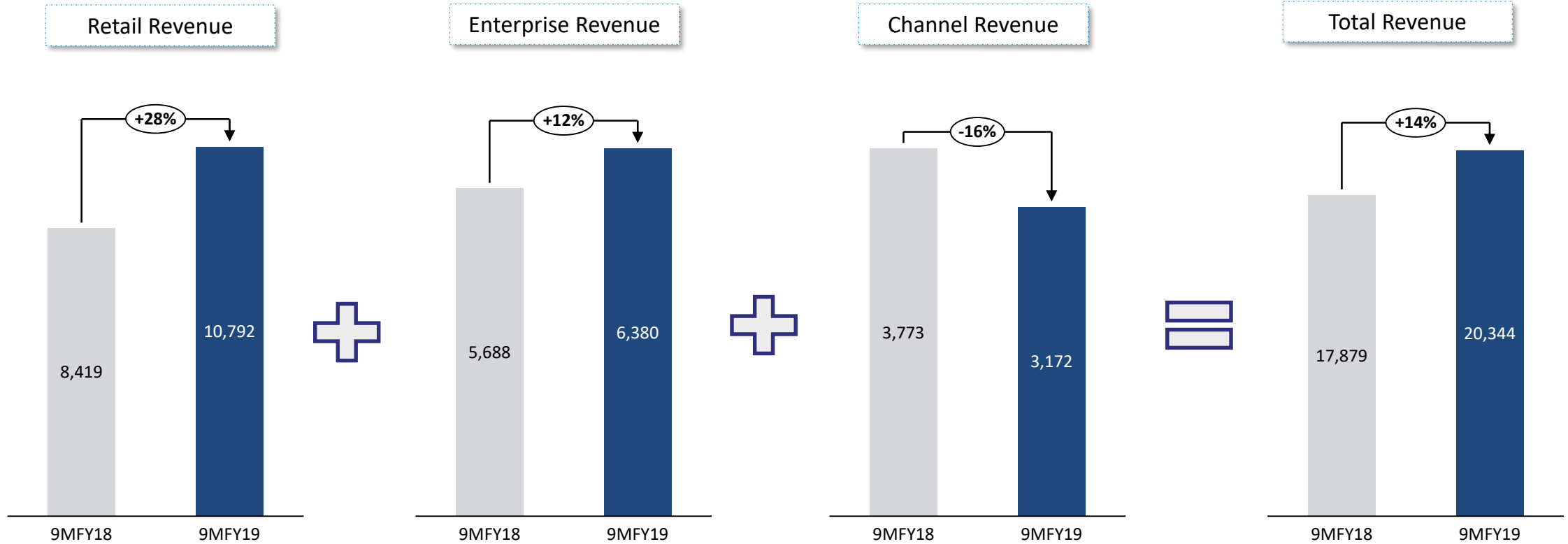


- ✓ Organizing customer meets across locations to showcase the wide range of product offerings
- ✓ Over 50 influencer meets held over last 3 months
- ✓ Direct outreach to over 1,000+ influencers
- ✓ Most of the meets held in collaboration with partner brands
- ✓ Localized marketing efforts – newspaper inserts, pamphlet distribution, direct outreach to construction sites etc.
- ✓ Product training sessions in collaboration with various brands for better understanding and insights on the products we offer and their usage

Long term focus areas

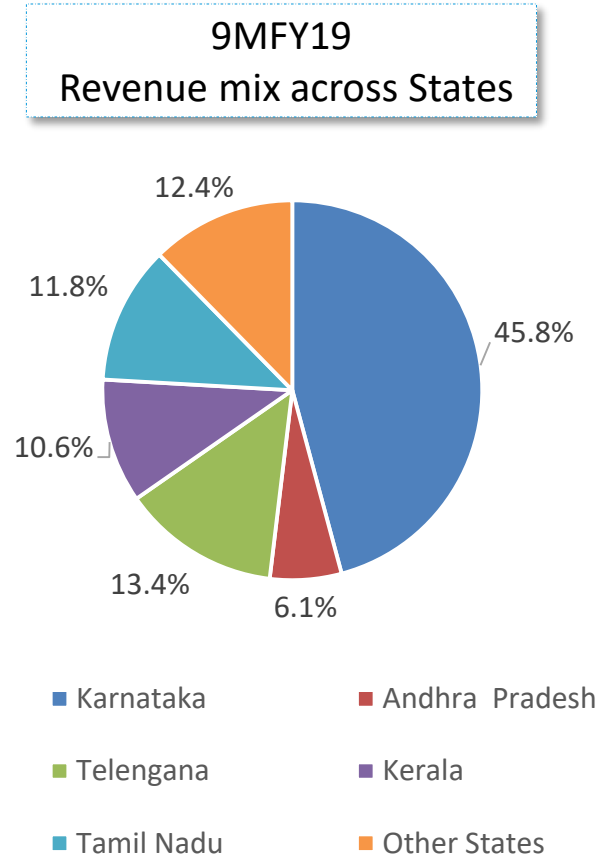
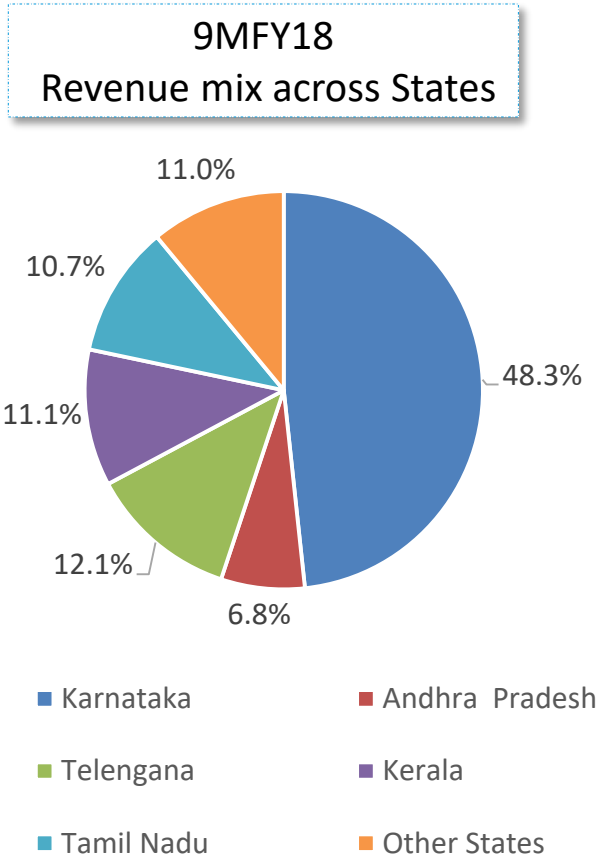


Revenue break up 9MFY19



- ✓ Overall company revenues grew by 14% for 9M FY 19
- ✓ Retail segment is a strong focus area for the Company and grew by 28% in 9M FY 19
- ✓ Channel business is being consciously shrunk and has declined by 16%

Revenue break up 9MFY19



Telengana and Tamil Nadu have recorded strong growth

Key Highlights – Retail Business

Particulars	Units	9MFY19	9MFY18	Y-o-Y
No of retail stores	Nos.	134	124	8.1%
Total Area	Sq. Ft	5,65,202	4,73,034	19.5%
Average store size	Sq. Ft	4,218	3,815	10.6%
Average ticket size	Rs.	28,454	24,382	16.7%
Revenue from retail stores	Rs. Mn	10,792	8,419	28.2%
EBITDA	Rs. Mn	1,010	897	12.6%
Margin (%)	%	9.4%	10.7%	
Average rental cost per Sq. Ft. per month	Rs.	19.14	17.62	

Comparable sales growth stood at 12.1% for 9MFY 19

Q3 & 9MFY19 Income Statement

Particulars (Rs. Mn)	Q3 FY19	Q3 FY18	Y-o-Y	9M FY19	9M FY18	Y-o-Y	FY18
Total Income	6,053	6,246	-3.1%	20,344	17,879	13.8%	25,487
Raw Material	5,396	5,407		17,966	15,401		21,986
Employee Expenses	167	161		513	438		592
Other Expenses	260	270		835	829		1,157
EBITDA	230	408	-43.6%	1,030	1,211	-15.0%	1,752
EBITDA %	3.8%	6.5%		5.1%	6.8%		6.9%
Other Income	4	2		22	5		6
Depreciation	49	33		140	93		136
Finance Cost	152	110		443	326		463
Profit before Tax	34	268	-87.2%	469	797	-41.1%	1,159
Tax	9	91		158	275		421
Profit after Tax	25	177	-85.7%	311	522	-40.4%	738
Cash Profit	74	210		451	615		874
EPS	1.11	7.73		13.62	22.84		32.3

For further information, please contact:

Company :



CIN - U26922KA1995PLC018990

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Investor Relations Advisors :



CIN - U74140MH2010PTC204285

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