

Shankara Building Products registers resilient performance
Strong growth in steel volumes (+25% YoY) & non-steel revenue (+35% YoY) in H1
On track to open 10 new fulfillment centers in current fiscal

Bengaluru, India, November 4, 2024: Shankara Building Products Limited, a leading omnichannel marketplace of home improvement and building products, announced its financial results for the quarter ended September 30, 2024.

Financial Snapshot

Particulars (Rs. Crore)	H1FY25	H1FY24	Change YoY	Q2FY25	Q2FY24	Change YoY
Revenue from Operations	2,620	2,275	15%	1,329	1,142	16%
EBITDA	79	71	11%	38	36	4%
EBITDA Margin %	3.0%	3.1%	(10 bps)	2.8%	3.2%	(35 bps)
PAT	31	35	(12%)	15	18	(16%)
PAT Margin %	1.2%	1.6%	(37 bps)	1.1%	1.6%	(45 bps)
Basic EPS	12.9	15.5	(17%)	6.27	7.97	(21%)

Financial Highlights

- Resilient performance, despite a tough macro environment
 - Revenue momentum continues - topline at Rs. 2,620, +15% YoY in H1
 - Stronghold in steel business – being India’s largest Steel Tube marketplace.
 - Steel volume growth at +25% YoY in H1
 - Non-steel revenue growth at +35% YoY in H1
- EBITDA +11% YoY during H1 to Rs. 79 crores, despite softening of steel prices; margin at 3.01%
- Finance cost reduced sequentially in Q2, with reduction in borrowings (~100 Cr in Q2FY25)
- PAT stood at Rs. 31 crores in H1 – to improve with further reduction in finance cost by end-FY25
- Superior RoCE of ~28% generated by marketplace business; consolidated RoCE at 16%
- Working capital days continues to be around 30 days

Operational Highlights

- Company on track to open 10 new fulfillment centers in FY25 (4 already opened in H1)
- Inaugurated 18,000 Sq. ft. experience center in Morbi for Fotia in Sep-24 ([link](#)) - set up as strategic hub for expanding footprint pan India & also for tile exports in the coming years
- West and Central regions grew in excess of 50% YoY, contributing 18% of overall revenues in H1
- Company has received approval from SEBI for demerger - NCLT proceedings under way

Commenting on the performance, Mr. Sukumar Srinivas, Managing Director, Shankara Building Products Ltd, said:

"I am glad to announce another quarter of resilient performance. Despite macro slowdown in demand & softened steel prices, our steel volumes grew by 25%, while our non-steel revenue were up 35% in H1. This consistent growth is a testament to Shankara being India's largest marketplace for steel tubes, sanitary ware & fittings, strong distribution tie-ups & consistent endeavor in expanding our steel as well as non-steel portfolio. With strong footprint in South, we are now aggressively expanding in Western & Central region. We are also excited to have inaugurated our experience centre for Fotia in Morbi, Gujarat, offering an extensive collection of innovative tile designs and sizes. This would serve as a strategic hub and aid us in our journey to expanding our footprint pan India. Our plans to demerge our building materials marketplace continues to be on track, with NCLT proceedings underway. This move shall streamline our business structure and facilitate a focused capital allocation strategy."

Earnings Conference Call

Tuesday, November 5, 2024 at 11:00 am IST

There will be an Earnings conference call at 11:00 am (IST) on Tuesday, November 5, 2024, during which the management will discuss the performance and answer questions from the participants. A transcript of the conference call will be available at stock exchanges and company's website.

Date and Time	Tuesday, November 5, 2024 at 11:00 am IST
Conference Call Details	
Diamond Pass Link	Link here
Universal Access Numbers	+91 22 6280 1116 +91 22 7115 8017

About Shankara Building Products Limited

Founded in 1995 and headquartered in Bangalore, Shankara Building Products Ltd is a leading omnichannel marketplace of home improvement and building products in India, operating under the brand name 'Shankara BuildPro'. The Company has a network of around 120+ fulfillment centers (including 90+ retail stores) spread across Karnataka, Kerala, Andhra Pradesh, Telangana, Tamil Nadu, Maharashtra, Gujarat, Orissa, Madhya Pradesh, Puducherry and Goa. The Company sells over 1,00,000+ SKUs across the entire home construction and renovation lifecycle through retail stores and online website ([BuildPro Store](#)). In addition to retail, it caters to the requirements of large end-users, contractors and OEMs, and dealers and other retailers through its branch network.

Disclaimer

This communication, except for the historical information, may contain statements that reflect the Management's current views and estimates and could be construed as forward-looking statements. The future involves certain risks and uncertainties that could cause actual results to differ materially from the current views being expressed.

Shankara Building Products Limited (BSE: 540425, NSE: SHANKARA)

For further information on the company, please visit

<https://www.shankarabuildpro.com/>

Contact Information:

Investor Relations Team
ir@shankarabuildpro.com

Corporate Office:

No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru - 560100

CIN: L26922KA1995PLC018990