



Date: 3rd February, 2025

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- Q3FY25 Results

Dear Sir/Madam,

Please find enclosed Investor's Presentation for Q3FY25 Results 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**

Digitally signed by ereena vikram
DN: cn=ereena vikram c=IN o=Personal
Date: 2025-02-03 16:12+05:30

Ereena Vikram
Company Secretary & Compliance Officer

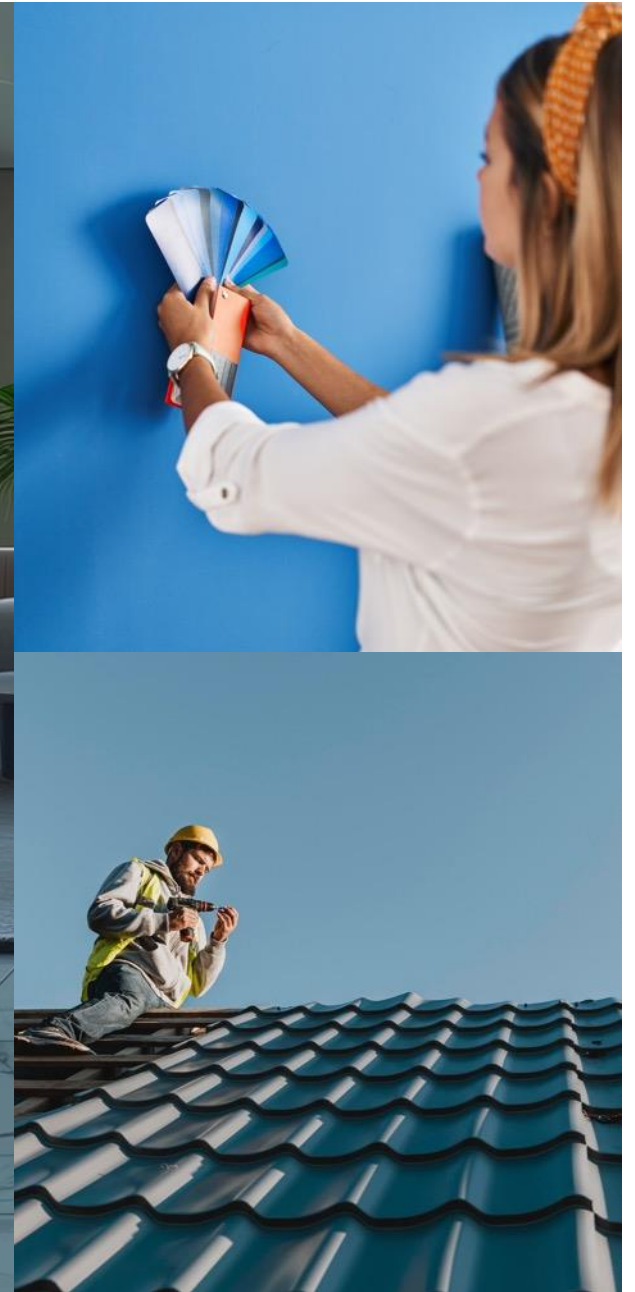
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SHANKARA BUILDING PRODUCTS LIMITED

Q3FY25
INVESTOR PRESENTATION

NSE: SHANKARA
BSE: 540425
BLOOMBERG: SHANKARA:IN



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Q3 & 9MFY25 RESULTS

03-12



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STRATEGIC DIRECTION

20-23

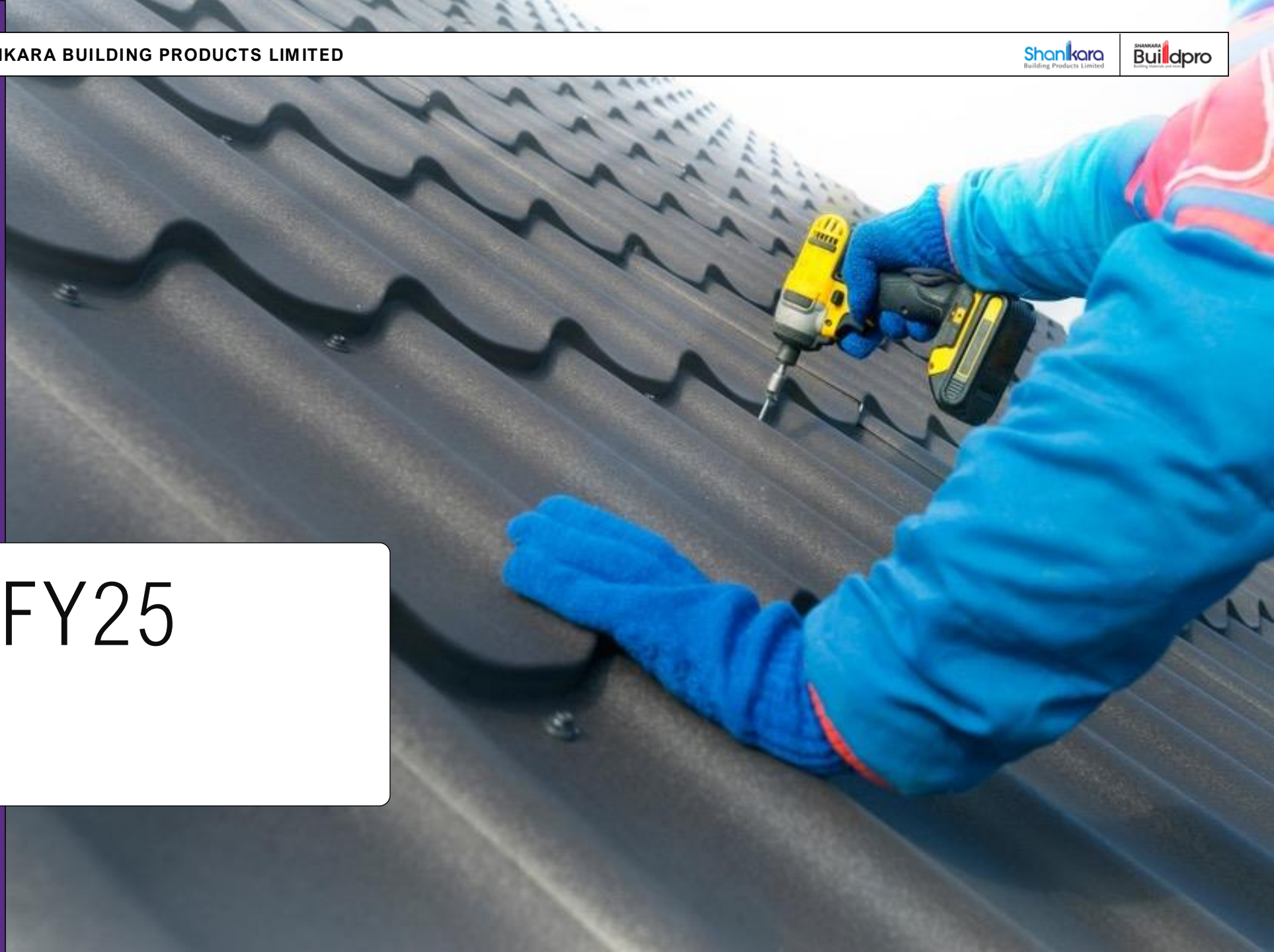


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Q3 & 9MFY25 RESULTS

04-12



Q3 & 9M AT A GLANCE

OPERATIONAL HIGHLIGHTS

2.15 Lakh Tonne

HIGHEST QUARTERLY VOLUMES – STEEL

37%

Q3 VOLUME GROWTH (YOY) - STEEL

27%

9M VOLUME GROWTH (YOY) - STEEL

₹1,284 Crore

HIGHEST QUARTERLY SALES – STEEL

22%

Q3 REVENUE GROWTH (YOY) – STEEL

16%

9M REVENUE GROWTH (YOY) – STEEL

₹154 Crore

HIGHEST QUARTERLY SALES – NON-STEEL

19%

Q3 REVENUE GROWTH (YOY) – NON-STEEL

29%

9M REVENUE GROWTH (YOY) – NON-STEEL

FINANCIAL HIGHLIGHTS

22%

Q3 TOPLINE GROWTH (YOY)

18%

9M TOPLINE GROWTH (YOY)

2.84%

Q3 EBITDA MARGIN

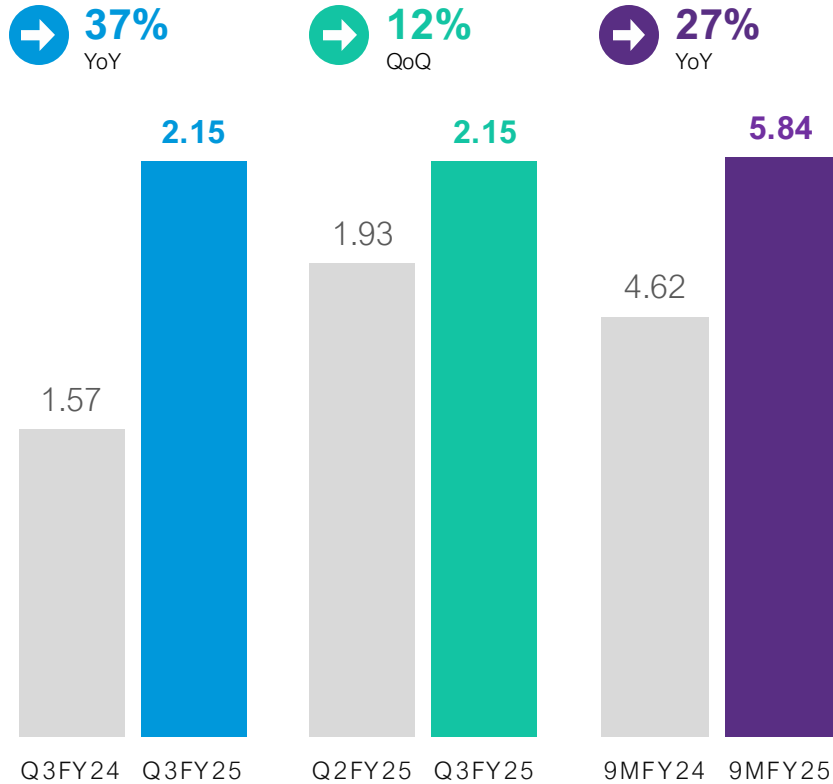
2.95%

9M EBITDA MARGIN

VOLUME THRUST CONTINUES IN STEEL MARKETPLACE

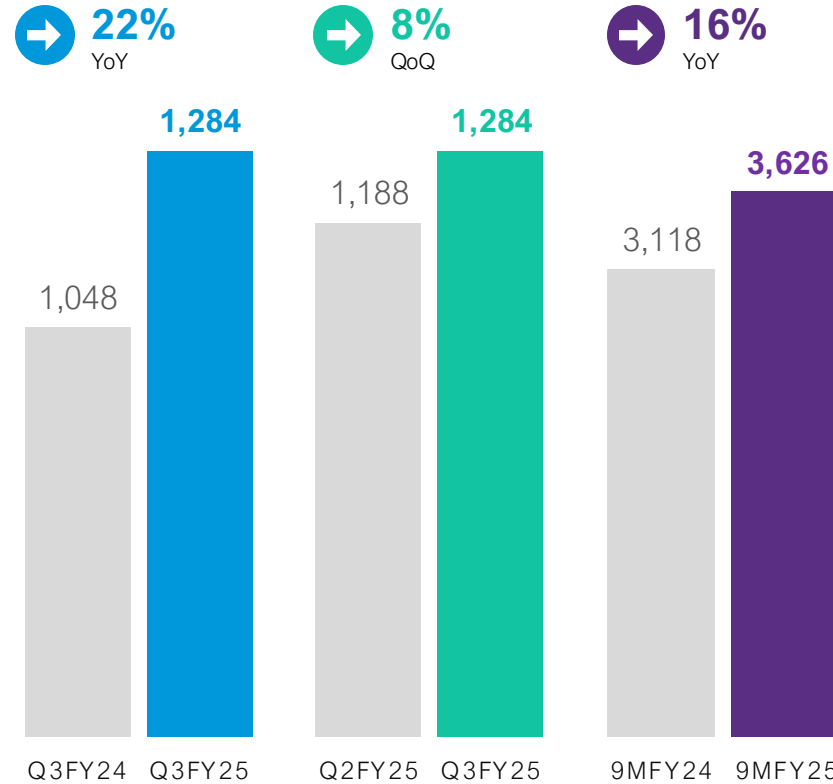
Volumes - Steel

(IN LAKH TONNE)



Revenue - Steel

(IN ₹ CRORE)



Continuing to deliver robust volume growth in Q3 & 9M

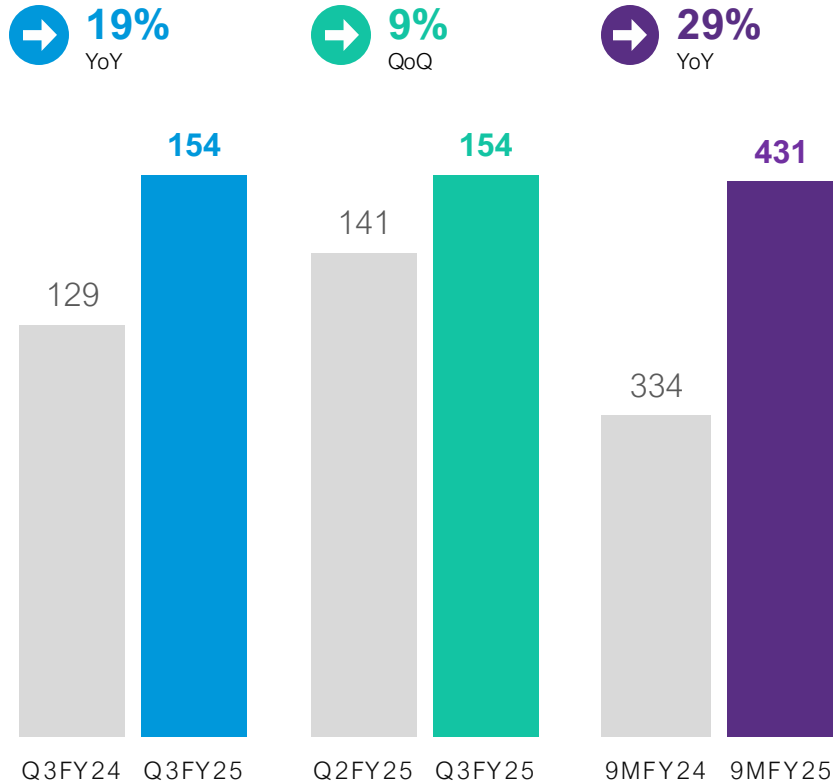
Q3 & 9M revenue growth partially offset by drop in realizations in Q2 & Q3

Steel Volume target of 0.8 MT for FY25

GROWING RUN RATE IN NON-STEEL MARKETPLACE

Revenue – Non-Steel

(IN ₹ CRORE)



Delivered robust revenue growth in Q3 & 9M

Growth despite tepid building materials & macro environment

Leading sub-categories: Plumbing, Fittings & Sanitaryware and Tiles continue to do well

Emerging categories such as Electrical, Lighting & Paints doing well



QUARTERLY **UPDATES**

STRATEGIC UPDATES

On-track to achieve
0.8 million tonnes
steel volume in FY25

Aiming **1.0 million tonnes** steel volume in FY26

2 quarters of back-to-back reduction in finance cost

Good growth in steel categories such as:

- Pipes & Tubes
- Flats

Good growth in non-steel categories such as:

- CP & Sanitaryware
- Tiles
- PVC Pipes & Fittings

Good growth rate coming in from
Non-Retail channel in West & Central India

Continuing growth in **Retail & Non-Retail across South-India**

Launched Quartz sinks in Fotia brand

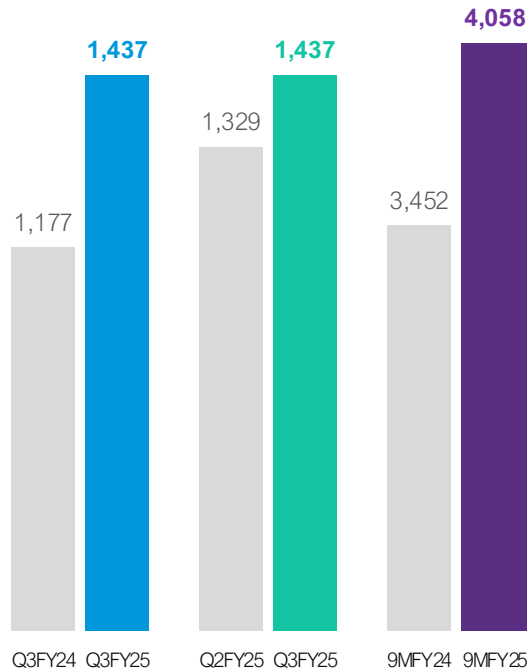
Expanding footprint of Fotia to cover all southern states

Distribution of JSW & AM/NS portfolio for Karnataka & beyond

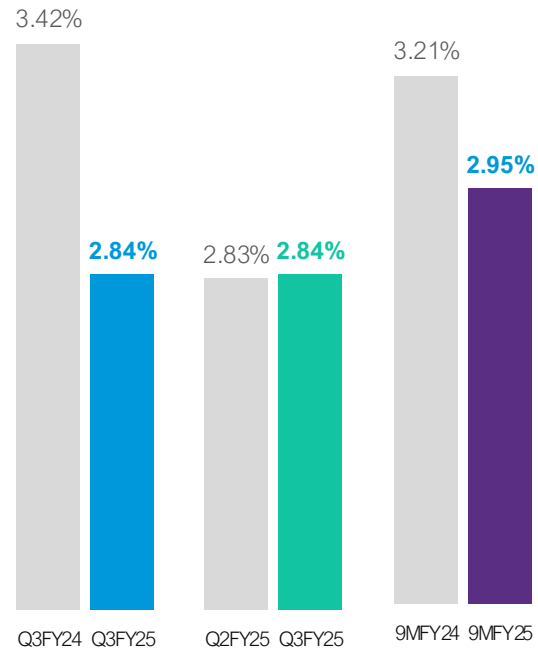
Strengthening strategic partnerships with our key suppliers

Q3 & 9M PERFORMANCE

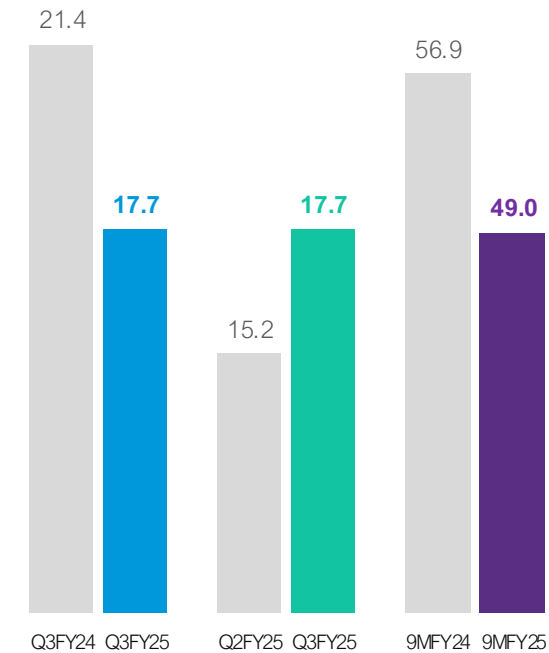
Revenue (IN ₹ CRORE)



EBITDA (IN %)



PAT (IN ₹ CRORE)



Revenue growth partially offset by drop in steel prices

EBITDA margins impacted by inventory losses on account of drop in steel realizations

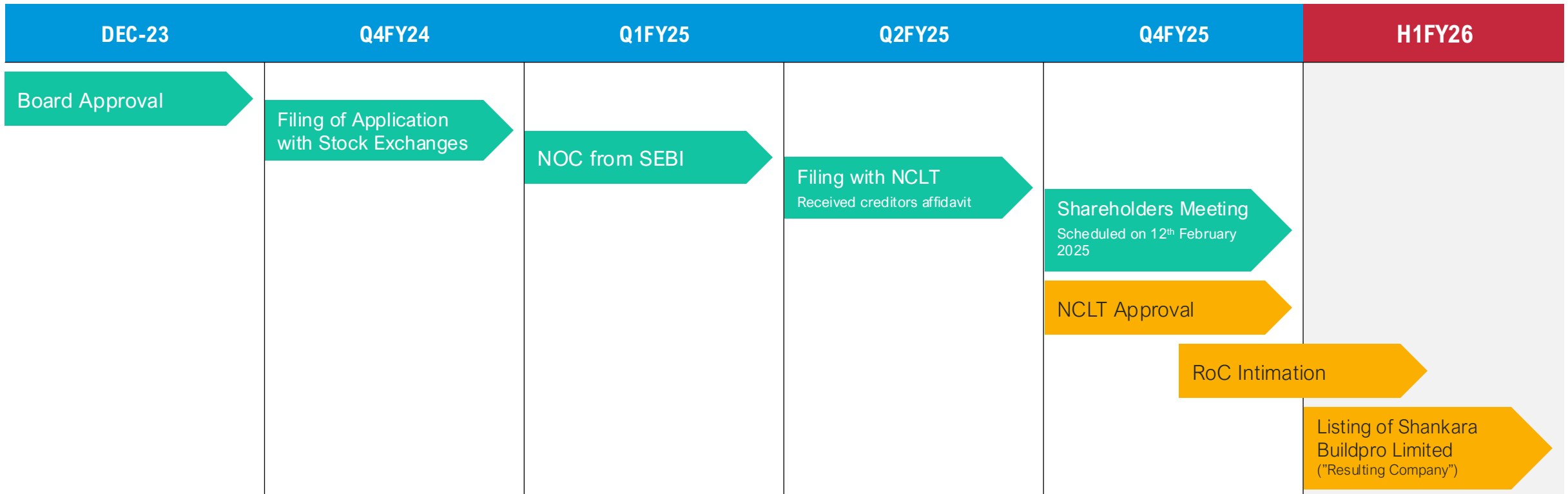
CONSOLIDATED P&L STATEMENT

PARTICULARS (₹ CRORE)	Q3 FY24	Q2 FY25	Q3 FY25	CHANGE YOY	9M FY24	9M FY25	CHANGE YOY
Revenue from Operations	1,177	1,329	1,437	22%	3,452	4,058	18%
Other Income	2	1	1	(65%)	3	2	(24%)
Cost of Materials Consumed	1,108	1,256	1,360	23%	3,254	3,832	18%
Employee Expenses	14	16	16	14%	41	47	16%
Other Expenses	17	21	20	23%	49	61	22%
EBITDA	40	38	41	2%	111	120	8%
EBITDA Margin %	3.42%	2.83%	2.84%	(58 bps)	3.21%	2.95%	(26 bps)
Depreciation	4	4	4	3%	12	13	5%
Finance Cost	8	13	12	54%	23	41	76%
Profit before Tax	28	20	25	(13%)	76	66	(12%)
Tax	7	5	7	(1%)	19	18	(8%)
Profit after Tax	21	15	18	(17%)	57	49	(14%)
PAT Margin %	1.82%	1.14%	1.23%	(59 bps)	1.65%	1.21%	(44 bps)
Basic EPS (in ₹)	9.06	6.26	7.30	(17%)	24.62	20.18	(17%)

Note – All figures have been rounded-off

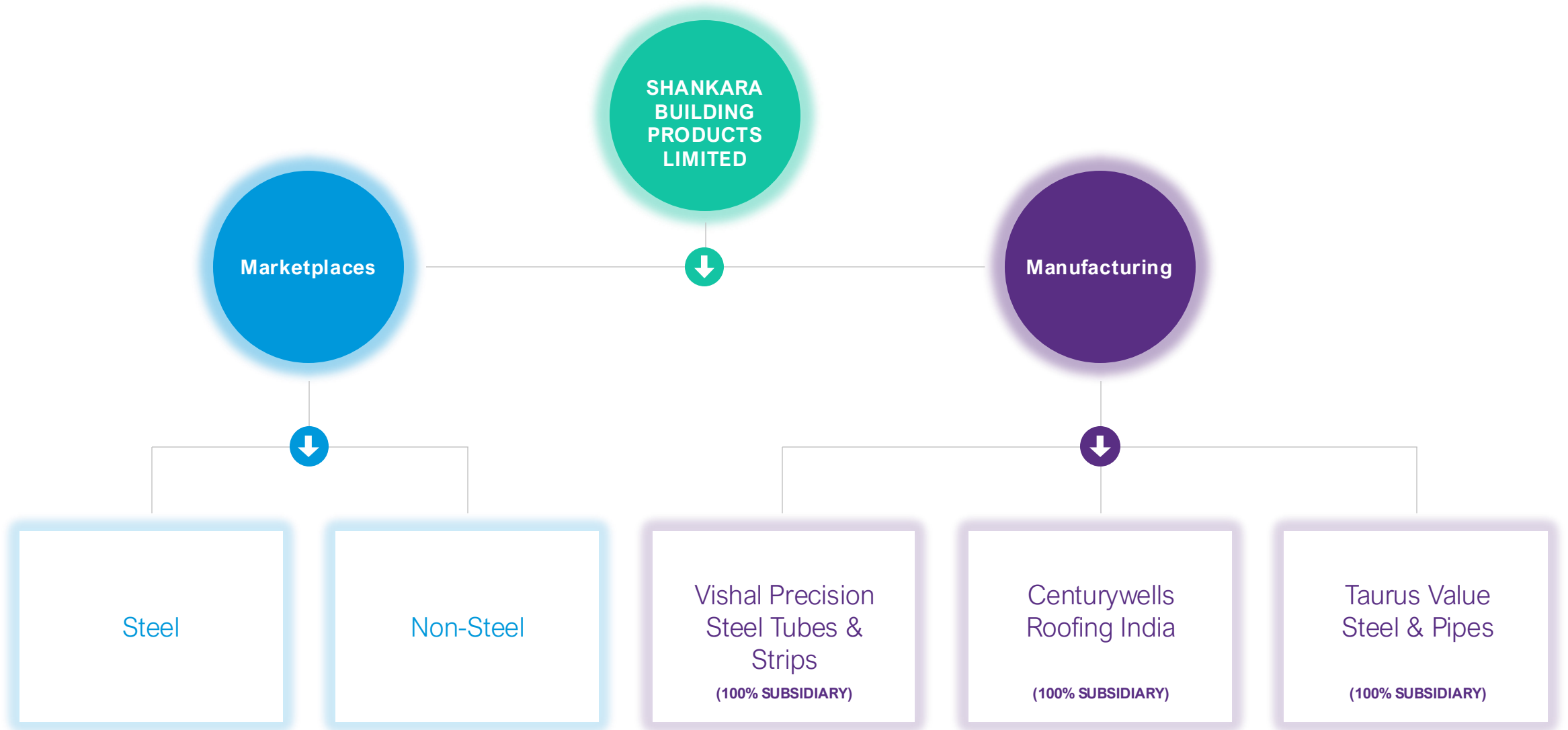
DEMERGER IMPLEMENTATION TIMELINE

Demerger Implementation Schedule



Appointed date for the scheme implementation is April 1, 2024

CURRENT CORPORATE STRUCTURE



POST-DEMERGER **CORPORATE STRUCTURE**

Already Listed



Entire manufacturing operations:

- Colour-coated roofing products
- Tubes & cold rolled strip

ALL EXISTING SUBSIDIARIES TO BE RETAINED IN SBPL

- Capital Employed (9MFY25): **~₹485 Cr**
- Revenue (9MFY25): **₹1,036 Cr**
- EBITDA (9MFY25): **₹16 Cr**
- RoCE: **~3%**

To pursue operational re-structuring & improve margins with a dedicated team

To Be Listed



Entire marketplace business:

- Retail & Non-Retail
- Steel & Non-Steel

SIMPLIFIED CORPORATE STRUCTURE FOR SBL

- Capital Employed (9MFY25): **~₹449 Cr**
- Revenue (9MFY25): **₹3,707 Cr**
- EBITDA (9MFY25): **₹104 Cr**
- RoCE: **~29%**

Continue to deliver growth in marketplace business:

- Pursue 20-25% volume growth in steel product segment
- Pursue 25-30% revenue growth in non-steel product segments

Objectives of Demerger

1.

Two distinct entities as per the nature of operations & capital-intensity

2.

Create a dedicated building materials marketplace business with a leaner balance sheet & healthy RoCE



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COMPANY OVERVIEW

14-19



SHANKARA AT A GLANCE

126

92 OPERATIONAL
STORES & 34
FULFILMENT CENTER

4.7+

LAKH SQ.FT. OF RETAIL
SPACE

India's leading
**building
materials
marketplace**

**One stop-
solution** for all
building materials



**Demerging
marketplaces**
business to
unlock value

24%

3Y* VOLUME CAGR
in core steel product
segment

Building
**margin-assertive
non-steel
business**

52%

3Y* REVENUE CAGR
in supplementing non-steel
product segment

SHANKARA FOOTPRINT



Strategy

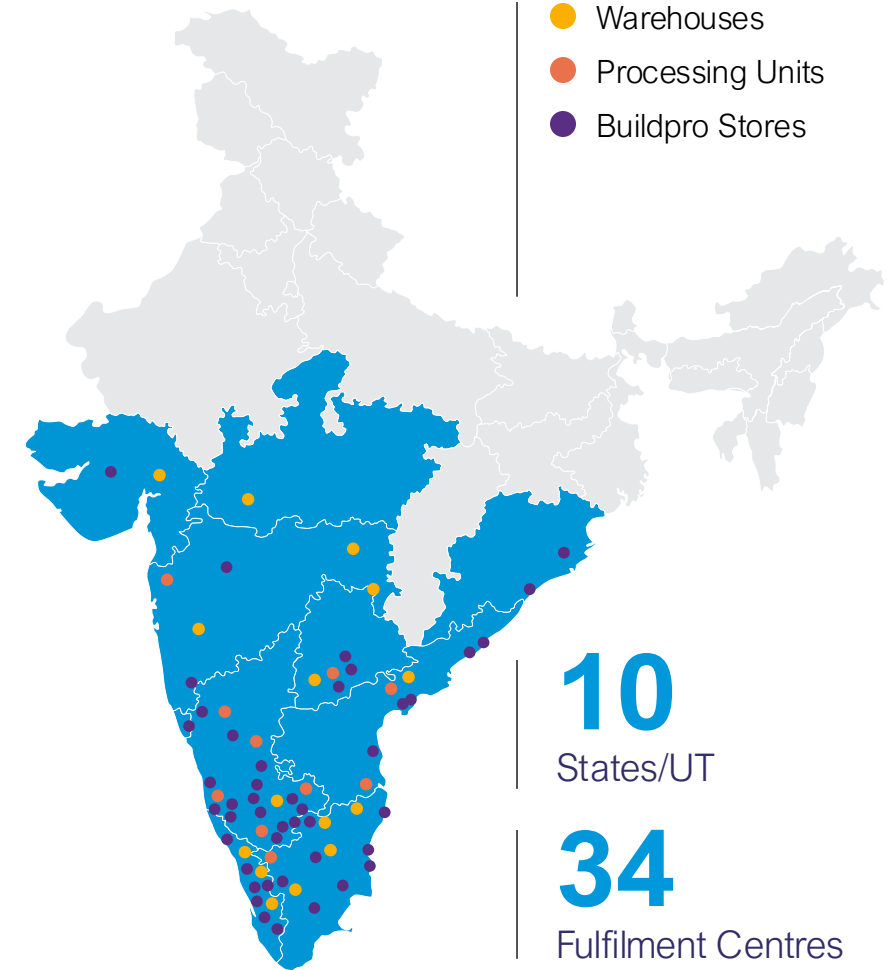
South-India stronghold: Karnataka, Tamil Nadu, Kerala, Telangana, Andhra Pradesh, Pondicherry & Goa

New markets: Maharashtra, Madhya Pradesh, Gujarat

Important supply-chain infrastructure in each micro-market: Fulfilment Centres & Warehouses

Cluster-based distribution approach

Prioritizing quick order fulfilment



- Warehouses
- Processing Units
- Buildpro Stores

10
States/UT

34
Fulfilment Centres

92
Stores

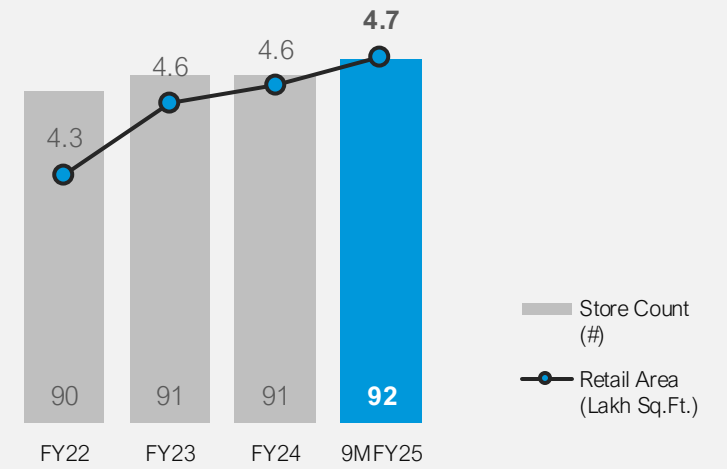
45
Cities

Note: Map only for illustration purpose, not to scale

KEY STORES



STORE FOOTPRINT



- Prioritizing stores in potential areas over increasing cumulative store count
- Gradual addition in net store-count
- In the past 2 years, 10 unprofitable stores have been replaced with newer ones in different locations
- **Concentrating on improving SSSG (15% SSSG in 9MFY25)**
- Transitioning potential existing steel stores to hybrid stores
- Dedicated non-steel stores as needed

DIVERSIFIED PRODUCT PROFILE

Steel

Pipes & Tubes



ERW Pipes



HR/MS Tubes



Galvanized Steel Pipes

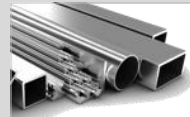


Hollow Structural Sections



Mechanical Tubing

Long



MS Angle



MS Square Rod



MS Round Rod



Long S



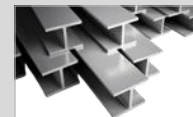
MS Channel



MS Angle



MS Beams



MS Beams & NPB

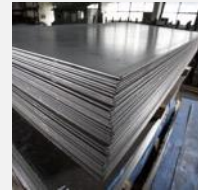


Long MS Channel Steel Tube

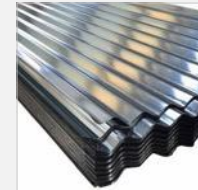


Long MS Round Rod

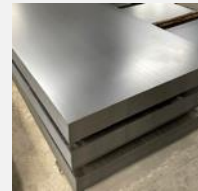
Flat



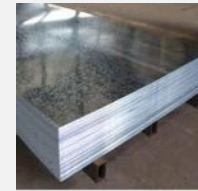
MS Sheet



GC Sheet



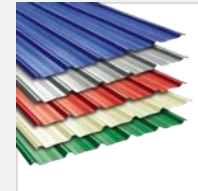
CR Sheet



GP Sheet



HRPO Sheet



PPGI & PPGL Sheet

1 Lakh+ SKU's across 75 product categories

Non-Steel



CP & Sanitaryware



Tiles & Surfaces



PVC Pipes & Fittings



Electrical & Lightings



Kitchen, Doors & Hardware



Plumbing



Interior & Exterior Finishes



Construction Materials

KEY SUPPLIER PARTNERSHIPS

Steel

Plumbing & Fittings

Tiles & Surfaces

<h3>Paints, Chemicals, and Adhesives</h3>	

Lighting & Electricals

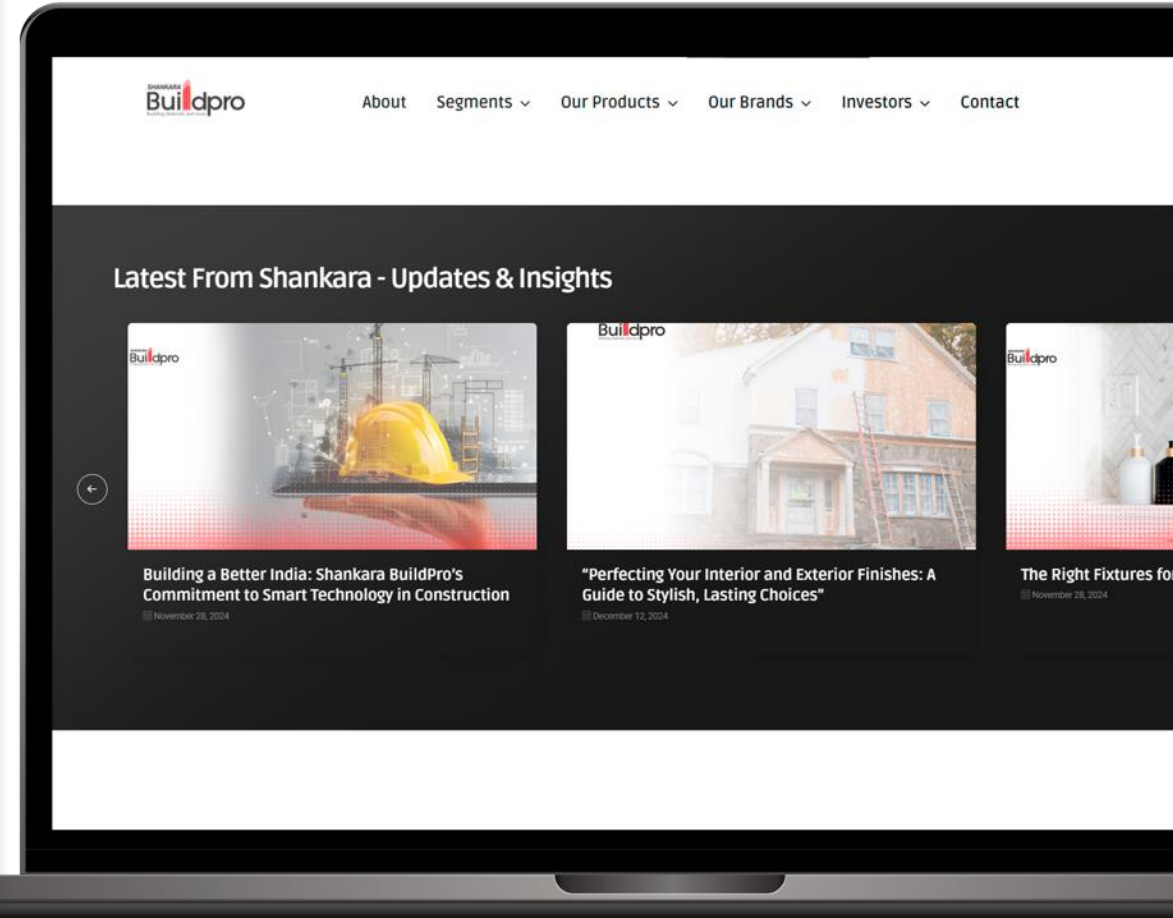
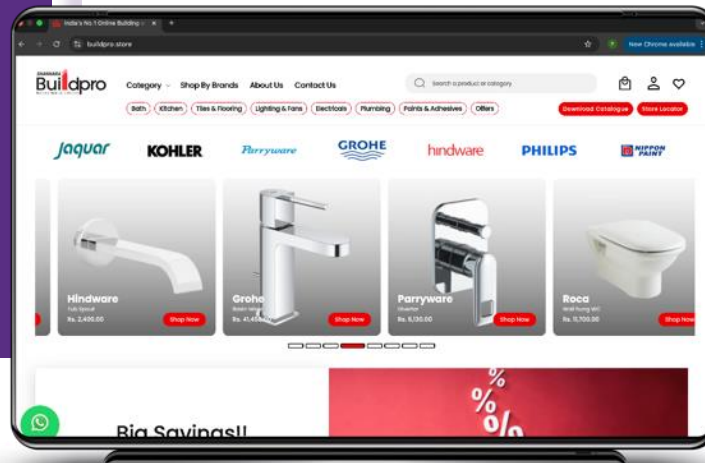
100+
Brands

BUILDPRO.STORE

Shankara's online e-com presence offering thrust to offline channels

Objective to touch-base with customers across different channels and ultimately drive store footfalls

Buildpro.store enabling online discovery and purchase, a true online store



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STRATEGIC DIRECTION

21-23



EVOLVING REVENUE MIX

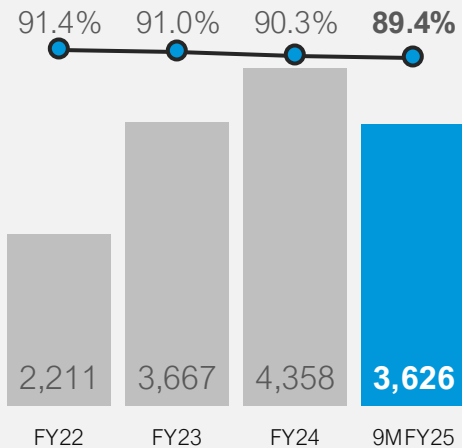
Product Categories: Steel & Non-Steel

- Consistent volume driven growth in steel business
- Growth in YTD-FY25 partially offset by lower steel realizations, volume growth intact

- Building non-steel marketplace business from scratch, with higher growth CAGR
- Better margin profile in non-steel portfolio over steel portfolio

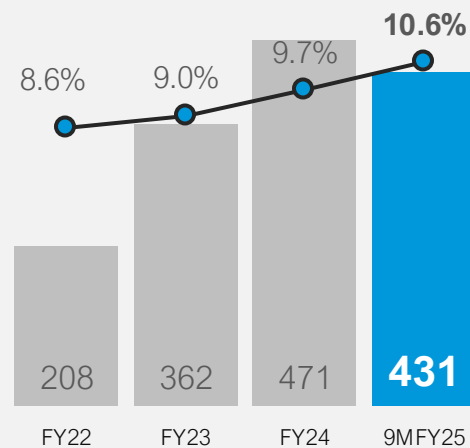
Steel Turnover

(IN ₹ CRORE & REVENUE-MIX %)



Non-Steel Turnover

(IN ₹ CRORE & REVENUE-MIX %)

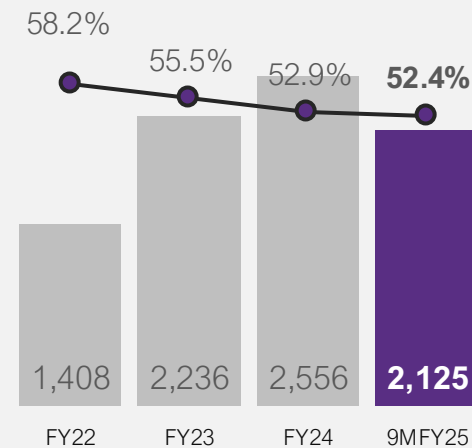


Verticals: Retail & Non-Retail

- Non-Retail growth rate higher than Retail in last few years due to Non-Retail-led market entry into West & Central India markets
- South India Retail & Non-Retail revenue mix intact
- Focusing on omni-channel strategy with intention of delivering higher volume growth
- Pursuing growth on all fronts

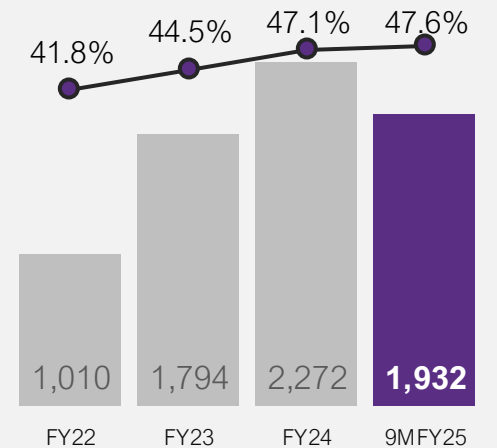
Retail Turnover

(IN ₹ CRORE & REVENUE-MIX %)



Non-Retail Turnover

(IN ₹ CRORE & REVENUE-MIX %)



GROWTH STRATEGIES: MARKETPLACES

Continued thrust on steel volumes

Addition of Flats portfolio, earlier business predominately Longs driven

Addition of SKU's, Brands/Suppliers and Geographies

Targeting large volumes through a mix of multiple-channels (retail, channel, and enterprise)



Building non-steel business

Build on initial success in Fittings, Sanitaryware & Tiles

Pursue other categories such as Electricals, Lighting and Paints

Convert potential existing stores to hybrid stores (18 hybrid stores & 13 dedicated non-steel stores so far)



New Opportunities

Building on brand "Fotia" in Non-Steel verticals

Dedicated experience centres in select markets

Co-branded product launches



Desired Growth

Resulting in:

Top line growth

Diversified business profile

Gradually improving margin profile

GROWTH STRATEGIES: **MANUFACTURING**



A dedicated management team to lead the business

Optimize margin profile

Attain higher overall capacity utilization (~50% currently)

Selective CAPEX to strengthen business profile

Pursuing its independent growth strategies

FOR MORE INFORMATION CONTACT US

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