

Independent Auditor's Review Report on consolidated unaudited financial results of Shankara Building Products Limited, Bengaluru and its subsidiaries for the quarter ended September 30, 2021 and Year to date pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Review report to
The Board of Directors,
Shankara Building Products Limited, Bengaluru.

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Shankara Building Products Limited, Bengaluru ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended September 30, 2021 and year-to-date viz. April 01, 2021 to September 30, 2021 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors at their meeting held on November 08, 2021, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules thereunder and other accounting principles generally accepted in India.
Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim

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Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

A. Parent Company

Shankara Building Products Limited, Bengaluru

B. Subsidiary Companies

- (i) Vishal Precision Steel Tubes and Strips Private Limited, Hoskote
- (ii) Taurus Value Steel & Pipes Private Limited, Kutbullapur Mandal
- (iii) Steel Network (Holdings) Pte Limited, Singapore

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(iv) Centurywells Roofing India Private Limited,
Kancheepuram

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard specified under section 133 of the Companies Act, 2013, as amended read with relevant Rules thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed or that it contains any material misstatement.

6. We did not review the interim financial results of three subsidiaries included in the consolidated unaudited financial results, whose interim financial information / results reflect total assets of Rs. 34,594.19 lakhs as at September 30, 2021 and total revenues of Rs. 18,327.25 lakhs and Rs. 31,797.18 lakhs, total profit / (loss) after tax of Rs. 177.52 lakhs and Rs. 454.84 lakhs and total comprehensive income / (loss) of Rs. 169.04 lakhs and Rs. 447.74 lakhs for the quarter ended September 30, 2021 and for the period from April 01,

Independent Auditor's Review Report on consolidated unaudited financial results of Shankara Building Products Limited, Bengaluru and its subsidiaries for the quarter ended September 30, 2021 and Year to date pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

2021 to September 30, 2021 respectively and cash outflows (net) of Rs. 735.33 lakhs for the period from April 01, 2021 to September 30, 2021 as considered in the consolidated unaudited interim financial results.

These financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

7. The consolidated unaudited financial results include the interim financial results / information of one overseas subsidiary which has not been reviewed by its auditors and are based solely on management certified accounts, whose financial results / information reflect total assets of Rs. 16.80 lakhs as at September 30, 2021 and total revenue of nil, total loss after tax of Rs. 1.04 lakhs and Rs. 1.04 lakhs and total comprehensive loss of Rs. 1.05 lakhs and Rs. 0.90 lakhs for the quarter ended September 30, 2021 and for the period from April 01, 2021 to September 30, 2021 respectively and cash outflows of Rs. 3.59 lakhs for the period from April 01, 2021 to September 30, 2021, as considered in the consolidated unaudited interim financial results. The Parent Company's Management has converted this financial information from accounting principles generally accepted in that

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Country to Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. We reviewed these conversion adjustments made by the Parent Company's Management. Our conclusion in so far as it relates to such overseas subsidiary is based on the aforesaid conversion adjustments made by the Parent Company's Management and reviewed by us. According to the information and explanation given to us by the Management, this interim financial information is not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matters.

For Sundaram & Srinivasan,
Chartered Accountants
Firm's Registration Number: 004207S

Venkatasubrama
nian Sreenivasan

Digitally signed by Venkatasubramanian Sreenivasan
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Date: 2021.11.08 11:27:34 +05'30'

Venkatasubramanian.S
Partner

Membership no.: 219238
ICAI UDIN: 21219238AAAAHK5238

Place: Chennai
Dated: November 08, 2021.

Shankara Building Products Limited

CIN: L26922KA1995PLC018990

Registered and Corporate Office: G-2, FARAH WINSFORD, 133, INFANTRY ROAD, BENGALURU - 560 001

Website:www.shankarabuildpro.com, Email:compliance@shankarabuildpro.com

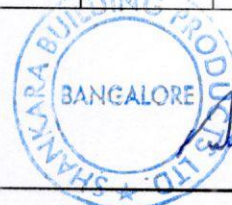
Ph: 080 4011 7777, Fax- 080 4111 9317

(Rs. In Lakhs)

Statement of Unaudited Consolidated financial results for the Quarter and Half year ended 30th September 2021

| Particulars | For the quarter ended | | | For the Half year ended | | For the year ended |
|--|-----------------------|------------|------------|-------------------------|------------|--------------------|
| | 30.09.2021 | 30.06.2021 | 30.09.2020 | 30.09.2021 | 30.09.2020 | 31.03.2021 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 Revenue From Operations | 60,568.99 | 44,552.74 | 48,792.58 | 1,05,121.73 | 83,399.11 | 2,03,836.70 |
| 2 Other Income | 131.94 | 71.08 | 155.58 | 203.02 | 260.47 | 621.64 |
| 3 Total Income (1+2) | 60,700.93 | 44,623.82 | 48,948.16 | 1,05,324.75 | 83,659.58 | 2,04,458.34 |
| 4 Expenses | | | | | | |
| Cost of materials consumed | 16,221.83 | 12,292.50 | 11,105.93 | 28,514.33 | 18,105.91 | 45,278.10 |
| Purchases of Stock-in-Trade | 40,565.20 | 32,467.41 | 34,106.78 | 73,032.61 | 51,835.10 | 1,37,198.33 |
| Changes in inventories of finished goods and Stock-in-Trade | (521.81) | (4,060.53) | (360.94) | (4,582.34) | 8,906.14 | 5,989.03 |
| Employee benefits expense | 1,039.88 | 908.48 | 831.00 | 1,948.36 | 1,556.78 | 3,467.08 |
| Finance costs | 600.07 | 620.90 | 804.18 | 1,220.97 | 1,752.38 | 3,307.76 |
| Depreciation and amortization expense | 434.37 | 448.37 | 665.39 | 882.74 | 1,337.87 | 2,398.11 |
| Other expenses | 1,180.09 | 1,095.89 | 1,253.33 | 2,275.98 | 2,169.09 | 4,807.01 |
| Total expenses (4) | 59,519.63 | 43,773.02 | 48,405.67 | 1,03,292.65 | 85,663.27 | 2,02,445.42 |
| 5 Profit/(loss) before tax (3-4) | 1,181.30 | 850.80 | 542.49 | 2,032.10 | (2,003.69) | 2,012.92 |
| 6 Tax expense: | | | | | | |
| (a) Current tax | 249.60 | 243.28 | 19.99 | 492.88 | 19.99 | 801.04 |
| (b) Tax - earlier years | - | - | (53.77) | - | (53.33) | (53.33) |
| (c) Deferred tax | 35.16 | (18.77) | (48.84) | 16.39 | (65.87) | (119.18) |
| Total Tax Expenses | 284.76 | 224.51 | (82.62) | 509.27 | (99.21) | 628.53 |
| 7 Profit/(loss) for the period (5-6) | 896.54 | 626.29 | 625.11 | 1,522.83 | (1,904.48) | 1,384.39 |
| 8 Other Comprehensive Income | | | | | | |
| A (i) Items that will not be reclassified to profit or loss from operations- Re-measurements of defined benefit plans | (29.45) | 2.67 | 17.84 | (26.78) | 38.88 | 67.66 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | 7.41 | (0.67) | (4.49) | 6.74 | (9.79) | (15.50) |
| Total A | (22.04) | 2.00 | 13.35 | (20.04) | 29.09 | 52.16 |
| B (i) Items that will be reclassified to profit or loss from operations- Exchange differences in translating the financial statements of a foreign operation | (0.01) | 0.15 | (13.80) | 0.14 | (17.84) | (17.95) |
| (ii) Income tax relating to items that will be reclassified to profit or loss | - | - | - | - | - | - |
| Total B | (0.01) | 0.15 | (13.80) | 0.14 | (17.84) | (17.95) |
| Total Other Comprehensive Income/(Loss) (A+B) | (22.05) | 2.15 | (0.45) | (19.90) | 11.25 | 34.21 |
| 9 Total Comprehensive Income/(loss) (7+8) | 874.49 | 628.44 | 624.66 | 1,502.93 | (1,893.23) | 1,418.60 |
| 10 Total Profit/(loss) for the period attributable to: | | | | | | |
| - Owners of the parent | 896.54 | 626.29 | 625.11 | 1,522.83 | (1,904.48) | 1,384.39 |
| - Non-controlling interest | - | - | - | - | - | - |
| | 896.54 | 626.29 | 625.11 | 1,522.83 | (1,904.48) | 1,384.39 |
| 11 Other comprehensive income/(loss) for the period attributable to: | | | | | | |
| - Owners of the parent | (22.05) | 2.15 | (0.45) | (19.90) | 11.25 | 34.21 |
| - Non-controlling interest | - | - | - | - | - | - |
| | (22.05) | 2.15 | (0.45) | (19.90) | 11.25 | 34.21 |
| 12 Total comprehensive income(loss) for the period attributable to: | | | | | | |
| - Owners of the parent | 874.49 | 628.44 | 624.66 | 1,502.93 | (1,893.23) | 1,418.60 |
| - Non-controlling interest | - | - | - | - | - | - |
| | 874.49 | 628.44 | 624.66 | 1,502.93 | (1,893.23) | 1,418.60 |
| 13 Paid-up Equity share capital | 2,284.93 | 2,284.93 | 2,284.93 | 2,284.93 | 2,284.93 | 2,284.93 |
| Face Value per share (in Rs.) | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Reserve excluding revaluation reserve - Other equity | | | | | | 49,882.04 |
| 14 Earnings per equity share: (in Rs) (Face Value of Rs. 10/- each - Not annualised) | | | | | | |
| Basic | 3.92 | 2.74 | 2.74 | 6.66 | (8.33) | 6.06 |
| Diluted | 3.92 | 2.74 | 2.74 | 6.66 | (8.33) | 6.06 |

See accompanying notes

By order of the Board
SUKUMAR SRINIVAS

Managing Director

Place : Bengaluru

Date : 8th November 2021

Consolidated statement of assets and liabilities as at 30th September 2021

(Rs. In Lakhs)

| | Particulars | As at | As at |
|-----------|--|------------------|------------------|
| | | 30.09.2021 | 31.03.2021 |
| | | Unaudited | Audited |
| I | ASSETS | | |
| 1 | Non-current assets | | |
| | (a) Property, Plant and Equipment | 21,959.88 | 21,949.06 |
| | (b) Capital work-in-progress | 471.80 | 241.55 |
| | (c) Investment Property | 859.06 | 861.25 |
| | (d) Right-of-use Asset | 1,073.63 | 1,395.82 |
| | (e) Goodwill | 1,404.03 | 1,404.03 |
| | (f) Other Intangible assets | 22.10 | - |
| | (g) Financial Assets | - | - |
| | (i) Trade receivables | 277.10 | 380.65 |
| | (ii) Loans | 938.41 | 941.91 |
| | (h) Other non-current assets | 238.68 | 226.70 |
| | Total Non current assets | 27,244.69 | 27,400.97 |
| 2 | Current assets | | |
| | (a) Inventories | 37,122.22 | 31,608.19 |
| | (b) Financial Assets | - | - |
| | (i) Trade receivables | 29,533.13 | 29,508.55 |
| | (ii) Cash and cash equivalents | 256.76 | 1,090.40 |
| | (iii) Bank balances other than (ii) above | 403.03 | 426.92 |
| | (iv) Other financial assets | 77.14 | 84.18 |
| | (c) Current Tax Asset (Net) | 8.02 | - |
| | (d) Other current assets | 2,766.23 | 2,460.64 |
| | Total current assets | 70,166.53 | 65,178.88 |
| | Total Assets | 97,411.22 | 92,579.85 |
| II | EQUITY AND LIABILITIES | | |
| 1 | Equity | | |
| | (a) Equity Share capital | 2,284.93 | 2,284.93 |
| | (b) Other Equity | 51,384.97 | 49,882.04 |
| | Total Equity | 53,669.90 | 52,166.97 |
| 2 | Liabilities | | |
| | Non-current liabilities | | |
| | (a) Financial Liabilities | | |
| | (i) Borrowings | 3,809.39 | 3,782.90 |
| | (ia) Lease Liability | 1,339.14 | 1,660.78 |
| | (ii) Other financial liabilities | 7.25 | 7.25 |
| | (b) Provisions | 0.28 | - |
| | (c) Deferred tax liabilities (Net) | 599.33 | 589.60 |
| | Total Non-current liabilities | 5,755.39 | 6,040.53 |
| 3 | Current liabilities | | |
| | (a) Financial Liabilities | | |
| | (i) Borrowings | 8,988.11 | 11,304.69 |
| | (ia) Lease Liability | 66.54 | 86.91 |
| | (ii) Trade payables | | |
| | (A) Total Outstanding Dues of Micro enterprises and Small enterprises | 11.63 | 14.92 |
| | (B) Total outstanding dues of creditors other than micro enterprises and small enterprises | 26,624.51 | 20,540.25 |
| | (iii) Other financial liabilities | 971.81 | 867.70 |
| | (b) Other current liabilities | 872.58 | 1,134.76 |
| | (c) Provisions | 119.03 | 35.09 |
| | (d) Current Tax Liabilities (Net) | 331.72 | 388.03 |
| | Total current liabilities | 37,985.93 | 34,372.35 |
| | Total Equity and Liabilities | 97,411.22 | 92,579.85 |

See accompanying notes

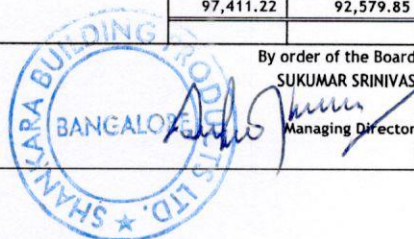
By order of the Board

SUKUMAR SRINIVAS

Managing Director

Place : Bengaluru

Date : 8th November 2021

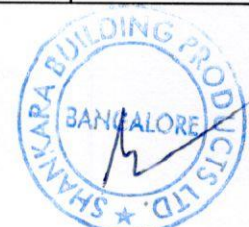


Unaudited Consolidated Statement of Cash Flows

(Rs.in lakhs)

| Particulars | For the half year ended 30.09.2021 | For the half year ended 30.09.2020 |
|---|---------------------------------------|---------------------------------------|
| Cash flow from operating activities | | |
| Profit/(loss) before tax for the period | 2,032.10 | (2,003.69) |
| Adjustments to reconcile profit before tax to net cash flow: | | |
| Depreciation and amortization expenses | 882.74 | 1,337.87 |
| Loss on disposal of Property, Plant & Equipment | 14.08 | 14.08 |
| Gain on disposal of Property, Plant & Equipment | (97.85) | (1.08) |
| Unrealised exchange (gain) / loss | - | 99.86 |
| Interest income on deposits | (10.35) | (19.71) |
| Unwinding of interest income on rental deposits | (24.00) | (33.79) |
| Interest expense on borrowings | 1,156.67 | 1,595.87 |
| Interest on Lease liability | 64.30 | 156.51 |
| Bad Debts written off | 0.36 | 3.03 |
| Provision for expenses no longer required written back | (42.77) | - |
| Gain on termination of lease | (5.91) | (99.96) |
| Loss Allowance for doubtful trade receivables | 218.52 | 253.01 |
| Foreign currency translation reserve | 0.14 | (17.84) |
| Operating profit before working capital changes | 4,188.03 | 1,284.16 |
| Adjustments for : | | |
| (Increase) / Decrease in inventories | (5,514.03) | 10,875.67 |
| (Increase) / Decrease in trade receivable | (97.13) | 16,906.26 |
| Decrease/ (Increase) in loans and other financial assets | 30.97 | 111.93 |
| Decrease/ (Increase) in other current assets | (305.61) | (1,000.60) |
| Decrease/ (Increase) in other non-current assets | - | 2.04 |
| (Decrease)/ Increase in trade payables | 6,080.97 | (22,405.31) |
| (Decrease)/ Increase in other financial liabilities | 155.93 | (38.58) |
| (Decrease)/ Increase in other current liabilities | (262.18) | 289.07 |
| (Decrease)/Increase in provisions | (39.77) | 41.12 |
| Cash flow from/(used in) operations | 4,237.18 | 6,065.76 |
| Income taxes paid | (460.00) | - |
| Net cash generated from/(used in) operating activities (A) | 3,777.18 | 6,065.76 |
| Cash flow from investing activities | | |
| Consideration paid for purchase of property, plant and equipment (including capital work-in-progress and capital advances) | (901.69) | (425.08) |
| Consideration paid for purchase of an Intangible asset | (22.10) | - |
| Proceeds from sale of Property, Plant & Equipment | 120.58 | 42.98 |
| (Purchase)/proceeds from maturity of bank deposits | 23.90 | 211.86 |
| Interest receipt | 14.01 | 54.03 |
| Net cash generated from/(used in) investing activities (B) | (765.30) | (116.21) |
| Cash flow from financing activities | | |
| Principal element of lease payments and interest on lease liability | (343.58) | (562.09) |
| Proceeds from non current borrowings | - | - |
| Repayment of term loans | (31.22) | (74.26) |
| Current Borrowings availed/ (repaid) | (2,316.59) | (4,698.57) |
| Interest paid | (1,154.13) | (1,583.26) |
| Net cash from/(used in) financing activities (C) | (3,845.52) | (6,918.18) |
| Net increase/(decrease) in cash and cash equivalents(A+B+C) | (833.64) | (968.63) |
| Cash and cash equivalents - at the beginning of the period | 1,090.40 | 1,349.64 |
| Cash and cash equivalents - at the end of the period | 256.76 | 381.01 |

The above Cash Flow Statement has been prepared under the Indirect method as set out in IND AS -7.



Shankara Building Products Limited

CIN: L26922KA1995PLC018990

Registered and Corporate Office: G-2, FARAH WINSFORD, 133, INFANTRY ROAD, BENGALURU - 560 001

Website:www.shankarabuildpro.com, Email:compliance@shankarabuildpro.com

Consolidated Segment information for the quarter and half year ended 30th September 2021

"The Group is engaged in selling various building products to Retail and Channel & Enterprise segments. The group identifies these business segments as the primary segment as per IND AS 108- Operating Segments, which is regularly reviewed by the Chief Operating Decision Maker for assessment of Group's performance and resource allocation.

Segment revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments.

(Rs. In Lakhs)

| Particulars | For the quarter ended | | | For the half-year ended | | For the year ended |
|---|-----------------------|------------------|------------------|-------------------------|-------------------|--------------------|
| | 30.09.2021 | 30.06.2021 | 30.09.2020 | 30.09.2021 | 30.09.2020 | 31.03.2021 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1. Segment Revenue | | | | | | |
| - Retail | 35,237.16 | 26,884.20 | 28,302.22 | 62,121.36 | 49,221.28 | 1,18,394.53 |
| - Channel & Enterprise | 25,331.83 | 17,668.54 | 20,490.36 | 43,000.37 | 34,177.83 | 85,442.17 |
| Revenue from operation | 60,568.99 | 44,552.74 | 48,792.58 | 1,05,121.73 | 83,399.11 | 2,03,836.70 |
| 2. Segment Results | | | | | | |
| - Retail | 2,151.12 | 1,890.82 | 1,702.16 | 4,041.94 | 1,508.16 | 6,769.77 |
| - Channel & Enterprise | 370.69 | 317.20 | 604.33 | 687.89 | 157.26 | 2,411.06 |
| Total Segment Profit before Interest and Tax and unallocable expenses/income | 2,521.80 | 2,208.02 | 2,306.49 | 4,729.83 | 1,665.42 | 9,180.83 |
| Finance Cost | 600.07 | 620.90 | 804.18 | 1,220.97 | 1,752.38 | 3,307.76 |
| Unallocable Corporate Expenses (Net) | 740.44 | 736.32 | 959.82 | 1,476.76 | 1,916.73 | 3,860.15 |
| Profit before Tax | 1,181.30 | 850.80 | 542.49 | 2,032.10 | (2,003.69) | 2,012.92 |
| 3. Assets | | | | | | |
| - Retail | 31,120.69 | 28,397.05 | 26,125.71 | 31,120.69 | 26,125.71 | 28,005.96 |
| - Channel & Enterprise | 36,194.44 | 33,186.04 | 29,638.16 | 36,194.44 | 29,638.16 | 34,628.11 |
| - Unallocated | 30,096.09 | 30,241.59 | 31,590.66 | 30,096.09 | 31,590.66 | 29,945.78 |
| TOTAL ASSETS | 97,411.22 | 91,824.68 | 87,354.53 | 97,411.22 | 87,354.53 | 92,579.85 |
| 4. Liabilities | | | | | | |
| - Retail | 5,861.66 | 5,354.14 | 4,263.07 | 5,861.66 | 4,263.07 | 6,661.69 |
| - Channel & Enterprise | 20,774.48 | 13,508.35 | 9,366.35 | 20,774.48 | 9,366.35 | 13,893.48 |
| - Unallocated | 17,105.18 | 20,166.79 | 24,869.97 | 17,105.18 | 24,869.97 | 19,857.71 |
| TOTAL LIABILITIES | 43,741.32 | 39,029.28 | 38,499.39 | 43,741.32 | 38,499.39 | 40,412.88 |

