

**25**  
*years*

**Shankara**  
Building Products Ltd.



**Q3 FY21 Results**

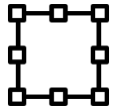
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# Leading Building Material Retailer



Retail Space

0.47  
mn sqft



Products

75+



SKUs

30,000+



States/UT

9 / 1

Mysore, Karnataka



Thiruvalla, Kerala



Nellore, Andhra Pradesh



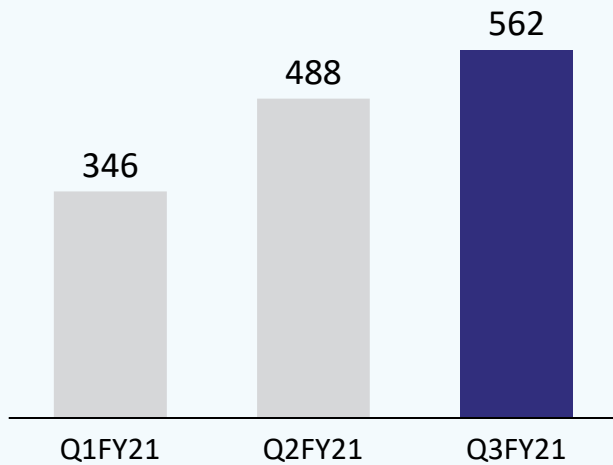
Chennai, Tamil Nadu



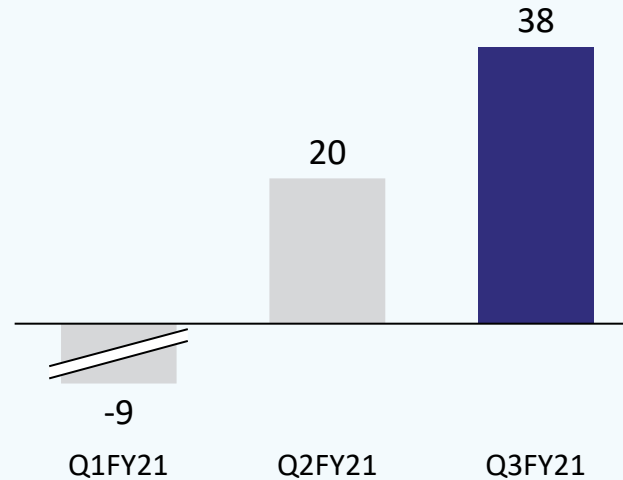
# Strong recovery in Q3 FY21

In Rs. Crs

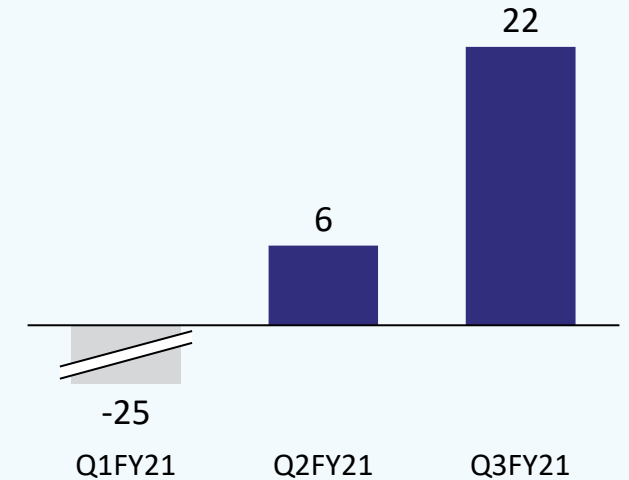
## Revenue



## EBITDA



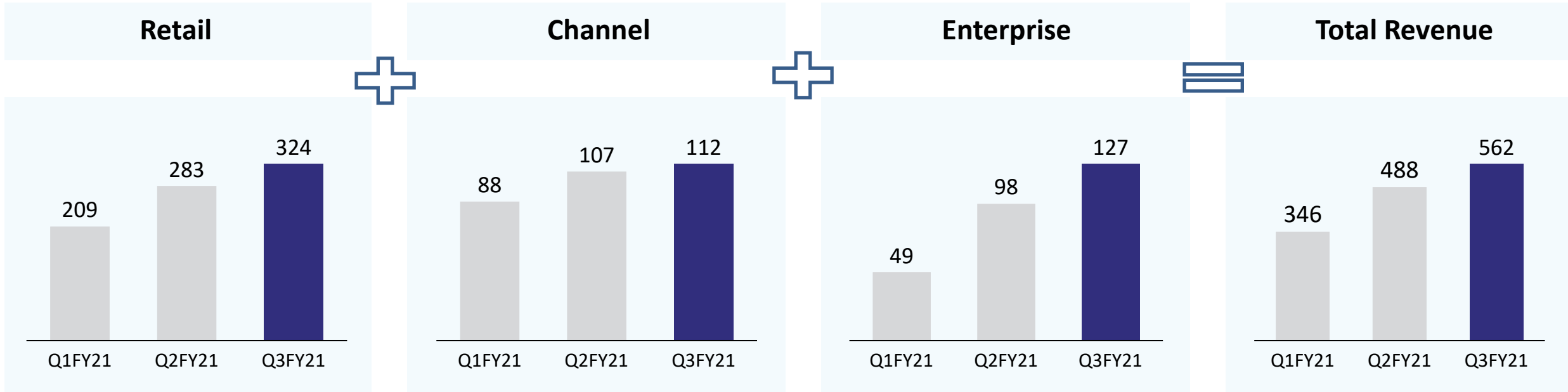
## PAT\*



- ✓ Gradual opening up of the economy led to sequential improvement in overall demand across product categories
- ✓ Bumper Real Estate sales during the festive season led to additional demand creation in the market
- ✓ Tier 2 and 3 demand continued momentum

# Pickup across all segments

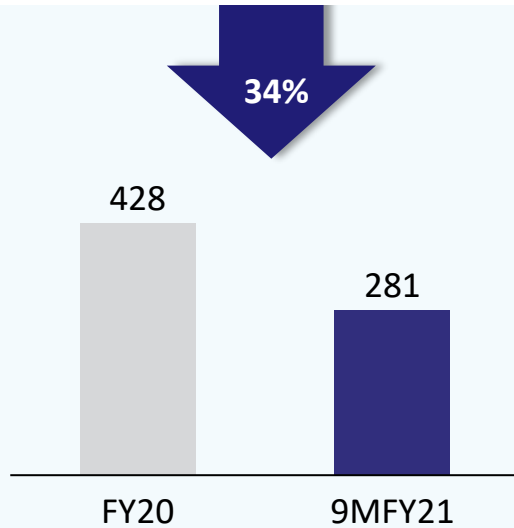
In Rs. Crs



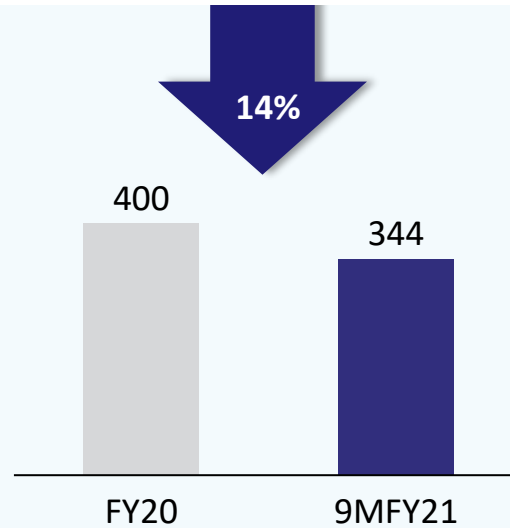
- ✓ Retail housing demand witnessed gradual pickup
- ✓ Budget housing segment showing signs of recovery
- ✓ Housing finance rates have come down and banks are encouraging home loans
- ✓ Good monsoon augurs well for rural demand

# Strong Focus on Balance Sheet

## Debtors (Rs. Crs)



## Inventory (Rs. Crs)



Net working capital days

**Q3 FY21: 62 days**

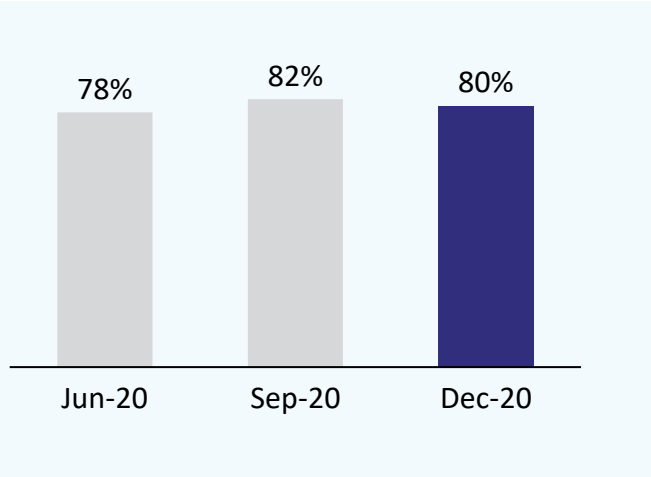
9M FY21 Operating cash flow  
stood strong at

**Rs. 101 Crs**

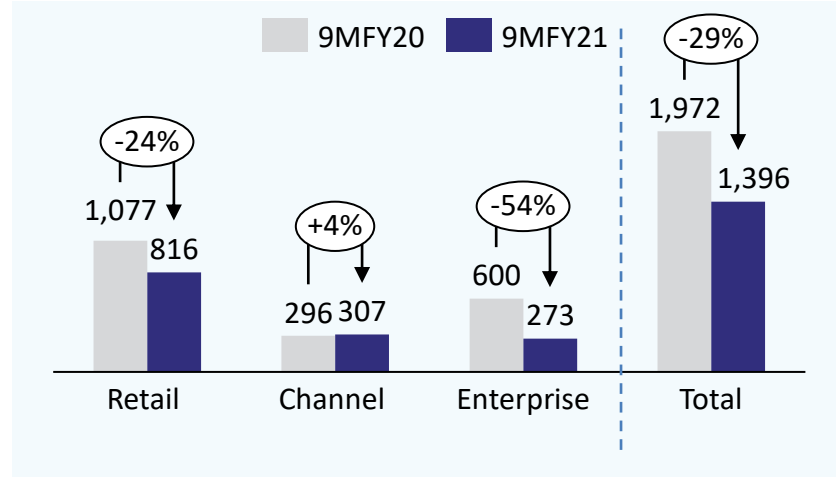


- ✓ With our continuous focus on balance sheet, we have been able to reduce Debtors by ~Rs. 147 Crs and Inventory by ~Rs. 56 crs as compared to March 2020
- ✓ Net debt + acceptances stands at Rs. 290 crores as on end of December 2020

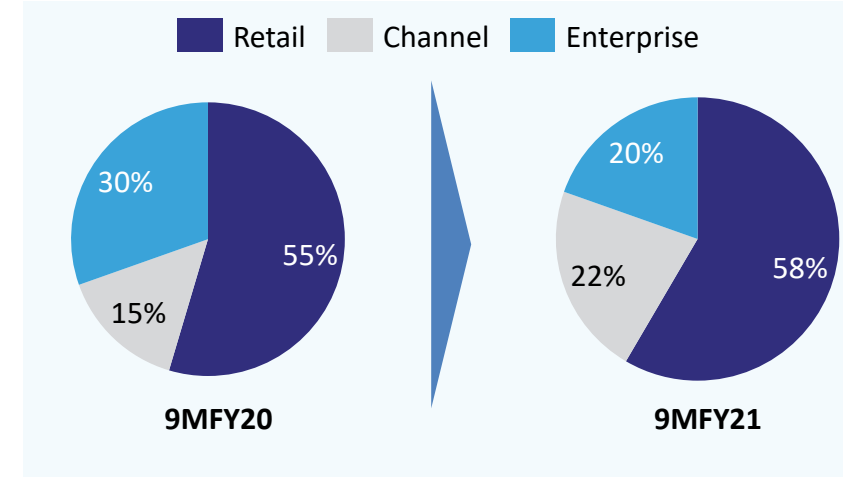
## Revenue as a % of last year sales\*



## Revenue across Verticals (Rs. Crs)



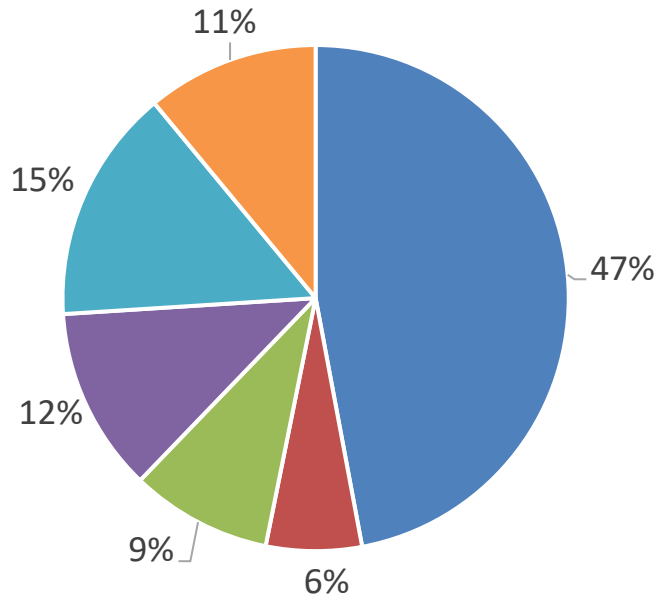
## Revenue share across Verticals



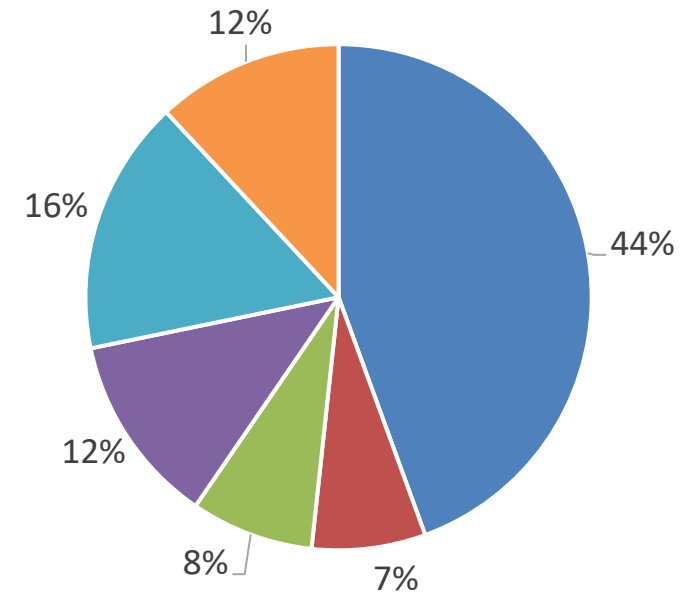
- ✓ Revenue for the quarter at ~80% of last year sales
- ✓ Tier 2 and 3 demand continued momentum
- ✓ Auto and end customer segment witnessed demand acceleration
- ✓ Channel segment showed resilience

# Revenue Break up 9MFY21

**9MFY20**  
Revenue mix across States



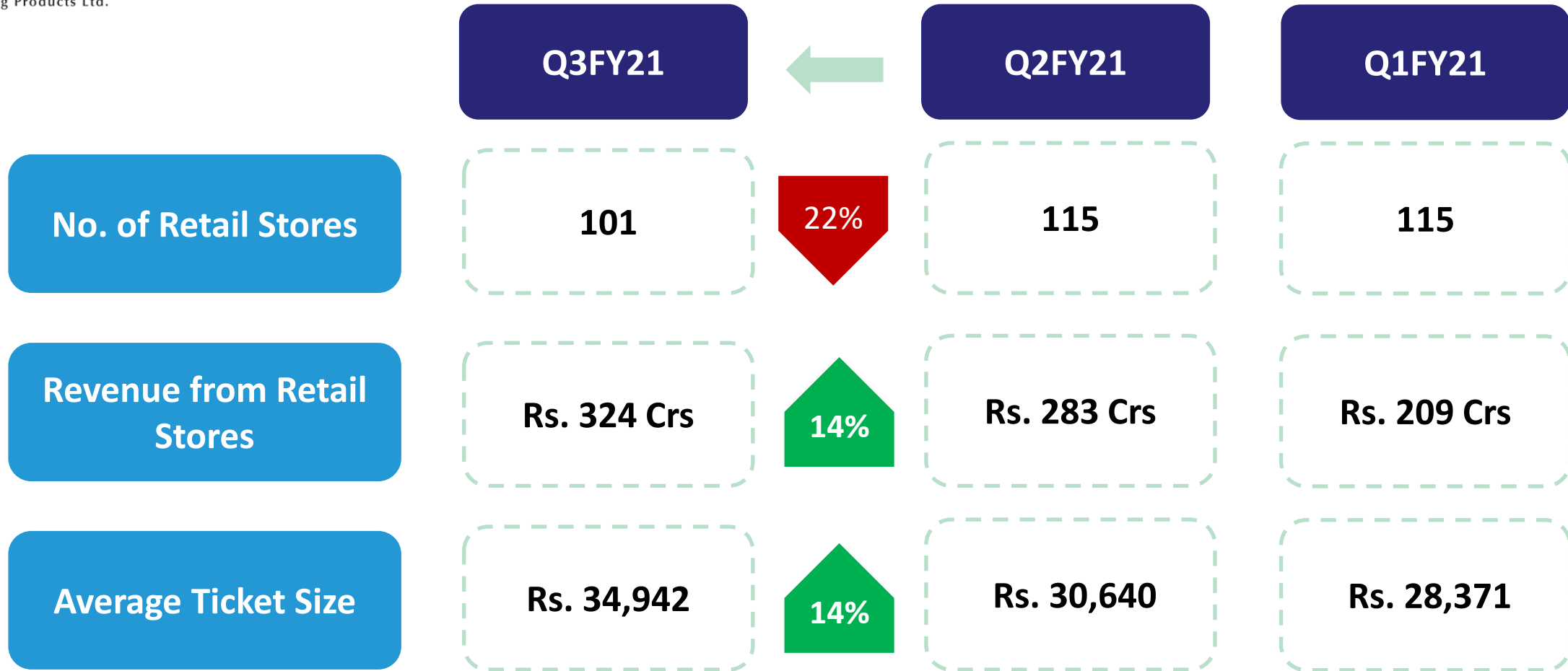
**9MFY21**  
Revenue mix across States



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



# Operational Efficiencies



Revenue from retail stores sequentially improved with gradual pickup in the demand. However, the revenue increase was despite lower store count

# Key Highlights – Retail Business

Particulars	Units	Q3FY21	Q3FY20
No of retail stores	Nos.	<b>101</b>	<b>123</b>
Total Area	Sq. Ft	<b>471,264</b>	<b>536,678</b>
Average Store size	Sq. Ft	<b>4,666</b>	<b>4,363</b>
Average Ticket size	Rs.	<b>34,942</b>	<b>28,676</b>
Revenue from retail stores	Rs. in Crs	<b>324</b>	<b>370</b>
Average rental cost per Sq. Ft. per month	Rs.	<b>16.65</b>	<b>20.59</b>

***Significant savings in rental costs achieved***

# Q3 FY21 Income Statement

Particulars (Rs. in Crs)	Q1FY21	Q2FY21	Q3FY21	Q3FY20	YoY
<b>Total Income</b>	<b>346.1</b>	<b>487.9</b>	<b>562.1</b>	<b>700.1</b>	<b>-20%</b>
Other Income	1.0	1.6	2.2	1.1	
Raw Material	340.0	448.5	504.3	638.5	
Employee Expenses	7.3	8.3	8.7	14.1	
Other Expenses	9.2	12.5	13.0	15.4	
<b>EBITDA</b>	<b>(9.3)</b>	<b>20.1</b>	<b>38.4</b>	<b>33.2</b>	<b>16%</b>
<b>EBITDA %</b>	<b>-2.7%</b>	<b>4.1%</b>	<b>6.8%</b>	<b>4.7%</b>	<b>209 bps</b>
Depreciation	6.7	6.65	5.7	6.6	
Finance Cost	9.5	8.04	8.2	10.3	
<b>Profit before Tax</b>	<b>(25.5)</b>	<b>5.42</b>	<b>24.4</b>	<b>16.3</b>	<b>50%</b>
Tax	(0.2)	(0.83)	2.6	3.3	
<b>Profit After Tax</b>	<b>(25.3)</b>	<b>6.25</b>	<b>21.8</b>	<b>11.5*</b>	<b>89%</b>
<b>Profit After Tax (%)</b>	<b>-7.3%</b>	<b>1.3%</b>	<b>3.9%</b>	<b>1.9%</b>	<b>223 bps</b>

*EBITDA margins better than last year levels*

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