

SUNDARAM & SRINIVASAN

CHARTERED ACCOUNTANTS

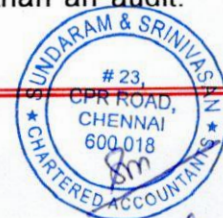
23, C.P. RAMASWAMY ROAD,
ALWARPET, CHENNAI - 600 018.

Independent Auditor's Review Report on standalone unaudited financial results of Shankara Building Products Limited, Bengaluru for the quarter and period ended September 30, 2019 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.

We have reviewed the accompanying statement of standalone unaudited financial interim results ("the Statement") of Shankara Building Products Limited, Bengaluru ("the Company") for the quarter ended September 30, 2019 and year to date results for the period from April 01, 2019 to September 30, 2019. This statement is the responsibility of the Company's management and has been approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review. Attention is drawn to the fact that the cash flows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in the Statement have been approved by the Board of Directors of the company but have not been subjected to review.

We conducted our review of the statements in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit.



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We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

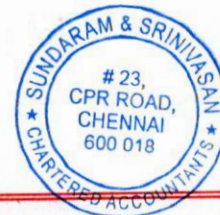
Figures for the quarter ended and half year ended September 30, 2018 and for the year ended March 31, 2019 have been reviewed / audited by our predecessor, who expressed unmodified opinion. We have accepted those figures by verifying relevant records of the company. Our conclusion is not modified in respect of the said matter for the purpose of our review opinion on the Statement.

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

S. Venkata Subramaniam
11/11/2019
Venkatasubramanian.S
Partner

Membership no.: 219238
UDIN: 19219238AAAABK6710

Place: Bengaluru
Dated: November 11, 2019



Shankara Building Products Limited

CIN: L26922KA1995PLC018990

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

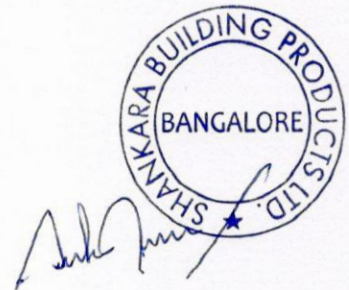
Website:www.shankarabuildpro.com, Email:compliance@shankarabuildpro.com

Standalone financial results for the Quarter and Half year ended 30th September 2019

(Rs. In Lacs, except per share data)

Particulars	For the quarter ended			For the half year ended		For the year ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations	59,279.50	59,084.88	57,400.52	1,18,364.38	1,27,277.28	2,35,236.55
II Other Income	54.14	48.09	132.81	102.23	154.78	393.07
III Total Income (I+II)	59,333.64	59,132.97	57,533.33	1,18,466.61	1,27,432.06	2,35,629.62
IV Expenses						
Purchases of stock-in-trade	53,813.64	59,035.68	54,238.48	1,12,849.32	1,20,118.37	2,19,658.61
Changes in inventories of Stock-in-Trade	1,320.06	(4,276.91)	(666.51)	(2,956.85)	(1,590.22)	(633.47)
Employee benefits expense	1,098.52	998.71	995.33	2,097.23	2,008.54	4,035.93
Finance Costs	851.89	910.47	946.05	1,762.36	1,852.55	3,520.17
Depreciation and amortisation expense	480.20	585.24	217.31	1,065.44	432.98	901.61
Other Expenses	1,065.43	1,134.32	1,428.43	2,199.75	2,721.27	5,690.94
Total Expenses	58,629.74	58,387.51	57,159.09	1,17,017.25	1,25,543.49	2,33,173.79
V Profit before tax [III-IV]	703.90	745.46	374.24	1,449.36	1,888.57	2,455.83
VI Tax Expense:						
Current tax	97.36	302.19	94.31	399.55	568.57	746.84
for earlier years	-	-	(57.18)	-	(57.18)	(59.94)
Deferred tax	24.04	(40.18)	19.00	(16.14)	114.39	126.39
Total Tax Expense	121.40	262.01	56.13	383.41	625.78	813.29
VII Profit for the period [V-VI]	582.50	483.45	318.11	1,065.95	1,262.79	1,642.54
VIII Other Comprehensive Income						
A (i) Items that will not be reclassified to profit or loss	2.97	(7.42)	(45.95)	(4.45)	(55.28)	(59.50)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.47)	2.59	16.06	1.12	19.32	20.79
Total A	1.50	(4.83)	(29.89)	(3.33)	(35.96)	(38.71)
B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Total B	-	-	-	-	-	-
Total Other Comprehensive Income/Loss (A+B)	1.50	(4.83)	(29.89)	(3.33)	(35.96)	(38.71)
IX Total Comprehensive Income (VII+VIII)	584.00	478.62	288.22	1,062.62	1,226.83	1,603.83
X Paid-up equity share capital (Face Value-Rs. 10/- per share)	2,284.93	2,284.93	2,284.93	2,284.93	2,284.93	2,284.93
Face value per share (Rs)	10.00	10.00	10.00	10.00	10.00	10.00
XI Reserve excluding revaluation reserve -other equity						30,089.72
XII Earnings per share:						
Basic & Diluted (in Rs.)	2.55	2.12	1.39	4.67	5.53	7.19

See accompanying notes to the Financial Results



Shankara Building Products Limited

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

Standalone statement of assets and liabilities

(Rs. In Lacs unless other wise stated)

Particulars		As At	As At
		30.09.2019	31.03.2019
		Unaudited	Audited
I. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment		13,325.63	13,185.72
(b) Capital work-in-progress		376.98	116.30
(c) Investment property		877.20	878.74
(d) Right-of-Use Asset		2,864.88	-
(e) Other Intangible assets		473.90	661.33
(f) Financial Assets			
(i) Investments		3,846.37	3,846.37
(ii) Trade receivables		365.16	385.43
(iii) Loans		963.88	2,608.14
(g) Other non-current assets		73.16	91.80
Total Non current assets (I)		23,167.16	21,773.83
2 Current Assets			
(a) Inventories		29,245.26	26,288.42
(b) Financial Assets			
(i) Trade receivables		34,270.83	28,370.00
(ii) Cash and cash equivalents		245.37	839.46
(iii) Bank balances other than (ii) above		94.10	106.39
(iv) Loans		651.65	41.11
(c) Other financial assets		69.22	1,757.12
(d) Other current assets		1,981.41	1,202.27
Total current assets (II)		66,557.84	58,604.77
	Total Assets (I+II)	89,725.00	80,378.60
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital		2,284.93	2,284.93
(b) Other equity		30,550.93	30,089.72
Total Equity (III)		32,835.86	32,374.65
2 Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings		169.47	243.82
(ii) Lease Liability		2,970.44	-
(iii) Other financial liabilities		2.25	2.25
(b) Provisions		57.18	57.18
(c) Deferred tax liabilities (Net)		122.04	203.00
Total Non-current liabilities (IV)		3,321.38	506.25
(a) Financial liabilities			
(i) Borrowings		14,256.27	15,924.82
(ii) Trade payables			
Dues to Micro and Small Enterprises		50.64	93.07
Dues to creditors other than Micro and Small Enterprises		36,791.84	29,062.17
(iii) Lease Liability		210.06	
(iv) Other financial liabilities		952.17	1,211.24
(b) Other current liabilities		768.02	850.04
(c) Provisions		222.80	135.47
(d) Current tax liabilities (Net)		315.96	220.89
Total current liabilities (V)		53,567.76	47,497.70
Total Equity and Liabilities (III+IV+V)		89,725.00	80,378.60

See accompanying notes to the Financial Results

By order of the Board
SUKUMAR SRINIVAS

Place : BENGALURU

Date : 11th November 2019



Managing Director



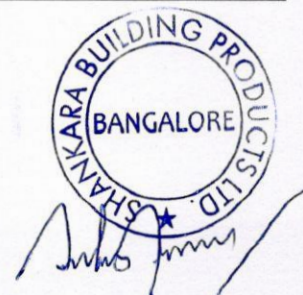
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Unaudited Standalone Statement of Cash Flows

(All amounts are Rupees in lakhs, unless stated otherwise)

Particulars	For the half year ended 30-9-2019	For the half year ended 30-9-2018
Cash flow from operating activities		
Profit before tax	1,449.36	1,888.57
Adjustments for :		
Depreciation and amortization expense	1,065.44	432.98
Net Loss on disposal of Property, Plant & Equipment	11.41	-
Net gain on disposal of Property, Plant & Equipment	-	(111.01)
Unwinding of interest income on rental deposits	(41.03)	(26.20)
Interest income on deposits	(6.20)	(5.17)
Interest expense on Borrowings	1,602.01	1,819.40
Interest on Lease liability	160.35	-
Bad Debts written off	4.15	5.30
Loss Allowance for doubtful trade receivables	110.16	(325.13)
Operating profit before working capital changes	4,355.65	3,678.74
Adjustments for :		
Increase in inventories	(2,956.84)	(1,590.22)
(Increase) / Decrease in trade receivable	(5,994.87)	6,016.40
Decrease/ (Increase) in Other Assets	2,956.35	2,112.63
(Decrease)/ Increase in trade payables	7,550.45	(14,027.88)
(Decrease)/ Increase in other liabilities	(81.55)	203.37
Increase in provisions	82.88	52.20
Cash flow from/(used in) operations	5,912.07	(3,554.76)
Income taxes paid	(303.36)	(169.25)
Net cash generated from/(used in) operating activities (A)	5,608.71	(3,724.01)
Cash flow from investing activities		
Payment for Purchases of Property, Plant & Equipment, Intangible assets including capital Advances	(739.76)	(1,206.90)
Proceeds from sale of Property, Plant & Equipment	19.28	153.75
Bank deposits not considered as cash and cash equivalents (net)	12.29	29.87
Interest received	48.20	31.37
Net cash generated from/(used in) investing activities (B)	(659.99)	(991.91)
Cash flow from financing activities		
Advance paid for purchase of shares of subsidiary company	(996.20)	-
Repayment of Lease liability	(665.75)	-
Proceeds from term loans	-	95.74
Repayment of term loans	(156.60)	-
Proceeds from/ (Repayment of) Current borrowings (net)	(1,668.55)	7,303.28
Interest paid	(1,642.51)	(1,793.40)
Dividend paid (including Dividend Distribution Tax)	(413.20)	(892.85)
Net cash generated from/(used in) financing activities (C)	(5,542.81)	4,712.77
Net increase/(decrease) in cash and cash equivalents(A+B+C)	(594.09)	(3.15)
Cash and cash equivalents - at the beginning of the period	839.46	112.18
Cash and cash equivalents - at the end of the period	245.37	109.03

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



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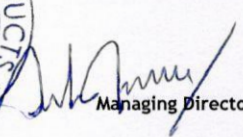
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Notes to standalone and consolidated financial results (unaudited) for the quarter and half year ended September 30,2019

- 1 The above results for the quarter and half year ended September 30, 2019 have been reviewed and recommended by the Audit Committee and approved by the Board at their meeting held on November 11, 2019. These results have been subjected to limited review by the statutory auditors of the company.
- 2 The statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 ('The Ind AS'), prescribed by under section 133 of the Companies Act, 2013.
- 3 The company conducts operations along with its subsidiaries. The consolidated financial results are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial results as set out in the accounting standards as specified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (Ind AS).
- 4 Effective April 01, 2019, the Group has adopted Ind AS 116 "Leases", to all contracts existing on April 01, 2019 using the modified retrospective approach method and applied the standard to its leases retrospectively and has recognized the effect of the cumulative adjustment in the opening balance of retained earnings (net of tax-Rs.188.21 Lakhs and Rs.210.01 in standalone and consolidated financial statements respectively) as at April 01,2019, being the date of initial application. This has an effect of increase in Finance cost and Depreciation and reduction in Rent paid. As a result, there is a decrease in Profit to the tune of Rs.62.58 Lakhs and Rs.76.20 Lakhs respectively in standalone and consolidated results for the period. Comparatives for the period prior to the current quarter/ half year ended have not been restated.
- 5 The Group opted to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly the Group has made a provision for Income tax for six months ended September 30, 2019 and re measured its deferred tax at the rate prescribed by the section.
- 6 During the quarter ended September 30,2019 the holding company has advanced a sum of Rs.995.70 lakhs to Steel Network (Holdings) Pte Limited, Singapore (a wholly owned subsidiary) to purchase shares held by the said subsidiary in Centurywells Roofing India Private Limited, Kancheepuram (a subsidiary). The share transfer is effected in October 2019 and is subject to Regulator approval.
- 7 Previous year/quarter figures have been regrouped, wherever necessary, to make them conform to the current period's classification.



By order of the Board
SUKUMAR SRINIVAS


Managing Director

Place : BENGALURU

Date : 11th November 2019