

Date: 2nd February, 2022

To
Department of Corporate services
BSE Limited
1st Floor, New Trading Ring,
Rotunda Building, Phiroze Jeejeebhoy
Towers, Dalal Street, Fort,
Mumbai-400001
Scrip Code: - 540425

To
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C-1,
G Block, Bandra Kurla Complex,
Bandra (E)
Mumbai- 400051
Symbol- SHANKARA

Sub: - Investor's presentation- Q3 & 9M FY22

Dear Sir/Madam,

Please find enclosed Investor's Presentation-Q3 & 9M FY22 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



25
years

Shankara
Building Products Ltd.



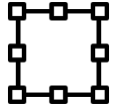
Q3 & 9M FY22 Results

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Leading Building Material Retailer



Retail Space

0.45
mn sqft



Products

75+



SKUs

30,000+



States/UT

9 / 1

Mysore, Karnataka



Thiruvalla, Kerala



Nellore, Andhra Pradesh



Chennai, Tamil Nadu

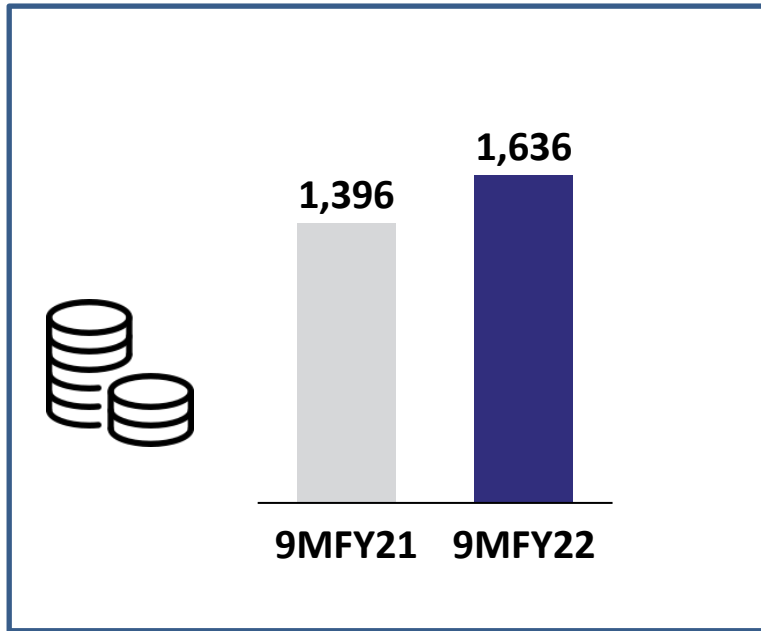


9MFY22 Operational Highlights

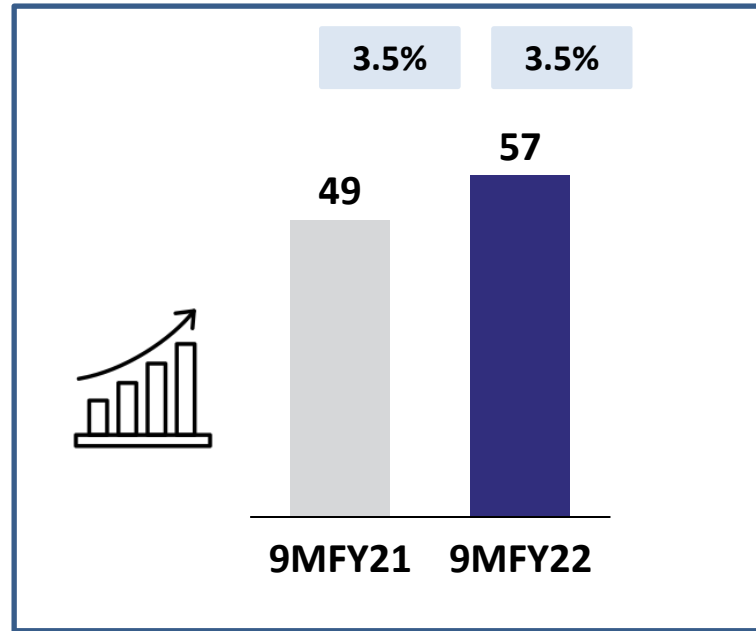
Rs. In Crs

Margin%

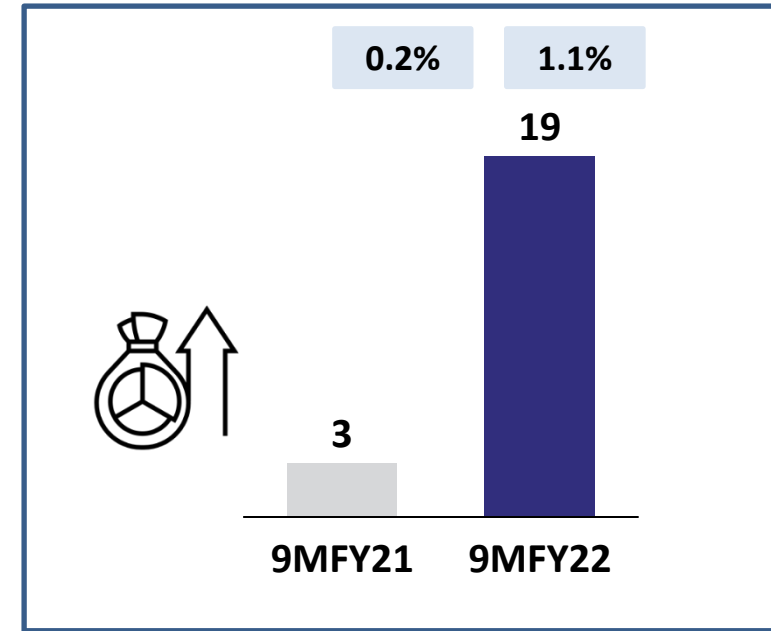
Revenue



Op. EBITDA



PAT



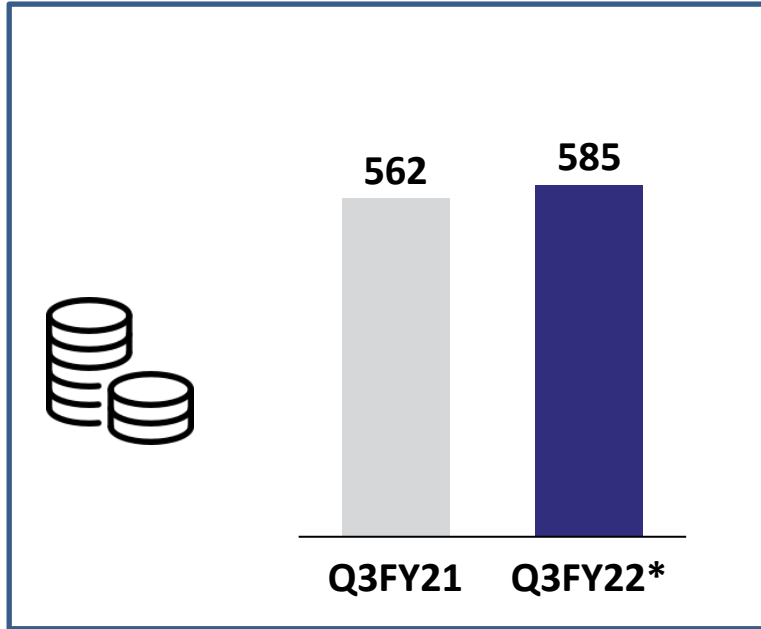
- Same store sales growth for existing stores stood at 32% from 9M FY21 to 9M FY22
- The company's consistent efforts helped to stabilize Net working capital days and achieve a stable cash flow of Rs.58 Cr up to Dec'21

Q3FY22 Operational Highlights

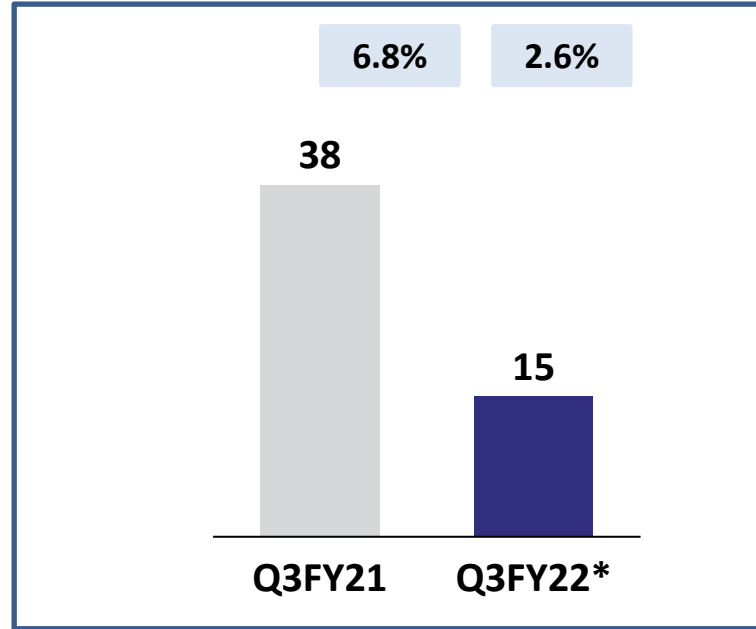
Rs. In Crs

Margin%

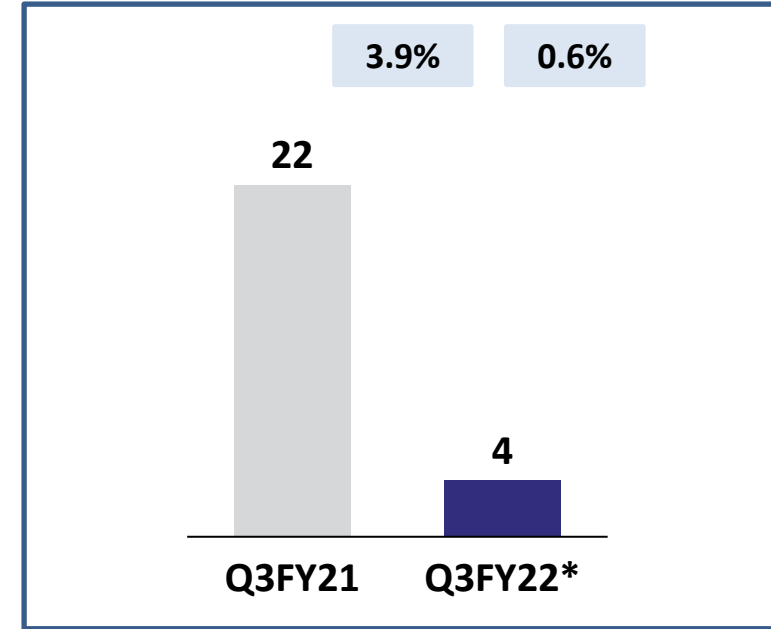
Revenue



Op. EBITDA



PAT



- During Q3FY22 Company has been able to achieve a 4% increase in top-line despite a slump in construction activities due to excessive monsoon in the southern states of the country where we have most of our operations
- Same store sales growth for existing stores stood at 17% from Q3 FY21 to Q3 FY22

Note* Due to volatility in steel prices, inventory was procured at higher prices which resulted in lower EBITDA and PAT (Inventory loss in Q3FY22 Rs. 10 Crs)

Industry Update

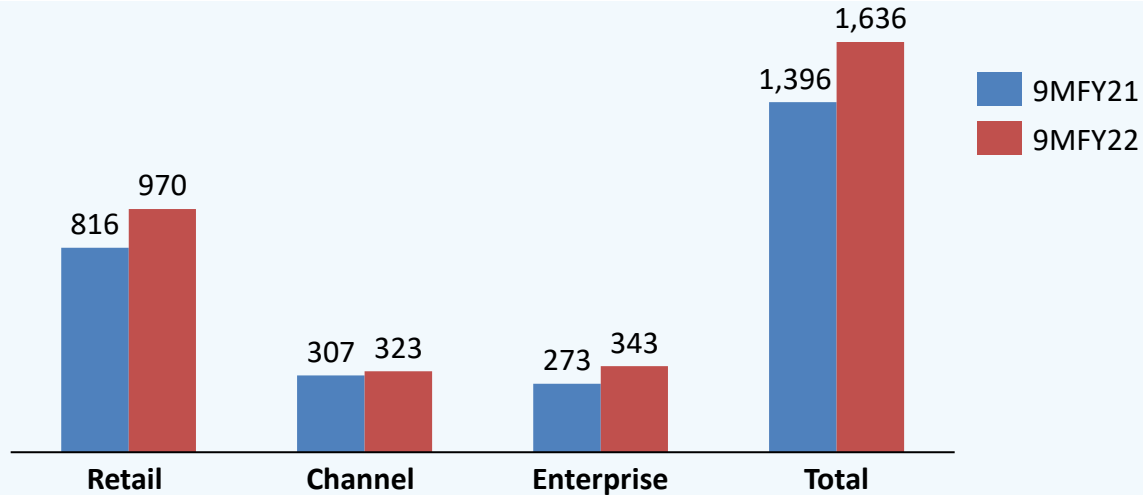
- The Industry is slowly witnessing a revival in post-pandemic housing demand
- Consolidation in housing market, spending on infrastructure, government thrust on housing, improved affordability of buying houses, and low mortgage rates (~6.5%-7%) help the industry towards growth

Operational Performance

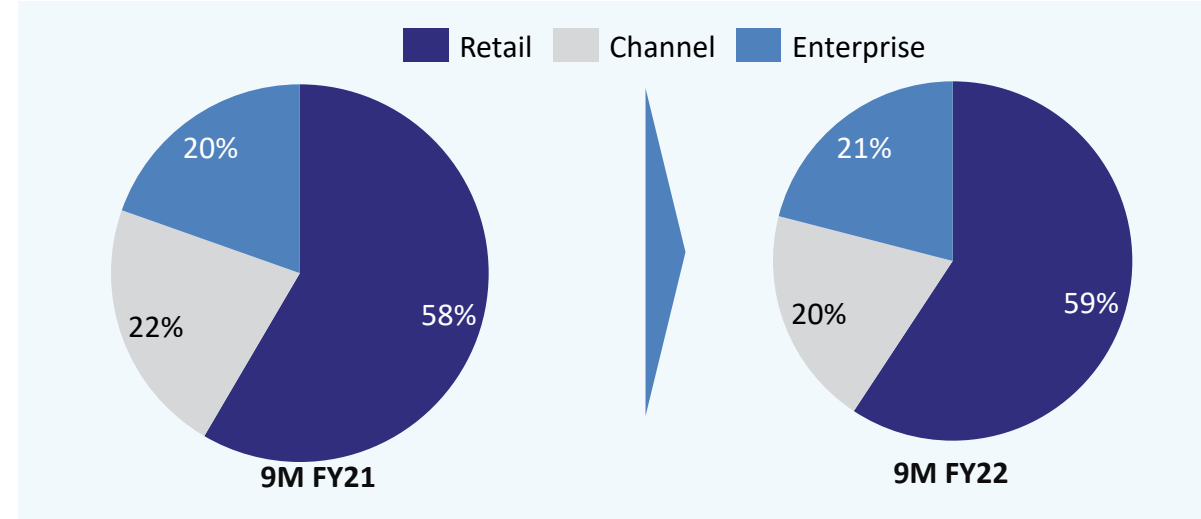
- Due to volatility in steel prices, inventory was procured at higher prices which resulted in lower EBITDA and PAT
- The company's focused approach helped to maintain working capital and cash flow position during the Q3&9MFY22

Revenue Break-Up 9MFY22

Revenue across Verticals (Rs. Crs)

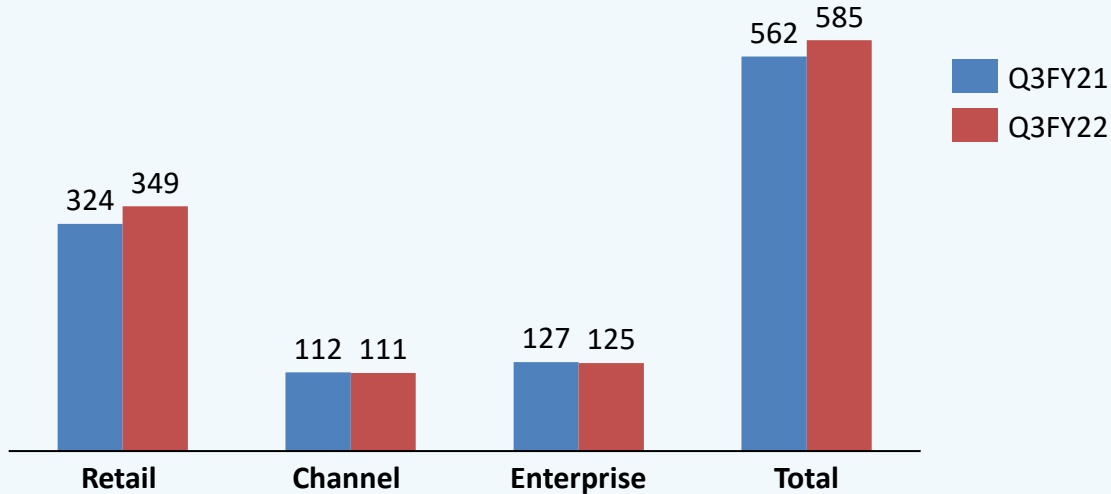


Revenue share across Verticals

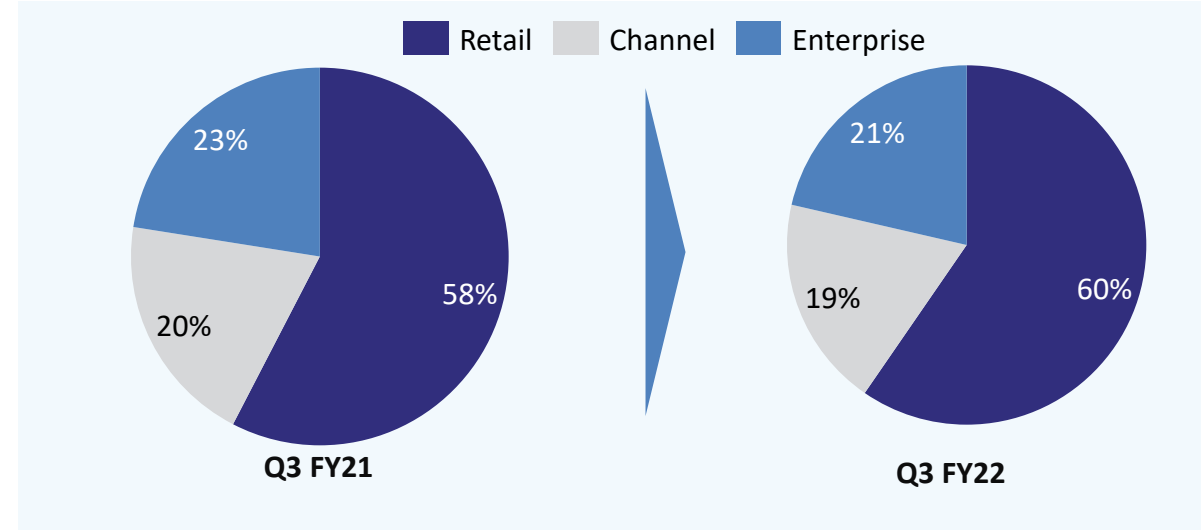


- ✓ Revenue for 9MFY22 at ~117% of last year sales
- ✓ **Retail Business Update:** As the lockdown restrictions were eased off, the Industry witnessed a surge in the end consumer demand, and witnessed good traction in this business
- ✓ **Channel business Update:** The channel segment showed resilience in 9MFY22
- ✓ **Enterprise business Update:** Overall manufacturing activity was stable and performed substantially better vis-à-vis 9M FY21

Revenue across Verticals (Rs. Crs)



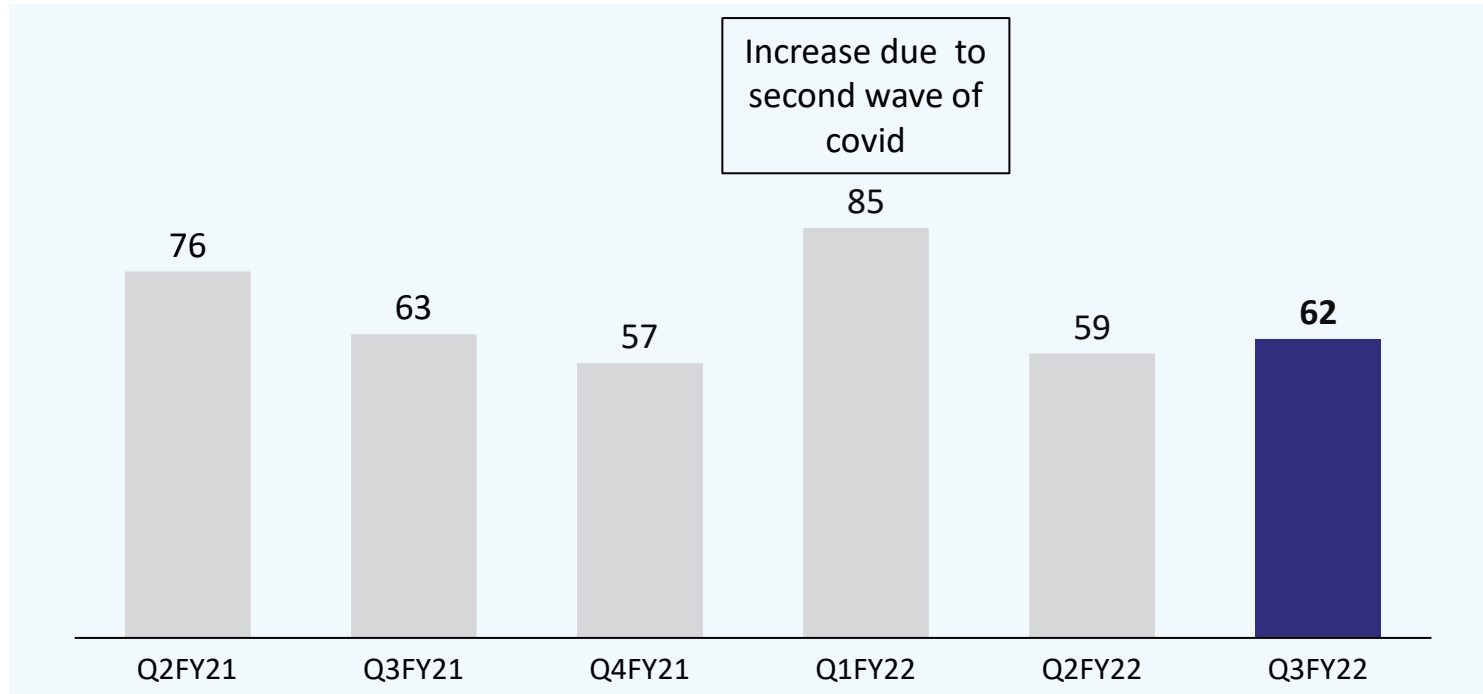
Revenue share across Verticals



- ✓ Revenue for Q3FY22 at ~104% of last year sales
- ✓ **Retail Business Update:** Our outlook for Retail business remains optimistic due to strong footfalls and significant growth despite lower store count
- ✓ **Channel business Update:** The channel business performed well and saw consistent performance during Q3FY22
- ✓ **Enterprise business Update:** We are optimistic on growth from this segment with strong demand across geographies

Working Capital Management

Net working capital days

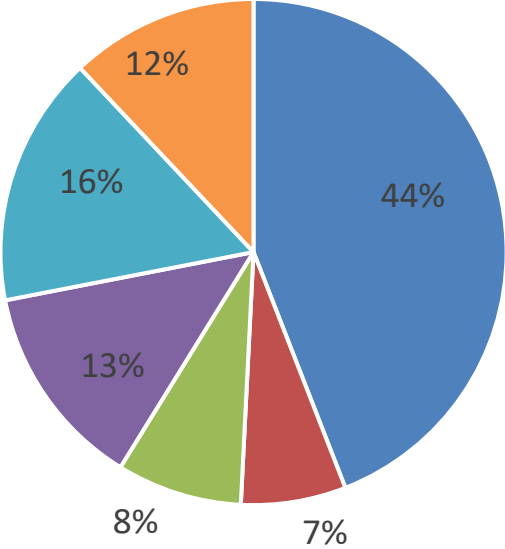


No. of Days	Q3FY22	Q3FY21
Debtor	45	45
Inventory	54	55
Creditor	(37)	(37)
Net	62	63

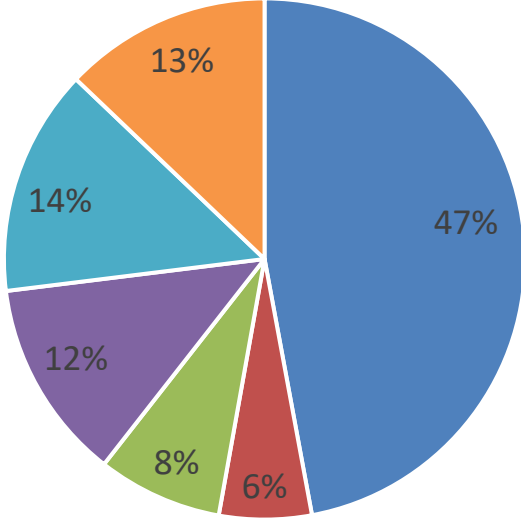
- Despite challenges concerning slump in construction activities due to excessive monsoon in various states of the country, where we have our operations, we were able to manage working capital on the back of consistent efforts

Revenue Break-up 9M FY22

9M FY21 Revenue mix across States



9M FY22 Revenue mix across States



- Karnataka
- Andhra Pradesh
- Telengana
- Kerala
- Tamil Nadu
- Other States

Operational Efficiencies

- No. of Retail Stores
- Total Area
- Average Store size
- Average Ticket size
- Revenue from retail stores
- Average rental cost per Sq. Ft. per month

	Q3FY22		Q3FY21
No. of Retail Stores	90	↓ -11%	101
Total Area	4,34,412	↓ -8%	4,71,264
Average Store size	Rs.4,827	↑ 3%	Rs.4,666
Average Ticket size	Rs. 37,138	↑ 6%	Rs. 34,942
Revenue from retail stores	348.5	↑ 8%	323.6
Average rental cost per Sq. Ft. per month	14	↓ -17%	17

Significant revenue growth despite lower store count

Same Store Sales Growth (YOY)			
Period	No of stores	Revenue (in Rs. Crs)	Growth*
Q3-22	90	348.2	17.2%
Q3-21	90	297.1	

*The growth is calculated on mature store outlets (Store count – 90)

Consolidated Income Statement

Particulars (Rs. in Crs)	Q3FY22*	Q3FY21	Q2FY22	9MFY22	9MY21
Revenue From Operations	585.0	562.1	605.7	1,636.2	1,396.1
Other Income	0.2	2.2	1.3	2.2	4.8
Raw Material	548.3	504.3	562.7	1,517.9	1,292.7
Employee Expenses	10.5	8.7	10.4	30.0	24.2
Other Expenses	11.1	13.0	11.8	33.8	34.7
EBITDA	15.3	38.4	22.2	56.6	49.2
EBITDA %	2.6%	6.8%	3.7%	3.5%	3.5%
Depreciation	4.2	5.7	4.3	13.0	19.1
Finance Cost	6.2	8.2	6.0	18.5	25.7
Profit before Tax	4.8	24.4	12	25.2	4.4
Tax	1.3	2.6	3	6.4	1.6
Profit After Tax	3.5	21.8	9.0	18.8	2.8

Note* Due to volatility in steel prices, inventory was procured at higher prices which resulted in lower EBITDA and PAT (Inventory loss in Q3FY22 Rs. 10 Crs)

For further information, please contact:

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