

**NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF
SHANKARA BUILDING PRODUCTS LIMITED
(PURSUANT TO THE ORDER PASSED BY THE HON'BLE NATIONAL COMPANY
LAW TRIBUNAL, BENGALURU BENCH DATED 18th DECEMBER 2024)**

Meeting	
Day	Wednesday
Date	12 th February, 2025
Time	11:00 AM
Mode of meeting	Through video conferencing/ other audio-visual means (“VC/OAVM”)
Cut-off date for e-voting	Tuesday, 4 th February 2025
Remote e-voting start date and time	Friday, 7 th February 2025 9:00 AM
Remote e-voting end date and time	Tuesday, 11 th February 2025 5:00 PM

I N D E X

S. No.	Contents	Annexure No.	Page No.
1.	Notice convening meeting of the equity shareholders of Shankara Building Products Limited	-	1 to 19
2.	Explanatory statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 (“Act”) and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016	-	20 to 40
3.	Order of the Hon’ble National Company Law Tribunal, Bengaluru Bench, dated 18 th December, 2024	Annexure 1	A-1 to A-16
4.	Certified true copy of the Scheme	Annexure 2	A-17 to A-68
5.	Audited standalone and consolidated financial statements of the Demerged Company for the period ended 31 st March 2024.	Annexure 3	A-69 to A-283
6.	Unaudited standalone and consolidated financial results (limited reviewed) of the Demerged Company for the quarter and six months ended 30 th September 2024.	Annexure 4	A-284 to A-300
7.	Audited financial statements of the Resulting Company for the period ended 31 st March 2024.	Annexure 5	A-301 to A-354
8.	Unaudited financial results (limited reviewed) of the Resulting Company for the quarter and six months ended 30 th September 2024.	Annexure 6	A-355 to A-360

S. No.	Contents	Annexure No.	Page No.
9.	Reports adopted by the Board of Directors of the Demerged Company and the Resulting Company pursuant to Section 232(2)(c) of the Act.	Annexure 7	A-361 to A-366
10.	Share Entitlement Ratio Report dated 18 th December 2023 issued by M/s SSPA & Co., Chartered Accountants, the independent registered valuer for the proposed demerger.	Annexure 8	A-367 to A-375
11.	Fairness Opinion dated 18 th December 2023, issued by M/s Fortress Capital Management Services Private Limited, a Category I SEBI registered merchant banker on the share entitlement ratio for the proposed demerger.	Annexure 9	A-376 to A-381
12.	Report of the Audit Committee of the Demerged Company on the Scheme.	Annexure 10	A-382 to A-388
13.	Report of the Independent Directors of the Demerged Company on the Scheme.	Annexure 11	A-389 to A-395
14.	Certificate from the statutory auditors of the Demerged Company and the Resulting Company to the effect that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act.	Annexure 12.1 & 12.2 respectively	A-396 to A-415
15.	Observation Letter dated 1 st July 2024 of BSE issued to the Demerged Company.	Annexure 13	A-416 to A-419
16.	Observation Letter dated 6 th July 2024 of NSE issued to the Demerged Company.	Annexure 14	A-420 to A-423
17.	Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Demerged Company, its Promoters and Directors.	Annexure 15	A-424 to A-424
18.	Complaint Report dated 21 st June 2024 and 26 th March 2024 submitted by the Demerged Company to BSE and NSE respectively.	Annexure 16.1 & 16.2 respectively	A-425 to A-428
19.	Additional documents (as per observation letters issued by the stock exchanges): a) Details of assets, liabilities, net-worth and revenue of the Demerged Company and the Resulting Company, pre and post Scheme; b) Pre and post scheme shareholding pattern of the Demerged Company and the Resulting Company considering the changes, if any, post filing the	Annexure 17	A-429 to A-523

S. No.	Contents	Annexure No.	Page No.
	<p>Scheme with exchange;</p> <p>c) Impact of scheme on revenue generating capacity of the Demerged Company;</p> <p>d) Need and rationale of the Scheme, Synergies of business of the entities involved in the Scheme, Impact of the Scheme on the shareholders and cost benefit analysis of the Scheme;</p> <p>e) Value of assets and liabilities of the Demerged Company that are being transferred to the Resulting Company;</p> <p>f) Undertaking by the Demerged Company to the effect that the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes by the public shareholders against it;</p> <p>g) Additional information as submitted to SEBI as advised by BSE vide query no. 13 dated 12th January 2024; and</p> <p>h) Additional information (Annexure M – Part A) as submitted by the Demerged Company vide letter dated 3rd February 2024 to NSE.</p>		
20.	Certified true copy of the resolution passed by the Board of Directors of the Demerged Company and the Resulting Company for scheme approval.	Annexure 18	A-524 to A-537
21.	Information pertaining to the Resulting Company in the format specified for abridged prospectus as provided in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.	Annexure 19	A-538 to A-548

*[The Notice of the Meeting, Explanatory Statement and **Annexure 1** to **Annexure 19** (Page No. A-1 to A-548) constitute a single and complete set of documents and should be read in conjunction with each other, as they form an integral part of this document.]*

FORM NO. CAA.2

*[Pursuant to Section 230(3) of the Companies Act, 2013 and Rules 6 and 7 of Companies
(Compromise Arrangement and Amalgamation) Rules, 2016]*

**IN THE MATTER OF SECTIONS 230 TO 232 READ WITH SECTION 66 AND
OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013**

AND

**IN THE MATTER OF SCHEME OF ARRANGEMENT
AMONGST**

**SHANKARA BUILDING PRODUCTS LIMITED
(APPLICANT COMPANY NO.1/DEMERGED COMPANY)**

AND

**SHANKARA BUILDPRO LIMITED
(APPLICANT COMPANY NO.2/RESULTING COMPANY)**

AND

**THEIR RESPECTIVE SHAREHOLDERS & CREDITORS (“SCHEME”)
COMPANY APPLICATION NO. C.A.(CAA)/38/BB/2024**

SHANKARA BUILDING PRODUCTS LIMITED

(CIN: L26922KA1995PLC018990)

A Company incorporated under the Companies Act, 1956

having its registered office at G-2 Farah Winsford,

No.133, Infantry Road, Bengaluru, Karnataka, India – 560001.

(Represented by Ms. Ereena Vikram, Company Secretary/Authorised Signatory)

... Applicant Company No.1/Demerged Company

SHANKARA BUILDPRO LIMITED

(CIN: U24311KA2023PLC179791)

A company incorporated under the Companies Act, 2013,

having its registered office at No. 21/1 & 35-A-1, Hosur Main Road,

Electronic City, Veerasandra, Bengaluru South, Bengaluru, Karnataka, India – 560100.

(Represented by Mr. Sukumar Srinivas, Managing Director/ Authorised Signatory)

... Applicant Company No.2/Resulting Company

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS

To the Equity Shareholders of Shankara Building Products Limited

1. **NOTICE** is hereby given that by an order dated 18th December, 2024 (the “**Order**”), the Hon’ble National Company Law Tribunal Bench at Bengaluru (“**Hon’ble NCLT**”), has directed inter alia, that a meeting be convened and held of the equity shareholders of Shankara Building Products Limited (herein after mentioned as the “**Company**” or “**Applicant Company No.1/Demerged Company**”), for the purpose of considering, and if thought fit, approving with or without modification, the scheme of arrangement proposed to be made amongst Shankara Building Products Limited (Applicant Company No.1/Demerged Company) and Shankara Buildpro Limited (Applicant Company No.2/Resulting Company) and their respective shareholders & creditors.
2. In pursuance of the said Order and as directed therein and in compliance with the applicable provisions of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), further notice is hereby given that a meeting of equity shareholders of the Company will be held on Wednesday, 12th February 2025 through video conferencing (“**VC**”)/ other audio visual means (“**OAVM**”) to consider, and if thought fit, to pass the following resolution for approval of the Scheme by requisite majority, as prescribed under Section 230(6) of the Act:

“**RESOLVED THAT** in accordance with the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the rules including the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, circulars and notifications made thereunder and the Securities and Exchange Board of India (“**SEBI**”) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), read with the Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June 2023 issued by the SEBI and other circulars/guidelines issued by SEBI as may be applicable to the scheme of arrangement from time to time, the observation letters dated 1st July 2024 and 6th July 2024 issued by BSE Limited and National Stock Exchange of India Limited respectively and other relevant provisions of the Income-tax Act, 1961 and rules made thereunder and all other provisions of the applicable laws, or any amendments thereto or modifications thereof, the Memorandum and Articles of Association of the Company, and subject to the approval of the Hon’ble NCLT and such other approvals as may be necessary or as may be directed by the Hon’ble NCLT or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the Scheme of

Arrangement amongst Shankara Building Products Limited and Shankara Buildpro Limited and their respective shareholders & creditors (“**Scheme**”) be and is hereby approved.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution and for removal of any difficulties or doubts, the Board, be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem desirable, necessary, expedient, usual or proper, and to settle any questions or difficulties or doubts that may arise, including passing of such accounting entries and /or making such adjustments in the books of accounts, transfer/vesting of such assets and liabilities as considered necessary to give effect to the above resolution, settling of any questions or difficulties arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of the Scheme and if necessary, to waive any of those, and to make modifications, amendments, revisions, edits and all other actions as may be required to finalise the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect or to carry out such modifications/directions as may be required and/or imposed and/or permitted by the NCLT while sanctioning the Scheme, or by any governmental authorities, to do and perform and to authorize the performance of all such acts and deeds which are necessary or advisable for the implementation of the Scheme and upon the sanction of the Scheme by, amongst others, the NCLT and/or SEBI and/or any other regulatory/government authorities, to implement and to make the Scheme effective, without any further approval of the Board or to approve withdrawal (and where applicable, re-filing) of the Scheme at any stage for any reason including in case any changes and/or modifications are suggested/ required to be made in the Scheme or any condition suggested, required or imposed, whether by any shareholder and/or creditor of the Company, the SEBI, the NCLT, and/or any other authority, are in its view not acceptable to the Company, and/or if the Scheme cannot be implemented otherwise, and to do all such acts, deeds and things as it may deem necessary and desirable in connection therewith and incidental thereto, to approve and authorize execution of any agreements, deeds, documents, declarations, affidavits, writings, etc. (including any alterations or modifications in the documents executed or to be executed), whether or not under the Common Seal of the Company, as may be required from time to time in connection with the Scheme.”

3. **TAKE FURTHER NOTICE** that the equity shareholders shall have the facility and option of voting on the resolution for approval of the Scheme either by casting their votes through remote e-voting or by e-voting at the Meeting during the respective voting period stated below:

Manner of voting	Commencement of voting	End of voting
Remote e-voting	Friday, 7 th February 2025 9:00 AM	Tuesday, 11 th February 2025 5:00 PM
E-voting at the Meeting	Wednesday, 12 th February 11:00 AM	As per the instructions of the Chairperson appointed for the meeting

The remote e-voting and e-voting at the Meeting shall not be allowed beyond the respective voting period, as stated above. Equity shareholders may exercise their votes in only one mode i.e., either by remote e-voting or by e-voting at the Meeting. Equity shareholders attending the meeting who have not cast vote(s) by remote e-voting will be able to vote electronically by following the “Instructions for e-voting” whereas equity shareholders who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.

The remote e-voting period has been determined as per the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and other applicable provisions made thereunder.

4. An equity shareholder, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depository as on the cut-off date i.e., Tuesday, 4th February 2025 shall only be entitled to exercise his/her/its voting rights on the resolution proposed in the notice and attend the meeting of the equity shareholders. Voting rights of an equity shareholder/beneficial owner (in case of electronic shareholding) shall be in proportion to his/her/its shareholding in the paid-up equity share capital of the Demerged Company as on the cut-off date i.e., Tuesday, 4th February 2025. A person who is not an equity shareholder as on the cut-off date, should treat the Notice for information purpose only.

The cut-off date to determine eligible equity shareholders for exercising his/her/its voting rights on the resolution proposed in the Notice and for attending the Meeting has been ascertained as per the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and other applicable provisions made thereunder.

5. The Hon’ble NCLT has appointed Shri Varun S., Advocate & Legal Consultant as the chairperson and Shri ND Satish, Company Secretary, as the scrutinizer of the said Meeting. The above-mentioned scheme of arrangement, if approved by the meeting, will be subject to the subsequent approval of the Hon’ble NCLT and such approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.
6. The Company has engaged the services of KFin Technologies Limited (“**KFin**”) as the agency for providing the platform for both remote e-voting prior to the Meeting and e-voting during the Meeting.
7. The voting results shall be declared by the Chairperson of the Meeting within two (2) working days from the conclusion of the Meeting and the same shall be displayed on the Notice Board of the Company at its registered office and posted on the websites of the Company at <https://shankarabuildpro.com/scheme-of-arrangement-demerger/> and KFin at <https://evoting.kfintech.com/>. The results shall also be forwarded to the BSE Limited

(‘BSE’) and National Stock Exchange of India Limited (‘NSE’), where the Company’s shares are listed.

8. The Scrutinizer shall, after the conclusion of the Meeting, submit a consolidated Scrutinizer’s report of the total votes cast in favor and against the resolution and invalid votes, if any and submit the same to the Chairperson of the Meeting or a person authorized by Chairperson in writing who shall countersign the same.
9. The resolution for approval of the Scheme shall, if passed by a majority in number representing three-fourths in value of the equity shareholders of the Company casting their votes, as aforesaid, pursuant to Section 230(6) of the Act, shall be deemed to have been duly passed on the date of the Meeting i.e., Wednesday, 12th February, 2025. Further, the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the number of votes by the public shareholders against it as per the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June 2023.
10. A copy of the Explanatory Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other Annexures as indicated in the Index are enclosed herewith. A copy of this Notice and the Explanatory Statement together with the accompanying documents are also placed on the websites of the Company at <https://shankarabuildpro.com/scheme-of-arrangement-demerger/>, KFin at <https://evoting.kfintech.com/>, BSE at <https://www.bseindia.com/> and NSE at <https://www.nseindia.com/>.

Sd/-

Varun S.

Chairperson appointed by the Hon’ble NCLT for the Meeting

Date: 10th January, 2025

Place: Bengaluru

Registered Office:

G2, Farah Winsford, 133, Infantry Road,
Bengaluru, Karnataka, India - 560 001

Tel: [+91 9845744223](tel:+919845744223); [+91 9900851111](tel:+919900851111)

E-mail: cs@shankarabuildpro.com

Website: www.shankarabuildpro.com

CIN: L26922KA1995PLC018990

NOTES:

1. Explanatory Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto. Further, additional information as required under the Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June 2023 issued by the SEBI are also annexed.
2. Since this Meeting is being held through Video Conferencing ('VC') / Other Audio Visual means ('OAVM'), (a) Shareholders will not be able to appoint proxies for the Meeting, and (b) Attendance Slip & Route Map are not annexed to this Notice.
3. Corporate shareholders are requested to send a certified copy of the Board Resolution authorising their representative to attend this Meeting, pursuant to Section 113 of the Act, through e-mail to the Scrutinizer at cs.ndsatish@gmail.com.
4. Only registered equity shareholders of the Company may attend (either in person or by Authorised Representative) the said Meeting of the Equity Shareholders of the Company, being conducted through VC/OAVM and vote at the Meeting.
5. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date (specified in the Notice) only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an equity shareholder as on the cut-off date, should treat the Notice for information purpose only.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories in respect of such joint holding, will be entitled to vote at the Meeting.
7. Quorum for the Meeting shall be in terms of the Order and Section 103 of the Act.
8. The Notice of the Meeting and the Explanatory Statement along with the accompanying documents mentioned in the Index are being sent only through electronic mode to those equity shareholders whose e-mail addresses are registered with the Company or with the Depositories. These documents are also available on the Company's corporate website at <https://shankarabuildpro.com/scheme-of-arrangement-demerger/>.

If so desired, the equity shareholders may obtain a physical copy of the Notice and the Explanatory Statement along with accompanying documents free of charge, by sending request to the Company Secretary, mentioning their name and DP ID & Client ID/ folio number, through email at cs@shankarabuildpro.com.

9. Equity shareholders holding shares in physical mode, who have not registered/updated their e-mail addresses with the Demerged Company, are requested to register/update the same by writing to the Demerged Company with details of folio number and attaching the self-attested copy of PAN card at cs@shankarabuildpro.com or to KFin, at inward.ris@kfintech.com.
10. Equity shareholders holding shares in dematerialized mode, who have not registered their e-mail addresses with their Depository Participant(s), are requested to register/update their e-mail addresses with the Depository Participant(s) with whom they maintain their demat account.
11. Equity shareholders who would like to express their views or ask questions with respect to the agenda item of the Meeting will be required to register themselves as speaker by sending e-mail to the Company Secretary at cs@shankarabuildpro.com from their registered e-mail address, mentioning their name, DP ID & Client ID / folio number and mobile number. Only those Shareholders who have registered themselves as speaker by Tuesday, 11th February 2025 5:00 PM will be able to speak at the Meeting. The Chairperson of the Meeting reserves the right to restrict the number of questions and / or number of speakers, depending upon availability of time, for smooth conduct of the Meeting.

Further, the equity shareholders who would like to have their questions / queries responded to during the Meeting are requested to send such questions / queries in advance to the Company Secretary at cs@shankarabuildpro.com within the aforesaid time period.
12. In terms of the directions contained in the Order, the Notice convening the Meeting is published by Company through advertisement in the Business Standard in English language, having nationwide circulation and in Kannada Prabha in Kannada language, having circulation in State of Karnataka indicating the day, date and time of the Meeting.

INSTRUCTIONS FOR ATTENDING THE MEETING THROUGH VC/OAVM AND E-VOTING

1. THE PROCESS AND MANNER FOR REMOTE E-VOTING:

In compliance with the provisions of section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, Members are provided with the facility to cast their vote electronically, through the modes listed below, on all resolutions set forth in this Notice, by way of remote e-voting.

A) Information and instructions for remote e-voting by Individual Shareholders holding shares of the Company in demat mode:


Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

The procedure to login and access remote e-voting, as devised by the Depositories/ Depository Participant(s), is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. Members already registered for NSDL IDeAS facility; <ol style="list-style-type: none">i. Visit URL https://eservices.nsdl.com.ii. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section.iii. A new screen will prompt and you will have to enter your User ID and Password.iv. Post successful authentication, click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page.v. Click on company name or e-Voting service provider name

	<p>i.e., KFintech and you will be re-directed to KFintech website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2. Members who have not registered for IDeAS facility, may follow the below steps;</p> <ol style="list-style-type: none"> i. To register for IDeAS facility visit the URL at https://eservices.nsdl.com ii. Click on “Register Online for IDeAS” or for direct registration click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp iii. On completion of the registration formality, follow the steps provided above. <p>3. Members may alternatively vote through the e-voting website of NSDL in the following manner;</p> <ol style="list-style-type: none"> i. Visit the following URL: https://www.evoting.nsdl.com/ ii. Click on the icon “Login” which is available under ‘Shareholder/Member’ section. iii. Members to enter User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code shown on the screen. iv. Post successful authentication, you will be redirected to NSDL IDeAS site wherein you can see e-Voting page. v. Click on company name or e-Voting service provider name i.e., KFintech and you will be redirected to KFintech website for casting your vote. <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="687 1386 1129 1648" style="text-align: center;"> <p>NSDL Mobile App is available on</p>  <p>The image shows a promotional banner for the NSDL Mobile App. It features the text 'NSDL Mobile App is available on' at the top. Below this, there are two logos: the Apple App Store logo and the Google Play logo. Underneath each logo is a square QR code. The entire banner is set against a light blue background.</p> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>1. Members already registered for Easi/ Easiest facility may follow the below steps;</p> <ol style="list-style-type: none"> i. Visit the following URL: https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com ii. Click on the “Login” icon and opt for “New System Myeasi” (only applicable when using the URL: www.cdslindia.com) iii. On the new screen, enter User ID and Password. Without any

	<p>further authentication, the e-voting page will be made available.</p> <p>iv. Click on Company name or e-voting service provider name i.e. KFintech to cast your vote.</p> <p>2. Members who have not registered for Easi/Easiest facility, may follow the below steps;</p> <p>i. To register for Easi/Easiest facility visit the URL at https://web.cdslindia.com/myeasi./Registration/EasiRegistration</p> <p>ii. On completion of the registration formality, follow the steps mentioned above.</p> <p>3. Members may alternatively vote through the e-voting website of CDSL in the manner specified below:</p> <p>i. Visit the following URL: https://evoting.cdslindia.com/Evoting/EvotingLogin</p> <p>ii. Enter the demat account number and PAN</p> <p>iii. Enter OTP received on mobile number and email registered with the demat account for authentication.</p> <p>iv. Post successful authentication, the member will receive links for the respective e-voting service provider i.e. KFintech where the e-voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>1. Members may alternatively log-in using the credentials of the demat account through their Depository Participant(s) registered with NSDL/CDSL for the e-voting facility.</p> <p>2. On clicking the e-voting icon, members will be redirected to the NSDL/CDSL site, as applicable, on successful authentication.</p> <p>3. Members may then click on Company name or e-voting service provider name i.e. Kfintech and will be redirected to Kfintech website for casting their vote.</p>

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants' website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- During the voting period, shareholders / members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type Helpdesk details	Login type Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

B) Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode:

Member will receive an e-mail from Kfintech [for Members whose e-mail IDs are registered with the Company/Depository Participant(s)] which includes details of E-Voting Event Number (“EVEN”), User ID and Password:

- Launch internet browser by typing the URL: <https://evoting.kfintech.com/>.
- Enter the login credentials (i.e., User ID and Password). Your DP ID-Client ID will be your User ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and Password for casting your vote.
- After entering these details appropriately, click on ‘LOGIN’
- You will now reach password change Menu wherein you are required to mandatorily change your password. The new password should comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the 'EVENT', i.e., Shankara Building Products Limited.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-Off Date under 'FOR/AGAINST' or, alternatively, you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option 'ABSTAIN'. If you do not indicate either 'FOR' or 'AGAINST' it will be treated as 'ABSTAIN' and the shares held will not be counted under either head.
- viii. Equity shareholders holding multiple demat accounts may choose the voting process separately for each demat accounts.
- ix. You may then cast your vote by selecting an appropriate option and click on 'Submit'.
- x. A confirmation box will be displayed. Click 'OK' to confirm else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, you can login any number of times till you have voted on the Resolution.
- xi. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned certified true copy (PDF/JPG Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s) who are authorised to vote, to the Scrutiniser through e-mail ID cs.ndsatish@gmail.com with a copy marked to evoting@kfintech.com and to the Company at cs@shankarabuildpro.com. The file scanned image of the Board Resolution should be in the naming format "Company Name, Event No."
- xii. In case e-mail id of a Member is not registered with the Company/ Depository Participant(s), please follow the steps for registration as mentioned in para 9 of the Notes.
 - a) Upon registration, Member will receive an e-mail from Kfintech which includes details of E-Voting Event Number (EVEN), USER ID and password.
 - b) Please follow all steps from aforesaid (B) (i) to (xi) above to cast your vote by electronic means.
- xiii. A person, whose name is recorded in the register of equity shareholder or in the register of beneficial owners maintained by the depositories as on the Cut-Off Date only shall be entitled to avail the facility of remote e-voting as well as e-voting at the Meeting.
- xiv. Non-individual shareholders holding securities in demat mode who become equity shareholder after dispatch of the Notice of the Meeting but on or before the Cut-Off Date, i.e., Tuesday, 4th February 2025, may obtain User ID and Password in the manner as mentioned below:

- I. If the mobile number of the equity shareholder is registered against DP ID-Client ID, the Member may send SMS: MYEPWD<SPACE> DP ID-Client ID to +91 9212993399.

Example for NSDL: MYEPWD<SPACE>IN12345612345678

Example for CDSL: MYEPWD<SPACE>1402345612345678

- II. If email address of the equity shareholder is registered against DP ID-Client ID, then on the home page of <https://evoting.kfintech.com>, the equity shareholder may click 'Forgot Password' and enter DP ID-Client ID and PAN to generate a password.
 - III. Equity shareholders may send an e-mail request to <https://evoting.kfintech.com>. If the equity shareholder is already registered with the KFinTech's e-voting platform, then such equity shareholder can use his/her existing User ID and Password for casting the vote through remote e-voting.
 - IV. In case of any queries, please visit Help and Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com>. For any grievances related to e-voting, please contact Mr. SV Raju, Deputy Vice President, KFin Technologies Limited (formerly known as KFin Technologies Private Limited), Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramgula, Serilingampally Mandal, Hyderabad-500 032 at evoting.kfintech.com, Toll Free No: 1800-309-4001.
2. The remote e-voting period commences on Friday, 7th February 2025 9:00 AM IST and ends Tuesday, 11th February 2025 5:00 PM IST (both days inclusive). During this period, the Members of the Company may cast their votes by remote e-voting in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, being Tuesday, 4th February 2025 will be entitled to cast their votes by remote e-voting.
 3. The voting rights of the equity shareholder shall be in proportion to their shareholding of the paid up equity share capital of the Company as on Cut-Off Date, i.e., Tuesday, 4th February 2025.
 4. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
5. **VOTING AT THE NCLT CONVENED MEETING:**
- i. Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the NCLT convened meeting. E-voting during the meeting is integrated with the VC platform and no separate login is required for the same.
 - ii. Members who have voted through Remote e-voting will be eligible to attend the NCLT convened meeting, however, they shall not be allowed to cast their vote again during the meeting.

- iii. The e-voting window shall be activated upon instructions of the Chairperson of the Meeting during the NCLT convened meeting and shall also announce the start of the casting the vote at NCLT convened meeting through the e-Voting platform of our RTA - Kfintech and thereafter the e-Voting at AGM shall commence.
 - iv. Upon the declaration by the Chairman about the commencement of e-voting at NCLT convened meeting, Members shall click on the “Vote” sign on the left-hand bottom corner of their video screen for voting at the AGM, which will take them to the 'Instapoll' page.
 - v. Members to click on the “Instapoll” icon to reach the resolution page and follow the instructions to vote on the resolutions.
 - vi. However, this facility shall be operational till all the resolutions are considered and voted upon in the meeting.
 - vii. A Member can opt for only single mode of voting i.e. through remote e-voting or voting at the meeting. If a Member casts votes by both modes i.e. voting at meeting and remote e-voting, voting done through remote e-voting shall prevail and vote at the meeting shall be treated as invalid.
6. To facilitate Members to receive the Notice for the NCLT convened meeting (including remote e-voting instructions) electronically and cast their vote, the Company has made special arrangements with Kfintech for registration of email addresses of the Members in terms of the General Circular No. 20/2020 dated May 5, 2020 issued by the MCA. Eligible Members who have not submitted their email address to the Company or Kfintech are required to provide/update their email address to Kfintech, on or before Tuesday, 4th February 2025.

The process for registration / updation of email address with Kfintech for receiving the Notice of NCLT convened meeting and login ID and password for e-voting is as under:

- a) Visit the link: <http://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>.
- b) Select the Company name viz. Shankara Building Products Limited.
- c) Enter the DP ID & Client ID and PAN details.
- d) Upload a self-attested copy of the PAN card for authentication. If PAN details are not available in the system, the system will prompt the Member to upload a self-attested copy of the PAN card for updation.
- e) Enter your email address and mobile number.
- f) The system will then confirm the email address for receiving this NCLT convened meeting Notice.

OTHER INSTRUCTIONS

1. Shri ND Satish Company Secretary have been appointed as the Scrutinizer by the Hon'ble NCLT for conducting the remote e-voting, and e-voting process.
2. The Scrutinizer will, after the conclusion of e-voting during the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairperson or a person authorised by him in writing who shall countersign the same in compliance of Rule 20 of Companies (Management and Administration) Rules, 2014 (including amendments made thereto) read with Regulation 44 of SEBI LODR.
3. The Results on resolutions shall be declared on or after the NCLT convened meeting of the Company and the resolutions will be deemed to be passed on the NCLT convened meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.
4. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company at <https://shankarabuildpro.com/> and on Service Provider's website at <https://evoting.kfintech.com/> immediately after the result is declared by the Chairperson or by person authorised by him and communicated to BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed.

Instructions for attending the NCLT Convened Meeting through VC:

1. Members may access the platform to attend the NCLT convened meeting through VC at <https://emeetings.kfintech.com> by using their DP ID / Client ID as applicable as the credentials.
2. The facility for joining the NCLT convened meeting shall open 15 minutes before the time scheduled to start and shall not be closed for at least 15 minutes after such scheduled time.
3. Members are encouraged to join the Meeting using Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge or Mozilla Firefox 22.
4. Members will be required to grant access to the web-cam to enable two-way video conferencing.
5. Members are advised to use stable Wi-Fi or LAN connection to participate at the NCLT convened meeting through VC smoothly, without any fluctuations in the audio/video quality.
6. Members who may want to express their views or ask questions at the NCLT convened meeting may visit <https://evoting.kfintech.com> and click on the tab "Post Your Queries Here for the Meeting" to post their queries in the window provided, by mentioning their name, demat account number, email ID and mobile number. The

window shall remain active during the remote e-voting period and shall be closed on Tuesday, 11th February, 2024 5:00 PM.

7. In addition to the above mentioned step, the Members may register themselves as speakers for the NCLT convened meeting to raise their queries. Accordingly, the Members may visit <https://evoting.kfintech.com/> and click on tab 'Speaker Registration for the meeting' during the period mentioned below. Members shall be provided a 'queue number' before the NCLT convened meeting. The company reserves the right to restrict the speakers at the NCLT convened meeting to only those Members who have registered themselves, depending on the availability of time for the NCLT convened meeting.

The 'Speaker Registration' window shall be activated on Friday, 7th February 2025 9:00 AM and shall be closed on Tuesday, 11th February 2025 5:00 PM. Those Members who have registered themselves as a speaker will only be allowed to speak/express their views/ask questions during the NCLT convened meeting provided they hold shares as on the cut-off date i.e., Tuesday, 4th February 2025. The Company reserves the right to restrict the number of speakers and time allotted per speaker subject to availability of time as appropriate for smooth conduct of the NCLT convened meeting.

8. Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the NCLT convened meeting. E-voting during the NCLT convened meeting is integrated with the VC platform and no separate login is required for the same.
9. Members who may require any technical assistance or support before or during the NCLT convened meeting are requested to contact KFin Technologies Limited (formerly known as KFin Technologies Pvt Limited) at toll free number 1800-309-4001 or write to them at inward.ris@kfintech.com and/or evoting@kfintech.com. Kindly quote your name, DP ID Client ID and e-voting Event Number in all your communications.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENCH AT BENGALURU

**IN THE MATTER OF SECTIONS 230 TO 232 READ WITH SECTION 66 AND
OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013**

AND

**IN THE MATTER OF SCHEME OF ARRANGEMENT
AMONGST**

**SHANKARA BUILDING PRODUCTS LIMITED
(APPLICANT COMPANY NO.1/DEMERGED COMPANY)**

AND

**SHANKARA BUILDPRO LIMITED
(APPLICANT COMPANY NO.2/RESULTING COMPANY)**

AND

**THEIR RESPECTIVE SHAREHOLDERS & CREDITORS (“SCHEME”)
COMPANY APPLICATION NO. C.A.(CAA)/38/BB/2024**

SHANKARA BUILDING PRODUCTS LIMITED

(CIN: L26922KA1995PLC018990)

A Company incorporated under the Companies Act, 1956

having its registered office at G-2 Farah Winsford,

No.133, Infantry Road, Bengaluru, Karnataka, India – 560001

(Represented by Ms. Ereena Vikram, Company Secretary/Authorised Signatory)

... Applicant Company No.1/Demerged Company

SHANKARA BUILDPRO LIMITED

(CIN: U24311KA2023PLC179791)

A company incorporated under the Companies Act, 2013,

having its registered office at No. 21/1 & 35-A-1, Hosur Main Road,

Electronic City, Veerasandra, Bengaluru South, Bengaluru, Karnataka, India – 560100.

(Represented by Mr. Sukumar Srinivas, Managing Director/ Authorised Signatory)

... Applicant Company No.2/Resulting Company

**EXPLANATORY STATEMENT UNDER SECTIONS 230 AND 232 READ WITH
SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES
ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES,
ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 ACCOMPANYING THE
NOTICE OF THE MEETING OF EQUITY SHAREHOLDERS OF SHANKARA
BUILDING PRODUCTS LIMITED CONVENED PURSUANT TO ORDERS OF THE
HON’BLE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH DATED
18th DECEMBER, 2024.**

1. Meeting to consider the Scheme

- i) Pursuant to the order dated 18th December, 2024 the Hon'ble National Company Law Tribunal, Bengaluru Bench ("**Hon'ble NCLT**") in the Company Application No. C.A. (CAA)38/BB/22024 ("**Order**"), a meeting of the equity shareholders of Shankara Building Products Limited (Applicant Company No.1/Demerged Company) is being convened ("Tribunal Convened Meeting" or "Meeting") on Wednesday, 12th February 2025 at 11:00 AM through video conferencing/ other audio visual means for the purpose of considering, and if thought fit, approving the scheme of arrangement amongst Shankara Building Products Limited (Applicant Company No.1/Demerged Company) and Shankara Buildpro Limited (Applicant Company No.2/Resulting Company) and their respective shareholders and creditors ("**Scheme**"), in compliance with the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("**Companies Act**" / "**Act**"), the circulars issued thereunder, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"). A copy of the Order and the Scheme are enclosed as **Annexure 1** and **Annexure 2** respectively.

Capitalized terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.

- ii) The Scheme, inter alia, provides for the following:
- a. Demerger (as defined in the Scheme) of the Demerged Undertaking (as defined in the Scheme) of the Demerged Company (as defined in the Scheme) into the Resulting Company (as defined in the Scheme) on a going concern basis and in consideration, the consequent issuance of Equity Shares (as defined in the Scheme) by the Resulting Company to all the shareholders of the Demerged Company as per the Share Entitlement Ratio (as defined in the Scheme), and in accordance with the provisions of Section 2(19AA) read with other relevant provisions of the IT Act (as defined in the Scheme).
 - b. Reduction by way of cancellation of the entire pre-scheme share capital of the Resulting Company as an integral part of the Scheme.
 - c. The Scheme also provides for various other matters consequential, supplemental or otherwise integrally connected therewith and incidental thereto.

2. Rationale of the Scheme

The Scheme for demerger, transfer and vesting of the Demerged Undertaking of the Demerged Company into the Resulting Company shall have the following specific benefits:

- i.* Demerger shall enable both Demerged Company and the Resulting Company to enhance business operations by streamlining operations, more efficient management control and outlining independent growth strategies such as expansion of product categories and geographical presence.
- ii.* Creation of dedicated vertical for the growth of Trading Business with focused attention.
- iii.* Attracting new set of investors with specific knowledge, expertise and risk appetite corresponding to their own businesses, thus, both the Demerged Company and the Resulting Company will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of Trading Business and Manufacturing Business.
- iv.* Pursuant to the Scheme, Equity Shares issued by the Resulting Company would be listed on the stock exchanges and thus, will unlock the value of the Trading Business for the shareholders of the Demerged Company.
 - Existing shareholders of the Demerged Company would hold the shares of two listed companies once the scheme becomes effective, giving them flexibility in managing their investments in two businesses having differential dynamics.
- v.* Demerger to be in the interest of shareholders, creditors and there is no likelihood that any shareholder or creditor would be prejudiced as a result of Scheme. It will not impose any additional burden on the shareholders of the Demerged Company considering the Scheme would merely involve transfer and vesting of Trading Business by way of an arrangement from the Demerged Company to Resulting Company.
- vi.* Demerger is expected to improve corporate governance within the separated entities, ensuring that the board and management are aligned with the specific interests and goals of their businesses.

3. Background of the Companies

I. Particulars of the Demerged Company

- a) The Demerged Company was originally incorporated as a private limited company on 13th October 1995 under the provision of the Companies Act, 1956, with Registrar of Companies, Bengaluru, under the name and style of ‘Shankara Pipes

India Private Limited'. Subsequently, pursuant to fresh certificate of incorporation dated 28th August 2007, the Demerged Company was converted into a public limited company under the name and style of 'Shankara Pipes India Limited'. Further, pursuant to the fresh certificate of incorporation dated 25th March 2011, the Demerged Company has changed its name from 'Shankara Pipes India Limited' to 'Shankara Infrastructure Materials Limited'. Subsequently, pursuant to the fresh certificate of incorporation dated 27th July 2016, the Demerged Company has changed its name from 'Shankara Infrastructure Materials Limited' to '**Shankara Building Products Limited**'. The Demerged Company has its registered office at G-2 Farah Winsford, No.133, Infantry Road, Bangalore, Karnataka, India – 560001. The Corporate Identification Number of the Demerged Company is L26922KA1995PLC018990, and its Permanent Account Number allotted by the Income Tax Department is AACCS9670B. The email address of the Demerged Company is <https://shankarabuildpro.com/>. During the last five years, there has been no change in the Object Clause, name and registered address of the Demerged Company.

- b) The equity shares of the Demerged Company are listed on both BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").
- c) The objects of the Demerged Company are set out in **Clause III(A)** of its Memorandum of Association. They are inter alia, reproduced hereunder:
- i. *To carry on the business of manufacture, process, purchase, sell or otherwise to deal with Steel Pipes, Tubes and Pipe Fittings, Iron and Steel, PVC Rigid Pipes and Pipe Fittings, PVC Products, Moulded Plastic Products, Plastic Furniture and allied products of all kinds and descriptions.*
 - ii. *To carry on the business of manufacture, process, purchase, sell or otherwise to deal with Sections made out of Aluminium, Steel, Stainless Steel and other Metals and allied products of all kinds and descriptions.*
 - iii. *To carry on the business of manufacture, process, purchase, sell or otherwise to deal with Fabrication including welding products, Roofing, construction, Irrigation and Hardware products of all kinds and descriptions and with Fabrication Machinery products of all kinds and descriptions.*
 - iv. *To carry on the business of manufacture, process, purchase, sell or otherwise to deal with Sanitary ware, CP Fittings, Ceramic & Clay tiles & a complete range of plumbing products and flooring material, including but not limited to ceramic, polished, vitrified, glazed, unglazed, wooden, granite, marble, tiles and stone flooring material and all natural and manufactured flooring products, plywood and all kinds of products made of wood, including but not limited to all types of*

furniture for domestic, commercial, industrial and outdoor applications.

- v. *To carry on the business of purchase, manufacture, supply, distribution, import, export, sale or to otherwise deal with electrical products, including but not limited to, lights, fans, cables, wires, switches and all kinds of electronics, including all kinds of kitchen items, and solar water heaters and all kinds of solar powered products and all varieties and types of paints and related products, including but not limited to chemical formulations, primer and metal paints, and all kind of construction material, including but not limited to cement, RMC and related aggregators, such as jelly and sand.*
- d) **Clause III(B) (19)** of the Memorandum of Association which contain provisions for sale, lease or disposal off the undertaking or properties, is reproduced hereunder:
- “To sell, mortgage, assign, lease and in any manner deal with or dispose of the undertaking or properties of the Company or any part thereof, either movable or immovable, for such considerations as the Company may think fit and in particular for shares, debentures or other securities of the Company and any other Company having objects altogether or in part similar to those of this Company”*
- e) The Demerged Company is one of the leading organized retailers of home improvement and building products in India. It caters to a large customer base spread across various end-user segment in urban and semi-urban markets through a retail led, multi-channel sales approach complemented by processing facilities, supply chain and logistics. It deals with a number of product categories including structural steel, cement, TMT bars, hollow blocks, pipes and tubes, roofing solutions, welding accessories, primers, solar heaters, plumbing materials, tiles, sanitary ware, water tanks, plywood, kitchen sinks, lighting and other allied products.
- f) The share capital of the Demerged Company as on 31st March 2024 is as under:

Authorised Share Capital	Amount (INR)
3,00,00,000 Equity Shares of INR 10/- each	30,00,00,000
Total	30,00,00,000
Issued, Subscribed and Paid-up Share Capital	Amount (INR)
2,42,49,326 Equity Shares of INR 10/- each	24,24,93,260
Total	24,24,93,260

Subsequent to the above date and till the date of filing the Scheme before the Hon’ble NCLT, there has been no change in the authorized, issued, subscribed and paid-up capital of the Demerged Company.

The last annual financial statements of the Demerged Company have been audited for the financial year ended 31st March 2024, which are enclosed as **Annexure 3**. In accordance with the SEBI Listing Regulations, the Demerged Company has also published its unaudited financial results for the quarter and six months ended 30th September 2024 in the prescribed format, which are enclosed as **Annexure 4**.

- g) The details of the promoters of the Demerged Company (as on the date of notice) along with their addresses are as follows:

Sr. No.	Names of the Promoters	Category	Address
1.	Sukumar Srinivas	Promoter	490, 14th Main, 3rd Block, Koramangala, Bengaluru, Karnataka, India - 560034
2.	Parwathi Srikanth Miralay	Promoter Group	490, 14th Main, 3rd Block, Koramangala, Bengaluru, Karnataka, India - 560034
3.	Dhananjay Miralay Srinivas	Promoter Group	490, 14th Main 3rd Block, Koramangala, Bengaluru, Karnataka, India - 560034
4.	Shankara Holdings Private Limited	Promoter Group	G-2 Farah Winsford, No.133, Infantry Road, Bengaluru, Karnataka, India - 560001

**Classification of Promoters above is based on the definition of “Promoter” and “Promoter Group” as per SEBI Listing Regulations read with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.*

- h) The details of the directors of the Demerged Company (as on the date of notice) along with their addresses are as follows:

Sr. No.	Names	Designation	DIN	Address
1.	Sukumar Srinivas	Executive Director – Managing Director	01668064	490, 14th Main, 3rd Block, Koramangala, Bengaluru, Karnataka, India - 560034
2.	Chowdappa Ravikumar	Executive Director – Whole Time Director	01247347	No.13, 3rd Main Road, Maruthi Extension, Bengaluru, Karnataka, India – 560021

3.	Chandu Nair	Non-Executive - Independent Director	00259276	B076, Commanders Court, 49, Ethiraj Salai Egmore, Chennai, Tamil Nadu, India -600008
4.	N Muthuraman	Non-Executive - Independent Director	02375046	Flat No. 1008, TVH Quadrant, 55, L.B. Road, Adyar, Chennai, Tamil Nadu, India – 600020
5.	Bhadranarasimham Jayaraman	Non-Executive - Independent Director	00022567	E-602, Adarsh Gardens, 47th Cross, 8th Block, Jayanagar, Bengaluru, Karnataka, India -560070
6.	Jayashri Murali	Non-Executive - Independent Director	00317201	77 and 78, 6th Cross, Bhuvaneshwari Nagar, Hebbal, Dasarahalli, Bengaluru, Karnataka, India -560024

II. Particulars of the Resulting Company

- a) The Resulting Company was originally incorporated as a private limited company on 13th October 2023, under provisions of the Act with Registrar of Companies, Bengaluru, under the name and style of ‘Shankara Buildpro Private Limited’. Subsequently, pursuant to fresh certificate of incorporation dated 30th November 2023, the Resulting Company was converted into a public limited company under the name and style of ‘**Shankara Buildpro Limited**’. The Resulting Company has its registered office at No. 21/1 & 35-A-1, Hosur Main Road, Electronic City, Veerasandra, Bengaluru South, Bengaluru, Karnataka, India – 560100. The Corporate Identification Number of the Resulting Company is U24311KA2023PLC179791, and its Permanent Account Number allotted by the Income Tax Department is ABLCS8941H. The email address of the Resulting Company is sbl.cs@shankarabuildpro.com. There has been no change in the Object Clause, name and registered address of the Resulting Company since its incorporation other than the change in name pursuant to its conversion as stated above.
- b) The equity shares of the Resulting Company are presently not listed on any stock exchanges. However, an application shall be made with BSE and NSE post the effectiveness of the Scheme, for the listing of the equity shares of the Resulting Company so that upon Demerger of the Demerged Undertaking into the Resulting Company, the members of the Resulting Company have ready access to market and could freely trade in the equity shares of the Resulting Company.

c) The objects of the Resulting Company are set out in **Clause 3(a)** of its Memorandum of Association. They are inter alia, reproduced hereunder:

- i. *To carry on the business of manufacture, process, purchase, sell, import, export or otherwise to deal with Steel Pipes, Tubes and Pipe Fittings, Iron and Steel, PVC Rigid Pipes and Pipe Fittings, PVC Products, Moulded Plastic Products, Plastic Furniture and allied products of all kinds and descriptions.*
- ii. *To carry on the business of manufacture, process, purchase, sell, import, export or otherwise to deal with Sections made out of Aluminium, Steel, Stainless Steel and other Metals and allied products of all kinds and descriptions.*
- iii. *To carry on the business of manufacture, process, purchase, sell, import, export or otherwise to deal with Fabrication including welding products, Roofing, construction, Irrigation and Hardware products of all kinds and descriptions and with Fabrication Machinery products of all kinds and descriptions.*
- iv. *To carry on the business of manufacture, process, purchase, sell, import or export or otherwise to deal with Sanitary ware, CP Fittings, Ceramic & Clay tiles & a complete range of plumbing products and flooring material, including but not limited to ceramic, polished, vitrified, glazed, unglazed, wooden, granite, marble, tiles and stone flooring material and all natural and manufactured flooring products, plywood and all kinds of products made of wood, including but not limited to all types of furniture for domestic, commercial, industrial and outdoor applications.*
- v. *To carry on the business of purchase, manufacture, supply, distribution, import, export, sale or to otherwise deal with electrical products, including but not limited to, lights, fans, cables, wires, switches and all kinds of electronics, including all kinds of kitchen items, and solar water heaters and all kinds of solar powered products and all varieties and types of paints and related products, including but not limited to chemical formulations, primer and metal paints, and all kind of construction material, including but not limited to cement, RMC and related aggregators, such as jelly and sand.*

d) **Clause 3(b)(10)** of the Memorandum of Association which contain provisions for purchase or otherwise acquire any business or property, is reproduced hereunder:

“To purchase or otherwise acquire and to undertake the whole or any part of the business, property, rights and liabilities of any person carrying on any business, which this Company is authorized to carry on and to purchase, acquire, apply for, hold, sell and deal in shares, stocks, debentures or debenture stocks of any such

person, firm or Company and to conduct, make or carry in to effect any arrangement in regard to the winding up of the business of any such person”

- e) The share capital of the Resulting Company as on 31st March 2024 is as under:

Authorized Share Capital	Amount (INR)
10,000 Equity Shares of INR 10/- each	1,00,000
Total	1,00,000
Issued, Subscribed and Paid-up Share Capital	Amount (INR)
10,000 Equity Shares of INR 10/- each	1,00,000
Total	1,00,000

Subsequent to the above date and till the date of filing the Scheme before the Hon’ble NCLT, there has been no change in the authorized, issued, subscribed and paid-up capital of the Resulting Company.

The last annual financial statements of the Resulting Company have been audited for the financial year ended March 31, 2024, which are enclosed as **Annexure 5**. The Resulting Company has also prepared its unaudited financial results for the quarter and six months ended 30th September 2024, which are enclosed as **Annexure 6**.

- f) The details of the promoters of the Resulting Company (as on the date of notice) along with their addresses are as follows:

Sr. No.	Names of the Promoters	Category	Address
1.	Shankara Building Products Limited	Promoter	G-2 Farah Winsford, No.133, Infantry Road, Bengaluru, Karnataka, India - 560001
2.	Sukumar Srinivas	Promoter	490, 14th Main, 3rd Block, Koramangala, Bengaluru, Karnataka, India - 560034
3.	Dhananjay Miralay Srinivas	Promoter Group	490, 14th Main 3rd Block, Koramangala, Bengaluru, Karnataka, India - 560034
4.	Shankara Holdings Private Limited	Promoter Group	G-2 Farah Winsford, No.133, Infantry Road, Bengaluru, Karnataka, India, 560001

- g) The details of the directors of the Resulting Company (as on the date of notice) along with their addresses are as follows:

Sr. No.	Names	Designation	DIN	Address
1.	Sukumar Srinivas	Managing Director	01668064	490, 14th Main, 3rd Block, Koramangala, Bengaluru, Karnataka, India -560034
2.	Dhananjay Miralay Srinivas	Director	09108483	490, 14th Main 3rd Block, Koramangala, Bengaluru, Karnataka, India -560034
3.	Chengalan Nalagath Agfa	Whole time Director	10373519	Palot House, Post HQ Hospital, Anjukandy, Kannur, Kerala, India - 670017

4. Salient Features of the Scheme

The salient features of the Scheme, *inter alia*, are as stated below. The capitalized terms used herein shall have the same meaning as ascribed to them in **Clause 1** of **Part I** of the Scheme and are to be read subject to the same rules of interpretation as stated in **Clause 2** of **Part I** of the Scheme:

- a) The Scheme, *inter alia*, provides for: (a) demerger, transfer and vesting of the Trading Business (Demerged Undertaking as defined in the Scheme) of the Demerged Company into the Resulting Company on a going concern basis and in consideration the consequent issue of 1 (One) fully paid-up equity share of face value of INR 10/- (Indian Rupees Ten Only) each held in the Demerged Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Demerged Company shall be issued 1 (One) fully paid-up equity share of face value of INR 10/- (Indian Rupees Ten Only) each in the Resulting Company, in accordance with the provisions of Section 2(19AA) read with other relevant provisions of the Income Tax Act, 1961.
- b) Reduction by way of cancellation of the entire pre-scheme share capital of the Resulting Company as an integral part of the Scheme.
- c) Listing of equity shares of the Resulting Company on BSE and NSE.
- d) Appointed Date, as defined in the Scheme, means the opening of business hours of 1st April 2024 or such other date as the National Company Law Tribunal may allow or direct and which is acceptable to the Board of the Demerged Company and the Resulting Company.

- e) Effective Date, as defined in the Scheme, means the last date on which all of the conditions specified in **Clause 18** (Conditionality of the Scheme) of the Scheme are complied with.
- f) Record Date, as defined in the Scheme, means a mutually agreed date to be fixed by the respective Boards of the Demerged Company and the Resulting Company, for the purpose of determining the shareholders of the Demerged Company to whom Equity Shares of the Resulting Company would be allotted pursuant to the Demerger in accordance with **Clause 14** of this Scheme.
- g) The equity shares of the Demerged Company shall continue to be listed on BSE and NSE.

Note: The equity shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

5. Relationship subsisting between the Parties to the Scheme

The Resulting Company is currently a wholly owned subsidiary of the Demerged Company.

6. Board approvals

- a) The board of directors of the Demerged Company unanimously approved the Scheme at their meeting held on 18th December 2023. The names of the directors and their manner of voting at this meeting are as follows:

Sr. No.	Names	Voted in favour/ against/ abstained or Absent
1.	Ravi Chandar Venkataraman	In favour
2.	Sukumar Srinivas	In favour
3.	Chowdappa Ravi Kumar	In favour
4.	Chandu Nair	In favour
5.	Subramanya Venkata Sivaprasad Ramenani	In favour
6.	Bhadranarasimham Jayaraman	In favour
7.	Jayashri Murali	In favour

- b) The board of directors of the Resulting Company unanimously approved the Scheme at their meeting held on 18th December 2023. The names of the directors and their manner of voting at this meeting are as follows:

Sr. No.	Names	Voted in favour/ against/ abstained or Absent
1.	Sukumar Srinivas	In favour
2.	Dhananjay Miralay Srinivas	In favour
3.	Chengalan Nalagath Agfa	In favour

7. Interest of Directors, Key Managerial Personnel ('KMP') and their relatives

None of the directors and the KMPs (as defined under the Act and rules framed thereunder) of the Demerged Company and the Resulting Company and their respective Relatives (as defined under the Act and rules framed thereunder) have any concern or material interest in the Scheme, except to the extent of their directorship and shareholding, if any, in the Demerged Company and the Resulting Company.

The Registers of Directors and KMPs and their shareholding of the Demerged Company and the Resulting Company will be available for inspection at the Registered Office of the Demerged Company between 10.00 a.m. to 2.00 p.m. on any working day up to the date of the meeting, for which purpose the shareholders are required to send an e-mail to the Company Secretary at cs@shankarabuildpro.com.

8. Effect of the Scheme on the various stakeholders

The effect of the Scheme on various stakeholders is summarized below:

Sr. No.	Name of Stakeholders	Effect
1.	Promoter Shareholders, non-promoter shareholders and KMPS	The effect of the Scheme on the shareholders, promoters, non-promoter shareholders, and key managerial personnel of the Demerged Company and the Resulting Company has been set out in the report adopted by the respective Board of Directors of the said companies at their meeting held on 18 th December 2023, pursuant to the provisions of Section 232(2)(c) of the Act which is attached as Annexure 7 to this Statement.
2.	Creditors	<ol style="list-style-type: none"> 1) The demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company will not adversely impact the rights and interests of the creditors of the Demerged Company and the Resulting Company. 2) The creditors of the Demerged Company not forming part of the Demerged Undertaking shall continue to be the creditors of the Demerged Company and shall be

		<p>paid in the ordinary course of business by the Demerged Company.</p> <p>3) The creditors of the Demerged Company relating to the Demerged Undertaking will cease to be creditors of the Demerged Company and shall become creditors of the Resulting Company on the same terms and conditions, as before, and shall be paid in the ordinary course of business by the Resulting Company.</p> <p>4) The effect of the Scheme on creditors is further detailed in paragraph 10 below.</p>
3.	Directors	<p>The Scheme will have no effect on the existing Directors of the Demerged Company and the Resulting Company. Further, no change in the Board of Directors of the Demerged Company and the Resulting Company is envisaged on account of the Scheme. It is clarified that the composition of the Board of Directors of the Demerged Company and the Resulting Company may change by appointments, retirements or resignations in accordance with the provisions of the Act, SEBI Listing Regulations, other applicable laws, and the Memorandum and Articles of Association of these companies.</p> <p>The effect of the Scheme on the Directors of the Demerged Company and the Resulting Company in their capacity as shareholders of the said companies is the same as in case of other shareholders of the said companies, as mentioned in the aforesaid reports enclosed as Annexure 7.</p>
4.	Debenture holders, Debenture Trustees, Depositors and Deposit Trustees	<p>The Demerged Company and the Resulting Company have neither issued any debentures nor taken any public deposits. Hence, there are no debenture holders, debenture trustees, depositors and deposit trustees.</p>
5.	Employees	<p>1) Upon the coming into effect of the Scheme, identified staff, workmen & employees of the Demerged Company shall become the employees of the Resulting Company and subject to the provisions hereof, on terms and conditions not less favourable than those on which they are engaged by the Demerged Company, without any interruption of service as a result of the Demerger of the Demerged Undertaking into the Resulting Company as provided in Clause 9 of the</p>

		Scheme.
		2) The Scheme will have no effect on the existing employees of the Resulting Company.

There will be no adverse effect on account of the Scheme on the aforesaid stakeholders. The Scheme is proposed to the advantage of all concerned, including the said stakeholders.

9. No investigation proceedings

There are no proceedings instituted and/or pending under section 210 to 227 of the Act against the Demerged Company and /or the Resulting Company.

10. Amount due to creditors

The amount due to the secured and unsecured creditors of the Demerged Company as on 30th June 2024 are as follows:

Sl. No.	Creditors	Amount (in INR cr.)
1.	Secured creditors	403.99
2.	Unsecured loan creditors	188.44
3.	Unsecured trade creditors	70.81

Further, the Resulting Company do not have any secured or unsecured creditors as on 30th June 2024.

The Scheme involves the arrangement between the Demerged Company and the Resulting Company and their respective shareholders. No change in value or terms or any compromise or arrangement is proposed under the Scheme with any of the creditors of the Demerged Company. Further, the Demerged Company has obtained consent, by way of affidavit, to the Scheme from the creditors having at least ninety percent (90%) value. The Hon'ble NCLT has therefore dispensed with the meetings of the secured creditors, unsecured loan creditors and unsecured trade creditors of the Demerged Company to consider the Scheme, since there is no compromise or arrangement with them and their rights are not affected by the Scheme in any manner.

11. Details of contracts/arrangements

There are no contracts/arrangements existing between the Demerged Company and the Resulting Company.

12. Summary of the Share Entitlement Report and Fairness Opinion

For the purposes of the Scheme, a report in relation to the recommendation of fair share entitlement ratio (hereinafter referred to as “**Share Entitlement Ratio Report**”) for issuance and allotment of shares of the Resulting Company to the shareholders of the Demerged Company as on the Record Date pursuant to and in consideration of the Demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company was issued on 18th December 2023 by SSPA & Co., Chartered Accountants, Registered Valuer – Securities or Financial Assets (Registered Valuer Registration No. IBBI/RV-E/06/2020/126). The Share Entitlement Ratio Report has been enclosed as **Annexure 8**.

The share entitlement ratio has been recommended as follows:

“For every 1 (One) fully paid Equity Share of face value of INR 10/- (Indian Rupees Ten Only) each, held in Demerged Company as on the Record Date, the equity shareholders of the Demerged Company shall be issued 1 (One) fully paid Equity Share of face value of INR 10/- (Indian Rupees Ten Only) each in the Resulting Company” (“Share Entitlement Ratio”)

In compliance with Para (A)(2)(d) of Part I of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June 2023 (“**SEBI Scheme Circular**”), a Fairness Opinion dated 18th December 2023 has been issued by Fortress Capital Management Services Private Limited, an Independent SEBI registered Category I Merchant Banker (SEBI Registration No. INM000011146), (“**Fairness Opinion**”) providing its opinion on the fairness of the Share Entitlement Ratio as recommended in the Share Entitlement Ratio Report. The Fairness Opinion has been enclosed as **Annexure 9**.

The Audit Committee of the Demerged Company at its meeting held on 18th December 2023 has recommended the Scheme, including the Share Entitlement Ratio, after taking into consideration, inter alia, the aforesaid Share Entitlement Ratio Report and Fairness Opinion. The independent directors of the Demerged Company at its meeting held on 18th December 2023 has also recommended the Scheme. Report of the Audit Committee and Independent Directors of the Demerged Company is enclosed as **Annexure 10 and Annexure 11** respectively.

13. Details of capital and debt restructuring

There is no debt restructuring envisaged in the Scheme.

Pursuant to the Scheme, for every 1 (One) fully paid Equity Share of face value of INR 10/- (Indian Rupees Ten Only) each, held in Demerged Company as on the Record Date, the equity shareholders of the Demerged Company shall be issued 1 (One) fully paid Equity

Share of face value of INR 10/- (Indian Rupees Ten Only) each in the Resulting Company and the said equity shares of the Resulting Company shall be listed on BSE and NSE.

14. Shareholding and capital structure of the Demerged Company and the Resulting Company

The pre/post-scheme shareholding pattern of the Demerged Company and the Resulting Company as on 30th September 2024, are given in the table below. There will be no change in the shareholding pattern of the Demerged Company consequent to the Scheme.

Sr. No.	Description	Demerged Company (pre and post Scheme)		Resulting Company			
				Pre-scheme		Post-scheme	
		No. of shares	%	No. of shares	%	No. of shares	%
(A)	Promoter and Promoter Group						
(1)	Indian						
(a)	Individuals / Hindu Undivided Family	1,17,69,837	48.54	2	0.02	1,17,69,837	48.54
(b)	Any Other	1,66,200	0.69	9,995	99.95	1,66,200	0.69
	Sub-total (A)(1)	1,19,36,037	49.22	9,997	99.97	1,19,36,037	49.22
(2)	Foreign						
	Sub-total (A)(2)	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	1,19,36,037	49.22	9,997	99.97	1,19,36,037	49.22
(B)	Public						
(1)	Institutions (Domestic)						
(a)	Mutual Funds	10,71,467	4.42	-	-	10,71,467	4.42
(b)	Alternate Investment Funds	88,582	0.37	-	-	88,582	0.37
	Sub Total (B)(1)	11,60,049	4.78	-	-	11,60,049	4.78
(2)	Institutions (Foreign)						
(a)	Foreign Portfolio Investors Category I	17,59,643	7.26	-	-	17,59,643	7.26
(b)	Foreign Portfolio Investors Category II	1,67,340	0.69	-	-	1,67,340	0.69

Sr. No.	Description	Demerged Company (pre and post Scheme)		Resulting Company			
				Pre-scheme		Post-scheme	
		No. of shares	%	No. of shares	%	No. of shares	%
	Sub Total (B)(2)	19,26,983	7.95	-	-	19,26,983	7.95
(3)	Central Government/State Government(s)/President of India	-	-	-	-	-	-
	Sub Total (B)(3)	-	-	-	-	-	-
(4)	Non-Institutions						
(a)	Directors and their relatives (excluding independent directors and nominee directors)	1,08,173	0.45	-	-	1,08,173	0.45
(b)	Key Managerial Personnel	20,720	0.09	-	-	20,720	0.09
(c)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	49,66,696	20.48	3	0.03	49,66,696	20.48
(d)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	13,43,205	5.54	-	-	13,43,205	5.54
(e)	Non Resident Indians (NRIs)	3,55,849	1.47	-	-	3,55,849	1.47
(f)	Bodies Corporate	21,55,535	8.89	-	-	21,55,535	8.89
(g)	Any Other	2,76,079	1.14	-	-	2,76,079	1.14
	Sub Total (B)(4)	92,26,257	38.05	-	-	92,26,257	38.05
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)+(B)(4)	1,23,13,289	50.78	3	0.03	1,23,13,289	50.78
(C)	Non-promoter non-public						
(1)	Custodian/DR Holder	-	-	-	-	-	-
(2)	Employee Benefit Trust	-	-	-	-	-	-
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)	-	-	-	-	-	-
	Grand Total (A)+(B)+(C)	2,42,49,326	100.00	10,000	100.00	2,42,49,326	100.00

15. Reduction and cancellation of entire pre-Scheme share capital of the Resulting Company

Upon allotment of the equity shares of the Resulting Company, pursuant to the Scheme, the entire pre-scheme paid-up share capital of the Resulting Company shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company, pursuant to Sections 230 to 232 read with Section 66 of the Act as an integral part of the Scheme.

The pre-scheme capital structure of the Demerged Company and the Resulting Company is given in **paragraph 14** above. There will be no change in the capital structure of the Demerged Company consequent to the Scheme. The post-scheme capital structure of the Resulting Company (based on the shareholding pattern of the Demerged Company as on 30th September 2024) will be as follows:

Authorised Share Capital	Amount (INR)
3,00,00,000 Equity Shares of INR 10/- each	30,00,00,000
Total	30,00,00,000
Issued, Subscribed and Paid-up Share Capital	Amount (INR)
2,42,49,326 Equity Shares of INR 10/- each	24,24,93,260
Total	24,24,93,260

16. Auditors' certificate on conformity of accounting treatment specified in the Scheme with accounting standards

The auditors of the Demerged Company and the Resulting Company have confirmed that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act. The said certificates are enclosed as **Annexure 12.1** and **Annexure 12.2** respectively.

17. Details of approvals, sanctions or no-objection(s) from regulatory or any other governmental authorities required, received or pending for the purpose of the Scheme

In terms of Regulation 37 of the SEBI Listing Regulations and SEBI Scheme Circular, BSE and NSE, by their letters, dated 1st July 2024 and 6th July 2024 respectively, have communicated their observations on the Scheme to the Demerged Company conveying their no adverse observations/no objection to the Scheme in the said letters. Copy of the observation letters, as received from BSE and NSE respectively are enclosed as **Annexure 13** and **Annexure 14** respectively.

As per comments contained in the above observation letters, details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Demerged Company, its promoters and directors is attached as **Annexure 15**.

Further, the Demerged Company has not received any complaints relating to the Scheme and “Nil” complaint reports were filed by the Demerged Company as required by the SEBI Scheme Circular with BSE and NSE. Copies of the complaints reports of BSE and NSE filed by the Demerged Company are enclosed as **Annexure 16.1** and **Annexure 16.2**, respectively.

The information pertaining to the Resulting Company being an unlisted entity involved in the Scheme has been provided in the format prescribed for abridged prospectus as specified in **Part E of Schedule VI** of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with SEBI Scheme Circular is attached as **Annexure 19**.

Further, all shareholders of the Resulting Company have given their consent to the Scheme, and therefore, the Hon’ble NCLT has dispensed with the meeting of the shareholders of the Resulting Company. The companies are in the process of obtaining other approvals and no objections from regulatory and / or government authorities, as required.

The Scheme, if approved at this Meeting, will be subject to subsequent sanction of the Hon’ble NCLT and such other approval(s), permission(s) and sanction(s) of regulatory or other authorities, as may be necessary.

The Demerged Company and the Resulting Company confirm that they have filed the Scheme with the Registrar of Companies, Bengaluru. Further, the Demerged Company and the Resulting Company confirms that the notice of the Scheme in the prescribed form is also being served on all the Authorities in terms of the Order dated 18th December 2024.

18. Additional Information

Following information and documents as advised by the Stock Exchanges are also provided as under: (Enclosed as **Annexure 17**):

- a) Details of assets, liabilities, net-worth and revenue of the Demerged Company and the Resulting Company, pre and post Scheme;
- b) Pre and post scheme shareholding pattern of the Demerged Company and the Resulting Company considering the changes, if any, post filing the Scheme with exchange;
- c) Impact of scheme on revenue generating capacity of the Demerged Company;
- d) Need and rationale of the Scheme, Synergies of business of the entities involved in the Scheme, Impact of the Scheme on the shareholders and cost benefit analysis of the Scheme;

- e) Value of assets and liabilities of the Demerged Company that are being transferred to the Resulting Company;
- f) Undertaking by the Demerged Company to the effect that the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes by the public shareholders against it;
- g) Additional information as submitted to SEBI as advised by BSE vide query no. 13 dated 12th January 2024; and
- h) Additional information (Annexure M – Part A) as submitted by the Demerged Company vide letter dated 3rd February 2024 to NSE.

19. Inspection of documents

In addition to the documents annexed hereto, copies of the following documents will be available for obtaining extract from or for making or obtaining copies of or for inspection by the members of the Demerged Company at its registered office between 11:00 a.m. to 4.00 p.m. on any day (except Saturday, Sunday and public holidays) up to the date of the Meeting. An advance notice shall be given by the members by e-mail to the Demerged Company at cs@shankarabuildpro.com, if it is desired to obtain copies of the Notice from the registered office of the Demerged Company. Alternatively, a request for obtaining an electronic/ soft copy of the Notice may be made by writing an e-mail to cs@shankarabuildpro.com.

- a) Copy of the scheme of arrangement;
- b) Certified copy of the order passed by the Hon'ble NCLT in Company Application No. (CAA)38/BB/2024 dated 18th December 2024 and received on 19th December 2024 directing the Demerged Company, to convene the meeting;
- c) Memorandum and Articles of Association of the Demerged Company and Resulting Company;
- d) Audited financial statements of the companies including consolidated financial statements, wherever applicable for the financial year ended 31st March 2024;
- e) Unaudited financial statements of the companies for the six months ended 30th September 2024;
- f) Share Entitlement Ratio Report dated 18th December 2023 issued by SSPA & Co., Chartered Accountants;
- g) Fairness Opinion dated 18th December 2023 issued by Fortress Capital Management Services Private Limited;
- h) The certificate issued by the statutory auditors of the Demerged Company and Resulting Company to the effect that the accounting treatment, proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act;

- i) Copy of the resolution passed by the Board of Directors of the companies dated 18th December 2023 approving the Scheme (Enclosed as **Annexure 18**);
- j) Observation letter issued by BSE and NSE dated 1st July 2024 and 6th July 2024 respectively;
- k) Report of Board of Directors of the Demerged Company and the Resulting Company pursuant to the provisions of Section 232(2)(c) of the Act;
- l) Report of Audit Committee and Independent Directors of the Demerged Company recommending the Scheme;
- m) Complaints report dated 21st June 2024 and 26th March 2024 submitted by the Demerged Company to BSE and NSE respectively;
- n) All other documents displayed on the website of the Demerged Company at www.shankarabuildpro.com in terms of the SEBI Scheme Circular, as amended and other relevant SEBI Circulars; and all other documents referred to or mentioned in the Statement to this Notice.

Based on the above, and considering the rationale and benefits, in the opinion of the Board of Directors, the Scheme will be of advantage to, beneficial and in the best interests of the companies and their respective shareholders, creditors, employees and other stakeholders, and the terms thereof are fair and reasonable. The Board of Directors of the Demerged Company recommends the Scheme for the approval of its equity shareholders.

Sd/-

Varun S.

Chairperson appointed by the Hon'ble NCLT for the Meeting

Date: 10th January, 2025

Place: Bengaluru

Registered Office:

G2, Farah Winsford

No. 133, Infantry Road

Bengaluru, Karnataka, India - 560 001

Tel: [+91 9845744223](tel:+919845744223); [+91 9900851111](tel:+919900851111)

E-mail: cs@shankarabuildpro.com

Website: www.shankarabuildpro.com

CIN: L26922KA1995PLC018990



**IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH, BENGALURU**
(Through Physical Hearing/ VC Mode (Hybrid))

C.A. (CAA) No.38/BB/2024

[Application u/s. 230, 231 and 232 and other
Applicable provisions of the Companies Act, 2013 r/w the Companies
(Compromises, Arrangements and Amalgamations) Rules, 2016]

In the matter of Scheme of Arrangement:

Shankara Building Products Limited

Having its Regd. Office at: G-2 Farah
Winsford, No. 133, Infantry Road,
Bengaluru, Karnataka- 560 001

- Applicant Company No.1/
Demerged Company

Shankara Buildpro Limited

Having its Regd. Office at: No. 21/1 & 35-A-1,
Hosur Main Road, Electronic City,
Veerasandra, Bengaluru South,
Karnataka- 560 100

- Applicant Company No.2/
Resulting Company

Order delivered on: 18.12.2024

CORAM: 1. Hon'ble Shri K. Biswal, Member (Judicial)
2. Hon'ble Shri Manoj Kumar Dubey, Member (Technical)

PRESENT:

For the Applicant Companies : Shri R. Inbaraju

ORDER

Per: K. Biswal, Member (Judicial)

1. The present Application bearing C.A.(CAA) No.38/BB/2024 has been filed on 19.08.2024 by **Shankara Building Products Limited** (hereinafter referred to as the Applicant Company No.1/Demerged Company) and **Shankara Buildpro Limited** (hereinafter referred to as the Applicant Company



No.2/Resulting Company) under Sections 230, 231 and 232 and other applicable provisions of the Companies Act, 2013 (hereinafter referred as the Act) r/w the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, by *inter alia*, seeking for following reliefs:

- i) Convening of meeting of the Equity Shareholders of the Applicant Company No. 1/ Demerged Company;
- ii) Dispensation of meeting Secured Creditors, Unsecured Loan Creditors and Unsecured Trade Creditors of the Applicant Company No.1/ Demerged Company, and
- iii) Dispensation of meeting of the Equity Shareholders of the Applicant Company No. 2/ Resulting Company.

The Scheme of Demerger is placed on record at **Annexure-13** to the Application.

2. Brief facts of the case with reference to the Applicant Companies as mentioned in the Application which are relevant to the issue in question, are mentioned under respective Companies below:

1. The Applicant Company No.1 /Demerged Company:

- a) It was originally incorporated as a Private Company on 13.10.1995 under the provisions of Companies Act, 1956 under the name and style of 'Shankara Pipes India Private Limited'. Pursuant to a fresh certificate of incorporation dated 28.08.2007, Demerged Company was converted into a Public Limited Company under the name and style of 'Shankara Pipes India Limited'. The name was further changed to 'Shankara Infrastructure Material Limited' on 25.03.2011 and on 27.07.2016 it was changed to 'Shankara Building Private Limited' with CIN U26922KA1995PLC018990 having registered office G-2 Farah Winsford, No. 133, Infantry Road, Bengaluru, Karnataka, India-560001.
- b) The Equity shares of Applicant Company No.1/ Demerged Company has been listed on both Bombay Stock Exchange Limited ('BSE') and National Stock Exchange OF India Limited ('NSE'). Subsequent to the



listing, CIN of the Applicant Company No. 1/ Demerged Company was changed to L26922KA1995PLC018990.

- c) The main objects of the Applicant Company No. 1 as set out in the Memorandum of Association include engaging in the manufacturing, processing, purchasing, selling, and dealing in a wide range of products such as steel pipes, tubes, pipe fittings, iron, steel, PVC products, moulded plastics, and plastic furniture. It also includes activities related to aluminium, steel, stainless steel sections, and allied metal products, fabrication and welding products, roofing, construction, irrigation, and hardware products. The company aims to deal with sanitary ware, CP fittings, ceramic and clay tiles, plumbing and flooring materials like ceramic, vitrified, granite, marble, and wooden products, as well as furniture and wooden items for various applications. Additionally, the company's objects extend to manufacturing and trading in electrical products such as lights, fans, switches, wires, kitchen electronics, solar-powered products, paints, primers, construction materials including cement, RMC, and related aggregates. The Memorandum of Association & Articles of Association of Applicant Company No. 1/ Demerged Company is attached as **Annexure-2** to the Application.
- d) The Authorized, Issued, Subscribed, and Paid-up Share Capital of the Applicant Company No.1/ Demerged Company as on 31.03.2024 is under:

Authorized Share Capital	Amount (Rs.)
3,00,00,000 Equity Shares of INR 10/- each	30,00,00,000/-
Issued, Subscribed and Paid-up Capital	
2,42,49,326 Equity Shares of INR 10/- each	24,24,93,260/-



2. The Applicant Company No.2/Resulting Company:

- a) It was originally incorporated as a Private Limited Company on 13.10.2023 under the provisions of Companies Act, 2013 under the name and style of 'Shankara Buildpro Private Limited'. Subsequently, pursuant to fresh certificate of incorporation dated 30.11.2023, the resulting company was converted in to a Public Limited Company under the name and style of 'Shankara Buildpro Limited' with CIN: U24311KA2023PLC179791 having its Registered Office at No. 21/1 & 35-A-1, Hosur Main Road, Electronic City, Veerasandra, Bengaluru South, Bengaluru, Karnataka, India-560100.
- b) It should be noted that equity shares of Applicant Company No.2/ Resulting Company is presently not listed with any stock exchanges. However, an application shall be made to BSE and NSE post the Scheme becoming effective, to list the said shares.
- c) The main objects of the Applicant Company No.2/ Resulting Company as set out in the Memorandum of Association, includes the manufacture, processing, purchase, sale, import, export, or dealing with a wide range of products such as steel pipes, tubes, fittings, PVC products, plastic furniture, aluminium and stainless-steel sections, and fabrication products like welding, roofing, construction, irrigation, and hardware items. The company also aims to handle sanitary ware, CP fittings, ceramic tiles, plumbing products, flooring materials, plywood, and various types of wood products, including furniture for domestic and commercial use. Additionally, the company intends to engage in the supply and distribution of electrical products, electronics, solar-powered products, paints, and construction materials, including cement and aggregates. Furthermore, it aims to generate, transmit, distribute, and supply electricity from both conventional and renewable sources, along with the construction and maintenance of power generation stations and infrastructure. The company will also be involved in managing and operating power plants, dealing with related equipment and technology, and planning



and designing energy generation and storage plants. Memorandum of Association & Articles of Association of Applicant Company No.2/ Resulting Company is attached as **Annexure-6** to the Application.

- d) The Authorised, Issued, Subscribed, and Paid-up share capital of the Applicant Company No. 2/ Resulting Company as on 31.03.2024 is as follows:

Authorized Share Capital	Amount (Rs.)
10,000 Equity Shares of INR. 10/- each	1,00,000
Issued, Subscribed and Paid-up Share Capital	Amount (Rs.)
10,000 equity shares of INR 10/- each	1,00,000

3. The Board of Directors of the Applicant Companies at their respective meetings held on 18.12.2023 have approved and adopted the Scheme as per law with Appointed Date fixed under the Scheme as **01st April, 2024**. True Copies of the board resolutions passed by the Applicant Companies are attached as **Annexures 9 and 10** to the Application.
4. Since the equity shares of Applicant Company No. 1/ Demerged Company are listed in BSE and NSE, the Demerged Company has obtained an in-principal approval from them. Copy of the observation letter issued by BSE and NSE are marked as **Annexures 14 and 15** to the Petition.
5. The Demerger Scheme provides for the demerged undertaking i.e., Applicant Company No. 1/Demerged Company into Applicant Company No. 2/ Resulting Company on a going concern basis. The Rationale for the Scheme of Demerger, transfer and vesting of the Applicant Company No.1/Demerged Company with Applicant Company No. 2/ Resulting Company is as follows:
- i. *Demerger shall enable both Demerged Company and the Resulting Company to enhance business operations by streamlining operations, more efficient management control and outlining independent growth strategies such as expansion of product categories and geographical presence.*



- ii. *Creation of dedicated vertical for the growth of Trading Business with focused attention.*
 - iii. *Attracting new set of investors with specific knowledge, expertise and risk appetite corresponding to their own businesses, thus both the Demerged Company and the Resulting Company will have its own set of likeminded investors thereby providing the necessary funding impetus to the long-term growth strategies of Trading Business and Manufacturing Business.*
 - iv. *Pursuant to the Scheme Equity Shares issued by the Resulting Company would be listed on the stock exchanges and thus will unlock the value of the Trading Business for the shareholders of the Demerged Company: Existing shareholders of the Demerged Company would hold the shares of two listed companies once the scheme becomes effective giving them flexibility in managing their investments in two businesses having differential dynamics.*
 - v. *Demerger to be in the interest of shareholders creditors and there is no likelihood that any shareholder or creditor would be prejudiced as a result of Scheme It will not impose any additional burden on the shareholders of the Demerged Company considering the Scheme would merely involve transfer and vesting of Trading Business by way of an arrangement from the Demerged Company to Resulting Company.*
 - vi. *Demerger is expected to improve corporate governance within the separate entities, ensuring that the board and management are aligned with the specific interests and goals of their businesses.*
6. It is stated that as per the Certificate dated 12.08.2024 issued by Venkat & Vasan, Chartered Accountant in respect of **Applicant Company No.1/Demerged Company**, there are **32,564 (Thirty-Two Thousand Five Hundred and Sixty-Four)** Equity Shareholders as on 30.06.2024. The details are given below:



Sl. No.	Category of Shareholder	No. of Shareholders	No. of shares held as on 30 th June 2024	Percentage (%)
1.	Promoter & Promoter Group	4	1,19,36,037	49.22
2.	Non- Promoter and Non- Public	--	--	--
3.	Public	32,560	1,23,13,289	50.78
TOTAL		32,564	2,42,49,326	100

The list of Equity Shareholders in the Applicant Company No.1 is attached as **Annexure-16** to the Application.

7. It is stated that as per the Certificate dated 12.08.2024 issued by Venkat & Vasani, Chartered Accountant in respect of **Applicant Company No.1/Demerged Company**, there are **09 (Nine)** Secured Creditors as on 30.06.2024. The details are given below:

Sl. No.	Name of the Secured Creditor	Amount Due (in INR Cr.)	Percentage (%)
1.	Standard Chartered Bank	49.73	12.31
2.	IDFC First Bank Limited	37.95	9.39
3.	HDFC Bank Limited	39.10	9.68
4.	The South Indian Bank Limited	49.95	12.36
5.	Yes Bank Limited	73.45	18.18
6.	Kotak Mahindra Bank Limited	47.76	11.82
7.	ICICI Bank Limited	27.30	6.76
8.	Indusland Bank Limited	41.85	10.36
9.	The Federal Bank Limited	36.90	9.13
	Total	403.99	100

All Secured Creditors constituting 100% of the total amount have given consent by way of affidavit to the Scheme. The list of Secured Creditor of the Applicant Company No.1 and their consent affidavits are attached as **Annexures 17 and 18** to the Application.



8. It is stated that as per the Certificate dated 12.08.2024 issued by Venkat & Vasani, Chartered Accountant in respect of **Applicant Company No.1/Demerged Company**, there are **14 (Fourteen)** Unsecured Loan Creditor as on 30.06.2024. The details are given below:

Sl. No.	Name of the Unsecured Loan Creditors	Amount Due (in INR CR.)	Percentage (%)
1.	ICICI Bank Limited	70.68	37.51
2.	Aditya Birla Finance Limited	5.40	2.86
3.	IDFC First Bank Limited-RXIL	19.99	10.61
4.	ESAF Small Finance Bank Limited- RXIL	1.99	1.06
5.	Kotak Mahindra Bank Limited- RXIL	27.62	14.66
6.	Yes Bank Limited-RXIL	9.84	5.22
7.	Indian Overseas Bank-RXIL	0.20	0.11
8.	Indusland Bank Limited-RXIL	0.89	0.47
9.	Canara Bank-M1	7.58	4.02
10.	DCB- M1	7.49	3.98
11.	Indian Overseas Bank- M1	17.02	9.03
12.	Indusland Bank Limited-M1	8.93	4.74
13.	HDFC Bank Limited-M1	0.96	0.51
14.	SBI Global Factors Limited-M1	9.84	5.22
	TOTAL	188.44	100

All the Unsecured Loan Creditor constituting 100% of the total amount has given consent by way of affidavit to the Scheme. The list of Unsecured Loan Creditor in the Applicant Company No.1 and the Consent Affidavit are attached as **Annexures 19 and 20** to the Application.

9. It is stated that as per the Certificate dated 12.08.2024 issued by Venkat & Vasani, Chartered Accountant in respect of **Applicant Company No.1/Demerged Company**, there are **137 (One hundred and Thirty-**



Seven) Unsecured Trade Creditor as on 30.06.2024. The detailed list is provided at Pg. 563 of the Petition. Further, Unsecured Trade Creditors constituting 90.88% of the total amount have given consent by way of affidavit to the Scheme. Certificate issued by Chartered Accountants certifying 90.88% consent of Unsecured Trade Creditor is marked as **Annexure 22** to the Application. The list of Unsecured Trade Creditors in the Applicant Company No.1 and the Consent Affidavit are attached as **Annexure 21** to the Application.

10. As per Certificates dated 12.08.2024 issued by Venkat & Vasana, Chartered Accountants, in respect of **Applicant Company No.2/Resulting Company**, there are **7 (Seven)** Equity Shareholders as on 30.06.2024.

Sl. No.	Name of Equity Shareholder	No. of equity shares of INR 10/- each	Total Paid-up value (in INR)	Percentage of Shareholding (%)
1.	Shankara Building Products Limited	9,994	99940	99.94
2.	Shankara Holdings Private Limited	1	10	0.01
3.	Sukumar Srinivas	1	10	0.01
4.	Dhananjay Miralay Srinivas	1	10	0.01
5.	Alex Varghese	1	10	0.01
6.	Chowdappa Ravikumar	1	10	0.01
7.	Jai Prakash C	1	10	0.01
	Total	10,000	1,00,000	100.00

All Equity shareholders constituting 100% of the total shareholding have furnished their consent affidavits to the scheme. The list of Equity Shareholders in the Applicant Company No.2 and their Consent Affidavits are attached as **Annexures-23 & 24** to the Application.

11. It is stated that as per the certificate dated 12.08.2024 issued by Venkat & Vasana, Chartered Accountant, there are **Nil** Secured Creditors, Unsecured Loan Creditors and Unsecured Trade Creditors in the Applicant Company



No.2 as on 30.06.2024. Certificate for the same are attached as **Annexures 25, 26 and 27** to the Application.

12. It is submitted that the Authorized Representatives of the Applicant Companies have filed an Affidavit dated 13.08.2024 stating that there are no investigation proceedings pending against the Applicant Companies or its Directors under the Companies Act, 2013 and Insolvency Bankruptcy Code, 2016 or under any other statutes. Copy of the same are attached as **Annexures 31 and 32** to the Application.
13. It is further submitted that the Authorised Representatives of the Applicant Companies have filed an Affidavit dated 13.08.2024 stating that the Scheme does not envisage for Corporate Debt Restructuring nor contemplate any buy back of shares under Section 68 of the Companies Act, 2013. Copy of the same are attached as **Annexures 33 and 34** to the Application.
14. It is also submitted that the Authorised Representatives of the Applicant Companies have filed Affidavits dated 13.08.2024 stating that the Companies are not regulated by any Sectorial Regulators. However, even after the filing of the Company Petition U/s. 232 of the Companies Act, 2013, notice of the Petition are to be issued to the Regional Director, South East Region, Hyderabad, Registrar of Companies, Bengaluru, Income Tax Department, the Reserve Bank of India, Bombay Stock Exchange, National Stock Exchange, Securities and Exchange Board of India and Competition Commission of India. As the Demerged Undertaking value exceeds the de-minimis exemption threshold limit with respect to the value of assets and turnover as provided under notification no. S.O. 988 (E) dated 27th March 2017 read with S.O. 1131(E) dated 7th March 2024. However, the combination does not exceed the threshold limit as specified in Section 5 of the Competition Act, 2002, therefore, the requirement of obtaining prior approval of Competition Commission of India ('CCI') is not required and thus, the Applicant Companies are only required to intimate the CCI by issuing notice of the proposed scheme. Affidavit confirming the same in application from each of the



Applicant Companies are annexed hereto and marked as **Annexures 35 and 36** respectively.

15. Upon this Scheme becoming effective and in consideration for Demerger of Trading Business of the Demerged Company, the Resulting Company shall without any further application or deed, issue and allot its equity shares of face value INR 10/- (Indian Rupees Ten Only) each, credited as fully paid up, to the extent indicated below, to all the shareholders of the Demerged Company whose name appear in the register of members of the Demerged Company on the Effective Date, as the case may be, in the following ratio:

“For every 1 (One) fully paid Equity Share of face value of INR 10/- (Indian Rupees Ten Only) each, held in Demerged Company as on the Record Date, the equity shareholders of the Demerged Company shall be issued 1 (One) fully paid Equity Share of face value of RS. 10/- (Indian Rupees Ten Only) each in the Resulting Company” (“Share Entitlement Ratio”).

16. Clause 9 of the Scheme of Demerger stated that on the Scheme becoming effective, all the employees, workmen & identified staff shall become employees of the Resulting Company and subject to the provisions hereof, on terms and conditions not less favourable than those on which they are engaged by the Demerged Company without any interruption of service as a result of the Demerger of the Demerged Undertaking into the Resulting Company. As far as the provident funds, gratuity funds or any other special funds created or existing for the benefit of such Employees of the Demerged Undertaking are concerned. On and from the effective date the Resulting Company shall stand substituted for Demerged Company for all purposes whatsoever related to administration or operation of such funds in accordance with provisions of such funds provided in the respective trust deeds or other documents. It is clarified that the services of such employees of the Demerged Undertaking will be treated as having been continuous and not interrupted for the purpose of such funds.



17. The Applicant Companies have filed Audited Financial Statements for the year ended 31.03.2024. The copy of the same are annexed to the Application and marked as **Annexures-4 & 8** respectively.
18. The Applicant Companies have filed certificate issued by the statutory Auditors by certifying that the Accounting Treatment as mentioned in the scheme of demerger of the Applicant Companies and their respective Shareholders and Creditors in terms of Section 230, 231 and 232 of the Companies Act, 2013 and the rules made thereunder and that it is in conformity with Accounting Standards as per Section 133 of the Companies Act, 2013. The Copy of the same is attached to the Application and marked as **Annexures 29 and 30** to the Application.
19. We have heard the learned Counsel for the Applicant Companies and have carefully perused the materials available on record. Accordingly, we are inclined to dispose of the Company Application **C.A. (CAA) No.38/BB/2024 with the following directions:**
 - 1) Convening the meeting of the Equity Shareholders of the Applicant Company No. 2/ Resulting Company is hereby dispensed with;
 - 2) Convening the meeting of the Secured Creditors of the Applicant Company No. 1/ Demerged Company is hereby dispensed with;
 - 3) Convening the meeting of the Unsecured Loan Creditors of the Applicant Company No. 1/ Demerged Company is hereby dispensed with;
 - 4) Convening the meeting of the Unsecured Trade Creditors of the Applicant Company No. 1/ Demerged Company is hereby dispensed with;
 - 5) Since there are **'Nil'** Secured Creditors, Unsecured Loan Creditors and Unsecured Trade Creditors in the Applicant Company No. 2/ Resulting Company, there is nothing to convene their meetings;
 - 6) Meeting of the Equity Shareholders of the Applicant Company No. 1/ Demerged Company is to be convened on **12.02.2025** at **11:00 AM** at the registered office of the Applicant Company No. 1/ Demerged Company situated at registered office G-2 Farah Winsford, No. 133, Infantry Road,



Bengaluru, Karnataka, India- 560001, through Video Conferencing or Other Audio Visual Means (OAVM) as per the guidelines issued by MCA or physically at the registered office of the Company, subject to the notice of the meeting being issued through post or electronic mode. The quorum of the meeting of the Equity shareholders, shall be as prescribed under Section 103 of the Companies Act, 2013.

- 7) In case the required quorum as noted above for the meetings of the Equity Shareholders of the Applicant Company No.1 is not present at the commencement of the meetings, the respective meeting shall be adjourned by 30 minutes, and thereafter, the persons present and voting shall be deemed to constitute the quorum. For the purpose of completing the quorum, the valid proxies and Authorized Representatives shall also be considered, if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meeting, is filed through email or otherwise at the respective registered office of the Applicant Company No.1.
- 8) Shri Varun S., Advocate & Legal Consultant, having address at Vruksha Law Chambers, Ground Floor, Chitrapur Bhavan, 15th Cross, 8th Main Road, Malleshwaram, Bengaluru 560055, Email ID- varun@vrukshalawchambers.com, Mobile No. 9967444008 is appointed as the Chairperson for the above meeting to be called for Equity Shareholders of the Applicant Company No. 1. He shall be paid fee of Rs. 1,25,000/- for his services as the Chairperson along with travelling/logistics expenses, if any.
- 9) Shri ND Satish, Company Secretary, having address at No.160 Abhyudaya First Floor, 2nd Main, 10th Cross, Nrupattunganagar, NGEF Layout, Nagarbhavi, Bangalore 560072, Email ID- cs.ndsatish@gmail.com, Mobile No. 8971403035 is appointed as the Scrutinizer for the above meeting to be called for Equity Shareholders of the Applicant Company No.1 under this order. He shall be paid fee of Rs.



75,000/- for his services as the Scrutinizer along with travelling/logistics expenses, if any.

- 10) It is further directed that individual notices of the said meeting shall be sent by the Applicant Company No. 1 to the respective shareholders through registered post or speed post or through courier, 30 clear days in advance before the scheduled date of meeting, indicating the day, date and time as aforesaid, together with a copy of the Scheme, copy of explanatory statement required to be sent under the Companies Act, 2013 and the applicable Rules along with the proxy forms and any other documents as may be prescribed under the Act shall also be duly sent with the notice;
- 11) It is also directed that along with the notice Applicant Company No. 1 shall also send, statement explaining the effect of the Scheme on the Creditors, key managerial personnel, promoters and non-promoter members etc., along with effect of the arrangement on any material interests of the Directors of the Companies as provided under sub-section 3 of the Section 230 of the Act;
- 12) The Applicant Company No. 1 shall publish with a gap of at least 30 clear days before the aforesaid meeting, indicating the day, date and time of the meeting to be conducted through video conference/physical mode as aforesaid, to be published in the "Business Standard" English newspaper and "Kannada Prabha" vernacular newspaper. It is to be stated in the advertisement that the copies of "Scheme", the Explanatory Statement required to be published pursuant to Section 230 to 232 of the Act and the form of proxy shall be provided free of charge at the registered office of the Applicant Company No. 1;
- 13) The Authorized Representative of the Applicant Company No. 1 shall furnish affidavit of service of notice of meeting and publication of advertisement and compliance of all directions contained herein at least ten (10) days before the date of proposed meeting;



- 14) Voting shall be allowed on the “Scheme” in person or by proxy or through electronic means as may be applicable to the Applicant Company No. 1 under the Act and the Rules framed there under;
- 15) The Chairperson shall be responsible to report the result of the meeting to the Tribunal in Form No. CAA 4, as per Rule 14 of the Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 within 07 (seven) days of the conclusion of the meeting;
- 16) The Applicant Companies shall individually send notice along with a copy of the Scheme, the Explanatory Statement and the disclosures to (a) Central Government through the office of the Regional Director (South East Region); (b) Concerned Registrar of Companies; (c) Principal Chief Commissioner of Income Tax, Karnataka & Goa - Nodal Officer of Income Tax Department (d) Jurisdictional Income Tax Authorities by disclosing the PAN numbers of the Applicant Companies in the title of the Second Motion Petition; (e) Reserve Bank of India, Bengaluru; (f) Bombay Stock Exchange; (g) National Stock Exchange; (h) Securities and Exchange Board of India; (i) Competition Commission of India; and (j) other relevant statutory authorities/ sectorial regulators, if any, stating that representations, if any, to be made by them shall be sent to the Tribunal within a period of 30 days from the date of receipt of such notice and copy of such representation shall simultaneously be sent to the concerned Companies, failing which it shall be presumed that they have no objection to the proposed Scheme;
- 17) Further the Applicant Companies are directed to issue paper notification in “*Business Standard*” and “*Kannada Prabha*” about the dispensation of meetings by this tribunal, in regards to this demerger, within the period of 10 (Ten) days from the date of receipt of copy of this order.
20. All the aforesaid directions are to be complied with strictly in accordance with the applicable laws including forms and formats contained in the “Rules” as well as the provisions of the Companies Act, 2013, by the Applicant Companies.



21. With the aforesaid directions, this First Motion Application bearing **C.A.(CAA)No.38/BB/2024 stands allowed**, giving liberty to the Applicant Companies to file Second Motion Petition with the direction that the Applicant Companies shall make specific prayer for issuing notice to (a) Central Government through the office of the Regional Director (South East Region); (b) Concerned Registrar of Companies; (c) Principal Chief Commissioner of Income Tax, Karnataka & Goa - Nodal Officer of Income Tax Department (d) Jurisdictional Income Tax Authorities by disclosing the PAN numbers of the Applicant Companies in the title of the Second Motion Petition; (e) Reserve Bank of India, Bengaluru (f) Bombay Stock Exchange; (g) National Stock Exchange; (h) Securities and Exchange Board of India; (i) Competition Commission of India; and (f) other relevant statutory authorities/sectorial regulators applicable.
22. A copy of this order be supplied to the learned Counsel for the Applicant Companies.

-Sd-

**(MANOJ KUMAR DUBEY)
MEMBER (TECHNICAL)**

-Sd-

**(K.BISWAL)
MEMBER (JUDICIAL)**

Annexure 2

SCHEME OF ARRANGEMENT

AMONGST

SHANKARA BUILDING PRODUCTS LIMITED

(CIN L26922KA1995PLC018990)

(DEMERGED COMPANY)

AND

SHANKARA BUILDPRO LIMITED

(CIN U24311KA2023PTC179791)

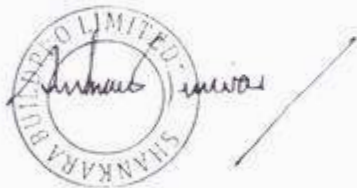
(RESULTING COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 232 READ WITH OTHER APPLICABLE PROVISIONS OF THE

COMPANIES ACT, 2013 AND RELEVANT RULES MADE THEREUNDER



A. PREAMBLE

- i. This Scheme of Arrangement (hereinafter referred to as "**Scheme**") is presented under Sections 230 to 232 and other applicable provisions of the Act (as defined hereinafter) amongst **SHANKARA BUILDING PRODUCTS LIMITED ("SBPL")** and **SHANKARA BUILDPRO LIMITED ("SBL")** and their respective shareholders and creditors.
- ii. The Scheme inter-alia , provides for :
 - a. Demerger (as defined hereinafter) of the Demerged Undertaking (as defined hereinafter) of SBPL i.e., the Demerged Company (as defined hereinafter) into SBL i.e., the Resulting Company (as defined hereinafter) on a going concern basis and in consideration, the consequent issuance of Equity Shares (as defined hereinafter) by the Resulting Company to all the shareholders of the Demerged Company as per the Share Entitlement Ratio (as defined hereinafter), and in accordance with the provisions of Section 2(19AA) read with other relevant provisions of the IT Act (as defined hereinafter).
 - b. Reduction by way of cancellation of the entire pre-scheme share capital of the Resulting Company as an integral part of the Scheme.
 - c. This Scheme also provides for various other matters consequential, supplemental or otherwise integrally connected therewith and incidental thereto.

B. DESCRIPTION OF THE COMPANIES

- i. **SHANKARA BUILDING PRODUCTS LIMITED** is a public listed company within the meaning of the Act, incorporated on October 13th, 1995 and having its registered office at G-2 Farah Winsford, No 133, Infantry Road, Bangalore, Karnataka, India – 560001. SBPL is one of the leading organized retailers of home improvement and building products in India. It caters to a large customer base spread across various end-user segment in urban and semi-urban markets through a retail led, multi-channel sales approach complemented by processing facilities, supply chain and logistics. It deals with a number of product categories including structural steel.



A handwritten signature in black ink, followed by a circular stamp that is partially obscured by the signature.

cement, TMT bars, hollow blocks, pipes and tubes, roofing solutions, welding accessories, primers, solar heaters, plumbing materials, tiles, sanitary ware, water tanks, plywood, kitchen sinks, lighting and other allied products. The equity shares of the Demerged Company are listed on both BSE and NSE (as defined hereinafter).

ii. The main objects of the Demerged Company are as follows:

- a. *To carry on the business of manufacture, process, purchase, sell or otherwise to deal with Steel Pipes, Tubes and Pipe Fittings, Iron and Steel, PVC Rigid Pipes and Pipe Fittings, PVC Products, Moulded Plastic Products, Plastic Furniture and allied products of all kinds and descriptions.*
- b. *To carry on the business of manufacture, process, purchase, sell or otherwise to deal with Sections made out of Aluminium, Steel, Stainless Steel and other Metals and allied products of all kinds and descriptions.*
- c. *To carry on the business of manufacture, process, purchase, sell or otherwise to deal with Fabrication including welding products, Roofing, construction, Irrigation and Hardware products of all kinds and descriptions and with Fabrication Machinery products of all kinds and descriptions.*
- d. *To carry on the business of manufacture, process, purchase, sell or otherwise to deal with Sanitary ware, CP Fittings, Ceramic & Clay tiles & a complete range of plumbing products and flooring material, including but not limited to ceramic, polished, vitrified, glazed, unglazed, wooden, granite, marble, tiles and stone flooring material and all natural and manufactured flooring products, plywood and all kinds of products made of wood, including but not limited to all types of furniture for domestic, commercial, industrial and outdoor applications.*
- e. *To carry on the business of purchase, manufacture, supply, distribution, import, export, sale or to otherwise deal with electrical products, including but not limited to, lights, fans, cables, wires, switches and all kinds of electronics, including all kinds of kitchen items, and solar water heaters and all kinds of solar powered products and all varieties and types of paints and related products, including but*



Arvind Jivraj



Kusum Jivraj

not limited to chemical formulations, primer and metal paints, and all kind of construction material, including but not limited to cement, RMC and related aggregators, such as jelly and sand.

- iii. The Demerged Company comprises of the 2 (Two) businesses:
- a. **Trading Business:** Trading Business comprises of retail, supply, distribution and promotion of various home improvement and building products in India including but not limited to steel pipes and tubes, structural steel products, infrastructure materials, PVC products, aluminium and metal products, fabrication, electrical products, tiles and sanitary wares, through multiple sales channel(s).
 - b. **Manufacturing Business:** Manufacturing Business comprises of manufacturing of products inter alia cold rolled strips, precision tubes & pipes, roofing sheets and allied accessories complemented by the processing facilities, supply chain and logistics, undertaken by the Demerged Company and/or its subsidiaries.
- iv. **SHANKARA BUILDPRO LIMITED** is a public limited company incorporated on October 13th, 2023 and having its registered office at 21/1 & 35-A-1 Hosur Road, Electronic City, Bangalore South, Bangalore Karnataka, India – 560100 SBL is a wholly owned subsidiary of the Demerged Company and incorporated to inter alia carry on the business with primary focus on engaging in retailing, trading, warehousing, wholesale distribution and ecommerce activities related to all building materials as per the Memorandum of Association.
- v. The Resulting Company is having as its main objectives the following:

1. To carry on the business of manufacture, process, purchase, sell, import, export or otherwise to deal with Steel Pipes, Tubes and Pipe Fittings, Iron and Steel, PVC Rigid Pipes and Pipe Fittings, PVC Products, Moulded Plastic Products,



A handwritten signature in black ink, appearing to be 'Eun...'. The signature is written over a circular stamp that is partially visible and overlaps with the text of the list item above.

Plastic Furniture and allied products of all kinds and descriptions.

- 2. To carry on the business of manufacture, process, purchase, sell, import, export or otherwise to deal with Sections made out of Aluminium, Steel, Stainless Steel and other Metals and allied products of all kinds and descriptions.*
- 3. To carry on the business of manufacture, process, purchase, sell, import, export or otherwise to deal with Fabrication including welding products, Roofing, construction, Irrigation and Hardware products of all kinds and descriptions and with Fabrication Machinery products of all kinds and descriptions*
- 4. To carry on the business of manufacture, process, purchase, sell, import, export or otherwise to deal with Sanitary ware, CP Fittings, Ceramic & Clay tiles & a complete range of plumbing products and related accessories and flooring material, including but not limited to ceramic, polished, vitrified, glazed, unglazed, wooden, granite, marble, tiles and stone flooring material and all natural and manufactured flooring products, plywood and all kinds of products made of wood, including but not limited to all types of furniture for domestic, commercial, industrial and outdoor applications.*
- 5. To carry on the business of purchase, manufacture, supply, distribution, import, export, sale or to otherwise deal with electrical products, including but not limited to, lights, fans, cables, wires, switches and all kinds of electronics, including all kinds of kitchen items, and solar water heaters and all kinds of solar powered products and all varieties and types of paints and related products, including but not limited to chemical formulations, primer and metal paints, and all kind of construction material, including but not limited to cement, RMC and related aggregators, such as jelly and sand.*



Eman V. Nave

C. **PURPOSE AND RATIONALE FOR THE SCHEME OF ARRANGEMENT**

The Scheme for demerger, transfer and vesting of the Demerged Undertaking of the Demerged Company into the Resulting Company shall have the following specific benefits:

- i) Demerger shall enable both Demerged Company and the Resulting Company to enhance business operations by streamlining operations, more efficient management control and outlining independent growth strategies such as expansion of product categories and geographical presence.
- ii) Creation of dedicated vertical for the growth of Trading Business with focused attention.
- iii) Attracting new set of investors with specific knowledge, expertise and risk appetite corresponding to their own businesses, thus, both the Demerged Company and the Resulting Company will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of Trading Business and Manufacturing Business.
- iv) Pursuant to the Scheme, Equity Shares issued by the Resulting Company would be listed on the stock exchanges and thus, will unlock the value of the Trading Business for the shareholders of the Demerged Company.
 - Existing shareholders of the Demerged Company would hold the shares of two listed companies once the scheme becomes effective, giving them flexibility in managing their investments in two businesses having differential dynamics
- v) Demerger to be in the interest of shareholders, creditors and there is no likelihood that any shareholder or creditor would be prejudiced as a result of Scheme. It will not impose any additional burden on the shareholders of the



Demerged Company considering the Scheme would merely involve transfer and vesting of Trading Business by way of an arrangement from the Demerged Company to Resulting Company.

- vi) Demerger is expected to improve corporate governance within the separated entities, ensuring that the board and management are aligned with the specific interests and goals of their businesses.

D. TREATMENT OF THE SCHEME FOR THE PURPOSES OF THE IT ACT

The provisions of this Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) of the IT Act (as defined hereinafter). If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the IT Act will prevail, and the Scheme will stand modified to the extent determined necessary to comply with Section 2(19AA) of the IT Act. Such modification(s), will, however, not affect the other provisions of the Scheme.

E. PARTS OF THE SCHEME

The Scheme is divided into the following parts:

- (i) **Part I** - Deals with the definitions, interpretation of terms used in the Scheme and the share capital structure of the Companies, and Effective Date of the Scheme;
- (ii) **Part II** - Deals with the demerger, transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company on a going concern basis and Consideration and Issue of Shares to the shareholders of Demerged Company.



- (iii) **Part III** - Deals with the accounting treatment for the Demerger in the books of the Demerged Company and the Resulting Company;
- (iv) **Part IV** - Deals with cancellation of equity share capital of Resulting Company resulting in reduction of equity share capital of the Resulting Company and its accounting treatment; and
- (v) **Part V** - Deals with the general terms and conditions applicable to the Scheme and other matters consequential and integrally connected thereto.



PART-I

DEFINITIONS, INTERPRETATION AND SHARE CAPITAL STRUCTURE

1. DEFINITIONS

1.1. In this Scheme, unless inconsistent with or repugnant to the subject or context, (i) capitalized terms defined by inclusion in quotations and/or the parenthesis have the meaning so ascribed; and (ii) the following expressions shall have the meanings respectively assigned against them:

1.1.1. **"Act"** means the Companies Act, 2013, and the rules and regulations made thereunder and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force;

1.1.2. **"Applicable Law(s)"** means any applicable national, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, enactments, laws (including the common law), bye-laws, codes, notifications, rules, regulations, policies, guidelines, circulars, press notes, clearances, approvals, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, courts or Tribunal, (b) Permits; and (c) orders, decisions, writs, injunctions, judgements, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties, as may be in force from time to time;

1.1.3. **"Appointed Date"** means the opening of business hours of April 1st, 2024 or such other date as the National Company Law Tribunal may allow or direct and which is acceptable to the Board of the Companies.



1.1.4. "Appropriate Authority" means and includes:

- any national, state, territory, provincial, district, local or similar governmental, statutory, regulatory, administrative authority, agency, board, branch, commission, department or public body or authority, tribunal or court or other entity, in each case authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law;
- any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law;
- any stock exchange of India, the Registrar of Companies, Regional Director, Ministry of Corporate Affairs, RBI, SEBI, Official Liquidator, NCLT and any other sectoral regulators or authorities as may be applicable; and
- any body exercising executive, legislative, judicial, regulatory or administrative functions including delegated function/ authority of or pertaining to government, including any other government authority, agency, department, board, commission or instrumentality or any political sub-division thereof or an arbitrator and any self-regulatory organization.

1.1.5. "Board of Directors" or "Board" in respect of a Company means the board of directors of such Company at a relevant time and shall include a committee of directors, duly constituted and/or any person authorized by the Board or its committee for the purpose of relevant matters pertaining to the Scheme and/or any other matter relating thereto:



1.1.6. "BSE" means BSE Limited;

1.1.7. "Companies" means the Resulting Company and the Demerged Company collectively, and "Company" means any one of them as the context may require;

1.1.8. "Demerged Company" means Shankara Building Products Limited, a public listed company incorporated on October 13th, 1995 and having its registered office at G-2 Farah Winsford, No.133, Infantry Road, Bangalore, Karnataka, India - 560001;

1.1.9. "Demerged Undertaking" or "Demerged Business" or "Trading Business" shall mean and include (without limitation) all the assets, liabilities and employees of the Demerged Company pertaining to and/ or arising out of and/ or relating to Trading Business on a going concern basis and shall mean and include, without limitation:

- a) all assets and properties, whether movable or immovable, wherever situated, tangible or intangible, real or personal, including all rights, title, interest, claims and covenants in any buildings whether leasehold or otherwise, furniture, fixtures, computers, accessories, office equipment, other fixed assets, trademarks, brands, logos, labels, current assets relating to the Demerged Business, but excluding the properties relating to and vesting in Remaining Business, as on the Appointed Date;
- b) all investments, receivables, loans and advances extended (including GST credit and all other applicable indirect taxes or other Tax assets), including accrued interest thereon pertaining to Demerged Business;
- c) all the debts, borrowings and liabilities, including contingent liabilities, present or future, whether secured or unsecured, pertaining to and/or arising out of and/or relating to the Demerged Business as on the Appointed Date;



- d) all statutory licenses, approvals, permissions, no-objection certificates, permits, consents, grants, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, clearances, benefits of all contracts / agreements (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), relating to the Demerged Business, as on the Appointed Date;
- e) all employees and labour that are determined by the Demerged Company to be engaged in the Demerged Business and contributions, if any, made towards any provident fund, employees state insurance, gratuity fund, or any other Schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these funds, which relate to such employees;
- f) all advance payments, earnest monies and/or security deposits, payment against warrants, if any, or other entitlements in connection with or relating to the Demerged Business;
- g) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings, suits, appeals, applications or proceedings of whatsoever nature initiated by or against the Demerged Company in connection with the Demerged Business; and
- h) all records, files, papers, engineering and process information, computer programs, manuals, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers credit information, customers pricing information and other records, whether



in physical form or electronic form in connection with or relating to the Demerged Business;

Any question that may arise as to whether a specified asset, benefit, liability, contract or obligation pertains or does not pertain to the Demerged Business of the Demerged Company or whether it arises out of the activities or operations of the Demerged Business of the Demerged Company shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company or any committee thereof.

It is intended that the definition of Demerged Undertaking under this sub-clause would enable the transfer of all properties, assets, liabilities, rights, obligations, entitlements and benefits of the Demerged Undertaking to Resulting Company pursuant to this Scheme, without any further act or deed.

1.1.10. **"Demerger"** means transfer by way of a demerger of the Demerged Undertaking of the Demerged Company to the Resulting Company on a going concern basis and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company in accordance with the Share Entitlement Ratio, pursuant to the provisions of Section 2(19AA) and other relevant provisions of the IT Act;

1.1.11. **"Effective Date"** means the last date on which all of the conditions specified in **Clause 18** (Conditionality of the Scheme) of the Scheme are complied with. References in this Scheme to the date of "Scheme coming into effect" or "coming into effect of the Scheme" or "once the Scheme becomes effective" or "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date.



1.1.12. **"Employees"** means all the employees engaged primarily in the business of the Demerged Undertaking on the payroll of the Demerged Company as on the Appointed Date and as identified by the management and accepted by the Board of Directors of the Demerged Company;

1.1.13. **"Encumbrance"** means any mortgage, charge (whether fixed or floating), pledge, equitable interest, lien (statutory or other), hypothecation, assignment, adverse claim, security interest, limitation, restriction or encumbrance of any kind or nature whatsoever, securing or conferring any priority of payment in respect of any obligation of any person;

1.1.14. **"Equity Share(s)"** means the equity shares of the Demerged Company and/or the Resulting Company, as the case may be;

1.1.15. **"Financial Statements"** means the annual accounts (including balance sheet, cash flow statements and the statement of profit and loss) of the Demerged Company and/or Resulting Company (as the case may be) including the accounts drawn up to the Appointed Date;

1.1.16. **"Governmental Authority"** means any government authority, statutory authority, government department, agency, commission, board, tribunal, arbitral body or court or other entity authorized to make laws, rules or regulations, having or purporting to have jurisdiction on behalf of the Republic of India or any state or other sub-division thereof or any municipality, district or other sub-division thereof;

1.1.17. **"GST"** means the central tax as defined under the Central Goods and Services Tax Act, 2017 and/or the integrated tax as defined under the Integrated Goods and Services Tax Act, 2017 and/or the state tax as defined under the respective



State Goods and Services Tax Act and/or the Union Territory Goods and Services Tax Act, 2017 along with the applicable rules made thereunder;

1.1.18. "Hon'ble NCLT" or "National Company Law Tribunal" or "NCLT" or "Tribunal" means the National Company Law Tribunal, Bengaluru having jurisdiction over the Companies and authorised as per the provisions of the Act for approving the scheme of the arrangement, compromise or reconstruction of companies under Sections 230 to 232 of the Act and shall include, if applicable, such other forum or authority as may be vested with the powers of a tribunal for the purposes of Sections 230 to 232 of the Act as may be applicable;

1.1.19. "Ind AS" shall mean the Indian Accounting Standards notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time;

1.1.20. "INR" means Indian rupees being the lawful currency of Republic of India;

1.1.21. "IT Act" means the Income-tax Act, 1961, and the rules and regulations made thereunder and shall include any statutory modifications, re-enactment or amendment thereof to the extent notified.

1.1.22. "Intangible Assets" means and includes all intellectual property and industrial property rights and rights in proprietary, rights in confidential information, consent information of every kind and description, whether registered or unregistered, including software, research and development, business claims, business information, business records and goodwill.

1.1.23. "NSE" means National Stock Exchange of India Limited;



- 1.1.24. "RBI" means the Reserve Bank of India;
- 1.1.25. "Remaining Business" shall mean all the undertakings, businesses, properties, activities, investments, operations, assets, liabilities and employees of the Demerged Company that will be retained in the Demerged Company after the transfer of the Demerged Undertaking in terms of this Scheme;
- 1.1.26. "Record date" means a mutually agreed date to be fixed by the respective Boards of the Demerged Company and the Resulting Company, for the purpose of determining the shareholders of the Demerged Company to whom Equity Shares of the Resulting Company would be allotted pursuant to the Demerger in accordance with **Clause 14** of this Scheme;
- 1.1.27. "Resulting Company" means Shankara Buildpro Limited, a public limited company incorporated on October 13th, 2023 and having its registered office at 21/1 & 35-A-1 Hosur Road, Electronic City, Bangalore South, Bangalore - 560100, Karnataka;
- 1.1.28. "Registrar of Companies" or "ROC" means relevant Registrar of Companies having jurisdiction over the Companies under the Act.
- 1.1.29. "Sanction Order" means the order of the NCLT sanctioning this Scheme;
- 1.1.30. "Scheme" or "the Scheme" or "this Scheme" means this scheme of arrangement for Demerger in its present form as submitted to NCLT or this Scheme with such modification(s), if any made, in accordance with **Clause 25** of this Scheme;



1.1.31. "SEBI" means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

1.1.32. "SEBI LODR Regulations" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;

1.1.33. "SEBI Scheme Circular" or "Master Circular" means the master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 issued by SEBI on June 20th, 2023 and/or any other circulars issued by SEBI applicable to schemes of arrangement from time to time;

1.1.34. "Share Entitlement Ratio" shall have the meaning set out in Clause 14;

1.1.35. "Stock Exchanges" means BSE and NSE collectively and Stock Exchange shall mean each of them individually;

1.1.36. "Tax" or "Taxes" means and include (a) all form of tax (whether direct or indirect), levy, duty, surcharge, cess, impost, TDS, TCS, withholding tax, including income tax, dividend distribution tax, equalisation levy, GST, tax payable in a representative assessee capacity, minimum alternate tax or other amount whenever or wherever created or imposed by, or payable to any tax authority whether due to past, present or potential obligations; and (b) all charges and fee; interest, penalties and fines incidental or relating to any tax falling under (a) above or which arise as a result of the failure to pay any tax on the due date or to comply with any obligations relating to tax;

1.1.37. "TCS" means tax collectible at source, in accordance with the provisions of the IT Act; and



[Handwritten signature]



1.1.38. "TDS" means tax deductible at source, in accordance with the provisions of the IT Act.

2. INTERPRETATION

2.1. The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act and / or other Applicable Laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.

2.2. Any reference to any statute or statutory provision shall include:

- a) all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment;
- b) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced;
- c) Words denoting the singular shall include the plural and words denoting any gender shall include all genders. Words of either gender shall be deemed to include all the other genders.
- d) Headings, sub-headings, titles, subtitles to clauses, sub-clauses and paragraphs are for information only and shall not form part of the operative



provisions of this Scheme or the schedules hereto and shall be ignored in construing the same;

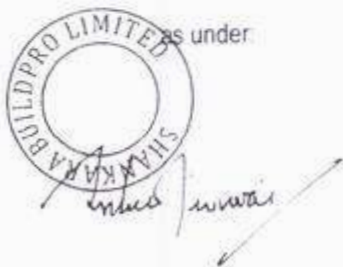
- e) Words directly or indirectly mean directly or indirectly through one or more intermediary persons or through contractual or other legal arrangements, and direct or indirect have the correlative meanings;
- f) The words "include" and "including" are to be construed without limitation;
- g) The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words shall refer to this entire Scheme or specified clauses of this Scheme, as the case may be;
- h) Any reference to the Preamble, Recital, Clause or Schedule shall be a reference to the preamble or recital, clause or schedule of this Scheme;
- i) The recitals, Schedules and the Annexures hereto shall form an integral part of this Scheme, and
- j) References to a person include any individual, firm, body corporate (whether or not incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representative body (whether or not having separate legal personality).

3. SHARE CAPITAL OF THE COMPANIES

3.1. Demerged Company:

The share capital structure of the Demerged Company as on November 30th, 2023 is

as under



Authorised Share Capital	Amount (INR)
3,00,00,000 Equity Shares of 10/- each	30,00,00,000
TOTAL	30,00,00,000
Issued, Subscribed and Paid-up Share Capital	Amount (INR)
2,42,49,326 equity shares of Rs. 10/- each	24,24,93,260
TOTAL	24,24,93,260

3.2. Resulting Company:

The share capital structure of the Resulting Company as on October 31st, 2023 is as under:

Authorised Share Capital	Amount (INR)
10,000 Equity Shares of 10/- each	1,00,000
TOTAL	1,00,000
Issued, Subscribed and Paid-up Share Capital	Amount (INR)
10,000 Equity Shares of 10/- each	1,00,000
TOTAL	1,00,000

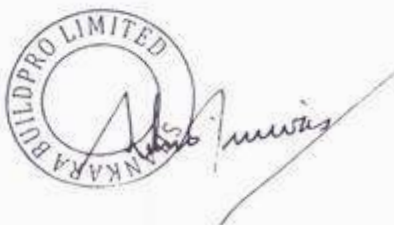
**As on the date of approval of the Scheme by the Board of the Companies, the entire share capital of the Resulting Company is held by the Demerged Company.*

***The Equity Shares of the Resulting Company are presently not listed on any Stock Exchanges. An application shall be made with the BSE and NSE post the effectiveness of the Scheme, for the listing of the Equity Shares of the Resulting Company so that upon Demerger of the Demerged Undertaking into the Resulting Company, the members of the Resulting Company have ready access to market and freely trade in the Equity Shares of the Resulting Company.*



4. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or any other Appropriate Authority shall take effect from the Appointed Date and shall be operative from the Effective Date.



ANKARA BUILDPRO LIMITED



ANKARA BUILDING PROJECTS PRIVATE LIMITED BANGALORE

PART II

DEMERGER, TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING OF THE
DEMERGED COMPANY INTO THE RESULTING COMPANY AND CONSIDERATION AND
ISSUE OF SHARES TO THE SHAREHOLDERS OF DEMERGED COMPANY

5. **DEMERGER OF THE DEMERGED COMPANY INTO THE RESULTING COMPANY**

5.1 With effect from the Appointed Date and upon the Scheme becoming effective, the Demerged Undertaking shall in accordance with the provisions of Section 2(19AA) and other applicable provisions of the IT Act and pursuant to Sections 230 to 232 and other applicable provisions of the Act and pursuant to Sanction Order, without any further instrument, deed or act, be transferred to and be vested in or be deemed to have been transferred to and vested in the Resulting Company, on a going concern basis, so as to become as and from the Appointed Date, the assets, permits, contracts, liabilities, loans, duties, rights, title, interests and obligations of the Resulting Company by virtue of operation of law and in the manner provided in the Scheme.

5.2 Without prejudice to **Clause 5.1** above, upon the coming into effect of the Scheme and with effect from the Appointed Date:

a) All the assets, properties, plant, equipment (whether movable or immovable in nature) along with all other rights, title, interest, contracts pertaining to the Demerged Undertaking shall become the property and assets of the Resulting Company by virtue of the Demerger.

b) Liabilities, shall become the liabilities of the Resulting Company by virtue of the Demerger.



A circular stamp for SHANKAR BHALDPRO LIMITED is visible. The stamp contains the text 'SHANKAR BHALDPRO LIMITED' around the perimeter and 'REGISTERED OFFICE' at the bottom. A handwritten signature is written across the stamp.



A circular stamp for SHANKAR BHALDPRO LIMITED is visible. The stamp contains the text 'SHANKAR BHALDPRO LIMITED' around the perimeter and 'REGISTERED OFFICE' at the bottom. A handwritten signature is written across the stamp.

- c) The properties and the liabilities, if any, relating to the Demerged Undertaking being transferred by the Demerged Company shall be recorded in the books of the Resulting Company in compliance with the Indian Accounting Standards;
- d) The Resulting Company shall issue shares to the shareholders of the Demerged Company, on a proportionate basis in consideration for the Demerger in accordance with **Clause 14** of the Scheme;
- e) All shareholders of the Demerged Company shall become the shareholders of the Resulting Company by virtue of the Demerger; and
- f) The transfer of the Demerged Undertaking to the Resulting Company will be on a going concern basis.

6. TRANSFER OF ASSETS

- 6.1 With effect from the Appointed Date and upon the Scheme becoming effective, the Demerged Undertaking together with all the assets (including all the rights, claims, title, interest and authorities, including accretions and appurtenances of such Demerged Undertaking) shall without further act or deed stand transferred and vested into the Resulting Company.
- 6.2 With effect from the Appointed Date and upon the Scheme becoming effective, all assets and properties of the Demerged Undertaking which are moveable in nature, or are otherwise capable of transfer by physical delivery or by endorsement and delivery, shall be so transferred by the Demerged Company, without requiring any deed or instrument of conveyance for the same and shall become the property of the Resulting Company.
- 6.3 With effect from the Appointed Date and upon the Scheme becoming effective, all immovable properties along with rights and interests in such immovable properties,



whether leasehold or otherwise, all tenancies/leases/licenses, maintenance arrangements, agreements and arrangements relating to infrastructure, undivided right, title and interest, recreation ground, amenity spaces, amenities and all documents of title, rights and easements in relation thereto, forming part of the Demerged Undertaking shall stand transferred to and be vested in and / or be deemed to have been transferred to and vested in the Resulting Company, without any further act or deed done by the Demerged Company and / or the Resulting Company.

6.4 With effect from the Appointed Date and upon the Scheme becoming effective, the Resulting Company shall be entitled to and exercise all rights and privileges attached to such immovable properties of the Demerged Undertaking, including right to use, develop, possess the immovable properties with all rights of ownership and right to deal with and dispose of such immovable properties and appropriate all consideration arising therefrom as the Resulting Company deems fit and shall be liable to pay the ground rent, taxes and to fulfill all obligations in relation to such immovable properties. The relevant authorities shall grant all clearances /permissions, if any, required for enabling the Resulting Company to absolutely own and enjoy the immovable properties in accordance with Applicable Law. The substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Resulting Company, by the Appropriate Authorities pursuant to the sanction of this Scheme by the NCLT in accordance with the terms hereof.

6.5 With effect from the Appointed Date and upon the Scheme becoming effective, the benefits of any statutory licenses, permissions or approvals or consents held by the Demerged Company required to carry on operations in the Demerged Undertaking shall stand vested in or transferred to the Resulting Company without any further act or deed. The benefit of all statutory and regulatory permissions, environmental approvals and consents, shall vest in and become available to the Resulting Company pursuant to the sanction of this Scheme by the NCLT in accordance with the terms hereof.



6.6 For the avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant consents, approvals, permissions, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Demerged Company in favour of the Resulting Company, the Board of Directors of the Demerged Company and/or the Resulting Company shall be deemed to be authorized to execute necessary powers of attorney in favour of each other and execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, and the same shall be considered as to give effect to the order passed by the NCLT and shall be considered as integral part of this Scheme.

7. TRANSFER OF LIABILITIES

Upon effectiveness of the Scheme and with effect from the Appointed Date, all liabilities of the Demerged Undertaking shall, without any further act, instrument or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Appointed Date and the Resulting Company shall meet, discharge and satisfy the same.

8. TRANSFER OF DEMERGED UNDERTAKING ON A GOING CONCERN BASIS

With effect from the Appointed Date and upon the Scheme becoming effective, the Demerged Undertaking of the Demerged Company shall be transferred, on a going concern basis, to the Resulting Company. Without prejudice to clauses herein, with effect from the Appointed Date and upon the Scheme becoming effective, all inter-party loans, advances and deposits between the Demerged Undertaking of the Demerged Company and the Resulting Company shall stand cancelled.



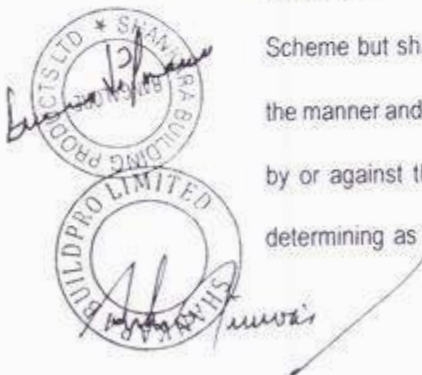
9. **STAFF, WORKMEN & EMPLOYEES**

9.1 Upon the coming into effect of this Scheme, identified staff, workmen & Employees shall become the Employees of the Resulting Company, and, subject to the provisions hereof, on terms and conditions not less favorable than those on which they are engaged by the Demerged Company, without any interruption of service as a result of the Demerger of the Demerged Undertaking into the Resulting Company.

9.2 As far as the provident funds, gratuity funds or any other special funds created or existing for the benefit of such Employees of the Demerged Undertaking are concerned, on and from the Effective Date, the Resulting Company shall stand substituted for Demerged Company for all purposes whatsoever related to administration or operation of such funds in accordance with provisions of such funds provided in the respective trust deeds or other documents. It is clarified that the services of such employees of the Demerged Undertaking will be treated as having been continuous and not interrupted for the purposes of such funds.

10. **LEGAL, TAXATION AND OTHER PROCEEDINGS**

10.1 All legal, taxation and other proceedings (including before any statutory or quasi-judicial authority or Tribunal) of whatsoever nature by or against the Demerged Company pending and/ or arising till the Appointed Date and pertaining to the Demerged Undertaking as agreed between the Demerged Company and Resulting Company in writing as being the legal, taxation and other proceedings pertaining to the Demerged Undertaking, as and from the Effective Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or anything contained in this Scheme but shall be continued and enforced by or against the Resulting Company in the manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company in the event of any difference or difficulty in determining as to whether any specific legal, taxation or other proceedings relates to



the Demerged Undertaking or not, a certificate jointly issued by the Board of the Demerged Company and the Resulting Company as to whether such proceeding relates to the Demerged Undertaking or not, shall be conclusive evidence of the matter.

- 10.2 The Resulting Company undertakes to have all legal, taxation or other proceedings initiated by or against the Demerged Company pertaining to the Demerged Undertaking and referred to in **Clause 10.1** above, transferred into its name on and after the Appointed Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company.
- 10.3 In the event the Demerged Company or the Resulting Company is/are required to be made a party to any legal, taxation or other proceedings in respect to the Demerged Undertaking or the Remaining Business remaining with the Demerged Company, then in such case, the Demerged Company or the Resulting Company, as the case may be, shall render necessary cooperation to the Resulting Company or the Demerged Company, as the case may be, in this regard including for the purposes of being made a party to the legal, taxation or other proceedings as aforesaid.

11. CONTRACTS, DEEDS, ETC.

Subject to the other provisions of this Scheme and upon the coming into effect of the Scheme, all contracts, deeds, bonds, schemes, engagements, arrangements, agreements, licenses, permissions and other instruments, if any, of whatsoever nature, relating to the Demerged Undertaking to which the Demerged Company is a party and are subsisting or having effect on the Effective Date, shall be enforced/implemented in full force and effect against or in favour of the Resulting Company, as the case may be, and may be enforced by or against the Resulting Company as fully and eventually as if, instead of the Demerged Company, the Resulting Company had been a party thereto. The Resulting Company may, if required, enter into and/or issue and/or execute deeds,



writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Resulting Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Undertaking of the Demerged Company to give effect to the provisions of this Scheme.

12. CHARGES AND MORTGAGES

12.1 In so far as the existing Encumbrances in respect of the liabilities are concerned, such Encumbrances shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Demerged Undertaking, which have already been Encumbered in respect of the liabilities as transferred to the Resulting Company pursuant to this Scheme. Provided that if any of the assets comprised in the Demerged Undertaking which are being transferred to the Resulting Company pursuant to this Scheme have not been encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets. The Scheme shall not operate to enlarge the Encumbrances, nor shall the Resulting Company be obliged to create any further or additional security by virtue of the Scheme becoming effective. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.

12.2 Subject to the other provisions of this Scheme, in so far as the assets forming part of the Demerged Undertaking is concerned, the Encumbrances over such assets, to the extent they relate to any loans or borrowings or other debt of the Remaining Business, shall, as and from the Effective Date, without any further act, instrument or deed, stand released and discharged and shall no longer be available as Encumbrances in relation



to those liabilities of the Demerged Company pertaining to the Remaining Business (and which shall continue with the Demerged Company).

12.3 In so far as the existing Encumbrances in respect of the loans and other liabilities relating to the Remaining Business are concerned, such Encumbrances shall, without any further act, instrument or deed be continued with the Demerged Company, only on the assets relating to the Remaining Business and the assets of the Demerged Undertaking shall stand released therefrom

12.4 Without prejudice to the provisions of the foregoing Clauses, the Demerged Company and the Resulting Company shall enter into and execute such other deeds, instruments, documents and/ or writings and/ or do all acts and deeds as may be required, including the filing of necessary particulars and/ or modification(s) of charge, with the RoC to give formal effect to the provisions of this Clause and foregoing Clauses, if required.

13. TREATMENT OF TAX

13.1 This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the IT Act. If any term or provision of the Scheme is found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of law or for any reasons whatsoever then the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the IT Act. Such modification will however not affect other parts of the Scheme.

13.2 The Resulting Company will be the successor of the Demerged Company vis-à-vis the Demerged Undertaking. Hence, it will be deemed that the benefits of any Tax credits whether central, state, or local, availed vis-à-vis the Demerged Undertaking and the obligations, if any, for payment of Taxes on any assets of the Demerged Undertaking shall be deemed to have been availed by the Resulting Company and the Appropriate Authorities shall be bound to transfer to the account of and give credit for the same to

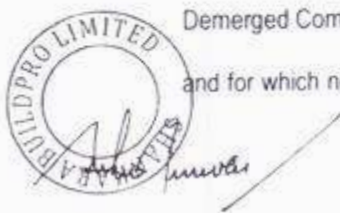


the Resulting Company upon the passing of the order on this Scheme by the NCLT or any other Appropriate Authority and upon relevant proof and documents being provided to the said authorities, or as the case may be, deemed to be the obligation of the Resulting Company.

13.3 With effect from the Appointed Date and upon the Scheme becoming effective, all Taxes, duties, cess, receivables/ payables by the Demerged Company relating to the Demerged Undertaking including all or any refunds/ credits/ claims/ Tax losses/ unabsorbed depreciation relating thereto shall be treated as the assets/ liabilities or refunds/ credits/ claims/ Tax losses/ unabsorbed depreciation, as the case may be, of the Resulting Company.

13.4 The Demerged Company and the Resulting Company are expressly permitted to revise their Tax returns including TDS certificates/ returns and to claim refund, advance tax, credits, excise and service tax credits, GST credits, set off etc. on the basis of the accounts of the Demerged Undertaking as vested with the Resulting Company upon coming into effect of this Scheme in accordance with the Applicable Laws, without incurring any liability on account of interest, penalty or any other sum. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired.

13.5 All the deductions otherwise admissible to the Demerged Company including payment admissible on actual payment or on deduction of appropriate taxes or on payment of TDS (such as Section 43B, Section 40, Section 40A etc. of the IT Act) will be eligible for deduction to Resulting Company, upon fulfilment of any conditions required under the IT Act. Any Tax credits and refund, under the IT Act, GST laws, service tax laws, excise duty laws, central sales tax, applicable state value added tax laws or other Applicable Laws/ regulations dealing with taxes/ duties/ levies due to Demerged Undertaking of the Demerged Company consequent to the assessment made on the Demerged Company and for which no credit is taken in the accounts as on the date immediately preceding



Date: 10/11/2017

the Appointed Date shall also belong to and be received by the Resulting Company upon this Scheme becoming effective.

- 13.6 The Tax payments (including, without limitation, income tax, GST, service tax, excise duty, central sales tax, applicable state value added tax, etc.) whether by way of TDS, advance tax, all earnest monies, security deposits, provisional payments, payment under protest, or otherwise howsoever, by the Demerged Company with respect to the Demerged Undertaking after the Appointed Date, shall be deemed to be paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.
- 13.7 Further, any TDS deducted by Demerged Company with respect to Demerged Undertaking on any transactions entered by it, if any, from Appointed Date to Effective Date shall be deemed to be advance tax paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.
- 13.8 Any obligation for deduction of TDS duly complied by the Demerged Company on any payment made by or to be made by it with respect to Demerged Undertaking from Appointed Date to Effective Date shall be made or deemed to have been made and duly complied with by the Resulting Company
- 13.9 Upon the Scheme becoming effective, all unavailed credits (excluding credit of minimum alternate tax paid, if any) and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax, GST, customs, applicable state value added tax, sales tax, service tax etc. relating to the Demerged Undertaking to which Demerged Company is entitled to, shall be available to and vest in the Resulting Company, without any further act or deed in accordance with the Applicable Laws.
- 13.10 The Board of Directors of the Demerged Company shall be empowered to determine if there is any specific Tax liability or any Tax proceeding relating to the Demerged Undertaking and whether the same would be transferred to the Resulting Company



- 13.11 The payment of any outstanding Tax shall not be hampered in any way as a result of the Demerger of the Demerged Undertaking from the Demerged Company to the Resulting Company and any Tax liability up to the date of Appointed Date will be borne by the Demerged Company and any Tax liability post the date of Appointed Date will be borne by the Resulting Company.

14. CONSIDERATION AND ISSUE OF SHARES

- 14.1 Upon the Scheme becoming effective and in consideration of the transfer of the Demerged Undertaking to the Resulting Company in accordance with the terms of the Scheme, the Resulting Company shall issue and allot:

"For every 1 (One) fully paid Equity Share of face value of INR 10/- (Indian Rupees Ten Only) each, held in Demerged Company as on the Record Date, the equity shareholders of the Demerged Company shall be issued 1 (One) fully paid Equity Share of face value of INR 10/- (Indian Rupees Ten Only) each in the Resulting Company". ("Share Entitlement Ratio")

- 14.2 Accordingly, a total of 2,42,49,326 ("Two Crore Forty Two Lakh Forty Nine Thousand Three hundred and Twenty Six only") fresh Equity Shares of the Resulting Company having a face value of INR 10/- (Indian Rupees Ten Only) each credited as fully paid-up will be issued to the equity shareholders of the Demerged Company by the Resulting Company.

- 14.3 The Share Entitlement Ratio as stated in **Clause 14.1** above has been determined by the respective Board of Directors of the Demerged Company and the Resulting Company based on report dated 18th December, 2023 provided by independent registered valuers on such Share Entitlement Ratio.



If the allotment of Equity Shares by the Resulting Company pursuant to this **Clause 14**

will result in any shareholders being issued fractional shares, if any, then the fractional entitlements shall be consolidated and thereupon allotted in lieu thereof to trustee(s) authorized by the Board of the Resulting Company in this behalf which shall hold the such Equity Shares issued by the Resulting Company in trust on behalf of the shareholders of the Demerged Company entitled to fractional entitlements with the express understanding that such trustee(s) shall sell the Equity Shares so allotted by the Resulting Company on the Stock Exchanges within a period of 90 days from the date of allotment of such Equity Shares or such other period as per the Applicable Law, at such price(s) and to such person(s), as the trustee(s) deems fit, subject to the provisions of the Master Circular, and shall distribute the net sale proceeds, after deductions of applicable Taxes and expenses incurred, in proportion to their respective fractional entitlements. In case the number of Equity Shares to be allotted by the Resulting Company to the trustee(s) authorized by the Board of the Resulting Company by virtue of consolidation of fractional entitlement is a fraction, it shall be rounded off to the next higher integer.

14.4A The Resulting Company Equity Shares to be issued by the Resulting Company, pursuant to Clause 14 in respect of any Equity Shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or which the Resulting Company is unable to issue due to non-receipt of relevant approvals or due to Applicable Laws or otherwise shall, pending allotment or settlement of dispute by order of NCLT or any court or otherwise, be held in abeyance by the Resulting Company or shall be dealt with as provided under the Applicable Law

14.4B In the event of there being any pending share transfers, whether lodged or outstanding, of any member of the Demerged Company, the Board of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as



on the Record Date, in order to remove any difficulties arising to the transferor or transferee of the shares in the Demerged Company and in relation to the shares issued by the Resulting Company, after the effectiveness of the Scheme.

14.4C All those shareholders who hold shares of the Demerged Company in physical form shall receive the Resulting Company New Equity Shares in dematerialized form only, provided that the details of their account with the depository participant are intimated in writing to the Demerged Company and provided such intimation has been received by the Demerged Company at least 7 (seven) days before the Record Date. If no such intimation is received from any shareholder who holds shares of the Demerged Company in physical form 7 (seven) days before the Record Date, the Resulting Company shall keep such shares in abeyance / escrow account / with a trustee nominated by the Board of the Resulting Company for the benefit of such shareholders or shall be dealt with as provided under the Applicable Law and will be credited to the respective depository participant accounts of such shareholders as and when the details of such shareholder's account with the depository participant are intimated in writing to the Resulting Company and/or its registrar, if permitted under Applicable Law.

14.5 The issue and allotment of Equity Shares of the Resulting Company as provided in this Scheme as an integral part thereof, shall be deemed to have been carried out as if the procedure laid down under Section 62 of the Act and any applicable provisions of the Act, were duly complied with.

14.6 The approval of this Scheme by the shareholders of the Resulting Company under Sections 230 to 232 of the Act, shall be deemed to have the approval under Sections 13 and 14 and other applicable provisions of the Act and any other consents and approvals required in this regard.



14.7 The Equity Shares of the Resulting Company allotted under this Scheme to the members of the Demerged Company shall rank for dividend, voting rights and in all other respects *paripassu* with the existing Equity Shares of the Resulting Company

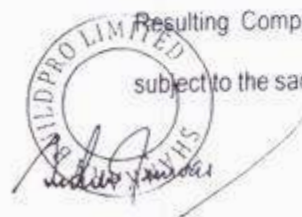


15. CONDUCT OF OPERATIONS/ ACTIVITIES OF THE DEMERGED UNDERTAKING OF DEMERGED COMPANY TILL THE EFFECTIVE DATE

15.1 With effect from the Appointed Date and up to and including the Effective Date, the Demerged Company shall carry on and shall be deemed to have carried on, all the business activities and operations relating to the Demerged Undertaking, and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the assets, properties and liabilities of the Demerged Undertaking, on account of and / or on behalf of and / or for the benefit of and / or in trust for, the Resulting Company. All the profits or incomes accruing or arising and all expenditure or losses arising or incurred (including all Taxes, if any, paid or accruing in respect of any profits and income) by the Demerged Company in relation to the Demerged Undertaking for the period commencing from the Appointed Date shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes, or as the case may be, expenditure or losses (including Taxes) of the Resulting Company. Any of the rights, powers, authorities and privileges attached or related or pertaining to the Demerged Undertaking and exercised by or available to the Demerged Company, with effect from the Appointed Date and up to and including the Effective Date, shall be deemed to have been exercised for and on behalf of and as an agent for the Resulting Company. Further, any of the obligations, duties and commitments attached, relating or pertaining to the Demerged Undertaking that has been undertaken or discharged by the Demerged Company, with effect from the Appointed Date and up to and including the Effective Date, shall be deemed to have been undertaken or discharged for and on behalf of and as an agent for the Resulting Company.



15.2 As and from the date of approval of this Scheme by the Board of the Demerged Company and the Resulting Company and till the Effective Date, the Resulting Company and the Demerged Company shall be entitled to, pending and subject to the sanction of the Scheme, apply to the Appropriate Authorities and all other



agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Resulting Company may require to carry on the business of the Demerged Undertaking.

15.3 As and from the date of approval of this Scheme by the Board of the Demerged Company and the Resulting Company and till the Effective Date, the Demerged Company shall not alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof, other than in the normal course of business, without the prior written consent of the Board of the Resulting Company.

15.4 As and from the date of approval of this Scheme by the Board of the Demerged Company and the Resulting Company and till the Effective Date, the Demerged Company shall not vary the terms and conditions of service of its permanent employees except in the ordinary course of its business.

15.5 As and from the date of approval of this Scheme by the Board of the Demerged Company and the Resulting Company and till the Effective Date, the Demerged Company shall not, without the prior consent of the Resulting Company, undertake any new business or a substantial expansion of its existing business in the Demerged Undertaking.

15.6 As and from the date of acceptance of this Scheme by the Board of the Demerged Company and the Resulting Company and till the Effective Date, the Demerged Company and the Resulting Company shall cooperate with each other in a mutually agreeable, commercially reasonable and lawful arrangement and the Demerged Company shall use commercially reasonable efforts to, where required pursuant to Applicable Law or considered as being reasonably prudent, file applications to Appropriate Authorities for relevant governmental authorization or for approval of a court of law, Tribunal or any other authorization, approval, consent or waiver of a third party (if applicable), in the name of and for the benefit of the Resulting Company.



A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "BUILDPRO LIMITED" around the perimeter and "KARAKA BUILDING PRO" in the center.



A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "BUILDPRO LIMITED" around the perimeter and "KARAKA BUILDING PRO" in the center.

- 15.7 The Resulting Company and the Demerged Company shall extend full cooperation to each other to the extent required for obtaining the requisite licenses, permissions, approvals and achieving compliance required under the Applicable Laws.
- 15.8 The Board of the Resulting Company and Demerged Company shall honor all commitments, agreements and arrangements executed between them in respect of this Scheme.
- 15.9 Notwithstanding anything contained in the Scheme, both the Demerged Company and the Resulting Company shall be at a liberty to declare such dividend as recommended by the respective Board of each Company and in accordance with the articles of association.

16. WRONG POCKET ASSETS

- 16.1 Subject to **Clause 30.2**, and unless otherwise specified in the terms of the Scheme, no part of the Demerged Undertaking, shall be retained by the Demerged Company after the Effective Date pursuant to the Demerger. If any part of the Demerged Undertaking is inadvertently not transferred to the Resulting Company on the Effective Date pursuant to the Demerger, the Demerged Company shall take such actions as may be reasonably required to ensure that such part of the relevant Demerged Undertaking, as the case may be, is transferred to the Resulting Company promptly and for no further consideration, and without any Tax implications. The Demerged Company shall bear all costs and expenses as may be required to be incurred by each of the Demerged Company or the Resulting Company, for giving effect to this clause.

- 16.2 No part of the Remaining Business shall be transferred to the Resulting Company pursuant to the Demerger. If any part of the Remaining Business is inadvertently held by the Resulting Company after the Effective Date, the Resulting Company shall take



such actions as may be reasonably required to ensure that such part of the Remaining Business is transferred back to the Demerged Company, promptly and for no consideration, and without any Tax implications. The Resulting Company shall bear all costs and expenses as may be required to be incurred by each of the Demerged Company or the Resulting Company for giving effect to this clause.

- 16.3 If the Demerged Company realizes any amounts after the Effective Date that form part of the Demerged Undertaking, it shall immediately make payment of such amounts to the Resulting Company. It is clarified that all receivables relating to the Demerged Undertaking, for the period prior to the Effective Date, but received after the Effective Date, relate to the Demerged Undertaking and shall be paid to the Resulting Company for no additional consideration, and without any Tax implications. If the Resulting Company realizes any amounts after the Effective Date that pertains to the Demerged Company or the Remaining Business, the Resulting Company shall immediately pay such amounts to the Demerged Company. Similarly, if the Demerged Company discharges any liability pertaining to the Demerged Undertaking after the Effective Date, the Resulting Company shall make payment of such amounts to the Demerged Company.

17. SAVING OF CONCLUDED TRANSACTIONS OR PROCEEDINGS

The transfer of the Demerged Undertaking under the Scheme and the continuance of suits, appeals, or other proceedings by or against the Demerged Company shall not affect any transaction or proceedings concluded by the Demerged Company, with or without the prior written consent of the Resulting Company, during the period between the date of acceptance of this Scheme by the Board of the Demerged Company and the Resulting Company and till the Effective Date, and the Resulting Company hereby accepts and adopts all acts, deeds and things done and executed by the Demerged Company as done and executed on behalf of itself.



A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "ALFA BUILDPRO LIMITED" around the perimeter and "ALFA BUILDING PRO" in the center.

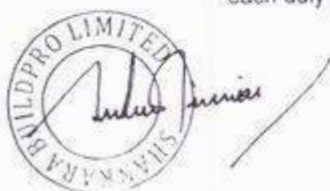


A circular stamp with the text "ALFA BUILDPRO LIMITED" around the perimeter is shown. A handwritten signature in black ink is written across the bottom of the stamp.

18. **CONDITIONALITY OF THE SCHEME**

Subject to the directions of the NCLT, this Scheme is and shall be conditional upon the following:

- a) **Stock Exchange approval:** The Demerged Company shall have received no-objection letter from the designated stock exchange in respect of the Scheme (prior to filing the Scheme with the Hon'ble NCLT) and the transactions contemplated therein in accordance with the SEBI LODR Regulations and the Master Circular.
- b) **Shareholders' and Creditors' Approval:** The Scheme shall have been approved by the respective majority of the requisite classes of shareholders (through postal ballot/e-voting, as applicable) and creditors (where applicable) of the Companies as required under the Act, Master Circular and as may be directed by the NCLT, subject to any dispensation that may be granted by the NCLT.
- c) **Approval of the Hon'ble NCLT:** The Scheme shall have been approved by the Hon'ble NCLT, either on terms as originally approved by the relevant parties to the Scheme, or subject to such modifications as approved by the Hon'ble NCLT.
- d) **Listing of Equity Shares of the Resulting Company:** The Resulting Company shall upon allotment of shares to the shareholders of the Demerged Company pursuant to the Scheme immediately make application to SEBI in terms of Rule 19(7) of Securities Contract (Regulation) Rules, 1957 for listing of Equity Shares of the Resulting Company at all the Stock Exchanges where the Equity Shares of Demerged Company are listed.
- e) **Filing of e-form INC 28:** The Demerged Company and the Resulting Company each duly filing e-form INC 28 on the website of the ministry of corporate affairs.



PART - III

ACCOUNTING TREATMENT PURSUANT TO THE SCHEME

19. ACCOUNTING TREATMENT PURSUANT TO THE SCHEME

- 19.1 The accounting treatment for the Demerger of the Demerged Undertaking in the books of the Demerged Company and the Resulting Company shall be in compliance with the standards of accounting or any addendum thereto as notified under Section 133 of the Act read with the Companies (Accounts) Rules, 2014 or Companies (Indian Accounting Standards) Rules, 2015 or any other relevant or related requirement under the Act and other generally accepted accounting principles.
- 19.2 The amount of any inter-company balances and loans or advances between the Demerged Undertaking and the Resulting Company, if any, shall stand cancelled without any further act or deed, upon the Scheme coming into effect, and the amounts so cancelled shall not be recorded in the books of account of the Resulting Company.

In the books of the Demerged Company:

- a) The assets and the liabilities of the Demerged Undertaking shall be transferred to the Resulting Company at the carrying values appearing in books of accounts of the Demerged Company as on the Appointed Date and correspondingly reduce from its books of account, the carrying values of assets and the liabilities so transferred.
- b) With effect from the Appointed Date, the Demerged Company shall account for the Demerger of Demerged Undertaking in its books of account in compliance with the standards of accounting or any addendum thereto, as notified under Section 133 of the Act read with the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015 (as may be applicable) and in accordance with prevailing guidelines and generally accepted accounting principles in India.



- c) The difference between the amount of assets and liabilities so transferred shall be adjusted against the retained earnings of the Demerged Company.

In the books of the Resulting Company:

- a) Upon coming into effect of this Scheme and upon the arrangement becoming operative, the Resulting Company shall record the assets and liabilities comprised in the Demerged Undertaking transferred to and vested in it pursuant to this Scheme, at the respective carrying values as appearing the books of the Demerged Company;
- b) The Resulting Company shall credit the share capital account in its books of account with the aggregate face value of the Equity Shares of the Resulting Company issued to the shareholders of the Demerged Company, and
- c) Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the Resulting Company shall account the transaction in accordance with the standards of accounting or any addendum thereto as notified under Section 133 of the Act read with the Companies (Accounts) Rules, 2014 or Companies (Indian Accounting Standards) Rules, 2015 (as may be applicable) and in accordance with prevailing guidelines and generally accepted accounting principles in India.

The excess or deficit, if any, remaining after recording the aforesaid entries shall be credited/debited by the Resulting Company to the 'capital reserve account'.



PART IV

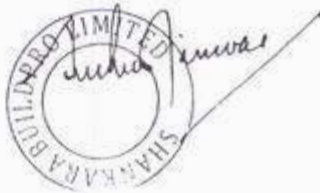
REDUCTION OF EQUITY SHARE CAPITAL OF THE RESULTING COMPANY

20. CANCELLATION OF EQUITY SHARE CAPITAL OF RESULTING COMPANY
RESULTING IN REDUCTION OF EQUITY SHARE CAPITAL

- 20.1 Upon allotment of new Equity Shares by the Resulting Company as per **Part II** of the Scheme to the shareholders of Demerged Company, the shareholding of Demerged Company in the Resulting Company, shall be cancelled in accordance with the order(s) of the NCLT sanctioning the Scheme under Sections 230 to 232 of the Act. After the cancellation of the initial share capital and issue of Equity Shares to the shareholders of Demerged Company, the shareholding pattern of the Resulting Company shall be the same as that of the Demerged Company. No consideration shall be payable to the existing shareholder (i.e., Demerged Company) of the Resulting Company on account of cancellation of such equity share capital pursuant to this clause.
- 20.2 Upon cancellation of the initial equity share capital of the Resulting Company as per **Clause 20.1** above, the equity share capital of the Resulting Company shall stand reduced to the extent of the nominal value of the shares cancelled.
- 20.3 The face value of the paid up Equity Shares so cancelled pursuant to the reduction by way of cancellation of the Equity Shares held by the Demerged Company and its nominees in the Resulting Company shall be added to the capital reserves of the Resulting Company.
- 20.4 Notwithstanding the reduction in the equity share capital of the Resulting Company, the Resulting Company shall not be required to add "And reduced" as a suffix to its name.
- 20.5 Upon registration of the Sanction Order and on allotment of Equity Shares in the Resulting Company, the reduction shall be deemed to take effect from the Effective Date.



- 20.6 The consent of shareholders of the Resulting Company, and the consent of the secured and unsecured creditors of the Resulting Company, if any, to the Scheme shall be deemed to be sufficient for the purpose of effecting reduction of share capital and no further resolution or action under any other provisions of the Act would be required to be separately passed or taken.
- 20.7 Since the said reduction is an integral part of the Scheme under Section 230 to 232 and will be made effective pursuant to the Sanction Order in terms of Sections 230 to 232 of the Act, the compliance of provisions of Section 66 of the Act shall not be applicable.
- 20.8 The Sanction Order shall also be deemed to be an order under Section 66 of the Act confirming the reduction.



Handwritten signature: Shaikha Binwas
Circular stamp: SHAIKHARA BUILDERS LIMITED



Handwritten signature: Shaikha Binwas
Circular stamp: SHAIKHARA BUILDERS LIMITED

PART V

GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME

21. COMPLETION

Upon obtaining the Sanction Order and upon completion of the conditionalities of the Scheme, as defined in **Clause 18** of this Scheme, the Demerged Company shall convene a meeting of its Board of Directors for confirming the assets, properties, liabilities and Employees transferred under the Demerged Undertaking, as may be modified based on mutual agreement in writing with the Resulting Company, provided that failure to hold such meeting will not render the Scheme ineffective.

22. VALIDITY OF EXISTING RESOLUTIONS

Upon the coming into effect of the Scheme, the resolutions, if any, passed by the Demerged Company relating to the Demerged Undertaking, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions passed by the Resulting Company, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, such limits shall be added to the limits, if any, under like resolutions passed by the Resulting Company, and shall constitute the aggregate of the said limits in the Resulting Company.

23. REMAINING BUSINESS

- 23.1 The Remaining Business of the Demerged Company and all the assets, liabilities and obligations pertaining thereto (including without limitation any liabilities arising on account of any regulatory and/ or governmental investigations and/ or actions involving or in relation to the Remaining Business of the Demerged Company) shall continue to belong to and be vested in and be managed by the Demerged Company.



A handwritten signature in black ink, appearing to be "Kumar Vipin".

23.2 All legal or other proceedings (whether civil or criminal including before any Governmental Authority) by or against the Demerged Company under any Applicable Laws whether pending on Effective Date or which may be instituted at any time, and in each case relating to the liability, obligation or duties of the Demerged Company in respect of the Remaining Business shall be continued and enforced, solely after the Effective Date, by or against the Demerged Company only.

23.3 The Demerged Company shall carry on all business and activities pertaining or relating to the Remaining Business in their own name and on their own account.

24. APPLICATION TO THE NATIONAL COMPANY LAW TRIBUNAL

24.1 The Companies shall, make all necessary applications to SEBI/Stock Exchanges in connection with the Scheme and make applications and petitions to jurisdictional NCLT for sanctioning this Scheme under Sections 230 to 232 of the Act, including seeking such orders for convening and holding or alternatively, dispensing with requirements for convening and holding meetings of the shareholders and/or creditors of the Companies as may be directed by the NCLT and obtain such other approvals as required by Applicable Law.

24.2 The Companies shall be entitled, pending the effectiveness of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals, as agreed between the Companies, which the Companies may require to effect the transactions contemplated under the Scheme, in any case subject to the terms as may be mutually agreed between the Companies



A circular stamp with the text "SHANKARA BUILDPRO LIMITED" around the perimeter. A handwritten signature is written across the stamp.



A circular stamp with the text "SHANKARA BUILDPRO LIMITED" around the perimeter. A handwritten signature is written across the stamp.

25. MODIFICATION OR AMENDMENTS TO THE SCHEME

25.1 The Demerged Company and the Resulting Company may make, acting through their respective Boards or mutually consent to, any modifications or amendments to the Scheme or to any conditions or limitations thereof, that the NCLT or any other competent authority, may deem fit to direct or impose, or which may otherwise be considered necessary or desirable, to solve all difficulties that may arise for carrying out the Scheme, and do all acts, deeds and things necessary for giving effect to the Scheme or the objectives thereof. The Demerged Company and the Resulting Company by their respective Board or such other person or persons, as the respective Board may authorize, including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith

25.2 For the purpose of giving effect to this Scheme or to any modification or amendments thereof or additions thereto, the delegate(s) and / or directors of the Demerged Company and the Resulting Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

26. SEVERABILITY

26.1 If any part of this Scheme hereof is invalid, ruled illegal by the NCLT or any other competent authority, or unenforceable under present or future laws, then it is the intention of the Demerged Company and the Resulting Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this

Handwritten signature and circular stamp of the Demerged Company. The stamp contains the text "MIRA BEAUTY PRODUCTS PRIVATE LIMITED" and "INDIA".

Handwritten signature and circular stamp of the Resulting Company. The stamp contains the text "GULDPRO LIMITED" and "INDIA".

Scheme may cause this Scheme to become materially adverse to the Demerged Company and/ or the Resulting Company, then in such case the Demerged Company and the Resulting Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Demerged Company and the Resulting Company, the benefits and obligations of the Scheme, including but not limited to such part.

26.2 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Demerged Company and the Resulting Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

26.3 The non-receipt of any sanctions or approvals for a particular asset or liability forming part of the Demerged Undertaking getting transferred pursuant to this Scheme, shall not affect the effectiveness of the other parts of the Scheme, subject to the decision of the Demerged Company and the Resulting Company through their respective Board of Directors.

27. EFFECT OF NON-RECEIPT OF APPROVALS

27.1 The Companies (jointly and not severally) shall be at liberty to withdraw this Scheme or any of its parts at any time as may be mutually agreed by the respective Board of the Companies prior to the Effective Date.

27.2 Upon the withdrawal of this Scheme or any of its parts as set out in **Clause 27.1** above, no rights and liabilities shall accrue to or be incurred by the respective Companies or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs and expenses or as may be otherwise mutually agreed.



A circular stamp with the text "ANKAARA BUILDPRO LIMITED" around the perimeter. Inside the stamp, there is a handwritten signature in black ink.



A circular stamp with the text "ANKAARA BUILDPRO LIMITED" around the perimeter. Inside the stamp, there is a handwritten signature in black ink.

28. REMOVAL OF DIFFICULTIES

28.1 The Companies through mutual consent and acting through their respective Board, jointly and as mutually agreed in writing may:

28.1.1. give such directions and agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties or questions arising under this Scheme, whether by reason of any orders of NCLT or of any directive or orders of any Appropriate Authority, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and/or matters concerning or connected therewith or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those to the extent permissible under Applicable Law; and/or

28.1.2. do all such acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect

29. AMENDMENT TO CONSTITUTIONAL DOCUMENTS

The Amendment of the Articles of Association of the Resulting Company

29.1 The provisions of articles of association of the Resulting Company, if required, shall stand amended and restated to comply with provisions required for a listed company.

29.2 The amendments pursuant to the above **Clause 29.1** shall become operative on the Scheme becoming effective by virtue of the fact that the shareholders of the Resulting Company, while approving the Scheme as a whole, have approved and accorded the relevant consents as required under the Act for amendment of the Articles of Association of the Resulting Company and shall not be required to pass separate



resolutions under Section 14 or any other applicable provisions of the Act.

30. RESIDUAL PROVISIONS

30.1 This Scheme complies with the conditions relating to "demerger" as defined under Section 2(19AA), Section 47 and other relevant provisions of the IT Act and is intended to apply accordingly. If any terms or clauses of this Scheme are found to be or interpreted to be inconsistent with any of the relevant provisions of the IT Act (including the conditions set out therein), at a later date, whether as a result of a new enactment or any amendment or coming into force of any provision of the IT Act or any other Applicable Law or any judicial or executive interpretation or for any other reason whatsoever, the Demerged Company and the Resulting Company shall discuss in good faith to modify this Scheme in a mutually satisfactory manner that ensures compliance of this Scheme with such provisions.

30.2 Without prejudice to the aforesaid but subject to **Clauses 5, 6 & 7** of this Scheme, it is clarified that if any assets (estate, claims, rights, title, interest in or relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking which the Demerged Company owns or to which the Demerged Company is a party to, cannot be transferred to or vested in the Resulting Company for any reason whatsoever

(i) The Demerged Company shall hold such asset or contract, deeds, bonds, agreements, schemes, tenders, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company, insofar as it is permissible so to do, till such time as their transfer or vesting in the Resulting Company is effected.

(ii) The Demerged Company and the Resulting Company shall, however, between themselves, treat each other as if all contracts, deeds, bonds, agreements,




schemes, tenders, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking had been transferred to the Resulting Company on the Effective Date; and

(iii) The Resulting Company shall perform or assist the Demerged Company in performing all of the obligations under those contracts, deeds, bonds, agreements, schemes, tenders, arrangements or other instruments of whatsoever nature, to be discharged after the Effective Date.

It is clarified that the Demerged Company and the Resulting Company may enter into contracts or arrangements, as may be required to give effect to the provisions of this clause and that any such transfer under the provisions hereof shall be deemed to be with effect from the Appointed Date as an integral part of the Scheme.

30.3 The mechanism or arrangement between the Demerged Company and Resulting Company, pursuant to **Clause 30.2** above, after the Effective Date, shall be based on the following principles (a) the Demerged Company shall not be responsible for performance of any obligations or for any liabilities arising from or in relation to the Demerged Undertaking; and shall not be entitled to any rights or to receive any benefits whatsoever in relation to the Demerged Undertaking; (b) the rights and liabilities in connection with the Demerged Undertaking, shall rest and be borne entirely and exclusively by Resulting Company, in each case, subject to any specific agreement executed by the Companies



31. LISTING OF EQUITY SHARES OF THE RESULTING COMPANY

All shares of the Resulting Company will be listed and/or admitted to trading on the BSE and NSE, which have nation-wide trading terminals. The Resulting Company shall apply for listing of its shares on the BSE and NSE and enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Law for the Resulting Company, including for seeking exemption from Rule 19(2)(b) of Securities Contracts (Regulation) Rules, 1957. The shares of the Resulting Company shall remain frozen in the depositories system till listing and trading permission is given by the designated Stock Exchange. There shall be no change in the shareholding pattern or control in the Resulting Company between the Record Date and the listing which may affect the status of approvals received from the Stock Exchanges, other than as provided in the Scheme. The Resulting Company will not issue/re-issue any shares, not covered under this Scheme, till the date of listing of the Resulting Company on the BSE and NSE pursuant to the Scheme.

32. COSTS, CHARGES AND EXPENSES

Except as otherwise provided anywhere in this Scheme, all the Taxes, costs, charges, and expenses (including stamp duty, registration charges and other related charges) arising out of or incurred in carrying out and implementing this Scheme and/or any matters incidental thereto shall be borne by the Demerged Company and the Resulting Company in equal proportion.



**SHANKARA CONSOLIDATED
ANNUAL REPORT-2023-24**



Corporate Information

Board of Directors

Mr. V. Ravichandar	:	Chairman, Independent Director
Mr. Sukumar Srinivas	:	Managing Director
Mr. B. Jayaraman	:	Independent Director
Mr. Chandu Nair	:	Independent Director
Ms. Jayashri Murali	:	Independent Director
Mr. C. Ravikumar	:	Whole-Time Director
Mr. RSV. Siva Prasad	:	Non-Executive and Non-Independent Director

Company Secretary

Ms. Ereena Vikram

Chief Financial Officer

Mr. Alex Varghese

Registered Office

G2, Farah Winsford
133, Infantry Road
Bengaluru-560001

Corporate Office

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

Statutory Auditors

M/s Sundaram & Srinivasan
Chartered Accountants
New No. 4, Old No. 23,
C.P Ramaswamy Road, Alwarpet,
Chennai-600018

Bankers

Citibank NA.
HDFC Bank Ltd.
Standard Chartered Bank.
Kotak Mahindra Bank Ltd.
IDFC Bank Ltd.
Federal Bank Ltd.
IndusInd Bank Ltd.
Yes Bank Ltd.
South Indian Bank Ltd.
ICICI Bank Ltd.

Internal Auditors

M/s GRSM & Associates
Chartered Accountants
No. 8/90, 1st Floor
Pampa Mahakavi Road
Shankarapuram
Bengaluru - 560004

Registrar and Share Transfer Agent

M/s KFin Technologies Limited
Selenium Tower B, Plot Nos. 31 & 32
Financial District, Nanakramguda,
Serilingampally Mandal
Hyderabad - 500 032, Telangana

Secretarial Auditor

K. Jayachandran
Company Secretary
No. 1181, 6th Main
'A' Block, 2nd Stage
Rajajinagar
Bengaluru - 560 010

**INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING
PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31,
2024**

To the Members of
Shankara Building Products Limited, Bengaluru.

**Report on the Audit of the Consolidated Indian Accounting Standards ('Ind
AS') financial statements**

Opinion

We have audited the accompanying Consolidated financial statements of Shankara Building Products Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2024, and the consolidated Statement of Profit and Loss, (including other comprehensive income), consolidated Statement of Changes in Equity and consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated financial statements, including a summary of Material accounting policies information and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, of its consolidated profit (including other comprehensive income), consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated financial statements* section of our report. We are independent of the Group in accordance with the *ethical requirements that are relevant to our audit of the Consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act*, and we have fulfilled our other ethical responsibilities in accordance with *those requirements*. We



SUNDARAM & SRINIVASAN

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

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31, 2024 (continued.....)

believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN OUR AUDIT
<u>Inventory Existence and Valuation</u> Inventory is held in various locations by the Holding Company. There are complexities and manual process involved in determining inventory quantities on hand and valuation of the same due to the diverse & numerous inventory products, multiple storage locations and price fluctuations of products. Hence, inventory quantities and valuation thereof is identified as a key audit Matter.	<u>We have performed the following procedures:</u> <ul style="list-style-type: none">• Reviewed the Inventory verification reports of the Internal auditors for all the quarters.• Also during the year the Management has performed Inventory verification in some locations and have provided us with the Inventory verification reports for review• Comparative analysis of inventory as at the end of the year with the inventory at the beginning of the year.• Verification of the correctness of valuation made by the management on a sample basis, with regard to the cost and net realizable value of inventory.



SUNDARAM & SRINIVASAN

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

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN OUR AUDIT
<p><u>Carrying value of Goodwill</u></p> <p>The group has recognised goodwill on consolidation involving three subsidiaries amounting to Rs.14.04 crore. The goodwill has to be tested for impairment annually, which requires significant judgement on the part of the management in identifying and valuing the relevant Cash Generating Unit that contains goodwill.</p>	<p>The Board of Directors of the Holding Company has tested whether there is any impairment of goodwill recognised in the financials viz. Rs. 14.04 crore. The projected discounted cash flow of the respective Cash Generating Unit was considered in detail and on such due consideration, the Board has come to the conclusion that goodwill has not suffered any impairment and can be carried at Rs. 14.04 crore.</p> <p>We have considered the basis on which the Board has arrived at this consideration and we agree with their assessment.</p>

As a result of the above audit procedures no material differences were noted. We confirm the adequacy of disclosures made in the Financial Statements.

Key Audit Matter relating to a subsidiary viz. Vishal Precision Steel Tubes and Strips Private Limited (extract from the report of the Statutory Auditors)

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED
<p><u>Assessment of the appropriateness of the allowance for doubtful debts.</u></p> <ul style="list-style-type: none"> Trade Receivable comprises 29.79 % (2022-23 23.67%) of the total assets in the Statement of Financial Position (the Balance Sheet) The appropriateness of the allowance for doubtful debts is subjective due to high degree of 	<p><u>Our procedure included among others:</u></p> <ul style="list-style-type: none"> Evaluated the debtor impairment methodology applied in the current year against the requirements of Ind AS 113 in respect of fair valuation. Analysed the methodology by



SUNDARAM & SRINIVASAN

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

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED
<p>judgement applied by the management in determining the impairment provision.</p> <ul style="list-style-type: none">• Due to the significance of trade receivables and the related estimation uncertainty, this is considered as key audit risk.• This disclosure is set out in the Note under Schedule 10.	<p>comparing the prior year provision to the actual current year write offs. Assessed key ratios which include cash collections, days outstanding and delinquencies.</p> <ul style="list-style-type: none">• We considered the changes in credit strategy and assessed the impact on the allowances for doubtful debts.• Assessed the changes in the economy with particular reference to the sector where the company predominantly operates and the impact on the collectively of the trade receivables.• Based on the above, we satisfied ourselves that the management had taken reasonable judgements that were materially supported by the available evidence in respect of the receivable balances. We did not encounter any issues through these audit procedures that indicated that provisioning in respect of trade receivables was inappropriate.
<p>Inventory provision</p> <ul style="list-style-type: none">• Inventory comprises of 40.98 % (2022-23 32.49%) of the total assets in the statement of financial position (Balance Sheet).• As discussed in the Notes on Accounts, the management has made provision for markdowns against inventory in respect of damaged, unmarketable, unserviceable and have become	<p>Our procedure included, among others:</p> <ul style="list-style-type: none">• Compared the provision/valuation methodology applied by the management by comparing to previous year methodology.• Evaluated the assumptions and judgements applied by the management in determining such markdown provision/valuation.



KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED
<p>obsolete.</p> <ul style="list-style-type: none"> The allowance for markdown of inventory takes into account the historic information related to sales trends and estimated net realisable value has been applied in respect of the class of inventory stated above. This requires significant management judgement based on past experience, inventory ageing profile as well as different market factors impacting sale of these products. As these factors change each year, this required specific focus on the current year assumptions. Further due to the significance of the inventories and related estimation uncertainty, this is considered as key audit risk. Accordingly, the markdown against inventory is considered to be a key audit matter and disclosure is included in the Notes on accounts. 	<ul style="list-style-type: none"> Tested and evaluated historical information, data trends and ageing profiles and shelf lives. Analysed the provisions by performing analytical procedures on provisioning/valuation levels including against historical experience.

Key Audit Matter relating to a subsidiary viz. Centurywells Roofing India Private Limited (extract from the report of the Statutory Auditors)

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED
<p><u>Assessment of the appropriateness of the allowance for doubtful debts.</u></p> <ul style="list-style-type: none"> Trade Receivable comprises 28.90 % (2022-23 47.49%) of the total assets in the Statement of Financial Position (the Balance Sheet) 	<p><u>Our procedure included, among others:</u></p> <ul style="list-style-type: none"> Evaluated the debtor impairment methodology applied in the current year against the requirements of Ind AS 113 in respect of fair valuation.

SUNDARAM & SRINIVASAN

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

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED
<ul style="list-style-type: none"> • The appropriateness of the allowance for doubtful debts is subjective due to high degree of judgement applied by the management in determining the impairment provision. Although there is a quantum jump in the overall debtors' values, the increase in terms of percentage of assets has not marked a significant growth. • The recoverability of trade receivables and the level of provisions for bad and doubtful debts are considered to be key risk due to the significance of these balances to the Ind AS financial statements and the judgement required in making appropriate provisions. • The disclosure is set out in the Note under Schedule 11 	<ul style="list-style-type: none"> • Analysed the methodology by comparing the prior year provision to the actual current year write offs. Assessed key ratios which include cash collections, days outstanding and delinquencies. • We considered the changes in credit strategy and assessed the impact on the allowances for doubtful debts. • Assessed the changes in the economy with particular reference to the sector where the company predominantly operates and the impact on the collectively of the trade receivables. • Based on the above, we satisfied ourselves that the management had taken reasonable judgements that were materially supported by the available evidence in respect of the receivable balances. We did not encounter any issues through these audit procedures that indicated that provisioning in respect of trade receivables was inappropriate.
<p><u>Inventory provision</u></p> <ul style="list-style-type: none"> • Inventory comprises of 41.08 % (2022-23 32.11%) of the total assets in the statement of financial position (Balance Sheet). • As discussed in the Notes on Accounts, the management has made provision for markdowns against inventory in respect of damaged, unmarketable, unserviceable and have become 	<p><u>Our procedure include, among others:</u></p> <ul style="list-style-type: none"> • Compared the provision/valuation methodology applied by the management by comparing to previous year methodology. • Evaluated the assumptions and judgements applied by the management in determining such



KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED
<p>obsolete.</p> <ul style="list-style-type: none"> • The allowance for markdown of inventory takes into account the historic information related to sales trends and estimated net realisable value has been applied in respect of the class of inventory stated above. • This requires significant management judgement based on past experience, inventory ageing profile as well as different market factors impacting sale of these products. As these factors change each year, this required specific focus on the current year assumptions. Further due to the significance of the inventories and related estimation uncertainty, this is considered as key audit risk. Accordingly the markdown against inventory is considered to be a key audit matter and disclosure is included in the Notes on accounts. 	<p>markdown provision/valuation.</p> <ul style="list-style-type: none"> • Tested and evaluated historical information, data trends and ageing profiles and shelf lives. • Analysed the provisions by performing analytical procedures on provisioning/valuation levels including against historical experience.

Information Other than the Consolidated Ind AS financial statements and Auditors' Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the financial statements and our report thereon.

Our opinion on the Consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



SUNDARAM & SRINIVASAN

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

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31, 2024 (continued.....)

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated financial statements

The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement.



SUNDARAM & SRINIVASAN

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

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31, 2024 (continued.....)

whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the each company in the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company in the Group.

Auditor's Responsibilities for the Audit of the Consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a



SUNDARAM & SRINIVASAN

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

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31, 2024 (continued.....)

material misstatement resulting from fraud is higher than that one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section

143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated financial statements of which we are the independent auditors. For the other entities included in the Consolidated financial statements, which have been audited by other auditors, such other auditors



SUNDARAM & SRINIVASAN

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

**INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING
PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31,
2024 (continued.....)**

remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

- (a) We did not audit the financial statements of three wholly owned subsidiaries, whose financial statements reflect total assets of Rs. 418.18 crore as at March 31, 2024, total revenues of Rs. 1,009.69 crore, total net profit after tax of Rs 11.51 crore and net cash inflow amounting to Rs. 0.01 crore for the year then ended on that date, as considered in the Consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of



SUNDARAM & SRINIVASAN

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

**INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA
BUILDING PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED
MARCH 31, 2024 (continued.....)**

these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

- (b) The financial information of one overseas subsidiary, whose financial statements / financial information reflect total assets of Rs. 0.01 crores at March 31, 2024 , Nil total revenue total net loss of Rs 0.08 Crore and net cash outflow amounting to Rs. 0.05 crore as of and for the year ended March 31, 2024, are considered in the Consolidated Ind AS financial statements. These financial information are **UNAUDITED** and have been furnished to us by the management and our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial information. According to the information and explanations given to us by the management, these financial information are not material to the Group and we concur.
- (c) The Consolidated financial statements include the audited financial Statement of one Subsidiary whose financial statement reflect total assets of Rs. 0.02 crore as at March 31, 2024, NIL total revenue for the period from October 13, 2023 to March 31, 2024, total net loss of Rs. 0.02 crore for the period from October 13, 2023 to March 31, 2024 and net cash inflow of Rs. 0.01 crore for the period from October 13, 2023 to March 31, 2024 , which has been audited by us

Our opinion on the Consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.



SUNDARAM & SRINIVASAN

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

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31, 2024 (continued.....)

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3), we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated financial statements.
 - d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and on the basis of the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".



SUNDARAM & SRINIVASAN

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

**INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING
PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31,
2024 (continued.....)**

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us the remuneration paid / provided during the year to directors is in accordance with the provisions of section 197 of the Act, in respect of the Holding Company Remuneration was not paid to the director(s) of the subsidiaries.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the 'Other Matters' paragraph:
- i. The Consolidated financial statements disclose the impact of pending litigations as at March 31, 2024 on the consolidated financial position of the Group - Refer note no. 39 to the Consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2024.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.
 - iv. a) The Management of the Holding Company and the subsidiaries (incorporated in India) have represented that, to the best of its



SUNDARAM & SRINIVASAN

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

**INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED IND
AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA
BUILDING PRODUCTS LIMITED, BENGALURU FOR THE YEAR
ENDED MARCH 31, 2024 (continued.....)**

knowledge and belief, other than as disclosed in notes to accounts (refer note no. 53), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The Management of the Holding Company and the subsidiaries (incorporated in India) have represented that, to the best of its knowledge and belief, other than as disclosed in the note no. 54 to the Consolidated financial statements, no funds have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations provided under sub-clause (a) and (b) above, contain any material misstatement.

v. The final dividend paid by the Holding company during the year in respect of the same declared for the previous year is in accordance with the Section 123 of the Act to the extent it applies to payment of Dividend. The Board of the Holding Company has not declared interim dividend during the year. However, the Board of the Holding Company at its meeting held today ie. 20th May 2024 has recommended a final



SUNDARAM & SRINIVASAN

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

**INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING
PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31,
2024 (continued.....)**

dividend of Rs. 3.00 /- per equity share (face value of Rs. 10/- each) which is subject to the approval of the shareholders in the ensuing Annual General Meeting. The dividend declared is in accordance with the provisions of the section 123 of the Act to the extent it applies to declaration of dividend.

- vi The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1st April 2023

Based on our examination, on the basis of test checks, and as communicated by the respective auditor of three subsidiaries and one subsidiary company which was audited by us, the Holding Company and its subsidiary companies incorporated in India have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the Holding company and one subsidiary company audited by us. In respect of the three subsidiary companies not audited by us, the respective auditors have not reported any instance of tampering with audit trail.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Holding Company and One wholly owned subsidiary company incorporated in India and by other auditors in respect of three wholly owned subsidiaries incorporated in India included in the



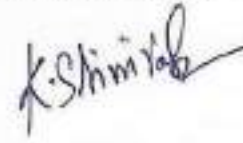
SUNDARAM & SRINIVASAN

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

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING
PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31,
2024 (continued.....)

Consolidated financial statements, we report that there are no qualifications or
adverse remarks in these CARO reports.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S



Srinivasan K
Partner
Membership No. 209120
ICAI UDIN: 24209120BKBKIC5518

Place: Bengaluru
Date : May 20, 2024



Annexure A – referred to in our report under "Report on Other Legal and Regulatory requirements Para 1 (f) " of even date on the accounts for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of Shankara Building Products Limited (hereinafter referred to as "the Holding Company"), and its subsidiary companies (the Holding Company and its Indian subsidiaries together referred to as "the Group"), as of that date.

Management's Responsibility for Internal Financial Controls with reference to Financial Statements

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the group, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls both issued by the ICAI



Annexure A – referred to in our report under “Report on Other Legal and Regulatory requirements Para 1 (f) ” of even date on the accounts for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph , is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to financial statements of the group, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



Annexure A – referred to in our report under “Report on Other Legal and Regulatory requirements Para 1 (f) ” of even date on the accounts for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its Indian subsidiary companies, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.



SUNDARAM & SRINIVASAN

CHARTERED ACCOUNTANTS
23, C.P. RAMASWAMY ROAD,
ALWARPET, CHENNAI - 800 018.

Annexure A – referred to in our report under “Report on Other Legal and Regulatory requirements Para 1 (f) ” of even date on the accounts for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to three subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S



Place: Bengaluru
Date : May 20 , 2024

Srinivasan K
Partner
Membership No. 209120
ICAI UDIN: 24209120BKBKIC5518



SHANKARA BUILDING PRODUCTS LIMITED
G - 2, FARAH WINSFORD, 133, INFANTRY ROAD, BENGALURU - 560 001

CIN: L26922KA1995PLC018990

PHONE : 080 4011 7777

WEBSITE : www.shankarabuildpro.com

E MAIL ID : compliance@shankarabuildpro.com

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2024

(Rupees in Crores)

Particulars	Note No	As at 31-03-2024	As at 31-03-2023
I ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	4	268.50	253.36
(b) Capital work-in-progress	4(a)	-	2.34
(c) Investment Property	5	7.67	9.53
(d) Right-of-use Asset	6, 41(b)	2.66	3.79
(e) Goodwill on Consolidation	7(a)	14.04	14.04
(f) Other Intangible assets	7(b)	-	-
(g) Intangible assets under development	7(c)	2.89	1.33
(h) Financial Assets			
i) Trade receivables	8	2.80	2.90
ii) Loans	9	0.06	0.06
iii) Other financial assets	10	10.15	10.43
(i) Deferred tax Assets	24(e)	0.01	-
(j) Other non-current assets	11	5.83	3.70
Total Non-current assets		314.61	301.48
(2) Current Assets			
(a) Inventories	12	484.76	425.35
(b) Financial Assets			
i) Trade receivables	13	686.11	511.06
ii) Cash and cash equivalents	14	28.35	5.87
iii) Bank balances other than (ii) above	15	6.05	6.04
iv) Other financial assets	16	1.35	1.38
(c) Current Tax Asset (Net)	24(c)	1.63	0.77
(d) Other current assets	17	62.68	39.80
Total current assets		1,270.93	990.27
Total Assets		1,585.54	1,291.75
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	18	24.25	22.85
(b) Other Equity	19	773.32	620.24
Total Equity		797.57	643.09
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
i) Borrowings	20	14.40	26.85
(ia) Lease Liabilities	21	1.59	4.59
ii) Other financial liabilities	22	0.09	0.12
(b) Provisions	23	-	-
(c) Deferred tax liabilities (Net)	24(d)	8.72	8.79
Total Non-current liabilities		24.80	40.35



SHANKARA BUILDING PRODUCTS LIMITED
G - 2, FARAH WINSFORD, 133, INFANTRY ROAD, BENGALURU - 560 001
CIN: L26922KA1995PLC018990 **PHONE : 080 4011 7777**
WEBSITE : www.shankarabuildpro.com **E MAIL ID : compliance@shankarabuildpro.com**
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2024

(Rupees in Crores)

Particulars	Note No	As at 31-03-2024	As at 31-03-2023
(2) Current liabilities			
(a) Financial Liabilities			
i) Borrowings	25	69.01	55.75
(ia) Lease Liabilities	26	1.65	0.65
ii) Trade payables	27		
A) Total outstanding dues of Micro Enterprises and Small Enterprises, and		21.33	105.66
B) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		629.17	414.63
iii) Other financial liabilities	28	12.18	11.38
(b) Other current liabilities	29	24.45	13.55
(c) Provisions	30	0.58	0.74
(d) Current Tax Liabilities(Net)	24(b)	4.80	5.97
Total current liabilities		763.17	608.31
Total Equity and Liabilities		1,585.54	1,291.75
Material accounting policies information	1 to 3		

See accompanying notes to the consolidated financial statements

As per our report attached of even date

For SUNDARAM & SRINIVASAN

Chartered Accountants
 ICAI Firm Reg.No: 004207S

(Signature of Srinivasan K)

Srinivasan K
 Partner
 Membership No: 209120

Place: Bengaluru
 Date: May 20, 2024

For and on behalf of the Board of Directors

(Signature of Sukumar Srinivas)
Sukumar Srinivas
 Managing Director
 DIN: 01668064

(Signature of C. Ravikumar)
C. Ravikumar
 Whole-time Director
 DIN: 01247347

(Signature of Alex Varghese)
Alex Varghese
 Chief Financial Officer

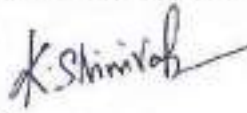



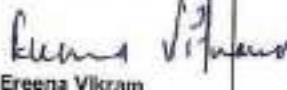
(Signature of Eereena Vikram)
Eereena Vikram
 Company Secretary
 ACS Membership No: 33459

Place: Bengaluru
 Date: May 20, 2024



SHANKARA BUILDING PRODUCTS LIMITED			
G - 2, FARAH WINSFORD, 133, INFANTRY ROAD, BENGALURU - 560 001			
CIN: L26922KA1985PLC016990		PHONE : 080 4011 7777	
WEBSITE : www.shankarabuildpro.com		E MAIL ID : compliance@shankarabuildpro.com	
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2024			
(Rupees in Crores)			
Particulars	Note No	For the year ended 31-03-2024	For the year ended 31-03-2023
I Revenue From Operations			
II Other Income	31	4,828.44	4,029.72
III Total Income (I+II)	32	5.24	7.70
		4,833.68	4,037.42
IV Expenses			
Cost of materials consumed	33	961.69	722.89
Purchases of Stock-in-Trade		3,636.48	3,135.67
Changes in inventories of Finished Goods & Stock-in-Trade	34	(46.11)	(62.66)
Employee benefits expense	35	54.97	48.24
Finance costs	36	32.34	24.79
Depreciation and amortization expense	36(a)	15.91	16.34
Other expenses	37	70.30	58.01
Total expenses (IV)		4,725.58	3,953.05
V Profit before exceptional items and tax (III-IV)		108.10	84.37
VI Exceptional Items		-	-
VII Profit before tax [V+VI]		108.10	84.37
VIII Tax expense:			
(1) Current tax	24(a)	26.86	19.32
(2) Tax - earlier years		0.29	0.11
(3) Deferred tax		(0.18)	1.89
Total Tax Expenses		26.97	21.32
IX Profit for the year (VII-VIII)		81.13	63.05
X Other Comprehensive Income			
A Items that will not be reclassified to profit or loss			
(i) Re-measurements of defined benefit plans		0.41	0.20
(ii) Income tax relating to items that will not be reclassified to Profit or loss		(0.10)	(0.06)
Total A		0.31	0.14
B Items that will be reclassified to profit or loss			
(i) Exchange differences in translating the financial statements of a foreign operation (CY Rs.01, 100)		(0.00)	(0.02)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total B		(0.00)	(0.02)
Total Other Comprehensive Income (A+B)		0.31	0.12
XI Total Comprehensive Income for the year (IX+X)		81.44	63.17
XII Total Profit for the year attributable to:			
- Owners of the parent		81.13	63.05
- Non-controlling interest		-	-
		81.13	63.05



SHANKARA BUILDING PRODUCTS LIMITED G - 2, FARAH WINSFORD, 133, INFANTRY ROAD, BENGALURU - 560 001 CIN: L26922KA1995PLC018990 PHONE : 080 4011 7777 WEBSITE : www.shankarabuildpro.com E MAIL ID : compliance@shankarabuildpro.com CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2024 <i>(Rupees in Crores)</i>			
Particulars	Note No	For the year ended 31-03-2024	For the year ended 31-03-2023
XIII Other comprehensive income for the year attributable to:			
- Owners of the parent		0.31	0.12
- Non-controlling interest		-	-
		0.31	0.12
XIV Total comprehensive income for the year attributable to:			
- Owners of the parent		81.44	63.17
- Non-controlling interest		-	-
		81.44	63.17
XV Earning per equity share [Face value Rs.10 per share]	38		
Basic (in Rs.)		34.67	27.59
Diluted (in Rs.)		34.67	27.59
Material accounting policies information	1 to 3		
See accompanying notes to the consolidated financial statements			
As per our report attached of even date For SUNDARAM & SRINIVASAN Chartered Accountants ICAI Firm Reg.No: 0042075		For and on behalf of the Board of Directors	
			
K. Srinivas Partner Membership No: 209120		Sukumar Srinivas Managing Director DIN: 01668064	C. Ravikumar Whole-time Director DIN: 01247347
			
		Alex Varghese Chief Financial Officer	Ereena Vikram Company Secretary ACS Membership No: 33459
Place: Bengaluru Date: May 20, 2024		Place: Bengaluru Date: May 20, 2024	



SHANKARA BUILDING PRODUCTS LIMITED
G-3, FARM HOUSE ROAD, 33, MEANTRY ROAD, BENGALURU - 560 001
CIN : L35022KA1995PLC018926 PHONE : 080 4811 7777
WEBSITE : www.shankarabuildpro.com E MAIL ID : compliance@shankarabuildpro.com
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

(Rupees in Crores)

A. Equity Share Capital

(1) Year ended 31st March 2024 (refer note no 18)

Balance at the beginning of 01st April 2023	Changes in Equity Shares Capital due to prior period	Residual balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end i.e. 31st March 2024
22.85	-	22.85	1.40	24.25

(2) Year ended 31st March 2023 (refer note no 18)

Balance at the beginning of 01st April 2022	Changes in Equity Shares Capital due to prior period errors	Residual balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end i.e. 31st March 2023
22.85	-	22.85	-	22.85

B. Other Equity (refer note no 19)

(1) Year ended 31st March 2024

Particulars	Note No	Business and Surplus					Retained Earnings	Other items of other comprehensive income		Money received against Share warrants*	Total
		Capital Reserve	Securities Premium	General Reserve	Items that will not be reclassified to Profit or loss			Exchange differences on retranslation of the net defined benefit plans	Items that will be reclassified to Profit or loss		
					Surplus in Statement of Profit and Loss	Defined benefit plan					
Balance at the beginning of 01st April 2023		6.19	111.28	1.24	(8.62)	-	0.22	-	26.25	626.34	
Profit for the year		-	-	-	-	61.13	-	(0.05)	-	61.08	
Other comprehensive income for the year, net of income tax (CY Row 61 100)		-	-	-	-	-	-	-	-	-	
Dividends paid		-	-	-	-	(5.71)	-	-	-	(5.71)	
Transfer to retained earnings	49A(2)	-	-	-	-	-	0.31	(6.31)	-	-	
Issue of shares on conversion of share warrant		-	903.60	-	-	-	-	-	(26.25)	-	
Balance at the end i.e. 31st March 2024		6.19	214.88	1.24	1.29	561.58	-	6.22	-	773.32	

(refer note no 100)



SHANKARA BUILDING PRODUCTS LIMITED
 G-2, FARAH WINDFORD, 133, WINDFORD ROAD, BENGALURU - 560 001
 CIN : L26222KA595PLC018990 PHONE : 960 4811 7777
 WEBSITE : www.shankarabuildpro.com E MAIL ID : compliance@shankarabuildpro.com
 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

(3) Year ended 31st March 2023

Particulars	Note No	Reserves and Surplus				Other items of other comprehensive income		Money received against Share warrants*	Total
		Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Items that will not be reclassified to profit or loss	Items that will be reclassified to profit or loss		
Balance at the beginning i.e. 01st April 2022		0.19	111.26	1.24	420.32	(0.16)	0.24	531.11	
Profit for the year		-	-	-	63.05	-	(0.02)	63.05	
Other comprehensive income for the year, net of income tax		-	-	-	(2.25)	(0.14)	-	0.12	
Dividends Paid	49(A)(2)	-	-	-	-	-	-	(2.28)	
Transfer to retained earnings		-	-	-	0.54	-	-	-	
Money received against Share warrants		0.10	111.20	1.24	481.88	(0.02)	0.22	2635	
Balance at the end i.e. 31st March 2023								62824	

Refer note no 25(i)
 Material accounting policies information- 1 to 3
 See accompanying notes to the consolidated financial statements
 AS per our report attached at even 0300
 For SUNDARAM & SRINIVASAN
 Chartered Accountants
 ICAI Firm Reg No: 002073

Srinivasan K
 Srinivasan K
 Partner
 Membership No: 209170

For and on behalf of the Board of Directors
Arjun Srinivasan
 Arjun Srinivasan
 Managing Director
 DIN: 01638584

Arjun Srinivasan
 Arjun Srinivasan
 Whole-time Director
 DIN: 01247347
 Prasad V Narayana
 Company Secretary
 ACS Membership No: 33403

Place: Bengaluru
 Date: May 20, 2024



SHANKARA BUILDING PRODUCTS LIMITED
G - 2, FARAH WINSFORD, 133, INFANTRY ROAD, BENGALURU - 560 001
CIN : L26922KA1995PLC018990 PHONE : 080 4011 7777
WEBSITE : www.shankarabuildpro.com E MAIL ID : compliance@shankarabuildpro.com
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2024

Particulars	Note No	(Rupees in Crores)	
		For the year ended 31-03-2024	For the year ended 31-03-2023
Cash flow from operating activities			
Profit before tax for the year		108.10	84.37
Adjustments to reconcile profit before tax to net cash flow:			
Depreciation and amortization expense	36(a)	15.91	16.34
Loss on sale of property, plant and equipment	37	0.06	0.06
Profit on sale of property, plant and equipment/ Investment property	32	(1.25)	(0.07)
Unwinding of interest income on rental deposits	32	(0.34)	(0.47)
Interest income	32	(0.57)	(0.41)
Provision for damaged goods	37	0.50	-
Write off of property, plant and equipment	37	0.26	-
Provision for doubtful debts written back (CY -Rs.41,865)	32	(0.00)	(5.00)
Interest expense on borrowings	36	31.59	23.67
Interest on Lease liability	36	0.27	0.58
Payables written back	32	(1.73)	(0.04)
Bad Debts written off (PY Rs.23,709)	37	1.01	0.00
Loss Allowance for doubtful trade receivables	37	3.46	0.35
Provision for expenses no longer required written back	32	(0.05)	-
Gain on termination of lease	32	(0.29)	(0.74)
Foreign currency translation reserve (CY Rs.61,100)		(0.00)	(0.02)
Operating profit before working capital changes		158.94	118.62
Adjustments for :			
Decrease/ (Increase) in inventories		(59.91)	(53.02)
Decrease/ (Increase) in trade receivables		(179.42)	(152.14)
Decrease/ (Increase) in loans and other financial assets		0.62	(0.97)
Decrease/ (Increase) in other current assets		(22.68)	(7.64)
Decrease/ (Increase) in other non-current assets		0.11	(0.26)
(Decrease)/ Increase in trade payables		131.94	201.60
(Decrease)/ Increase in other financial liabilities		0.35	2.11
(Decrease)/ Increase in other current liabilities		10.90	0.75
(Decrease)/Increase in provisions		(3.17)	(1.77)
Cash flow from/(used in) operations		35.48	107.28
Income taxes paid		(25.76)	(15.32)
Net cash flows from/(used in) operating activities (A)		9.72	91.96
Cash flow from investing activities			
Consideration paid for purchase of property, plant and equipment (including capital work-in-progress and capital advances)		(30.18)	(43.47)
Proceeds from sale of property, plant and equipment/Investment property		3.95	0.83
Purchase of software (including intangible assets under development)	7(c)	(1.56)	(1.28)
(Purchase)/proceeds from maturity of bank deposits		(0.01)	(1.67)
Interest receipt		0.60	0.39
Net cash flows from/(used in) investing activities (B)		(27.20)	(45.20)

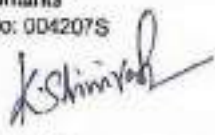


SHANKARA BUILDING PRODUCTS LIMITED
G - 2, FARAH WINSFORD, 133, INFANTRY ROAD, BENGALURU - 560 001
CIN : L26922KA1995PLC018990 PHONE : 080 4011 7777
WEBSITE : www.shankarabuildpro.com E MAIL ID : compliance@shankarabuildpro.com
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2024

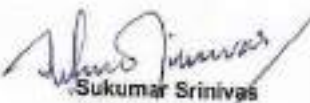
Particulars	Note No	(Rupees in Crores)	
		For the year ended 31-03-2024	For the year ended 31-03-2023
Cash flow from financing activities			
Proceeds from Issue of Share warrants *(CY - 75% , PY- 25%)		78.75	26.25
Principal element of lease payments		(2.52)	(3.81)
Interest on lease liability	36	(0.27)	(0.58)
Proceeds from non current borrowings		-	0.95
Repayment of term loans		(9.03)	(10.13)
Current Borrowings availed/ (repaid)		9.84	(29.81)
Interest paid		(31.11)	(23.95)
Unclaimed dividend - Transfer in/(out) (PY Rs.28,757)		0.01	0.00
Dividends paid	49(A)(2)	(5.71)	(2.29)
Net cash from/(used in) financing activities (C)		39.96	(43.37)
Net increase/(decrease) in cash and cash equivalents(A+B+C)		22.48	3.39
Cash and cash equivalents - at the beginning of the year		5.87	2.48
Cash and cash equivalents - at the end of the year		28.35	5.87
Non cash financing and investing activities			
- Acquisition of Right-of-use assets	6	1.52	0.66
Note: Cash and Cash equivalents in the Statement of Cash flow comprise of the following :			
i) Cash on Hand		0.90	0.55
ii) Balance with Banks :	14		
- In Current Account and Cash Credit Account		27.45	5.32
Material accounting policies information	1 to 3	28.35	5.87


*Share warrants were converted to shares on 9th November 2023.
 See accompanying notes


The above Statement of Cash Flow has been prepared under the indirect method as set out in Ind AS 7.

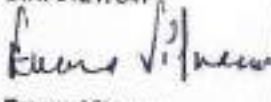
As per our report attached of even date
 For **SUNDARAM & SRINIVASAN**
 Chartered Accountants
 ICAI Firm Reg.No: 0042075

Srinivasan K
 Partner
 Membership No: 209120

For and on behalf of the Board of Directors


Sukumar Srinivas
 Managing Director
 DIN: 01668064


C. Ravikumar
 Whole-time Director
 DIN: 01247347


Alex Varghese
 Chief Financial Officer


Eereena Vikram
 Company Secretary
 ACS Membership No:
 33459

Place: Bengaluru
 Date: May 20, 2024

Place: Bengaluru
 Date: May 20, 2024



SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Shankara Building Products Limited ("SBPL" or "the company") is a public listed company incorporated and domiciled in India. The registered office is situated at G-2 Farah Winsford, 133, Infantry Road, Bengaluru – 560001.

Shankara Building Products Limited ("the Company" or "the Parent") is one of the India's leading organized retailer of home improvement and building products in India. The Parent and its subsidiaries (together referred to as "the Group") caters to a large customer base spread across various end-user segments in urban and semi-urban markets through a retail led, multi-channel sales approach complemented by processing facilities, supply chain and logistics facilities. It deals with a number of product categories including structural steel, cement, TMT bars, hollow blocks, pipes and tubes, roofing solutions, welding accessories, primers, solar heaters, plumbing, tiles, sanitary ware, water tanks, plywood, kitchen sinks, lighting and other allied products. The Company has operations spread across ten states and one union territory in India.

The company's shares are listed on the Bombay Stock Exchange 'BSE' and National Stock Exchange 'NSE'.

2. MATERIAL ACCOUNTING POLICIES INFORMATION

2.1 Statement Of Compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. The aforesaid financial statements are duly adopted by the Board of Directors in the meeting held on May 20, 2024 for consideration of approval by the shareholders.

2.2 Functional and Presentation Currency

The consolidated financial statements are prepared and presented in Indian Rupees and all amounts have been presented in crore with two decimals, unless otherwise indicated.

2.3 Basis Of Preparation and Presentation

These consolidated financial statements have been prepared and presented under accrual basis of accounting and as a going concern on historical cost convention or fair values, wherever applicable, as per the requirements of Ind AS prescribed under section 133 of the Act and relevant provisions thereon.



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

Current and Non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle or 12 months or other criteria as set out in the Schedule III to the Companies Act, 2013. Based on the nature of its business, the group has ascertained its operating cycle to be 12 months for the purpose of current and non-current classification of assets and liabilities.

BASIS OF CONSOLIDATION

The Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Company:

- has power over the investee
- is exposed to, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns"

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than majority of the voting rights of an investee, it has power over the investee when such voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders,



MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED FINANCIAL STATEMENTS

- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3 REVENUE RECOGNITION

2.4.1 Sale of products

Revenue is recognized on fulfillment of performance obligation. In other words, revenue is recognized when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer.

Revenue is measured at the fair value of the consideration received or receivable. The Group recognizes revenues on sale of products, net of discounts, rebates, returns, taxes and duties on sales when the products are delivered to a carrier for sale / or direct delivery to the customer, as the



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

case may be, which is when significant risks and rewards of ownership pass to the customer.

2.4.2 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is recognised on time proportion basis.

2.4.3. Rental income

Rental income from operating leases (of the Group's investment properties) is recognised on straight-line basis over the term of the relevant lease, except where rentals are structured to increase in line with expected general inflation. Initial direct cost, if any, incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset out and recognised on straight-line basis over the lease term.

2.4.4 Other income

Other income is recognised on accrual basis provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

2.5 PROPERTY, PLANT AND EQUIPMENT

2.5.1 Recognition and measurement

The cost of property, plant and equipment comprises its purchase price, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning, net of any trade discounts and rebates.

2.5.2 Subsequent expenditure

Expenditure incurred after the Property, Plant and Equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred unless such expenditure results in a significant increase in the future benefits of the concerned asset. Property, Plant and Equipment are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses., if any.



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

2.5.3 Disposal Of Property, Plant and Equipment

An item of Property, Plant and Equipment is derecognised upon disposal or on retirement, when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net sale proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

2.5.4 Depreciation

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of Property, Plant & Equipment (other than capital work-in-progress) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Management has re-assessed the useful lives of the Property, Plant and Equipment and on the basis of technical evaluation, management is of the view that useful lives assessed by management, as above, are indicative of the estimated economic useful lives of the Property, Plant and Equipment. In respect of additions to Property, Plant and Equipment, depreciation has been charged on pro rata basis. Individual assets costing less than ₹0.0005 crore (₹5,000/-) are depreciated fully during the year of purchase.

The Group reviews the residual value, useful lives and depreciation method annually and, if current estimates differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

2.5.5 Capital work-in-progress

Capital Work in progress includes cost of Property, Plant and Equipment under installation/under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

2.6 INVESTMENT PROPERTIES

Property that is held for long-term rental yields or for capital appreciation or both, but not for sale in the ordinary course of business, not used in the production or supply of goods or services or administrative purposes is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, the borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties (except freehold land) are depreciated using straight-line method over their estimated useful lives. Investment properties generally have a useful life of 60 years. The useful life has been determined based on technical evaluation by management.

2.7 INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in the income statement on a straight-line basis over their estimated useful lives of the intangible asset. Intangible assets that are not available for use are amortised from the date they are available for use.

The estimated useful life are as follows:

Software - 3 years

Brand - 3 years

The amortisation period and amortisation method for intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis".

An item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised. **Intangible assets under development:**

Intangible assets under development includes cost of services used and cost of Licenses in generating the intangible asset under development as at the balance sheet date.

**2.8 IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND
INTANGIBLE ASSETS:**

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

2.9 BUSINESS COMBINATIONS

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations between entities under common control is accounted for at carrying value.

2.10 LEASES

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Effective April 01, 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective approach method. The Group as a lessee has recognised the lease liability based on the remaining lease payments discounted using the incremental borrowing rate as of the date of initial



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

application (being 01st April, 2019). The Right-of-Use (ROU) asset has been recognised at its carrying amount as if Ind AS 116 has been applied since the commencement date of the lease arrangement by using the incremental borrowing rate as at the transaction date (being 01st April, 2019). The Group has not restated the comparatives information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 01st April, 2019.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment of the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations, taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term for future periods is reassessed to ensure that the lease term reflects the current economic circumstances. In respect of such long term contracts, Ind AS 116 is applied.

2.10.1 Where the Group is lessor

As per terms of lease agreements there is no substantial transfer of risk and reward of the property to the lessee. Accordingly such leased out assets are treated as belonging to the Group. Rental income from operating leases is recognised on straight-line basis over the term of the relevant lease. Initial direct cost, if any, incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on straight-line basis over the lease term.

2.10.2 Where the Group is a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee. The Group has however elected to use the exemptions provided by the standard on lease contracts for which the lease term ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value.

For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term or useful life of the underlying asset whichever is shorter.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.11 INVENTORIES

Inventories are stated at lower of cost and net realizable value.

Cost comprises of purchase price, freight, other attributable cost, applicable taxes not eligible for credit, less rebates and discounts, which is determined on First in First out ('FIFO') basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

Stores and spares which does not meet the definition of Property, plant and equipment are accounted as inventories .

All items of inventories which are considered to be damaged, unmarketable or unserviceable and have become otherwise obsolete are valued at the estimated net realizable value.

2.11.1 Raw materials

Raw materials are valued at cost of purchase net of duties and taxes and include all expenses incurred in bringing such materials to the location of its use.

2.11.2 Finished goods

Finished goods include conversion costs in addition to the landed cost of raw materials.

2.11.3 Stock-in-trade

Stock-in-trade cost includes the purchase price, freight, other attributable cost, applicable taxes not eligible for credit, less rebates and discounts.

2.11.4 Stores, spares and tools

Stores, spares and tools cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

2.12 EMPLOYEE BENEFITS

In respect of defined contribution plan the Group makes the stipulated contributions to provident fund, Employee state insurance and pension fund, in respect of employees to the respective authorities under which the liability of the Group is limited to the extent of the contribution.

The liability for gratuity, considered as defined benefit, is determined actuarially using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement gains and losses recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

The Group recognizes a liability and an expense for bonus. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.13 INCOME TAX

Tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

2.13.1 Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

2.13.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can



MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED FINANCIAL STATEMENTS

be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each annual reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax are recognised in the statement of profit and loss, except when they are related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Group has exercised option to pay income tax u/s. 115BAA of the Income Tax Act, 1961 from the financial year 2019-2020. Hence the provisions relating to minimum alternate tax (MAT) are not applicable to the Company.

2.14 FOREIGN CURRENCY TRANSLATION The functional currency of the Group is determined on the basis of the primary economic environment in which it operates. The functional currency of the Group is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in Foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.



MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED FINANCIAL STATEMENTS

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items.

2.15 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent Liabilities and Contingent Assets are not recognized but are disclosed in the notes.

2.16 EARNING PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders as adjusted for dividend, interest



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Group to satisfy the exercise of the share options by the employees.

2.17 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to interest costs.

2.18 GOVERNMENT GRANTS & SUBSIDIES

Grants from the Government are recognized at their fair market value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants receivable as compensation for expenses or financial support are recognized in profit or loss of the period in which it becomes available. Government grants relating to the purchase of property, plant and equipment are included in current / non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

**2.19 NON-CURRENT ASSETS HELD FOR SALE/ DISTRIBUTION TO
OWNERS AND DISCONTINUED OPERATIONS**

The Group classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management is committed to the sale/distribution and it is expected to be completed within one year from the date of classification.



MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED FINANCIAL STATEMENTS

The criteria for held for sale/ distribution classification is regarded as met only when the assets or disposal group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The group treats sale/ distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group);
- An active programme to locate a buyer and complete the plan has been initiated;
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value;
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification; and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn."

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet. Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

Non-current assets held for sale qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

2.20 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss ('FVTPL')) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

Trade receivables are recognised when they are originated.

Trade payables are in respect of the amount due on account of goods purchased or services availed in the normal course of business. They are recognised at their transaction and services availed value if the transaction do not contain significant financing component.

a) Financial Assets

(i) Initial recognition and measurement

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through Statement of Profit or Loss ('FVTPL')) are added to the fair value of the financial assets, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets at FVTPL are recognized immediately in Statement of Profit and Loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL);
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortised cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and



MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED FINANCIAL STATEMENTS

-Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI:

A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

-The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

-The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL. However, such election is chosen only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

(iii) Derecognition of financial assets

A financial asset is de-recognised only when;

- a. The Group has transferred the rights to receive cash flows from the financial asset or
- b. The Group retains the contractual rights to receive the cash flows of the financial asset, but expects a contractual obligation to pay the cash flows to one or more recipients.

Where entity has transferred an asset, the Group examines and assesses whether it has transferred substantially all risk and rewards of ownership of financial asset. In such cases, financial asset is de-



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

recognised. Where entity has not transferred substantially all risks and rewards of ownership of financial asset, such financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risk and rewards of ownership of the financial asset, the financial asset is de-recognised, if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, it is continued to be recognised to the extent of continuing involvement in the financial asset.

b) Financial liabilities and equity instruments

(i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value plus transaction cost (if any) that is attributable to the acquisition of the financial liabilities which is also adjusted. **(ii) Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de-recognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Trade and other payables:

These amounts represent liabilities for goods or services provided to the Group which are unpaid at the end of the reporting period. Trade and other payables are presented as current liabilities when the payment is due within a period of 12 months from the end of the reporting period. For all trade and other payables classified as current, the carrying amounts approximate fair value due to the short maturity of these instruments. Other payables falling due after 12 months from the end of the reporting period are presented as non-current liabilities and are measured at amortised cost unless designated as fair value through profit and loss at the inception.

The Group enters into deferred payment arrangements (acceptances) whereby lenders such as banks and other financial institutions make payments to supplier's banks for purchase of raw materials. The banks



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 90 days. These arrangements for raw materials are recognized as Acceptances i.e. trade payables and are included in total outstanding due of creditors other than micro enterprises and small enterprises.

Financial guarantee

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because, the principal debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, including transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in statement of profit or loss are included within finance costs or finance income.

Other financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading or designated as at FVTPL are recognized in the profit or loss.

(iii) Derecognition of financial liabilities:

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or Modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

c) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

on a net basis, to realize the assets and settle the liabilities simultaneously.

d) Impairment of Financial assets:

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

e) Fair value measurement:

The Group measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability which are accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;



MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED FINANCIAL STATEMENTS

-Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or

- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

f) Derivative financial instruments

Derivative financial instruments are accounted for at FVTPL except for derivatives designated as hedging instruments in cash flow hedge relationships, which require a specific accounting treatment. To qualify for hedge accounting, the hedging relationship must meet several strict conditions with respect to documentation, probability of occurrence of the hedged transaction and hedge effectiveness.

These arrangements have been entered into to mitigate currency exchange risk arising on account of repayment of foreign currency term loan and interest thereon. For the reporting periods under review, the Group has not designated any forward currency contracts as hedging instruments.

2.21 CASH & CASH EQUIVALENTS AND CASH FLOW STATEMENT

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is appropriately classified for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In cash flow statement, cash and cash equivalents include cash in hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of three months or less.

2.22 DIVIDEND ON ORDINARY SHARES

The Group recognises a liability to make cash or non-cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved



MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED FINANCIAL STATEMENTS

by the shareholders. A corresponding amount is recognised directly in equity.

2.23 SEGMENT REPORTING

An operating segment is defined as a component of the entity that represents business activities from which it earns revenues and incurs expenses and for which discrete financial information is available. The operating segments are based on the Group's internal reporting structure and the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM).

2.24 STANDARDS/AMENDMENTS ISSUED BUT NOT YET EFFECTIVE

(i) New standard – Nil

(ii) Amendments to existing Ind AS :

The Ministry of Corporate Affairs ("MCA") notified amendments to the existing standards – (Indian Accounting Standards) Rules, 2023 on March 31, 2023. These amendments are effective for the financial year beginning from April 1, 2023.

Ind AS - 101 First-time Adoption of Indian Accounting Standards

Ind AS –102 Share-based payment

Ind AS --103 Business Combinations

Ind AS--107 Financial Instruments : Disclosures

Ind AS –109 Financial Instruments

Ind AS – 115 Revenue from Contracts with Customers.

Ind AS – 1 Presentation of Financial Statements

Ind AS – 8 Accounting

Ind AS - 12 Income Taxes

Ind AS - 34 Interim Financial Reporting

The Group has evaluated the amendment and the impact of the amendment is insignificant in the consolidated financial statements.

3. KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGEMENTS

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the



**MATERIAL ACCOUNTING POLICIES INFORMATION – CONSOLIDATED
FINANCIAL STATEMENTS**

estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

(i) Useful lives of property, plant and equipment:

The Board reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the Management.

(ii) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(iii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

(iv) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.



Shankara Building Products Limited
Notes to the Consolidated Financial Statements
4 PROPERTY, PLANT AND EQUIPMENT

(Rupees in Crores)

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying amount as at 01-04-2022								
Additions	57.84	99.23	80.37	37.70	10.83	4.34	2.48	252.79
Disposals/Adjustment	14.40	16.21	1.58	5.50	2.80	0.48	0.41	41.39
Gross carrying amount as at 31-03-2023	0.07	0.27	0.42	0.17	0.71	0.04	0.05	1.73
Additions	72.17	115.17	81.54	43.03	12.92	4.78	2.84	332.45
Transfer in / Transfer (out)	1.83	13.85	2.61	8.01	2.18	1.27	0.53	30.28
Disposals/Adjustment	0.24	(0.24)	-	-	-	-	-	-
Gross carrying amount as at 31-3-2024	0.70	0.14	0.15	0.85	0.17	0.38	0.03	2.43
Accumulated depreciation and Impairment								
Balance as at 01-04-2022	-	11.36	29.66	15.35	5.73	2.82	2.10	67.62
Depreciation for the year	-	2.05	5.31	3.73	1.24	0.49	0.16	12.98
Depreciation on disposals/Adjustment	-	0.02	0.09	0.14	0.59	0.03	0.04	0.91
Balance as at 31-03-2023	-	13.39	34.88	18.94	6.38	3.28	2.22	79.09
Depreciation for the year	-	2.32	5.35	4.06	1.51	0.45	0.25	13.94
Depreciation on disposals/Adjustment	-	0.01	0.05	0.69	0.16	0.31	0.01	1.23
Balance as at 31-3-2024	-	15.70	40.18	22.31	7.73	3.42	2.46	91.80
Net Carrying amount								
As at 31-03-2024	73.54	112.84	43.82	27.87	7.20	2.25	0.88	269.50
As at 31-03-2023	72.17	101.78	46.68	24.09	6.54	1.50	0.82	253.36
Useful Life of the asset (in Years)	N/A	Refer note (b)	15 Years	10 Years	8 - 10 Years	5 Years	3 Years	
Method of depreciation	N/A		Straight Line Method					

Note
a) Certain Property, plant & equipment have been hypothecated as security against long term borrowings and certain current borrowings of the Group (refer note no 20, 25 and 44).

b) 30 years for Factory buildings and buildings other than RCC frame structure and 60 years for other buildings.

c) During the current year as well as previous year, Property, Plant and Equipment has not been revalued.

d) The title deeds of the immovable properties of all the Group companies (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the respective company.



Shankara Building Products Limited
Notes to the Consolidated Financial Statements
4 PROPERTY, PLANT AND EQUIPMENT

(Rupees in Crores)

4(a) CAPITAL WORK-IN-PROGRESS

Particulars	Amount
Gross carrying amount as at 01-04-2022	1.56
Additions	10.39
Sub Total	11.95
Less: Capitalised during the year	9.81
Gross carrying amount as at 31-03-2023	2.34
Additions	9.72
Sub Total	12.06
Less: Capitalised during the year	12.06
Gross carrying amount as at 31-3-2024	-

Capital Work-in-Progress (CWIP) ageing schedule as at 31-3-2024

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	-	-	-	-
Projects temporarily suspended	-	-	-	-
Project Completion overdue or exceeded cost compared to original plan- None	-	-	-	-

Capital Work-in-Progress (CWIP) ageing schedule as at 31-3-2023

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	2.34	-	-	2.34
Projects temporarily suspended	-	-	-	-
Project Completion overdue or exceeded cost compared to original plan- None	-	-	-	-



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

5 INVESTMENT PROPERTY

(Rupees in Crores)

Particulars	Land	Buildings	Total
Gross carrying amount as at 01-04-2022	8.08	1.53	9.61
Additions	-	-	-
Disposals	-	-	-
Gross carrying amount as at 31-03-2023	8.08	1.53	9.61
Additions	-	-	-
Disposals	1.83	-	1.83
Gross carrying amount as at 31-3-2024	6.25	1.53	7.78
Accumulated depreciation and impairment			
Balance as at 01-04-2022	(0.06)	0.11	0.05
Depreciation for the year	-	0.03	0.03
Depreciation on disposals	-	-	-
Balance as at 31-03-2023	(0.06)	0.14	0.08
Depreciation for the year	-	0.03	0.03
Depreciation on disposals	-	-	-
Balance as at 31-3-2024	(0.06)	0.17	0.11
Net Carrying amount			
As at 31-03-2024	6.31	1.36	7.67
As at 31-03-2023	8.14	1.39	9.53
Useful Life of the asset (In Years)	N/A	60 years	
Method of depreciation	N/A	Straight line method	

Income earned from and expenses incurred on Investment Property

Particulars	For the year ended	
	31-03-2024	31-03-2023
Rental income from investment properties	0.28	0.29
Less: Direct operating expenses (including repairs and maintenance) that contribute to rental income	0.03	0.03
Profit from investment properties before depreciation	0.25	0.26
Less: Depreciation	0.03	0.03
Profit from investment property	0.22	0.23

Fair Value

Particulars	As at 31-03-2024	As at 31-03-2023
Investment properties	18.72	21.64

Estimation of fair value

The best evidence of fair values is current prices in an active market for similar properties. Since investment properties are leased out by the Group, the market rate for sale/purchase of such premises are representative of fair values. Group's investment properties are at a location where active market is available for similar kind of properties. Hence fair value is ascertained on the basis of market rates prevailing for similar properties in those location as determined by an Independent registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 and consequently classified as a level 2 valuation.



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

6 RIGHT-OF-USE ASSET:

Particulars	Gross Block			Accumulated depreciation		Net Block 31-3-2024		
	Balance as at 01-04-2023	Additions	Deletions	Balance as at 01-04-2023	Depreciation for the year		Balance as at 31-3-2024	
Right-of-use Asset - Buildings	13.38	1.52	5.81	9.59	1.94	5.10	6.43	2.66

Particulars	Gross Block			Accumulated depreciation		Net Block 31-03-2023		
	Balance as at 01-04-2022	Additions	Deletions	Balance as at 01-04-2022	Depreciation for the year		Balance as at 31-03-2023	
Right-of-use Asset - Buildings	23.07	0.66	10.35	14.47	3.33	8.21	9.59	3.79



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

7(a) GOODWILL ON CONSOLIDATION

Particulars	GOODWILL
Gross carrying amount as at 01-04-2022	14.04
Additions	-
Disposals	-
Gross carrying amount as at 31-03-2023	14.04
Additions	-
Disposals	-
Gross carrying amount as at 31-3-2024	14.04
Accumulated impairment losses	
Balance as at 01-04-2022	-
Impairment losses for the year	-
Impairment losses on disposals	-
Balance as at 31-03-2023	-
Impairment losses for the year	-
Impairment losses on disposals	-
Balance as at 31-3-2024	-
Net Carrying amount	
As at 31-03-2024	14.04
As at 31-03-2023	14.04

7(b) OTHER INTANGIBLE ASSETS

Particulars	Brand	Software	Total
Gross carrying amount as at 01-04-2022	10.78	0.69	11.47
Additions	-	-	-
Disposals	-	-	-
Gross carrying amount as at 31-03-2023	10.78	0.69	11.47
Additions	-	-	-
Disposals	-	-	-
Gross carrying amount as at 31-3-2024	10.78	0.69	11.47
Accumulated amortization and impairment			
Balance as at 01-04-2022	10.78	0.69	11.47
Amortization for the year	-	-	-
Amortization on disposals	-	-	-
Balance as at 31-03-2023	10.78	0.69	11.47
Amortization for the year	-	-	-
Amortization on disposals	-	-	-
Balance as at 31-03-2024	10.78	0.69	11.47
Net Carrying amount			
As at 31-03-2024	-	-	-
As at 31-03-2023	-	-	-
Useful Life of the asset (in Years)	3 Years	3 Years	
Method of amortization	Straight Line Method		

Note

During the current year as well as the previous year, the Group has not revalued any of its intangible asset.



(Rupees in Crores)

7(c) INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Amount
Gross carrying amount as at 01-04-2022	-
Additions	1.33
Sub-total	1.33
Less: Capitalised during the year	-
Gross carrying amount as at 31-03-2023	1.33
Additions	1.56
Sub-total	2.89
Less: Capitalised during the year	-
Gross carrying amount as at 31-3-2024	2.89

Intangible assets under development ageing schedule as at 31-03-2024

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.56	1.33	-	-	2.89
Projects temporarily suspended	-	-	-	-	-

Project Completion overdue or exceeded cost compared to original plan:
Project costs exceeded as compared to original plan is Rs.0.17 crores.

Intangible assets under development ageing schedule as at 31-03-2023

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.33	-	-	-	1.33
Projects temporarily suspended	-	-	-	-	-

Project Completion overdue or exceeded cost compared to original plan- None



(Rupees in Crores)

8 TRADE RECEIVABLES (NON-CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Unsecured:		
(a) Considered Good	-	-
(b) Credit Impaired	5.58	5.78
	5.58	5.78
Less: Allowance for doubtful debts (expected credit loss allowance) *	(2.78)	(2.89)
Total	2.80	2.90
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member amount to	Nil	Nil

*Movement in loss allowance of trade receivables

Particulars	As at 31-03-2024	As at 31-03-2023
Opening balance	2.89	3.18
Amount written off	-	-
Credit loss allowance	(0.11)	(0.29)
Closing balance	2.78	2.89

Trade Receivables (Non-Current) ageing schedule as at 31-03-2024

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	0.03	0.16	2.61	2.80
Total	-	-	-	0.03	0.16	2.61	2.80

Trade Receivables (Non-Current) ageing schedule as at 31-03-2023

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	0.21	0.20	0.71	1.78	2.80
Total	-	-	0.21	0.20	0.71	1.78	2.80



(Rupees in Crores)

9 LOANS (NON-CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Other Loans		
Unsecured:		
Considered good:		
Employee advances	0.06	0.06
Total	0.06	0.06

10 OTHER FINANCIAL ASSETS (NON-CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Security Deposits	8.06	8.38
(b) Deposit with Suppliers	1.72	1.70
(c) Others		
(i) Tender deposit	0.05	0.05
(ii) Utility deposit	0.32	0.32
Total	10.15	10.43

11 OTHER NON-CURRENT ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Capital Advances (refer note below)	4.62	2.38
(b) Advances other than capital advances		
(i) Deposits with Government authorities	0.88	0.93
(c) Prepaid expenses	0.33	0.39
Total	5.83	3.70

Capital advances includes borrowing costs of Rs.Nil (Previous year Rs.0.05 crores at 8%) which represents average borrowing costs of the company. This also includes advances made for purchase of land and Building in Chennai, Udipi, Mumbai, Bangalore and Goa in the years 2013, 2016, 2021, 2023 and 2024 respectively.

12 INVENTORIES

Particulars	As at 31-03-2024	As at 31-03-2023
Inventories: (at lower of cost or net realisable value)		
(a) Raw materials	66.79	55.12
(b) Finished goods	62.71	28.82
(c) Stock-in-trade*	347.89	336.17
(d) Stores and spares	5.37	5.24
Total	484.76	425.35

* Includes goods-in-transit amounting to Rs 2.08 crores (PY Rs.4.25 crores) and is net of provision for damaged goods amounting to Rs.0.50 crores. (PY Rs. Nil)

Inventories have been hypothecated as security against certain bank borrowings of the Group (refer note no 20, 25 and 44)

13 TRADE RECEIVABLES (CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Unsecured:		
(A) Trade receivables Considered Good	668.29	504.35
Less: Allowance for doubtful debts (Expected credit loss allowance)	(0.10)	(0.05)
Total A	668.19	504.30
(B) Trade receivables with significant increase in credit risk	25.21	10.53
Less: Allowance for doubtful debts (Expected credit loss allowance)	(7.29)	(3.77)
Total B	17.92	6.76
Total (A+B)	686.11	511.06
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member amount to	Nil	Nil



(Rupees in Crores)

Movement in loss allowance of trade receivables

Particulars	As at 31-03-2024	As at 31-03-2023
Opening balance	3.82	8.18
Amount written off	-	-
Credit loss allowance	3.57	(4.38)
Closing balance	7.39	3.82

Trade Receivables (Current) ageing schedule as at 31-03-2024

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	379.76	268.12	20.31	-	-	-	668.19
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	12.81	1.37	3.74	17.92
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	379.76	268.12	20.31	12.81	1.37	3.74	666.11

Trade Receivables (Current) ageing schedule as at 31-03-2023

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	421.53	72.60	10.17	-	-	-	504.36
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	1.85	2.14	2.77	6.76
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	421.53	72.60	10.17	1.85	2.14	2.77	511.06

The credit period on goods sold ranges from 0 to 60 days without security. Trade receivable with credit impairment is identified on case to case basis.

In determining the allowances for doubtful trade receivables, the Group has used a practical expediency by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Credit risk is managed at the respective entity level. Before accepting any new customer, the Group evaluates the financial soundness, business opportunities, credit references etc of the new customer and defines credit limit and credit period. The credit limit and the credit period are reviewed at periodical intervals.

The Group does not generally hold any collateral or other credit enhancements over these balances.

Trade receivables have been offered as collateral towards borrowings (refer note no 20, 25 and 44).

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.



(Rupees in Crores)

14 CASH AND CASH EQUIVALENTS

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Balances with banks : In current account and cash credit account	27.45	5.32
(b) Cash on hand	0.90	0.55
Total	28.35	5.87

The Group has entered into cash management service agreement with certain banks for the collection of cheques at various branches and transfer of the funds to certain cash credit accounts by way of standing instructions. Pending such credits in the account, the cash credit accounts are disclosed as net of such collections. The above mentioned cash and cash equivalents do not contain any amount that are not available for use by the Group.

15 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31-03-2024	As at 31-03-2023
Earmarked balances:		
(a) With banks in current account (for unclaimed dividends)	0.05	0.04
(b) Fixed Deposits held as margin money	6.00	6.00
Total	6.05	6.04

16 OTHER FINANCIAL ASSETS (CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Unsecured, considered good		
(i) Financial assets at amortised cost		
(a) Rent receivable	0.02	0.09
(b) Employee advances*	0.83	1.22
(c) Interest accrued on deposits	0.04	0.07
(d) Other receivables†	0.40	-
(e) Interest receivable	0.06	-
Total	1.35	1.38

* Includes transaction(s) with related parties - refer note no 47(B) and 47(C).

† Other receivables include refundable capital advance on cancellation of agreements- Rs 0.30 crores.

17 OTHER CURRENT ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
Advances other than capital advances:		
(a) Advances for purchases	51.34	34.91
(b) Prepaid Expenses	2.59	1.04
(c) Balances with Government authorities- (Goods and Services Tax)	8.27	3.85
(d) Demerger Expenses pending final write off*	0.48	-
Total	62.68	39.80

* Expenditure on demerger will be shared 50% each by Demerged company and Resulting company. (Refer note no 59)



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

10 EQUITY SHARE CAPITAL

(Rupees in Crores)

Particulars	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	Amount	No. of Shares	Amount
Authorized:				
Equity shares of Rs.10/- each	3,00,00,000	30.00	3,00,00,000	30.00
Issued, subscribed and fully paid:				
	2,42,49,326	24.25	2,26,49,326	22.85

The Authorized share capital of the Company has been increased to Rs. 30 crores divided into 3,00,00,000 (Three Crore Only) Equity Shares of Rs. 10/- (Rupees Ten) each pursuant to approval of the shareholders in their Extra-ordinary meeting held on April 20, 2022.

a) Reconciliation of number of equity shares outstanding and equity share capital

Particulars	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning of the year	2,26,49,326	22.85	2,26,49,326	22.85
Changes in equity share capital during the year (Refer Note 18(f))	14,00,000	1.40	-	-
Balance as at the end of the year	2,42,49,326	24.25	2,26,49,326	22.85

b) Rights, preferences and restrictions:

(i) Rights, preferences and restrictions attached to shares and terms of conversion of other securities into equity.

The company has one class of equity shares having par value of Rs.10 each. Each share holder is eligible for one vote per share held and carry a right to dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) There are no restrictions attached to equity shares except for the below:

Pursuant to the allotment of equity shares on conversion of 14,00,000 share warrants, the allotted equity shares are subject to a lock-in period for transferability of shares from the effective date of trading approval i.e. 14-03-2024 upto 29-09-2024 as specified in the requirements to Regulation 167(2) of Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

c) Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of Shareholder	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Mr. Sukumar Srinivas, Bengaluru	1,15,88,787	47.79%	1,15,78,787	50.67%
APL Apollo Mat Limited, Delhi	14,00,000	5.12%	10,00,000	4.38%

d) Shares held by promoters at the end of the year 31-03-2024

S. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Mr. Sukumar Srinivas, Bengaluru	1,15,88,787	47.79%	0.09%
	Total	1,15,88,787	47.79%	0.09%

Shares held by promoters at the end of the year 31-03-2023

S. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Mr. Sukumar Srinivas, Bengaluru	1,15,78,787	50.67%	0.00%
	Total	1,15,78,787	50.67%	0.00%

e) In the period of five years immediately preceding 31-03-2024:

- (i) The Company has not allotted any equity shares as fully paid-up without payment being received in cash.
- (ii) The Company has not allotted any equity shares by way of bonus issue.
- (iii) The Company has not bought back any equity shares.

f) Money Received against Share Warrants

Pursuant to the approval of the Board of Directors in their meeting held on 24th March, 2022 and approval of shareholders through special resolution dated 20th April, 2022 passed in Extra-Ordinary General Meeting, the Board has allotted 14,00,000 Warrants on 7th May 2022, each carrying a right to subscribe to one Equity Share per Warrant, at a price of Rs. 750/- per Warrant ("Warrant Price"), aggregating to Rs.105 crores. The Warrants were issued to APL Apollo Mat Limited, Delhi ("Acquirer"), a wholly owned subsidiary of APL Apollo Tubes Limited, Delhi an entity which does not qualify as a promoter or member of the promoter group of the Company. The Warrants were issued to APL Apollo Mat Limited by way of a preferential allotment. 20% of the total consideration (25% of Rs. 105 Crores i.e., Rs. 26.25 crores) was received on 8th May, 2022 and balance 75% of the total consideration (75% of Rs.105 Crores i.e., Rs.78.75 crores) was received on 2nd November, 2023.

The Company allotted 14,00,000 lakh shares on 9th November 2023.

Consequently, as on 31st March 2024, the share capital of the Company is indicated in Note no 18(a).



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

19 OTHER EQUITY

Particulars	As at 31-03-2024	As at 31-03-2023
Capital Reserve	0.19	0.19
Securities Premium	214.88	111.28
General Reserve	1.24	1.24
Retained earnings	556.79	481.06
Money received against Share warrants	-	26.25
OTHER COMPREHENSIVE INCOME:		
Exchange differences on translating the Financial Statements of a foreign operation	0.22	0.22
[Refer Statement of changes in Equity for additions and deductions from the last year Balance sheet]		
Total	773.32	620.24

Capital Reserve

Reserve is primarily created on amalgamation as per statutory requirement.

Securities Premium

This consists of premium realised on issue of shares and will be applied/ utilised in accordance with the provisions of the Companies Act, 2013

General Reserve

General Reserve is an accumulation of retained earnings of the Group, apart from the balance in the statement of profit and loss which can be utilised for meeting future obligations.

Retained earnings

Surplus in Statement of Profit and Loss is part of retained earnings. This is available for distribution to shareholders as dividend and capitalisation.

Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Currency Units) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating both the net assets of foreign operations and hedges of foreign operations) are reclassified to profit or loss on the disposal of the foreign operation.



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

20 BORROWINGS (NON - CURRENT)

(Rupees in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Term Loans - secured*		
From banks	14.40	26.85
Total	14.40	26.85

*Terms and security	Current	Non-current	Total
Term Loan 1 - from a bank - under Emergency Credit Line for a period of 60 months (including 12 months of moratorium) - secured by second charge on all the existing and future current assets of the company- rate of interest 6.95% to 9.10% pa - repayable in 48 equated monthly instalments post moratorium period.	4.34	4.93	9.27
Term Loan 2 - from a bank - under Emergency Credit Line for a period of 60 months (including 12 months of moratorium) - secured by second charge on stock and book debts - rate of Interest 7.00% to 9.25% pa - repayable in 48 equated monthly instalments post moratorium period.	3.26	3.89	7.15
Term Loan 3 - from a bank - under Emergency Credit Line for a period of 60 months (including 12 months of moratorium) - secured primarily by charge on existing and future current assets of the company- second charge on the primary security pari passu with current assets - rate of Interest 7.97% to 9.25% pa - repayable in 48 equated monthly instalments post moratorium period.	1.98	4.57	6.55
Term Loan 4 - from a bank - under Emergency Credit Line for a period of 60 months (including 24 months of moratorium) - secured primarily by charge on existing and future current assets of the company- second charge on the primary security pari passu with current assets - rate of Interest 7.29% to 9.25% pa - repayable in 36 equated monthly instalments post moratorium period.	0.79	0.80	1.59
Term Loan 5 - from a bank - under Emergency Credit Line for a period of 60 months (including 12 months of moratorium) - secured primarily by charge on existing and future current assets of the company- second charge on the primary security pari passu with current assets - rate of Interest 7.25% to 9.25% pa - repayable in 48 equated monthly instalments post moratorium period.	1.35	-	1.35
Vehicle Loan-1- First charge on the vehicle. Loan repayable in 37 months instalments till 15th July 2026 - rate of interest 8.24 % p.a.	0.04	0.01	0.05
Vehicle Loan-2- First charge on the vehicle. Loan repayable in 37 months instalments till 15th July 2025 - rate of interest 8.26 % p.a.	0.07	0.02	0.09



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

Vehicle Loan-3- First charge on the vehicle. Loan repayable in 36 months instalments till 5th December 2025 - rate of interest 8.44 % p.a.	0.03	0.02	0.05
Vehicle Loan-4- First charge on the vehicle. Loan repayable in 36 months instalments till 5th December 2025 - rate of interest 8.44 % p.a.	0.03	0.02	0.05
Vehicle Loan-5- First charge on the vehicle. Loan repayable in 36 months instalments till 5th January 2026 - rate of interest 8.54 % p.a.	0.05	0.04	0.09
Vehicle Loan-6- First charge on the vehicle. Loan repayable in 36 months instalments till 5th January 2026 - rate of interest 8.54 % p.a.	0.05	0.05	0.10
Vehicle Loan-7- First charge on the vehicle. Loan repayable in 36 months instalments till 5th February 2026 - rate of interest 8.66 % p.a.	0.06	0.05	0.11
Vehicle loan 8 - first charge on the vehicle. Loan repayable in 29 monthly instalments till 15th September 2024 - rate of interest 8.36 % p.a.	0.07	-	0.07

*Refer note no 44 for carrying amount of vehicles hypothecated

21 LEASE LIABILITY (NON-CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Lease liability	1.59	4.59
Total	1.59	4.59

22 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Rent deposit received	0.09	0.12
Total	0.09	0.12

23 PROVISIONS (NON-CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Provision for employee benefits Gratuity	-	-
Total	-	-

Movement in Provision for employee benefits - gratuity

Particulars	As at 31-03-2024	As at 31-03-2023
Balance at the beginning of the year	-	-
Add: Provision made during the year	-	-
Less: Provision no longer required recognised in other income	-	-
Provision utilised/ reversed during the year	-	-
Balance at the end of the year	-	-



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

24 INCOME TAXES

(Rupees in Crores)

Indian companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31.

Incomes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, the set-off of tax losses and depreciation carried forward and retirement benefit costs.

a) Income tax expenses

Particulars	For the year ended	
	31-03-2024	31-03-2023
Current tax:		
Current tax	26.56	19.32
Tax pertaining to earlier years	0.29	0.11
	27.15	19.43
Deferred tax	(0.18)	1.89
Total	26.97	21.32



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to income tax expense recognised for the year is furnished below. (Rupees in Crores)

Particulars	For the year ended 31-03-2024		For the year ended 31-03-2023	
	%	Amount	%	Amount
Profit / (loss) before tax:		108.10		84.37
Tax using the company's domestic tax rate	25.168%	27.21	25.168%	21.23
Tax impact on account of Expenses not deductible in determining taxable profits	0.49%	0.53	(0.17%)	(0.14)
Deductions allowable under tax laws and A.S. Adjustments	(0.99%) 0.01%	(1.07) 0.01	(0.11%) 0.32%	(0.09) 0.27
Provision for Diminution in value of Investments	0.00%	-	(0.07%)	(0.08)
Effective income tax rate/ Tax expense	24.68%	26.68	25.14%	21.21
Particulars		For the year ended 31-03-2024		For the year ended 31-03-2023
		Amount		Amount
Tax expenses				
- Current tax		26.86		19.32
- Deferred tax		(0.18)		1.89
Total tax		26.68		21.21
Add: Tax for earlier years		0.29		0.11
Total tax expenses reported for the year		26.97		21.32



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

b) Current Tax Liabilities

Particulars	As at 31-03-2024	As at 31-03-2023
Current tax liabilities(Net)	4.80	5.97

c) Current Tax Assets

Particulars	As at 31-03-2024	As at 31-03-2023
Current Tax Assets(Net)	1.63	0.77

d) Deferred Tax Liabilities

The majority of the deferred tax balance represents differential rates of depreciation for property, plant and equipment under Income Tax Act, 1961 and disallowance of certain expenditure under Income Tax Act, 1961. Significant components of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

Particulars	As at 31-03-2024	As at 31-03-2023
Deferred Tax Liability:		
On account of depreciation for tax purpose	11.58	10.77
Expenses allowed on payment basis	0.10	0.10
Deferred Tax Asset:		
Opening adjustments as per Ind AS 116	(0.72)	(0.72)
Allowance for doubtful receivables and advances	(2.41)	(1.54)
Ind AS Adjustments	0.46	0.26
Provision for Diminution in value of Investments	(0.08)	(0.08)
Provision for damaged goods	(0.13)	-
Others	(0.08)	-
Deferred Tax (Asset) /Liabilities (Net)	8.72	8.79



(Rupees in Crores)

Shankara Building Products Limited
Notes to the Consolidated Financial Statements

Deferred tax balance (Asset) / Liability in relation to	Balance as at 01-04-2023	Recognised/ (reversed) through profit and loss	Recognised in/ reclassified from other comprehensive income	Balance as at 31-03-2024
Depreciation under Income Tax Act	10.77	0.81	-	11.58
Provision for employee benefit	0.10	(0.10)	0.10	0.10
Allowance for doubtful receivables and advances	(1.54)	(0.87)	-	(2.41)
Ind AS Adjustments	0.26	0.20	-	0.46
Provision for Diminution in value of Investments	(0.08)	-	-	(0.08)
Adjustment on adoption of Ind AS 116	(0.72)	-	-	(0.72)
Provision for damaged goods	-	(0.13)	-	(0.13)
Others	-	(0.08)	-	(0.08)
Total	8.79	(0.17)	0.10	8.72

Deferred tax balance (Asset)/Liability in relation to	Balance as at 01-04-2022	Recognised/ (reversed) through profit and loss	Recognised in/ reclassified from other comprehensive income	Balance as at 31-03-2023
Depreciation under Income Tax Act	10.47	0.30	-	10.77
Provision for employee benefit	0.10	(0.06)	0.06	0.10
Allowance for doubtful receivables and advances	(2.71)	1.17	-	(1.54)
Ind AS Adjustments	(0.30)	0.56	-	0.26
Provision for Diminution in value of Investments	-	(0.08)	-	(0.08)
Adjustment on adoption of Ind AS 116	(0.72)	-	-	(0.72)
Others	-	-	-	-
Total	6.84	1.89	0.06	8.79



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

e) Deferred Tax Asset

Particulars	As at 31-03-2024	As at 31-03-2023
Deferred Tax Asset :		
On account of business loss	(0.01)	-
Deferred Tax (Asset) /Liabilities (Net)	(0.01)	-

Deferred tax balance (Asset) /Liability in relation to	Balance as at 01-04-2023	Recognised/ (reversed) through profit and loss	Recognised in/ reclassified from other comprehensive income	Balance as at 31-03-2024
On account of business loss	-	(0.01)	-	(0.01)
Total	-	(0.01)	-	(0.01)

Unrecognised deferred tax asset

Deferred tax asset have not been recognized in respect of the following items, because it is not probable that future long term capital gain will be available against which the Group can set off the long term/ short term capital loss.

Particulars	31st March 2024		31st March 2023	
	Gross Amount	Unrecognised tax effect	Gross Amount	Unrecognised tax effect
Long term Capital Loss on sale of Immovable Property	0.46	0.10	-	-
Short term Capital Loss on sale of Immovable Property	0.06	0.01	-	-
	0.52	0.11		

The long term and short term capital loss expires in Assessment Year 2032-33.



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

29. BORROWINGS (CURRENT)

(Rupees in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
SECURED		
(a) Loans repayable on demand (from banks)	42.50	45.30
(b) Current maturities of long term debt (from banks) (refer note no 20)	12.12	8.70
UNSECURED		
Other loans- Purchase bills discounting and financing	14.39	1.75
Total Borrowings	69.01	65.75

Terms and Security:

- Working capital loans are repayable on demand and carries interest @ 5.3% to 12.85% and secured by:
 - First charge on the existing and future current assets and certain fixed assets belonging to the Group.
 - Guarantee by the Managing Director
- Other Loans- Purchase bills discounting and financing includes loan of Rs.9.61 crores (PY Rs Nil) guaranteed by the Managing Director.

Other disclosures (for both current and non-current borrowings)

- Quarterly returns or statements of current assets filed by the group with banks are in agreement with books of accounts.
- The Group has adhered to debt repayment and interest service obligations on time. None of the Companies in the Group have been declared as willful defaulter by any bank or financial institution.
- All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending as at 31-03-2024
- Term loans were applied for the purposes for which they were obtained. Further short term loans availed not have been utilised for long term purposes

Reconciliation of cashflows from financing activities

Particulars	As at 31-03-2024	As at 31-03-2023
Cash and cash equivalents	29.35	5.87
Current borrowings	(56.89)	(47.95)
Non current borrowings*	(25.52)	(35.55)
Net Debt	(53.06)	(77.63)

* Including current maturities of long-term debt

Particulars	Other Assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Current borrowings	Non-current borrowings	
Net debt as at 01-04-2022				
Cash flows	2.48	(76.86)	(44.73)	(119.11)
Proceeds from borrowings	3.39	-	-	3.39
Repayment of borrowings	-	-	(0.95)	(0.95)
Net debt as at 31-03-2023	5.87	29.81	10.13	45.81
		(47.95)	(35.55)	(76.73)
Net debt as at 01-04-2023				
Cash flows	8.87	(47.95)	(35.55)	(76.73)
Proceeds from borrowings	22.48	-	-	22.48
Repayment of borrowings	-	(9.64)	-	(9.64)
Net debt as at 31-03-2024	22.35	(56.89)	9.03	(25.51)

Note:

Assets are presented in positive numbers
Liabilities are presented in negative numbers



(Rupees in Crores)

26 LEASE LIABILITY- (CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Lease liability	1.65	0.65
Total	1.65	0.65

27 TRADE PAYABLES

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Total outstanding dues of micro enterprises and small enterprises (MSME) [refer note no 42]	21.33	105.66
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	629.17	414.63
Total	650.50	520.29

Trade Payables ageing schedule as at 31-03-2024

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	21.33	-	-	-	-	21.33
(ii) Others	629.17	3.56	-	-	-	629.17
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	646.94	3.56	-	-	-	650.50

Trade Payables ageing schedule as at 31-03-2023

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	105.66	-	-	-	-	105.66
(ii) Others	411.80	2.83	-	-	-	414.63
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	517.46	2.83	-	-	-	520.29

28 OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Interest accrued but not due	0.56	0.08
(b) Unclaimed Dividend	0.05	0.04
(c) Employee Benefits payable*	6.39	6.34
(d) Other expense payable	5.16	4.90
(e) Refund liability	0.02	-
Total	12.18	11.36

* Includes related party transactions. (Refer note no 47(B) and 47(C))

29 OTHER CURRENT LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Advances from customers (refer note no 45(C))	10.52	9.25
(b) Statutory dues	13.92	4.30
(c) Deferred Rent	0.01	-
Total	24.45	13.55

30 PROVISIONS (CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Provision for employee benefits		
(a) Gratuity (refer note no 45(b))	0.38	0.57
(b) Compensated absences	0.20	0.17
Total	0.58	0.74



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

Movement in provision for employee benefits - Gratuity

Particulars	As at 31-03-2024	As at 31-03-2023
Balance at the beginning of the year	0.57	0.56
Add: Provision made during the year	0.40	0.57
Less: Provision utilised/ reversed during the year	0.59	0.56
Balance at the end of the year	0.38	0.57

Movement in provision for compensated absences

Particulars	As at 31-03-2024	As at 31-03-2023
Balance at the beginning of the year	0.17	0.22
Add: Provision made during the year	0.56	0.48
Less: Provision utilised/ reversed during the year	0.55	0.53
Balance at the end of the year	0.20	0.17



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

31 REVENUE FROM OPERATIONS

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
(a) Sale of traded goods	4,540.91	3,912.29
(b) Sale of manufactured products	277.14	109.46
(c) Other Operating Revenues - Sale of scrap	10.39	7.97
Total	4,828.44	4,029.72

32 OTHER INCOME

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
(a) Interest Income	0.57	0.41
(b) Rent received	0.28	0.29
(c) Profit on sale of property, plant and equipment/ investment property	1.25	0.07
(d) Gain on termination of lease	0.29	0.74
(e) Unwinding of interest income on rental deposits	0.34	0.47
(f) Commission Income	0.02	-
(g) Provision for expenses no longer required written back	0.05	-
(h) Provision for doubtful debts no longer required written back (CY -Rs.41,865)	0.00	5.00
(i) Payables written back	1.73	0.04
(j) Other non-operating income	0.71	0.68
Total	5.24	7.70

33 COST OF MATERIALS CONSUMED

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Opening stock of Raw Materials (A)	55.12	55.13
Purchases of Raw Materials (B)	975.36	722.88
Closing stock of Raw Materials (C)	68.79	55.12
Total (A) + (B) - (C)	961.69	722.89



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

34 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Opening stock of Finished goods	28.82	28.80
Less: Closing stock of Finished goods	62.71	28.82
Total (A)	(33.89)	(0.02)
Opening stock of Stock-in-Trade	336.17	263.33
Less: Closing stock of Stock-in-Trade	348.39	336.17
Total (B)	(12.22)	(52.84)
Total (A) + (B)	(46.11)	(52.86)

35 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
(a) Salaries and Wages	49.57	43.32
(b) Contribution to Provident fund and Other funds:		
(i) Provident fund (refer note no 45(a))	2.97	2.70
(ii) Employees' State Insurance (refer note no 45(a))	0.29	0.25
(iii) Gratuity (refer note no 45 (b))	0.84	0.83
(c) Staff welfare expenses	1.30	1.14
Total	54.97	48.24

36 FINANCE COSTS

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
(a) Interest Expense on borrowings	27.71	20.65
(b) Other borrowing costs	3.88	3.02
(c) Interest on lease liability	0.27	0.58
(d) Interest on Income tax	0.48	0.51
Total	32.34	24.76

36(a) DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	Notes No	For the year ended 31-03-2024	For the year ended 31-03-2023
(a) Depreciation			
- Property, plant and equipment	4	13.94	12.98
- Investment property	5	0.03	0.03
- Right-of-use Asset	6	1.94	3.33
Total (a)		15.91	16.34
(b) Amortization of intangible assets	7(b)	-	-
Total-(a+b)		15.91	16.34



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

37 OTHER EXPENSES

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
(a) Power, Fuel & Water	5.81	5.05
(b) Stores & Spares consumed	5.20	5.13
(c) Rent	11.15	8.50
(d) Repairs and Maintenance		
(i) Buildings	0.08	0.03
(ii) Others	5.45	4.97
(e) Insurance #	1.07	0.84
(f) Rates & Taxes	1.61	2.24
(g) Travelling and Conveyance	3.03	2.44
(h) Payments to the Auditors (refer note below)	0.50	0.45
(i) Legal and Professional fees	3.12	1.79
(j) Directors sitting fees	0.40	0.29
(k) Communication Expenses	0.99	0.94
(l) Advertisement & Publicity Expenses	2.20	2.43
(m) Loss Allowance for doubtful trade receivables	3.46	0.35
(n) Material handling charges***	11.21	11.41
(o) Freight outwards**	4.77	3.71
(p) Commission Charges	1.61	1.50
(q) Bad Debts written off(PY Rs.23,709)	1.01	0.00
(r) Loss on sale of property, plant and equipment	0.05	0.06
(s) Sub contracting	0.84	0.67
(t) Corporate Social Responsibility expenditure (refer note no 50)	1.10	0.91
(u) Write off of property, plant and equipment	0.28	-
(v) Provision for damaged goods	0.50	-
(w) Miscellaneous Expenses *	4.86	4.30
Total	70.30	58.01

*Under this head, there is no expenditure which is in excess of 1% of revenue from operations or Rs. 0.10 crores, whichever is higher.

**Freight recovered from customers-Current year-Rs.12.66 crores Previous year-Rs.10.93 crores

***Material handling charges recovered from customers-Current year-Rs.8.81 crores Previous year-Rs.7.10 crores

Insurance recovered from customers-Current year- Rs.0.59 crores. Previous year- Rs.0.51 crores.

Note : Breakup for payments to the auditors is as under (excluding GST):

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
(a) As auditors	0.37	0.30
(b) For taxation matters	0.04	0.02
(c) For other services	0.01	0.03
(d) For reimbursement of expenses	0.08	0.10
Total	0.50	0.45



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

38 Earnings Per Share (EPS)

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Basic & Diluted		
A. Profit attributable to equity shareholders (in crores)	81.13	63.05
B. Weighted average number of equity shares (in crores)	2.34	2.28
C. Basic and Diluted EPS (Rs.) [A/B]	34.67	27.59
Face value per share (Rs.)	10	10

The Group does not have any potential equity shares. Accordingly, basic and diluted earnings per share will remain the same.

39 Contingent liabilities:

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Claims against the company not acknowledged as debt		
(i) Income tax	0.15	-
(ii) Entry tax	0.97	0.97
(iii) Value added tax	-	0.76
(iv) Goods and Services tax	1.68	-

The above disputes are pending in appeal before various forums in the respective department. Outflows, if any, arising out of these claims would depend upon the adjudication of appellate authorities and the Group's rights for further appeals.

Amount remitted against disputed liability

Particulars	As at 31-03-2024	As at 31-03-2023
(i) Value added tax	-	0.15
(ii) Entry tax	0.24	0.24
(iii) Goods and Services tax	0.09	-

40 Commitments

Particulars	As at 31-03-2024	As at 31-03-2023
Estimated value of capital commitments towards buildings (Net of advances made PY Rs.0.76 crores)	-	0.19
Total	-	0.19



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

41 Operating lease

a) As lessor:

Leasing Arrangements:

The investment properties are leased to tenants under operating leases with rentals payable monthly.

Minimum lease payments receivable on leases of investment properties are as follows:

Particulars	As at 31-03-2024	As at 31-03-2023
Within one year		
Between 1 and 2 years	0.26	0.28
Between 2 and 3 years	0.09	0.29
Between 3 and 4 years	-	0.31
Between 4 and 5 years	-	-
Later than 5 years	-	-
Total	0.35	0.88

b) As lessee:

Various Buildings have been taken on operating lease with lease term between 11 and 144 months for office premises, storage space and retail shop, which are renewable on a periodic basis by mutual consent of both parties. There is no restriction imposed by lease arrangements, such as those concerning dividends, additional debts.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised.

For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Accounting for Leases under Ind AS 116

Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Gross carrying amount of Right-of-use assets -Opening	13.38	23.07
Depreciation charged for the Right-of-use assets	1.94	3.33
Interest expense on lease liability	0.27	0.58
The rental expense relating to short-term leases for which Ind AS 116 has not been applied	10.91	8.31
Additions to Right-of-use assets during the current year	1.52	0.66
Deletions to Right-of-use assets during the current year	5.81	10.35
Gross carrying amount of Right-of-use assets -Closing	9.09	13.38
Total cash outflow for leases for the year	2.79	4.39



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

Lease liabilities

Particulars	As at 31-03-2024	As at 31-03-2023
Maturity analysis - contractual undiscounted cash flows		
Not later than one year	1.70	0.68
Later than one year and not more than five years	2.87	4.81
More than five years	-	0.35
Total undiscounted liabilities	4.57	5.84
Lease liabilities		
Current	1.65	0.65
Non-current	1.59	4.59

42 Additional Information

Disclosure required under Section 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006 (as per information available with the Group):

Particulars	As at 31-03-2024	As at 31-03-2023
(i) the principal amount and the interest due there on remaining unpaid to any supplier as at the end of each accounting year; Principal amount Interest due thereon	21.33 -	105.66 -
(ii) the amount of interest paid by the buyer under the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprise Development Act, 2006.	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of accounting year and	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006.	-	-



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

43 Segment Reporting

(Rupees in Crores)

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. The group does not have any material operations outside India and hence disclosure of geographic segments is not applicable.

Particulars	As at / For the Year ended 31-03-2024		As at / For the Year ended 31-03-2023	
	Retail	Channel & Enterprise *	Retail	Channel & Enterprise *
Income				
External Sale	2,556.33	2,272.11	2,235.71	1,794.01
Segment Revenue	2,556.33	2,272.11	2,235.71	1,794.01
Segment Result	145.57	35.02	124.29	19.62
Other Unallocated Items				
Finance Cost				
Unallocable Corporate Expenses (Net of unallocable income)		32.34		24.76
Profit before tax		40.15		34.78
		108.10		84.37

OTHER INFORMATION

Segment assets				
Unallocated assets	568.79	636.48	487.84	460.47
Total Assets		1,205.27		948.31
Segment Liabilities		380.27		343.44
Unallocated liabilities	93.74	1,585.54		1,291.75
Total Liabilities		650.50		520.29
Capital Expenditure		137.47		128.37
Depreciation		787.97		648.66
Non-cash expenses other than depreciation		30.28		41.38
		15.91		16.34
		5.25		0.35

* Revenue from Channel & Enterprise segment are as follows:

Particulars of segment	For the Year ended 31-03-2024		For the Year ended 31-03-2023	
	At a point of time	Over a period of time	At a point of time	Over a period of time
Channel	1,272.45	-	1,036.79	-
Enterprise	999.66	-	757.22	-
Total	2,272.11	-	1,794.01	-

There were no customers from whom the revenue derived exceeded 10% or more of the entity's total revenue.



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

44 Assets hypothecated as security

(Rupees in Crores)

The carrying amounts of assets hypothecated as security for current and non-current borrowings are:

Particulars	Note No	As at 31-03-2024	As at 31-03-2023
Current Assets			
A) Financial assets			
(i) First and Second Charge			
- Trade Receivables	13	686.11	511.06
(ii) Floating Charge		-	-
B) Non Financial assets			
(i) First and Second Charge			
- Inventories (net off goods-in-transit)	12	482.68	421.10
(ii) Floating Charge			
Total current assets hypothecated as security		1,168.79	932.16
Non-Current Assets			
Non Financial assets			
(i) First Charge			
- Vehicles and other movable assets		1.24	1.42
- Land and Building		39.07	39.99
- Plant and Equipment		40.21	43.40
(ii) Floating Charge		-	-
Total non-current assets hypothecated as security		80.52	84.81
Total assets hypothecated as security		1,249.31	1,016.97



(Rupees in Crores)

45 Employee benefits

a) Defined contribution plans

Contribution to Defined contribution plans, recognised as an expense for the year is as under:

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Employer's Contribution to Provident Fund (includes pension fund)	2.97	2.70
Employer's Contribution to Employees' State Insurance	0.29	0.25

b) Defined benefit plan

(i) Gratuity

The Group has funded the gratuity liability ascertained on actuarial basis, wherein every employee who has completed five years or more of service is entitled to gratuity on retirement or resignation or death calculated at last 15 days salary for each completed year of service, subject to a maximum of Rs. 20 lacs per employee. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

The plans in India typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

There are no other post-retirement benefits provided to employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31-03-2024. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Gratuity (Funded)

Particulars	As at 31-03-2024	As at 31-03-2023
Liability recognized in the Balance Sheet		
Present value of defined benefit obligation		
Opening Balance		
Current Service Cost	8.04	7.86
Past Service Cost	0.81	0.78
Interest Cost	-	-
Actuarial Loss/(Gain) on obligation	0.59	0.52
Transfer In/(Out)	(0.35)	(0.40)
Benefits paid	(0.01)	-
Closing Balance	(0.26)	(0.72)
Less: Fair Value of Plan Assets	8.80	8.04
Opening Balance		
Expected Return on Plan assets less loss on investments	7.49	7.35
Actuarial (Loss)/Gain on Plan Assets	0.58	0.47
Employers' Contribution	0.06	(0.20)
Benefits paid	0.59	0.59
Transfer In/(Out)	(0.28)	(0.72)
Closing Balance	-	-
Amount recognized in Balance Sheet (refer note no 30 (a))*	8.42	7.49
	0.36	0.55



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Expenses during the year		
Current Service cost		
Past Service cost	0.81	0.78
Interest cost	-	-
Expected Return on Plan assets	0.59	0.52
Component of defined benefit cost recognized in statement of Profit & Loss (refer note no 35)	(0.56)	(0.47)
Remeasurement of net defined benefit liability	0.84	0.83
- Actuarial Loss/(Gain) on defined benefit obligation	(0.35)	(0.40)
- Actuarial Loss/(Gain) on Plan Assets	(0.06)	0.20
Component of defined benefit cost recognized in other comprehensive income	(0.41)	(0.20)
Total		
Actual Return on plan assets	0.62	0.27
Break up of Plan Assets:		
i) Equity instruments		
ii) Debt instruments		
iii) Investment Funds with Insurance Company		
Of which, Unit Linked	100%	100%
Of which, Traditional/ Non-Unit Linked	0%	100%
iv) Asset-backed securities	100%	-
v) Structured debt	-	-

*Previous year balance is net off Rs.0.02 crores paid in advance by two subsidiary companies

Note: None of the assets carry a quoted market price in an active market or represent the entity's own transferable financial instruments or are property occupied by the entity.

Principal actuarial assumptions

Particulars	As at 31-03-2024	As at 31-03-2023
Discount Rate	7.00%	7.20%
Expected rate(s) of salary increase	7.00%	7.00%
Expected return on plan assets	7.20%	6.6% - 8.8%
Attrition rate	10.00%	10.00%
Mortality rate during employment	Indian assured lives mortality 2012-2014 Ult.	

Experience adjustments

Particulars	31-03-2024	31-03-2023	31-03-2022	31-03-2021	31-03-2020
Defined Benefit Obligation	8.81	8.04	7.86	7.56	7.98
Plan Assets	8.42	7.48	7.35	7.53	6.23
Surplus / (Deficit)	(0.38)	(0.55)	(0.51)	(0.04)	(1.75)
Experience Adjustments on Plan Liabilities - (Loss)/Gain	0.32	(0.07)	0.15	0.33	(0.27)
Experience Adjustments on Plan Assets - (Loss)/Gain	(0.00)	(0.19)	(0.18)	0.09	0.34

The Group expects to contribute Rs.0.38 crores (previous year Rs.0.57 crores) to its gratuity plan for the next year.



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

In assessing the Group's post retirement liabilities, the Group monitors mortality assumptions and uses up-to date mortality tables, the base being the Indian assured lives mortality (2012-14) ultimate.

Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

Effective 29-03-2018, the Government of India has notified the Payment of Gratuity (Amendment) Act, 2018 to raise the statutory ceiling on gratuity benefit payable to each employee to Rs 20 lacs from Rs 10 lacs. Accordingly the amended and improved benefits, if any, are recognised as current year's expense as required under paragraph 103, Ind AS 19.

Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	Impact on Defined benefit obligation			
	As at 31-03-2024		As at 31-03-2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% increase)	-	0.51	-	0.44
Discount rate (1% decrease)	0.55	-	0.52	-
Future salary growth (1% increase)	0.56	-	0.52	-
Future salary growth (1% decrease)	-	0.51	-	0.47
Attrition rate (1% increase) (CY Increase - Rs.8,000) (PY Increase-Rs.5,000, Decrease -Rs.41,000)	0.00	0.01	0.00	0.00
Attrition rate (1% decrease)(CY Decrease - Rs.8,000)(PY Increase-Rs.36,000, Decrease -Rs.5,000)	0.01	0.00	0.00	0.00

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The average expected remaining lifetime of the plan members is 6 to 8 years (31-03-2023 - 6 years) as at the valuation date which represents the weighted average of the expected remaining lifetime of all plan participants.

The expected maturity analysis of the benefit payments of gratuity is as follows:

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
31-03-2024					
Defined benefit obligation (Gratuity)	1.21	1.16	3.39	6.45	12.21
Total	1.21	1.16	3.39	6.45	12.21
31-03-2023					
Defined benefit obligation (Gratuity)	1.03	0.93	3.40	5.59	10.95
Total	1.03	0.93	3.40	5.59	10.95

The Group had deployed its investment assets in an insurance plan which is invested in market linked bonds. The investment returns of the market-linked plan are sensitive to the changes in interest rates as compared with the investment returns from the smooth return investment plan. The liabilities' duration is not matched with the assets' duration.

The liabilities of the fund are funded by assets or own funds. The Group aims to maintain a close to full-funding position at each Balance Sheet date. Future expected contributions are disclosed based on this principle.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.



46 Disclosure on Accounting for revenue from customers in accordance with Ind AS 115

Disaggregated revenue information

A Type of goods and service

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
(a) Sale of traded goods	4,540.91	3,912.29
(b) Sale of Manufactured products	277.14	109.46
(c) Other operating revenues-Scrap Sales	10.39	7.97
Total Operating Revenue	4,828.44	4,029.72
In India	4,828.44	4,029.72
Outside India	-	-

B Timing of revenue recognition

Particulars	For the year ended 31-03-2024		For the year ended 31-03-2023	
	At a point of time	Over a period of time	At a point of time	Over a period of time
Sale of products and other operating income	4,828.44	Nil	4,029.72	Nil

C Contract Balances

Particulars	As at 31-03-2024	As at 31-03-2023
Contract Assets	-	-
Contract Liabilities	10.52	9.25

D Revenue recognised in relation to contract liabilities

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Revenue recognised in relation to contract liabilities	8.84	7.19

Reconciliation of revenue recognized in the statement of profit and loss with the contracted price

E

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Revenue at contracted prices	4,828.46	4,029.72
Less: Refund Liabilities	(0.02)	-
Total Revenue at contracted prices	4,828.44	4,029.72
Revenue from contract with customers	4,828.44	4,029.72

F Unsatisfied or partially satisfied performance obligation

Particulars	As at 31-03-2024	As at 31-03-2023
Unsatisfied or partially satisfied performance obligation	Nil	Nil



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

47 Related party disclosures

A. Names of Related parties with whom transactions have taken place during the year/previous year and nature of relationship:

Key Managerial Personnel	Mr. Sukumar Srinivas (Managing Director)
	Mr. C.Ravikumar (Whole-time Director)
	Mr. Alex Varghese (Chief Financial Officer)
	Ms. Eeena Vikram (Company Secretary)
	V.Ravichandar-Chairman and Independent Director
	B. Jayaraman-Independent Director
	Chandu Nair-Independent Director
	Jayashri Mural-Independent Director and of the Subsidiary companies
	RSV Sivaprasad-Non Executive and Non-Independent Director
	N.Muthuraman- Independent director of a subsidiary
Relatives of Key Managerial Personnel	Mr.Chongalan Nalagath Ajla (Whole-time Director of Shankara Buildpro Limited)
Enterprise in which Key Managerial Personnel have significant influence	Mr. Dharmenjay Metay Srinivas Mrs. Parvathi Miralay Sikanth
Entities where control exist	Shankara Holdings Private Limited, Bengaluru.
	Shankara Building Products Employees Gratuity Fund
	Taurus Value Steel & Pipes Private Limited Gratuity Fund
	Vishal Precision Steel Tubes and Strips Private Limited Gratuity fund
	Centurywells Roofing Employees Gratuity fund

B. Transactions with Related Parties

	For the year ended 31-03-2024	For the year ended 31-03-2023
Amount contributed to Shankara Building Products Employees Gratuity Fund	0.56	0.56
Taurus Value Steel & Pipes Private Limited- Gratuity Fund (PY Rs.35000)	0.01	0.00
Rent paid to Managing Director	0.43	0.43
Relative of Key Managerial Personnel	0.07	0.03
Advances granted to (repaid by) A Whole-time Director-Net (CY-Rs.14,412)	(0.00)	(0.02)
Chief Financial Officer-Net	(0.01)	(0.02)
Dividend paid to Key Managerial Personnel	2.92	1.17
Relatives of Key Managerial Personnel	0.05	0.02
Shankara Holdings Private Limited	0.04	0.02

Remuneration to Key Managerial Personnel (refer note 1 below)	For the year ended 31-03-2024	For the year ended 31-03-2023
Short-term employee benefits		
Managing Director	1.34	1.32
Whole-time director	0.68	0.62
Chief Financial Officer	0.40	0.36
Company Secretary	0.15	0.13
Whole-time director of Shankara Buildpro Limited	0.18	-
Sitting fees paid to Non executive directors	0.40	0.29
Remuneration paid to a relative of a Key Managerial Personnel	0.18	0.10

Notes

As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

C. Amount due to/ from related parties		
	As at 31-03-2024	As at 31-03-2023
Due from Whole-time director (PY Rs.14,412)	-	0.00
Due from Chief Financial Officer	-	0.01
Balance Outstanding to/ from related parties		
	As at 31-03-2024	As at 31-03-2023
Remuneration payable to Key Managerial Personnel		
Managing Director	0.05	0.07
Whole-time director	0.06	0.03
Chief Financial Officer	0.04	0.02
Company Secretary	0.02	0.01
Whole-time director of Shankara Buildpro Limited	0.02	-
Remuneration payable to a relative of a Key Managerial Personnel	0.02	0.01
Guarantees furnished by Managing Director	750.00	587.00
Rent Payable to:		
Managing Director	0.04	0.04
Relative of Key Managerial Personnel (PY Rs.23,625)	0.01	0.00

Terms and Conditions

All outstanding credit balances are unsecured and are repayable in cash.

Guarantees furnished by the Managing Director

Personal guarantee has been furnished by the Managing Director of the holding company to the Group to avail working capital facilities from the lender banks.



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

48 Details of Subsidiaries

(Rupees in Crores)

Details of the Group's subsidiaries at the end of reporting period are as follows:

Name of the Subsidiary	Place of incorporation	Proportion of ownership		Principal activity
		31-03-2024	31-03-2023	
Direct Subsidiary				
Vishal Precision Steel Tubes and Strips Private Limited, Hoskote, Karnataka	India	100%	100%	Manufacturing of steel products
Taurus Value Steel & Pipes Private Limited, Kutbullapur Mandal, Telangana	India	100%	100%	Manufacturing of steel products
Steel Network (Holdings) Pte Limited, Singapore	Singapore	100%	100%	Investment holding company
Centurywells Roofing India Private Limited, Kancheepuram, Tamil Nadu.	India	100%	100%	Manufacturing of roofing sheets
Shankara Buildpro Limited, Bengaluru, Karnataka. Incorporated on 13-10-2023.	India	100%	-	Engaging in retailing, trading, warehousing, wholesale distribution and e commerce activities related to all building materials.



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

49 Financial Instruments

A. Capital Management

(1) Capital risk management

The Group's capital requirements are mainly to fund its expansion, working capital and strategic acquisitions. The principal source of funding of the group has been, and is expected to continue to be, cash generated from its operations supplemented by borrowings from bank and the funds from capital markets. The Group is not subject to any externally imposed capital requirements.

The Group regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce finance cost and closely monitors its judicious allocation amongst competing expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents.

Particulars	Note no	As at 31-03-2024	As at 31-03-2023
Long term borrowings			
Current maturities of long-term debt	20	14.40	26.85
Short term borrowings	25	12.12	8.70
Less: Cash and cash equivalents	25	56.89	47.05
Net Debt (A)	14	(28.35)	(5.87)
Total Equity (B)		55.06	76.73
Gearing Ratio (A / B)	18, 19	797.57	643.09
		0.07	0.12

- (i) Equity includes all capital and reserves of the Group that are managed as capital.
(ii) Debt is defined as long and short term borrowings (excluding financial guarantee contracts), as described in Note 20 and 25

(2) Dividends

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Equity Shares		
(i) Final Dividend for the year ended March 31,2023 of Rs.2.5 per fully paid share	5.71	-
(ii) Final Dividend for the year ended March 31,2022 of Rs.1.00 per fully paid share	-	2.29



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

B. Categories of financial instruments

Particulars	Note no	As at 31-03-2024		As at 31-03-2023	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets					
Measured at amortised cost					
Loans	9	0.06	0.06	0.06	0.06
Other financial assets	10,16	11.50	11.50	11.81	11.81
Trade receivables	8,13	688.91	688.91	513.96	513.96
Cash and cash equivalents	14	28.35	28.35	5.87	5.87
Bank balances other than cash and cash equivalents	15	6.05	6.05	6.04	6.04
Total financial assets at amortised cost (A)		734.87	734.87	537.74	537.74
Measured at fair value through other comprehensive income (B)		-	-	-	-
Measured at fair value through profit and loss					
Derivative asset not designated as hedges					
Foreign exchange forward contracts		-	-	-	-
Measured at fair value through profit and loss (C)		-	-	-	-
Total financial assets (A+B+C)		734.87	734.87	537.74	537.74



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

Particulars	Note no	As at 31-03-2024		As at 31-03-2023	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial liabilities					
Measured at amortised cost					
Long term Borrowings *	20, 25	26.52	26.52	35.55	35.55
Short term Borrowings**	25	56.89	56.89	47.05	47.05
Trade payables	27	650.50	650.50	520.29	520.29
Lease Liabilities	21, 26	3.24	3.24	5.24	5.24
Other financial liabilities	22, 28	12.27	12.27	11.48	11.48
Total financial liabilities carried at amortised cost (A)		749.42	749.42	619.61	619.61
Total financial liabilities measured at fair value through other comprehensive income (B)		-	-	-	-
Total financial liabilities measured at fair value through profit and loss (C)		-	-	-	-
Total financial liabilities (A+B+C)		749.42	749.42	619.61	619.61

* including current maturities of long-term debt

** excluding current maturities of long-term debt

C. Financial risk management

The Group has an Audit & Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Group's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the group.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk and
- Liquidity risk



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(1) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

(Rupees in Crores)

(i) Currency Risk

Exposure to currency risk

Particulars	As at 31-03-2024		As at 31-03-2023	
	USD	INR	USD	INR
Total foreign currency exposure in respect of recognised liabilities	-	-	-	-
Forward exchange contracts	-	-	-	-
Net Exposure	-	-	-	-

Sensitivity

Currency risks related to the amounts of foreign currency loans are fully hedged using derivatives that mature on the same dates as the loans are due for repayment.

(ii) Commodity price risk

The Group's revenue is exposed to the market risk of price fluctuations related to the sale of its steel and other building products. Market forces generally determine prices for the steel products sold by the group. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the group earns from the sale of its steel products.

The Group purchases the steel and other building products in the open market from third parties as well as from subsidiaries at prevailing market price. The Group is therefore subject to fluctuations in the prices of steel coil, steel pipes, sanitary wares etc.

The Group aims to sell the products at prevailing market prices. Similarly the Group procures the products based on prevailing market rates as the selling price of steel products and the prices of inputs move in the same direction.

Inventory Sensitivity Analysis (Raw materials, Finished goods & Stock-in-trade)

A reasonably possible change of 1% in prices of inventory at the reporting date, would have increased (decreased) equity and profit or loss by the amounts shown below. The analysis assumes that all other variables remain constant.

Particulars	Impact on profit or (loss)		Impact on Equity, net of tax	
	As at 31-03-2024	As at 31-03-2023	As at 31-03-2024	As at 31-03-2023
1% increase in prices of inventory	(4.79)	(4.20)	(3.59)	(3.14)
1% decrease in prices of inventory	4.79	4.20	3.59	3.14



(Rupees in Crores)

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk since funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the group are principally denominated in rupees. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The following table provides a break-up of the Group's fixed and floating rate borrowings:

Particulars	As at 31-03-2024	As at 31-03-2023
Fixed rate borrowings	3.35	1.08
Floating rate borrowings	80.06	81.54
Total borrowings	83.41	82.60
Total net borrowings as per Financial Statements	83.41	82.60
Add: Leasing fees	-	-
Total borrowings	83.41	82.60

Sensitivity analysis for variable-rate instruments

This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant.

Particulars	Impact on profit or loss		Impact on Equity, net of tax	
	As at 31-03-2024	As at 31-03-2023	As at 31-03-2024	As at 31-03-2023
100 basis points increase in interest rates	(0.80)	(0.82)	(0.80)	(0.81)
100 basis points decrease in interest rates	0.80	0.82	0.80	0.81

(2) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. Group's credit risk arises principally from the trade receivables and advances.



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

Trade receivables

Customer credit risk is managed centrally by each entity in the Group and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on financial position, past performance, business/ economic conditions, market reputation, expected business etc. Based on that credit limit & credit terms are decided. Outstanding customer receivables are regularly monitored.

Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Year ended 31-03-2024

Expected credit loss for trade receivables under simplified approach

	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount - Trade receivables	379.76	268.12	20.41	16.07	1.97	12.75	699.08
Expected credit losses (Loss allowance provision) - trade receivables	-	-	(0.10)	(3.23)	(0.44)	(6.40)	(10.17)
Carrying amount of trade receivables (net of impairment)	379.76	268.12	20.31	12.84	1.53	6.35	688.91

Year ended 31-03-2023

Expected credit loss for trade receivables

	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount - Trade receivables	421.53	72.60	10.64	2.70	4.10	9.10	520.67
Expected credit losses (Loss allowance provision) - trade receivables	-	-	(3.26)	(0.95)	(1.25)	(4.55)	(6.71)
Carrying amount of trade receivables (net of impairment)	421.53	72.60	10.38	2.05	2.85	4.55	513.96



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(3) Liquidity risk management

(Rupees in Crores)

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Group requires funds both for short term operational needs as well as for strategic acquisitions. The Group generates sufficient cash flow for operations, which together with the available cash and cash equivalents and borrowings provide liquidity. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Group has access to the following undrawn borrowing facilities at the end of the reporting period:

Financing arrangements

Particulars	As at 31-03-2024	As at 31-03-2023
Floating Rate		
- Expiring within one year	195.46	156.80
- Expiring beyond one year	-	-
	196.46	156.80

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

With respect to floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

Liquidity exposure as at 31-03-2024
(Rupees in Crores)

Particulars	Note no	< 1 year	1-5 years	> 5 years	Total
Financial assets					
Loans					
Other financial assets	9	-	0.06	-	0.06
Trade receivables	10, 16	1.35	10.00	0.15	11.50
Cash and cash equivalents	8, 13	686.11	2.80	-	688.91
Bank balances other than cash and cash equivalents	14	28.35	-	-	28.35
Total financial assets	15	6.05	-	-	6.05
Financial liabilities		721.86	12.86	0.15	734.87
Long term Borrowings *					
Short term Borrowings**	20, 25	12.12	14.40	-	26.52
Trade payables	25	56.89	-	-	56.89
Lease Liabilities	27	650.50	-	-	650.50
Other financial liabilities	21, 26	1.65	1.59	-	3.24
Total financial liabilities	22, 28	12.18	0.09	-	12.27
		733.34	16.08	-	749.42

* including current maturities of long-term debt

** excluding current maturities of long-term debt



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)

Liquidity exposure as at 31-03-2023						
Particulars	Note no	< 1 year	1-5 years	> 5 years	Total	
Financial assets						
Loans						
Other financial assets	9	-	0.06	-	0.06	
Trade receivables	10, 16	1.38	10.28	0.15	11.81	
Cash and cash equivalents	8, 13	511.06	2.90	-	513.96	
Bank balances other than cash and cash equivalents	14	5.87	-	-	5.87	
Total financial assets	15	6.04	-	-	6.04	
Financial liabilities		524.35	13.24	0.15	537.74	
Long term Borrowings *	20, 25	8.70	26.85	-	35.55	
Short term Borrowings**	25	47.05	-	-	47.05	
Trade payables	27	520.29	-	-	520.29	
Lease Liabilities	21, 26	0.65	4.59	-	5.24	
Other financial liabilities	22, 28	11.36	0.12	-	11.48	
Total financial liabilities		588.05	31.56	-	619.61	

* including current maturities of long-term debt

**excluding current maturities of long-term debt

Collateral

The Group has hypothecated part of its financial assets in order to fulfil certain collateral requirements for the banking facilities extended to the Group. There is an obligation to return the securities to the Group once these banking facilities are surrendered. (refer note no 20, 25 and 44)



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

D. Level wise disclosure of financial instruments

(Rupees in Crores)

Particulars	Note no	As at 31-03-2024			As at 31-03-2023		
		Carrying Value	Fair Value		Carrying Value	Fair Value	
			Level 1	Level 2		Level 1	Level 2
Financial assets							
Loans	9	0.06			0.06		
Other financial assets	10, 16	11.50			11.81		
Trade receivables	8, 13	688.91		6.37	513.96		6.50
Cash and cash equivalents	14	28.35			5.87		
Bank balances other than cash and cash equivalents	15	6.05			6.04		
Total financial assets		734.87	-	6.37	537.74	-	6.50
Financial liabilities							
Long term Borrowings *	20, 25	26.52			35.55		
Short term Borrowings**	25	56.89			47.05		
Trade payables	27	650.50			520.29		
Lease Liabilities	21, 26	3.24			5.24		
Other financial liabilities	22, 28	12.27		0.09	11.48		
Total financial liabilities		749.42	-	0.09	619.61	-	-

* including current maturities of long-term debt

**excluding current maturities of long-term debt

The carrying amounts of short-term borrowings, trade receivables, trade payables, cash and cash equivalents, other bank balances and other financial assets and liabilities other than those disclosed in the above table, are considered to be the same as their fair values, due to their short term nature.



50 Corporate social responsibility

The provisions of Corporate Social Responsibility (Section 135 of the Companies Act, 2013) are applicable to the Group.

a) Gross amount required to be spent by the Group during the year - Rs.0.99 crores (Previous year: Rs.0.90 crores)

b) Amount spent during the year:
Year ended 31-03-2024

Particulars	Amount required to be spent for the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of previous years shortfall
a) Construction / acquisition of any assets b) On purpose other than (a) above	0.99	1.10	-	-
Year ended 31-03-2023				
Particulars	Amount required to be spent for the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of previous years shortfall
a) Construction / acquisition of any assets b) On purpose other than (a) above	0.90	0.91	-	-
Amount paid is included under Other expenses (refer note no 37)				

The above aggregate CSR expenditure disclosed are relating to the group.

Nature of CSR Activities- Healthcare infrastructure, education, environment sustainability, rehabilitating abandoned women and children.

51 Previous year figures

The previous year figures has been regrouped /rearranged wherever necessary to conform to the current year's presentation.

52 No proceedings have been initiated or pending against the Group for holding Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made there under.

53 The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary

54 The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

55 The Group has not operated in any crypto currency or Virtual Currency transactions

56 Balances outstanding with nature of transactions with struck off companies as per section 248 of the Companies Act, 2013 :

Name of the Struck off Company	Nature of transactions with struck off company	Balance outstanding as at 31-03-2024	Relationship with struck off companies, if any to be disclosed
Surbio Organics India Pvt.Ltd.	Trade Receivables	0.20	Third party customer
Excel FPS & Engineers India Pvt. Ltd.	Trade Receivables	0.09	Third party customer
Argann Megacorp International Private Limited	Trade Receivables	0.20	Third party customer
SNN Builders Pvt.Ltd. (CY - Rs.5,000)	Trade Receivables	0.00	Third party customer
Yash Trading Company	Trade Receivables	0.36	Third party customer
KODES Design Consultants Private Limited	Trade Receivables	0.01	Third party customer

To the extent information is available with the company the details of struck off companies, as per the master data base in Ministry of Corporate Affairs (MCA) Portal is provided.



57 During the year the Group has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.

58 The Group has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

59 The Board of Directors of the Holding Company at their meeting held on 18th December, 2023 approved a Scheme of Arrangement under section 230-232 and read with other applicable provisions of the Companies Act, 2013 for demerger of the Demerged Undertaking ("Trading Business") of Shankara Building Products Limited ("Demerged Company") into Shankara Buildpro Limited ("Resulting Company") which is a wholly owned subsidiary of the Demerged Company and their respective shareholders and creditors ("Scheme").

The Scheme inter-alia provides for

(i) Demerger, transfer and vesting of Trading Business from the Demerged Company into the Resulting company on a going concern basis.

(ii) Reduction and cancellation of equity share capital of the Resulting company held by the Demerged Company.

(iii) Issuance and allotment of Equity Shares by the Resulting Company to all the shareholders of the Demerged Company as per the Share Entitlement Ratio i.e., for every 1 (one) fully paid equity share of face value of INR 10/- (Indian Rupees Ten only) each, held in the Demerged Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Demerged Company shall be issued 1 (One) fully paid equity share of face value of INR 10/- (Indian Rupees Ten Only) each in the Resulting Company, in consideration of transfer of Demerged Undertaking.

After the sanction of the Scheme by the National Company Law Tribunal, Bengaluru having jurisdiction over the Companies (NCLT) and upon the fulfilment of conditions as prescribed in clause 18 of the Scheme, the Scheme shall become effective from the Effective Date as defined in the Scheme.

The Appointed date is 01.04.2024 as per the Scheme which is approved by the Board of Directors in the Board Meeting held on 18th December 2023.

The Scheme is subject to receipt of necessary regulatory and other approvals inter-alia approval from BSE Limited, NSE Limited, Securities and Exchange Board of India, Shareholders and Creditors of the Company, NCLT and such other statutory and regulatory approvals as may be applicable.

The Board is of the view that provisions of Ind AS 105, "Non-Current Assets Held for Sale and Discontinued Operations" are not applicable as there is no sale by the Demerged Company. Further there is no inflow of cash as consideration for sale into the Demerged Company.

60 The Group has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments

61 Events occurring after the Balance Sheet date

The Board of the Holding Company has recommended a final dividend of Rs.3/- (Rupees Three only) per equity share (face value of Rs. 10/- each) for the financial year ended 31-03-2024 aggregating to Rs.7.27 crores subject to the approval of shareholders in the ensuing Annual General Meeting.

62 The financial statements has been approved by the Board of directors at their meeting held on 26th May, 2024.



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

61 Ratios as per the Schedule III requirements

(Rupees in Crores)

A. Current ratio = Current assets / Current Liabilities		
Particulars	As at 31.03.2024	As at 31.03.2023
Current assets	1,270.93	890.27
Current Liabilities	763.17	608.31
Ratio (times)	1.67	1.63
% change from previous year	2.45%	
Reason for change more than 25%: Not applicable		
B. Net Debt-Equity Ratio = Net debt / total equity		
Particulars	As at 31.03.2024	As at 31.03.2023
Net Debt (refer note (i) below)	55.06	76.73
Equity	797.57	643.09
Ratio (times)	0.07	0.12
% change from previous year	-41.67%	
Note (i) Net debt = Long term borrowings + Short term borrowings - Cash and cash equivalents		
Reason for change more than 25%: Reduction in borrowings		
C. Debt service coverage ratio = Earnings available for debt service / Interest expense and principal repayment of long term loan made during the year.		
Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Earnings available for debt services (refer note (i) below)	156.35	125.47
Interest + Principal Repayments of long term loans made during the period excluding prepayment	40.62	33.60
Ratio (times)	3.85	3.71
% change from previous year	3.77%	
Note (i) Earnings available for debt service = Earnings before interest, tax, exceptional items, depreciation and amortisation.		
Reason for change more than 25%: Not applicable		
D. Return on equity ratio = Net profit after tax / average equity		
Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Net profit after tax	81.13	63.05
Average shareholders equity (refer note (i) below)	720.33	599.53
Ratio (percentage)	11.26%	10.52%
% change from previous year	7.03%	
Note (i) Average shareholders equity = (Total equity as at beginning of respective year + total equity as at end of respective year) divided by 2		
Reason for change more than 25%: Not applicable		



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)		
E. Inventory turnover ratio = Cost of goods sold / average inventory		
Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Cost of goods sold (refer note (i) below)	4,552.06	3,805.70
Average inventory (refer note (ii) below)	449.75	393.69
Ratio (times)	10.12	9.67
% change from previous year	4.95%	
<p>Note</p> <p>(i) Cost of goods sold of respective year = Cost of materials consumed + purchases + Changes in inventory</p> <p>(ii) Average inventory = (Total inventory less Stores and Spares as at beginning of respective year + Total inventory less stores and spares as at end of respective year) divided by 2</p> <p>Reason for change more than 25%: Not applicable</p>		
F. Trade receivables turnover ratio = Sales / Average trade receivables		
Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Turnover (refer note (i) below)	5,607.56	4,755.07
Average trade receivables (refer note (ii) below)	601.44	435.57
Ratio(times)	9.47	10.92
% change from previous year	-13.28%	
<p>Note</p> <p>(i) Turnover = Revenue from operations (including GST)</p> <p>(ii) Average trade receivables = (Total trade receivables as at beginning of respective year + total trade receivables as at end of respective year) divided by 2</p> <p>Reason for change more than 25%: Not applicable</p>		
G. Trade payables turnover ratio = Purchases / Average trade payables		
Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Purchases (including GST)	5,441.97	4,553.09
Average trade payables (refer note (i) below)	565.40	419.49
Ratio(times)	9.30	10.85
% change from previous year	-14.29%	
<p>Note</p> <p>(i) Average trade payables = (Total Trade Payables as at beginning of respective year + Total Trade Payables as at end of respective year) divided by 2</p> <p>Reason for change more than 25%: Not applicable</p>		
H. Net capital turnover ratio = Revenue from operations / Working capital		
Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Revenue from operations	4,826.44	4,029.72
Working capital	507.76	381.96
Ratio (times)	9.51	10.55
% change from previous year	-9.86%	
<p>Note</p> <p>Working capital = Current assets - Current liabilities</p> <p>Reason for change more than 25%: Not applicable</p>		



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

(Rupees in Crores)		
I. Net profit ratio = Net profit after tax / Revenue from operations		
Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Net profit after tax	81.13	63.06
Revenue from operations	4,828.44	4,029.72
Ratios(percentage)	1.68%	1.56%
% change from previous year	7.89%	
Reason for change more than 25%: Not applicable		
J. Return on Capital employed = Earnings before interest and taxes (EBIT) / Average Capital employed		
Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
EBIT (refer note (i) below)	140.44	109.13
Average Capital employed (refer note (ii) & (iii) below)	786.23	697.44
Ratios(percentage)	17.86%	15.65%
% change from previous year	14.12%	
<p>Note</p> <p>(i) EBIT = Profit before taxes + finance cost</p> <p>(ii) Capital employed = Total equity + Long term borrowings + Short term borrowings - Cash and cash equivalents</p> <p>(iii) Average Capital employed = (Capital Employed at beginning of respective year + Capital Employed at end of respective year) divided by 2</p> <p>Reason for change more than 25%: Not applicable</p>		
K. Return on investment = Income generated from investments / average investments		
No investment was made by the Group. Hence this ratio is not applicable.		



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

64. Additional information, as required under Schedule III to the Companies Act, 2013

(Rupees in Crores)

Name of the entity	2023-24									
	Net Assets, i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income			
	As % of consolidated Net assets	Amount	As % of consolidated Profit / (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated comprehensive income	Amount	Amount	
Parent:										
Shankara Building Products Limited, Bengaluru, Karnataka	75.38%	601.21	86.11%	69.86	87.09%	0.27	86.11%		70.13	
Subsidiaries- Indian :										
Taurus Value Steel & Pipes Private Limited, Kubaliapur Mandal, Telangana	13.27%	105.87	2.60%	2.11	0.00%	0.00	2.59%		2.11	
Vishal Precision Steel Tubes and Strips Private Limited, Hoskote, Karnataka	9.74%	77.71	5.96%	4.84	6.45%	0.02	5.97%		4.86	
Centurywells Roofing India Private Limited, Kancheepuram, Tamil Nadu	4.70%	37.40	5.62%	4.56	3.23%	0.01	5.51%		4.57	
Shankara Buildpro Limited, Bengaluru, Karnataka	(0.00%)	(0.01)	(0.03%)	(0.02)	-	-	(0.02%)		(0.02)	
Subsidiary- Foreign:										
Steel Network (Holdings) Pte Limited, Singapore	(0.01%)	(0.08)	(0.10%)	(0.08)	3.23%	0.01	(0.09%)		(0.07)	
Inter-company elimination & consolidation adjustments	(3.08%)	(24.53)	(0.17%)	(0.14)	0.00%	-	(0.17%)		(0.14)	
Total	100.00%	797.57	100.00%	81.13	100.00%	0.31	100.00%		81.44	



Shankara Building Products Limited
Notes to the Consolidated Financial Statements

Additional information, as required under Schedule III to the Companies Act, 2013 - Continued

(Rupees in Crores)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated Net assets	Amount	As % of consolidated Profit / (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent:								
Shankara Building Products Limited, Bengaluru, Karnataka	71.22%	458.04	90.43%	57.02	83.33%	0.10	90.42%	57.12
Subsidiaries- Indian :								
Taurus Value Steel & Pipes Private Limited, Kulbullapur Mandal, Telangana	16.13%	103.76	0.92%	0.58	66.67%	0.08	1.05%	0.66
Vishal Precision Steel Tubes and Strips Private Limited, Hoskote, Karnataka	11.33%	72.85	2.70%	1.70	100.00%	0.12	2.88%	1.82
Centurywells Roofing India Private Limited, Kancheepuram, Tamil Nadu	5.11%	32.83	5.93%	3.74	75.00%	0.09	6.06%	3.83
Subsidiary- Foreign:								
Steel Network (Holdings) Pte Limited, Singapore	0.00%	0.00	(0.11%)	(0.07)	(16.67%)	(0.02)	(0.14%)	(0.09)
Inter-company elimination & consolidation adjustments	(3.79%)	(24.39)	0.13%	0.08	(208.33%)	(0.25)	(0.27%)	(0.17)
Total	100.00%	643.09	100.00%	63.05	100.00%	0.12	100.00%	63.17



**Shankers Building Products Limited
Notes to the Consolidated Financial Statements**

As per our report attached of even date
For SUNDARAM & SRINIVASAN
Chartered Accountants
ICAI Firm Reg.No: 004207S



Srinivasan K
Partner
Membership No: 209120

Place: Bengaluru
Date: May 20, 2024




(Rupees in Crores)

For and on behalf of the Board of Directors



Sukumar Srinivas
Managing Director
DIN: 01668084



C. Ravikumar
Whole-time Director
DIN: 01247347



Alex Varghese
Chief Financial Officer



Eeena Vikram
Company Secretary
ACS Membership No:
33459

Place: Bengaluru
Date: May 20, 2024



**SHANKARA STANDALONE
ANNUAL REPORT-2023-24**

Shankara
Building Products Ltd.

Corporate Information

Board of Directors

Mr. V. Ravichandar	:	Chairman, Independent Director
Mr. Sukumar Srinivas	:	Managing Director
Mr. B. Jayaraman	:	Independent Director
Mr. Chandu Nair	:	Independent Director
Ms. Jayashri Murali	:	Independent Director
Mr. C. Ravikumar	:	Whole-Time Director
Mr. RSV. Siva Prasad	:	Non-Executive and Non-Independent Director

Company Secretary

Ms. Ereena Vikram

Chief Financial Officer

Mr. Alex Varghese

Registered Office

G2, Farah Winsford
133, Infantry Road
Bengaluru-560001

Corporate Office

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

Statutory Auditors

M/s Sundaram & Srinivasan
Chartered Accountants
New No. 4, Old No. 23,
C.P Ramaswamy Road, Alwarpet,
Chennai-600018

Bankers

Citibank NA.
HDFC Bank Ltd.
Standard Chartered Bank.
Kotak Mahindra Bank Ltd.
IDFC Bank Ltd.
Federal Bank Ltd.
IndusInd Bank Ltd.
Yes Bank Ltd.
South Indian Bank Ltd.
ICICI Bank Ltd.

Internal Auditors

M/s GRSM & Associates
Chartered Accountants
No. 8/90, 1st Floor
Pampa Mahakavi Road
Shankarapuram
Bengaluru - 560004

Registrar and Share Transfer Agent

M/s KFin Technologies Limited
Selenium Tower B, Plot Nos. 31 & 32
Financial District, Nanakramguda,
Serilingampally Mandal
Hyderabad - 500 032, Telangana

Secretarial Auditor

K. Jayachandran
Company Secretary
No. 1181, 6th Main
'A' Block, 2nd Stage
Rajajinagar
Bengaluru - 560 010

SUNDARAM & SRINIVASAN

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

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31, 2024

To the Members of
Shankara Building Products Limited, Bengaluru

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Ind AS financial statements of Shankara Building Products Limited, Bengaluru ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, and the Standalone Statement of Profit and Loss (including other comprehensive income), standalone statement of changes in equity and Standalone Statement of Cash flows for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of Material accounting policies information and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company, as at March 31, 2024, its profit and other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under



SUNDARAM & SRINIVASAN

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

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31, 2024

the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit matter	How the matter was addressed in our audit
<u>INVENTORY EXISTENCE AND VALUATION</u> Inventory is held in various locations by the Company. There are complexities and manual process involved in determining inventory quantities on hand and valuation of the same due to the diverse & numerous inventory products, multiple storage locations and price fluctuations of products. Hence, inventory quantities and valuation is identified as a key audit Matter.	We have performed the following procedures: <ul style="list-style-type: none">• We have reviewed the Inventory verification reports of the Internal auditors for all the quarters. Also during the year the Management has performed Inventory verification in some locations and have provided us with the inventory verification report• Comparative analysis of inventory as at the end of the year with the inventory at the beginning of the year.



SUNDARAM & SRINIVASAN**CHARTERED ACCOUNTANTS
23, C.P. RAMASWAMY ROAD,
ALWARPET, CHENNAI - 600 018.**

Key Audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none">• Verification of the correctness of valuation made by the management on a sample basis, with regard to the cost and net realizable value of inventory.

We confirm the adequacy of disclosures made in the Financial Statements.

Information Other than the Standalone Ind AS financial statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for the Standalone Ind AS financial statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in



SUNDARAM & SRINIVASAN

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

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31, 2024

accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



SUNDARAM & SRINIVASAN

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

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31, 2024

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in auditor's report to the related disclosures in the Standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



SUNDARAM & SRINIVASAN

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

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31, 2024

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that are of most significance in the audit of the Standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



SUNDARAM & SRINIVASAN

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

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31, 2024

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (Including other comprehensive income), the Standalone Statement of Changes in Equity and the standalone Cash Flows statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Ind AS specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 154(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us the remuneration paid / provided during the year to directors is in accordance with the provisions of section 197 read with Schedule V to the Act.



SUNDARAM & SRINIVASAN

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

**INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING
PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31,
2024**

With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at March 31, 2024 on its financial position in its Standalone Ind AS financial statements - refer note 39 to the Standalone Ind AS financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company;
- iv. a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts (refer note no. 53.), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the note no. 54 to financial statements, no funds have been received by the Company from any person or entity, including foreign entity ("Funding



SUNDARAM & SRINIVASAN

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

INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31, 2024

Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the management under sub-clause (a) and (b) above, contain any material misstatement.
- v. The final dividend paid by the company during the year in respect of the same declared for the previous year is in accordance with the Section 123 of the Companies Act, 2013 to the extent it applies to payment of Dividend. The Board has not declared interim dividend during the year. However, the Board at its meeting held today ie. May 20, 2024 has recommended a final dividend of Rs. 3.00 /- per equity share (face value of Rs. 10/- each) which is subject to the approval of the shareholders in the ensuing Annual General Meeting. The dividend declared is in accordance with the provisions of the section 123 of the Act to the extent it applies to declaration of dividend.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1st April 2023

Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with

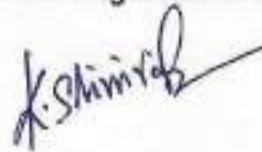


SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS
23, C.P. RAMASWAMY ROAD,
ALWARPET, CHENNAI - 600 018.

**INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDING
PRODUCTS LIMITED, BENGALURU FOR THE YEAR ENDED MARCH 31,
2024**

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S**



**Srinivasan K
Partner
Membership No. 209120
UDIN: 24209120BKBKIB6861**

**Place: Bengaluru
Date : May 20 , 2024**



Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the year ended March 31, 2024

(i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment are verified physically by the management in accordance with a regular programme at reasonable intervals. In our opinion the interval is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) Based on our verification of the registered sale deed provided to us, we report that, the title deeds of all immovable properties of the Company (included under Property, Plant and Equipment and Investment Property) are held in the name of the company as at the balance sheet date. In respect of title deeds hypothecated with a Bank, which were not verified by us, we relied on the confirmation received from the bank in respect of the said title deeds.

(d) The company has not revalued its Property, Plant and Equipment (including Right-of-Use asset) or intangible assets or both during the year.

(e) No proceedings have been initiated during the year or are pending against the company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.



SUNDARAM & SRINIVASANCHARTERED ACCOUNTANTS
23, C.P. RAMASWAMY ROAD,
ALWARPET, CHENNAI - 600 018.

Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the year ended March 31, 2024

(ii) (a) The inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. The discrepancies between the physical stocks and the book stocks were not material (less than 10% in the aggregate for each class of inventory) and have been properly dealt with in the books of accounts.

(b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from Banks on the basis of security of current assets. The Quarterly returns filed by the company with such banks are in agreement with books of account of the company.

(iii) During the year, the company has made investment in a subsidiary, provided advances in the nature of loans to its wholly owned subsidiaries, renewed guarantees and securities, furnished to banks on behalf of its wholly owned subsidiaries for availing /renewing the working capital facilities by its subsidiaries. The Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans secured or unsecured to firms, Limited Liability Partnerships or any other parties.

(a) During the year the company has provided advances in the nature of loans to its wholly owned subsidiaries, renewed guarantee and securities furnished to banks on behalf of its wholly owned subsidiaries for availing /renewing the working capital facilities by its subsidiaries.

(A) Rs in Crore

Particulars	Advance in the nature of loans	Guarantee *	Security*
Aggregate amount during the year -Wholly Owned Subsidiaries	10.27	90.75	12.97
Balance outstanding at the balance sheet date (ie 31.03.2024) -Wholly Owned Subsidiaries	Nil	90.75	12.97



~~Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the year ended March 31, 2024~~

*The Company has furnished Guarantee and Security in the preceding previous years in respect of the working capital facilities availed by its wholly owned subsidiaries and the working capital facilities are being renewed year on year.

(B) The Company has not granted loan or provided advance or security or furnished guarantee to parties other than subsidiaries, joint ventures and associates.

(b) The investment made, guarantees provided, security given and the terms and conditions of the grant of advances in the nature of loans are not prejudicial to the company's interest.

(c) In respect of advances in the nature of loans provided by the company to its wholly owned subsidiaries, the schedule of repayment of principal and payment of interest has not been stipulated as the said loans and interest are repayable on demand. Hence we do not comment on para 3 (iii) (c) (d) (e)

(d) During the Year, the company has granted loans in the nature of advances repayable on demand, the details of which are given below :-

Particulars	Aggregate amount of advances in the nature of loan granted	% of total loan granted	Advances in the nature of loans granted to Related Parties
Related parties as defined in Clause (76) of section 2 of the Companies Act, 2013	10.27	100 %	10.27



SUNDARAM & SRINIVASAN

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

Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the year ended March 31, 2024

- (iv) According to the information and explanations given to us, the company has complied with provisions of section 185 and 186 of the Act with respect to loans, investments, guarantees and security, as applicable.
- (v) The company has not accepted any deposit as mentioned in the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the clause (v) of para 3 of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the company under sub-section (1) of section 148 of the Act.
- (vii) (a) According to the records provided to us, the company is generally regular in depositing undisputed statutory dues including Provident Fund (PF), Employees' State Insurance (ESI), Income Tax (including Tax Deducted at Source), Duty of Customs, Goods and Service Tax, Cess and other statutory dues with the appropriate authorities wherever applicable. We have observed delays in remittances of Professional Tax, ESI and PF in some of the branches in the year 2023-24.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Duty of Customs, Goods and Service Tax and Cess were in arrears, as at March 31, 2024 for a period of more than six months from the date they became payable.



SUNDARAM & SRINIVASAN

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

Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the year ended March 31, 2024

(b) According to the information and explanation given to us, the dues outstanding with respect to Income Tax, Goods and Service Tax on account of any dispute, is as follows:

Name of the statute: Income Tax Act, 1961			
Financial year	Nature of dues	Amount (Rs. In crore)	Forum where the dispute is Pending
2019-2020	Income Tax and Interest	0.15	Commissioner of Income Tax (Appeals)/NFAC.

Name of the statute: Goods and Services Tax Act, 2017			
Financial year	Nature of dues	Amount (Rs. In crore) *	Forum where the dispute is Pending
2017-18	CGST ,SGST , Interest and Penalty	0.80	Joint Commissioner of Commercial Taxes ,Appeals , Bengaluru
2017-18	CGST ,SGST and Penalty	0.02	Additional Joint Commissioner of Central Taxes ,Appeals , Bengaluru
2018-19	CGST ,SGST Interest and Penalty	0.86	Joint Commissioner of Commercial Taxes ,Appeals , Bengaluru

*Out of it Rs 0.09 Crore has been remitted during the year by the company under protest.

(viii) According to the information and explanations furnished to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).



Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the year ended March 31, 2024

- (ix) (a) The company has neither defaulted in repayment of loans or other borrowings nor in payment of interest thereon to any lender.
- (b) The company has not been declared wilful defaulter by any bank or financial institution or Government or any government authority.
- (c) The term loans availed by the company were utilized for the purpose for which it were obtained.
- (d) The funds raised on short term basis have not been utilized for long term purposes.
- (e) The company has not availed any funds from any entity or person on account of or to meet the obligations of its wholly owned subsidiaries. The company does not have a joint venture or an associate.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries. The company does not have a joint venture or an associate.
- (x) (a) The Company has not raised money by way of initial public issue offer or further public offer (including debt instruments) and hence the question of utilization of money raised by way of initial public offer does not arise.
- (b) The Company has made preferential allotment of 14,00,000 (Fourteen lakhs) shares at a price of Rs 750 per share (including a premium of Rs 740 per share) during the year by converting 14,00,000 (Fourteen Lakhs) Share Warrants which were allotted during the year 2022-23,. This aggregate to Rs 105 crores . The preferential allotment of shares by the company is in compliance with section 42 and Section 62 of the Companies Act, 2013 Based upon the audit procedures performed and as per the information and explanations given by the management , funds raised have been utilized for the purpose for which the funds were raised.



Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the year ended March 31, 2024

- (xi) (a) Based on the audit procedures adopted and information and explanations furnished to us by the management, no fraud on or by the company has been noticed or reported during the year.
- (b) In view of what is stated in point no. xi (a) above, no report under sub-section 12 of section 143 of Companies Act, 2013 has been filed in Form ADT-4 during the year.
- (c) According to information furnished to us, the company has not received any whistle-blower complaints during the year.
- (xii) The Company is not a Nidhi Company. Therefore, para 3(xii) of the Order is not applicable to the Company
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable and the details have been disclosed in note no 47 to the Standalone Ind AS Financial Statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued for the period under audit have been considered by us.
- (xv) According to the information and explanations furnished to us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Hence, the provisions of para 3 (xvi) (a) and (b) are not applicable to the company.
- (b) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence provisions of para 3 (xvi) (c) is not applicable to the company



Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the year ended March 31, 2024

- (c) In our opinion, there is no core investment company within the Group (including the company) (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under para 3 (xvi)(d) of the Order is not applicable.
- (xvii) The company has not incurred cash loss in the financial year as well as in the immediately preceding financial year.
- (xviii) During the year, there has been no resignation of statutory auditors. Accordingly, reporting under this para 3 (xviii) is not applicable.
- (xix) According to the information and explanation given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) (a) The Company has spent the amount prescribed under section 135 of the Act before the year end. Hence the question of unspent CSR amount does not arise.
- (b) The Company did not spend any CSR amount in any ongoing project. Hence reporting under this clause does not arise.



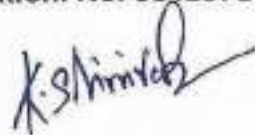
SUNDARAM & SRINIVASAN

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

Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the year ended March 31, 2024

(xxi) Based on the Companies (Auditor's Report) Order (CARO) report, issued by the statutory auditors of the three wholly owned subsidiary companies incorporated in India and CARO report issued by us in respect of one wholly owned subsidiary company incorporated in India, included in the consolidated financial statements, we report that there are no qualifications or adverse remarks in those audit reports.

**For Sundaram & Srinivasan
Chartered Accountants
Firm Registration. No. 004207S**

Srinivasan K 
Partner
Membership Number : 209120
UDIN: 24209120BKIB6861

**Place: Bengaluru
Date : May 20, 2024**



SUNDARAM & SRINIVASAN

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

ANNEXURE - 2 referred to in our report under "Report on Other Legal and Regulatory requirements Para 2 "(f) " of even date on the accounts for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Shankara Building Products Limited, Bengaluru ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls with reference to Financial Statements

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by The Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial



ANNEXURE - 2 referred to in our report under "Report on Other Legal and Regulatory requirements Para 2 (f) " of even date on the accounts for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

controls with reference to financial statements, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that;



SUNDARAM & SRINIVASAN

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

~~ANNEXURE - 2 referred to in our report under "Report on Other Legal and Regulatory requirements Para 2 (f) " of even date on the accounts for the year ended March 31, 2024~~

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

- I. pertain to the maintenance of records, that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- II. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- III. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



SUNDARAM & SRINIVASAN

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

~~ANNEXURE - 2 referred to in our report under "Report on Other Legal and Regulatory requirements Para 2 (f) " of even date on the accounts for the year ended March 31, 2024~~

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at Mach 31, 2024, based on;

- i. existing policies and procedures adopted by the Company for ensuring orderly and efficient conduct of business.
- ii. continuous adherence to Company's policies.
- iii. existing procedures in relation to safeguarding of Company's fixed assets, investments, inventories, receivables, loans and advances made and cash and bank balances.
- iv. existing system to prevent and detect fraud and errors.
- v. accuracy and completeness of Company's accounting records; and
- vi. existing capacity to prepare timely and reliable financial information

**For Sundaram & Srinivasan
Chartered Accountants
Firm Registration. No. 004207S**

Srinivasan K
Partner
Membership Number : 209120
UDIN: 24209120BKIB6861

**Place: Bengaluru
Date : May 20, 2024**



Particulars	Note No	(Rupees In Crores)	
		As at 31-03-2024	As at 31-03-2023
I ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	4	195.48	178.79
(b) Capital work-in-progress	4(a)	-	2.34
(c) Investment Property	5	9.33	11.20
(d) Right-of-use Asset	5, 41(b)	2.41	3.00
(e) Intangible assets	7	-	-
(f) Intangible assets under development	8	2.89	1.53
(g) Financial Assets			
(i) Investments	9	33.02	38.70
(ii) Trade receivables	10	2.69	2.79
(iii) Loans	11	0.06	0.06
(iv) Other financial assets	12	7.67	7.97
(h) Other non-current assets	13	3.07	3.21
Total Non-current assets		263.12	249.29
(2) Current assets			
(a) Inventories	14	348.16	336.25
(b) Financial Assets			
(i) Trade receivables	15	633.56	600.02
(ii) Cash and cash equivalents	16	28.22	5.71
(iii) Bank balances other than (ii) above	17	1.22	1.64
(iv) Other financial assets	18	1.36	1.30
(c) Other current assets	19	31.08	17.00
Total current assets		1,043.58	862.92
Total Assets		1,306.70	1,111.51
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	20	24.25	22.85
(b) Other Equity	21	576.96	435.19
Total Equity		601.21	458.04
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	14.40	64.59
(ii) Lease Liabilities	23	1.59	3.46
(iii) Other financial liabilities	24	0.19	0.12
(b) Provisions	25	0.28	0.35
(c) Deferred tax liabilities (Net)	26(c)	3.78	3.54
Total Non-current Liabilities		20.22	72.06
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	27	61.00	45.83
(ii) Lease Liabilities	28	1.19	0.62
(iii) Trade payables:-	29		
(A) total outstanding dues of micro enterprises and small enterprises ; and		21.33	105.66
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		564.01	402.56
(i) Other financial liabilities	30	9.87	9.43
(b) Other current liabilities	31	23.08	11.20
(c) Provisions	32	0.54	0.71
(d) Current Tax Liabilities(Net)	26(b)	4.25	5.10
Total current liabilities		685.27	581.41
Total Equity and Liabilities		1,306.70	1,111.51

Material accounting policies information: 1 to 3
See accompanying notes to the standalone financial statements

As per our report attached of even date
For **SUNDARAM & SRINIVASAN**
Chartered Accountants
ICAI Firm Reg.No: 00420735

Srinivasan K
Partner
Membership No: 206120

K. Srinivasan

For and on behalf of the Board of Directors

Sukumar Srinivas
Sukumar Srinivas
Managing Director
DIN: 01858064

Alex Varghese
Alex Varghese
Chief Financial Officer

C. Ravikumar
C. Ravikumar
Whole-time Director
DIN: 01247347
Erana Vikram
Erana Vikram
Company Secretary
ACS Membership
No:33450

Place: Bengaluru
Date: May 20, 2024



Place: Bengaluru
Date: May 20, 2024



SEPARATE (Le STANDALONE) STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2024

Particulars	Note No.	(Rupees in Crores)	
		For the Year ended 31-03-2024	For the Year ended 31-03-2023
I Revenue From Operations	33		
II Other Income		4,862.73	4,036.22
III Total Income (I+II)	34	6.68	7.31
		4,869.41	4,043.53
IV Expenses			
a) Purchases of Stock-in-Trade		4,649.27	3,901.63
b) Changes in inventories of Stock-in-Trade	34(a)	(14.58)	(50.09)
c) Employee benefits expense	35	45.34	39.09
d) Finance costs	36	31.66	22.06
e) Depreciation and amortization expense	36(a)	9.48	9.71
f) Other expenses	37	55.34	44.89
Total expenses (IV)		4,776.49	3,967.28
V Profit before exceptional items and tax (III-IV)		92.92	76.25
VI Exceptional items		-	-
VII Profit before tax (V+VI)		92.92	76.25
VIII Tax expense:			
(1) Current tax	26(a)	22.62	16.92
(2) Tax relating to earlier years		0.29	0.11
(3) Deferred tax		0.15	2.20
Total Tax Expense		23.06	19.23
IX Profit for the year (VII-VIII)		69.86	57.02
X Other Comprehensive Income			
A Items that will not be reclassified to profit or loss			
(i) Re-measurements of the defined benefit plans	45(b)	0.36	0.14
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.09)	(0.04)
Total A		0.27	0.10
B Items that will be reclassified to profit or loss			
(i) Effective portion of cash flow hedges		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total B		-	-
Total Other Comprehensive Income (A+B)		0.27	0.10
XI Total Comprehensive Income for the year (IX+X)		70.13	57.12
XII Earning per equity share: (Face value Rs.10 per share)	38		
(1) Basic (in Rs.)		29.85	24.95
(2) Diluted (in Rs.)		29.85	24.95
Material accounting policies information	1 to 3		

See accompanying notes to the standalone financial statements

As per our report attached of even date
For **SUNDARAM & SRINIVASAN**
Chartered Accountants
ICAI Firm Reg.No: 004207S

Srinivasan K
Partner
Membership No: 209120

Place: Bengaluru
Date: May 20, 2024



For and on behalf of the Board of Directors

Sukumar Srinivas
Managing Director
DIN: 01663064

Alec Varghese
Chief Financial Officer

Place: Bengaluru
Date: May 20, 2024

C.Ravikumar
Whole-time Director
DIN: 01247367

Ereena Vikram
Company Secretary
ACS Membership No: 33159



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2024

(Rupees in Crores)

Particulars	Note No	For the Year ended 31-03-2024	For the Year ended 31-03-2023
Cash flow from operating activities			
Profit before tax		92.92	76.25
Adjustments to reconcile profit before tax to net cash flow:			
Depreciation and amortization expense	36(a)	9.46	9.71
Loss on sale of property, plant & equipment	37	0.05	0.06
Profit on sale of property, plant & equipment \ Investment property	34	(1.25)	(0.07)
Gain on termination of lease	34	(0.29)	(0.74)
Unwinding of interest income on rental deposits	34	(0.33)	(0.46)
Interest income	34	(1.21)	(0.23)
Write off of property, plant and equipment	37	0.28	-
Interest expense on Borrowings	36	30.94	21.08
Fair valuation of financial guarantee (Expenses)	37	0.13	0.09
Fair valuation of financial guarantee (Income)	34	(0.13)	(0.09)
Interest on Lease liability	36	0.24	0.46
Bad Debts written off (PY Rs.23,709)	37	1.01	0.00
Payables written back	34	(1.73)	(0.04)
Provision for doubtful debts no longer required written back	34	-	(5.00)
Provision for damaged goods	37	0.50	-
Provision for diminution in the value of Investments	37	-	0.06
Provision for expenses no longer required written back	34	(0.05)	-
Loss Allowance for doubtful trade receivables	37	3.32	-
Operating profit before working capital changes		133.66	101.08
Adjustments for :			
(Increase) / Decrease in inventories		(12.41)	(52.87)
(Increase) / Decrease in trade receivable		(137.78)	(159.48)
Decrease/ (Increase) in loans and other financial assets		0.54	(1.01)
Decrease/ (Increase) in other current assets		(14.06)	(7.41)
(Decrease)/ Increase in trade payables		0.11	(0.27)
(Decrease)/ Increase in other financial liabilities		78.46	207.46
(Decrease)/ Increase in other current liabilities (PY Rs.45,506)		0.07	2.22
(Decrease)/Increase in provisions		11.88	(0.00)
Cash flow from/(used in) operations		58.84	89.32
Income taxes paid		(21.74)	(14.11)
Net cash flows from/(used in) operating activities (A)		37.10	75.21
Cash flow from investing activities			
Consideration paid for purchase of property, plant & equipment (Including capital work-in-progress and capital advances)		(24.31)	(38.15)
Purchase of software (Including intangible assets under development)	6	(1.56)	(1.28)
Investment in a subsidiary		(0.01)	-
Proceeds from sale of property, plant & equipment / Investment property		3.89	0.66
(Purchase)/proceeds from maturity of bank deposits		0.62	(1.00)
Interest receipt		1.24	0.20
Net cash flows from/(used in) investing activities (B)		(20.13)	(40.57)



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2024

(Rupees in Crores)

Particulars	Note No	For the Year ended 31-03-2024	For the Year ended 31-03-2023
Cash flow from financing activities			
Money received against Share warrants* (CY 75%, PY 25%)		78.75	26.25
Principal element of lease payments		(1.79)	(2.98)
Interest on Lease liability	36	(0.24)	(0.46)
Proceeds from term loans		-	0.95
Repayment of term loans		(8.07)	(7.53)
Repayment of term loan to a subsidiary		(39.74)	(0.24)
Current Borrowings availed/ (repaid)		12.79	(22.59)
Interest paid		(30.46)	(21.29)
Unclaimed dividend - Transfer in/(out) (PY Rs.28,757)		0.01	0.00
Dividends paid	48 (A)(2)	(5.71)	(2.29)
Net cash flows from/(used in) financing activities (C)		5.54	(30.18)
Net increase/(decrease) in cash and cash equivalents(A+B+C)		22.51	4.46
Cash and cash equivalents - at the beginning of the year		5.71	1.25
Cash and cash equivalents - at the end of the year		28.22	5.71
Non cash financing and investing activities			
- Acquisition of Right-of-use assets	6	1.52	0.65
Note: Cash and Cash equivalents in the Cash Flow Statement comprise of the following :-			
i) Cash on Hand	16	0.86	0.52
ii) Balance with Banks :			
- In Current Account and cash credit account		27.36	5.19
		28.22	5.71
Material accounting policies information	1 to 3		

* Share warrants were converted to shares on 9th November 2023.

See accompanying notes to the standalone financial statements

The above Statement of Cash Flow has been prepared under the indirect method as set out in Ind AS -7.

As per our report attached of even date

For **SUNDARAM & SRINIVASAN**

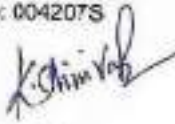
Chartered Accountants

ICAI Firm Reg.No: 004207S

Srinivasan K

Partner

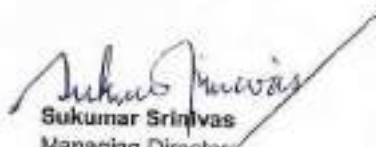
Membership No: 209120



Place: Bengaluru

Date: May 20, 2024

For and on behalf of the Board of Directors



Sukumar Srinivas

Managing Director,


DIN: 01668064

Alex Varghese

Chief Financial Officer

Place: Bengaluru

Date: May 20, 2024



C.Ravikumar

Whole-time Director

DIN: 01247347

Ereena Vikram

Company Secretary

ACS Membership No: 33489



A. Equity Share Capital

(1) Year ended 31st March 2024 (refer note no 20)

Balance at the beginning i.e. 01st April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end i.e. 31st March 2024
22.85	-	22.85	1.40	24.25

(2) Year ended 31st March 2023 (refer note no. 20)

Balance at the beginning i.e. 01st April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end i.e. 31st March 2023
22.85	-	22.85	-	22.85

B. Other Equity (refer note no 21)

(1) Year ended 31st March 2024

Particulars	Note No	Reserves and Surplus					Other items of other comprehensive income	Money received against Share warrants *	Total
		Capital Reserve	Securities Premium	General Reserve	Retained Earnings Surplus in Statement of Profit and Loss	Defined benefit plan			
Balance at the beginning i.e. 01st April 2023		0.19	111.28	1.24	298.24	(6.01)	0.00	26.25	436.19
Profit for the year		-	-	-	69.86	-	-	-	69.86
Other comprehensive income for the year, net of income tax		-	-	-	-	-	0.27	-	0.27
Dividend Paid	46 (A)(2)	-	-	-	(5.71)	-	-	-	(5.71)
Transfer to retained earnings		-	-	-	-	0.27	-	-	0.27
Issue of shares on conversion of share warrant		-	103.60	-	-	-	-	(26.25)	77.35
Balance at the end i.e. 31st March 2024		0.19	214.88	1.24	368.39	0.26	0.89	-	576.96

* Refer Note no 20(f)



(Rupees in Crores)

(2) Year ended 31st March 2023

SEPARATE (Standalone) STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2024

(Rupees in Crores)

Particulars	Note No	Reserves and Surplus					Money received against Share warrants*	Total	
		Capital Reserve	Securities Premium	General Reserve	Retained Earnings				Other items of other comprehensive income
					Surplus in Statement of Profit and Loss	Defined benefit plan			
Balance at the beginning i.e. 01st April 2022		0.19	111.28	1.24	241.51	(0.11)	0.00	354.11	
Profit for the year		-	-	-	57.02	-	0.10	57.02	
Other comprehensive income for the year, net of income tax		-	-	-	(2.28)	0.10	(0.10)	0.10	
Dividends paid	48(A)/(2)	-	-	-	-	-	-	(2.28)	
Transfer to retained earnings		-	-	-	-	-	-	-	
Money received against Share warrants		-	-	-	-	-	-	26.25	
Balance at the end i.e. 31st March 2023		0.19	111.28	1.24	246.24	(0.01)	0.00	435.15	

* Refer Note no 20(F)

Material accounting policies information- 1 to 3

See accompanying notes to the standalone financial statements

As per our report attached of even date
For SUNDARAM & SRINIVASAN
Chartered Accountants
CAI Firm Reg.No: 0042075

Srinivasan K.
Partner
Membership No: 209120

For and on behalf of the Board of Directors

Sukumar Shrivastava
Sukumar Shrivastava
Managing Director
DIN: 018887004

C.Ravikumar
C.Ravikumar
Whole-time Director
DIN: 01247347

Alex Arghasa
Alex Arghasa
Chief Financial Officer

Ereema Vikram
Ereema Vikram
Company Secretary
ACS Membership No: 30409

Place: Bengaluru
Date: May 20, 2024

Place: Bengaluru
Date: May 20, 2024



SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Shankara Building Products Limited ("SBPL" or "the company") is a public listed company incorporated and domiciled in India. The registered office is situated at G-2, Farah Winsford, 133, Infantry Road, Bengaluru – 560001.

The company's shares are listed on the Bombay Stock Exchange 'BSE' and National Stock Exchange 'NSE'.

Shankara Building Products Limited is one of the India's leading organized retailers of home improvement and building products in India. It caters to a large customer base spread across various end-user segments in urban and semi-urban markets through a retail led, multi-channel sales approach complemented by processing facilities, supply chain and logistics facilities. It deals with a number of product categories including structural steel, cement, TMT bars, hollow blocks, pipes and tubes, roofing solutions, welding accessories, primers, solar heaters, plumbing materials, tiles, sanitary ware, water tanks, plywood, kitchen sinks, lighting and other allied products. The Company has operations spread across ten states and one union territory in India.

2. MATERIAL ACCOUNTING POLICIES INFORMATION

2.1 Statement of compliance

These Standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The Standalone financial statements for the year ended March 31, 2024 (including comparatives) are duly adopted by the Board of Directors in the meeting held on May 20, 2024 for consideration of approval by the shareholders.

2.2 Functional and presentation currency

These standalone financial statements have been prepared and presented in Indian Rupees and all amounts have been presented in crore with two decimals, except share data and as otherwise stated.

2.3 Basis of preparation and presentation

These financial statements have been prepared and presented under accrual basis of accounting and as a going concern on historical cost convention or fair values, wherever applicable, as per the requirements of Ind AS prescribed under section 133 of the Act and relevant provisions thereon.



SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

Disclosures under Ind AS are made only in respect of material items and in respect of the items that will be useful to the users of financial statements in making economic decisions.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

Current and Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle or 12 months or other criteria as set out in the Schedule III to the Companies Act, 2013. Based on the nature of its business, the Board has ascertained its operating cycle to be 12 months for the purpose of current and non-current classification of assets and liabilities.

2.4 Revenue recognition

2.4.1 Sale of products

Revenue is recognized on fulfilment of performance obligation. In other words, revenue is recognized when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer.

Revenue is measured at the fair value of the consideration received and receivable. Revenue is recognized based on the consideration received and receivable net of discounts, rebates, returns, taxes and duties on sales when the products are delivered to a carrier for sale, which is when control of goods are transferred to the customer or directly to the customer, as the case may be.

2.4.2 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.



MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is recognised on time proportion basis.

2.4.3 Rental income

Rental income from operating leases (of company's investment properties) is recognised on straight-line basis over the term of the relevant lease, except where rentals are structured to increase in line with expected general inflation. Initial direct cost, if any, incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset out and recognised on straight-line basis over the lease term.

2.4.4 Other Income

Other income is recognised on accrual basis provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

2.5 Property, Plant and Equipment

Recognition and measurement

The cost of Property, Plant and Equipment comprises its purchase price, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning, net of any trade discounts and rebates.

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.



MATERIAL ACCOUNTING POLICIES INFORMATION – STANDALONE FINANCIAL STATEMENTS

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation / amortisation and impairment, if any.

Disposal of property, plant and equipment

An item of property, plant and equipment is derecognised upon disposal or on retirement, when no future economic benefits are expected to arise from the continued use of the asset.

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within other gains / (losses).

Depreciation

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of Property, Plant & Equipment (other than capital work in progress) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Management has re-assessed the useful lives of the Property, plant and equipment and on the basis of technical evaluation, management is of the view that useful lives assessed by management, as above, are indicative of the estimated economic useful lives of the Property, plant and equipment. In respect of additions to Property, plant and equipment, depreciation has been charged on pro rata basis. Individual assets costing less than Rs.0.0005 crore (Rs. 5,000/-) are depreciated fully during the year of purchase.

The Company reviews the residual value, useful lives and depreciation method annually and, if current estimates differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Capital work-in-progress

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as capital advances under other non-current assets.

2.6 Investment properties



MATERIAL ACCOUNTING POLICIES INFORMATION – STANDALONE FINANCIAL STATEMENTS

Property that is held for long-term rental yields or for capital appreciation or both, and but not for sale in the ordinary course of business and not used in the production or supply of goods or services or for administrative purposes, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable, the borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties (except freehold land) are depreciated using straight-line method over their estimated useful lives. Investment properties generally have a useful life of 60 years. The useful life has been determined based on technical evaluation by management.

2.7 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in the income statement on a straight-line basis over their estimated useful lives of the intangible asset. Intangible assets that are not available for use are amortised from the date they are available for use.

The estimated useful lives are as follows:

Software - 3 years

Brand - 3 years

The amortisation period and amortisation method for intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

2.71 Intangible assets under development

An intangible asset is an identifiable non-monetary asset without physical substance. The cost of an internally generated intangible asset comprises all



MATERIAL ACCOUNTING POLICIES INFORMATION- STANDALONE FINANCIAL STATEMENTS

directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by the Management.

An intangible asset arising from development shall be recognized if :

- i) there is technical feasibility of completing it so that it will be available for use
- ii) the entity intends to complete it and use it or sell it
- iii) the entity has ability to use or sell it
- iv) technical, financial and other resources are available to the entity to complete it
- v) the entity is able to measure reliably the expenditure attributable to the intangible asset during its development.

2.8 Impairment of Property, Plant and Equipment And Intangible Assets

At the end of each reporting period, the Board reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment atleast annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried



MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

2.9 Business combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations between entities under common control are accounted for at carrying value.

2.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Effective April 01, 2019, the company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective approach method. The company as a lessee has recognised the lease liability based on the remaining lease payments discounted using the incremental borrowing rate as of the date of initial application (being 01st April, 2019). The Right-of-Use (ROU) asset has been recognised at its carrying amount as if Ind AS 116 has been applied since the commencement date of the lease arrangement by using the incremental borrowing rate as at the transaction date (being 01st April, 2019). The company has not restated the comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 01st April, 2019.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The company makes an assessment of the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs



MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

relating to the termination of the lease and the importance of the underlying asset to the company's operations, taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term for future periods is reassessed to ensure that the lease term reflects the current economic circumstances. In respect of such long term contracts, Ind AS 116 is applied.

Where the company is lessor

As per terms of lease agreements there is no substantial transfer of risk and reward of the property to the lessee. Accordingly such leased out assets are treated as belonging to the company. Rental income from operating leases is recognised on straight-line basis over the term of the relevant lease. Initial direct cost, if any, incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on straight-line basis over the lease term.

Where the company is a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (1) the contract involves the use of an identified asset (2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the company recognises a Right-of-Use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee. The company has however elected to use the exemptions provided by the standard on lease contracts for which the lease term ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value.

For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term or useful life of the underlying asset whichever shorter. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.



MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.11 Inventories

Inventories are stated at lower of cost and net realizable value.

Cost comprises of purchase price, freight, other attributable cost, applicable taxes not eligible for credit, less rebates and discounts, which is determined on First-in, First-out ("FIFO") basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and selling expenses.

Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories.

All items of inventories which are considered to be damaged, unmarketable or unserviceable and have become otherwise obsolete are valued at the estimated net realizable value.

Raw materials

Raw materials are valued at cost of purchase net of duties and taxes and include all expenses incurred in bringing such materials to the location of its use.

Finished goods

Finished goods include conversion costs in addition to the landed cost of raw materials.



MATERIAL ACCOUNTING POLICIES INFORMATION – STANDALONE FINANCIAL STATEMENTS

Stock in Trade

Stock in trade cost includes the purchase price, freight, other attributable cost, applicable taxes not eligible for credit, less rebates and discounts.

Stores, spares and tools

Stores, spares and tools cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

2.12 Employee benefits

In respect of defined contribution plan the company makes the stipulated contributions to provident fund, employees' state insurance and pension fund, in respect of employees to the respective authorities under which the liability of the company is limited to the extent of the contribution.

The liability for gratuity, considered as defined benefit, is determined actuarially using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement gains and losses recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in



MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

future contributions to the plans. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

The company recognizes a liability and an expense for bonus. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.13 Income taxes

Tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Indian Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.



MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

The carrying amount of deferred tax assets is reviewed at the end of each annual reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are netted against each other if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax are recognised in the statement of profit and loss, except when they are related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Company has exercised option to pay income tax u/s. 115BAA of the Income Tax Act, 1961 from the financial year 2019-2020. Hence the provisions relating to minimum alternate tax (MAT) are not applicable to the Company.

2.14 Foreign currency translation

The functional currency of the company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:



MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

-exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

-exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items.

2.15 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent Liabilities and Contingent Assets are not recognized but are disclosed in the notes.

2.16 Earnings per share

Basic earnings per share is computed by dividing the profit after tax / (loss) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average



MATERIAL ACCOUNTING POLICIES INFORMATION – STANDALONE FINANCIAL STATEMENTS

number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the company to satisfy the exercise of the share options by the employees.

2.17 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred under finance costs. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to interest costs.

2.18 Non-current assets held for sale / distribution to owners and discontinued operations

The Company classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale / distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/distribution and it is expected to be completed within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded as met only when the assets or disposal group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale/ distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group);
- An active programme to locate a buyer and complete the plan has been initiated;
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value;



MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification; and

- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet. Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed, or is classified as held for sale, and:

-Represents a separate major line of business or geographical area of operations.

- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

- Is a subsidiary acquired exclusively for resale Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

2.19 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss ('FVTPL')) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

Trade receivables are recognised when they are originated.

Trade payables are in respect of the amount due on account of goods purchased or services availed in the normal course of business. They are recognised at their



MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

transaction and services availed value if the transaction do not contain significant financing component.

a) Financial Assets

(i) Recognition and initial measurement

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through Statement of Profit or Loss ('FVTPL')) are added to the fair value of the financial assets, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets at FVTPL are recognized immediately in Statement of Profit and Loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL);
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortised cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and λ .
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI:

A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL. However, such election is chosen only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

(iii) De-recognition of financial assets

A financial asset is de-recognised only when;

- a. The entity has transferred the rights to receive cash flows from the financial asset or
- b. The entity retains the contractual rights to receive the cash flows of the financial asset, but expects a contractual obligation to pay the cash flows to one or more recipients.



MATERIAL ACCOUNTING POLICIES INFORMATION – STANDALONE FINANCIAL STATEMENTS

Where entity has transferred an asset, the entity examines and assesses whether it has transferred substantially all risk and rewards of ownership of financial asset. In such cases, financial asset is de-recognised. Where entity has not transferred substantially all risks and rewards of ownership of financial asset, such financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risk and rewards of ownership of the financial asset, the financial asset is de-recognised, if the entity has not retained control of the financial asset. Where the entity retains control of the financial asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Investment in subsidiaries:

The company's investment in equity instruments of subsidiaries are accounted for at cost as per Ind AS 27, including adjustment for fair value of obligations, if any, in relation to such subsidiaries.

b) Financial liabilities and equity instruments

(i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value plus transaction cost (if any) that is attributable to the acquisition of the financial liabilities which is also adjusted.

(ii) Subsequent measurement The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de-recognised through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Trade and other payables:

These amounts represent liabilities for goods or services provided to the Company which are unpaid at the end of the reporting period. Trade and other payables are presented as current liabilities when the payment is due within a period of 12 months from the end of the reporting period. For all trade and other payables



MATERIAL ACCOUNTING POLICIES INFORMATION- STANDALONE FINANCIAL STATEMENTS

classified as current, the carrying amounts approximate fair value due to the short maturity of these instruments. Other payables falling due after 12 months from the end of the reporting period are presented as non-current liabilities and are measured at amortised cost unless designated at fair value through profit and loss at the inception.

The Company enters into deferred payment arrangements (acceptances) whereby lenders such as banks and other financial institutions make payments to supplier's banks for purchase of raw materials. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 90 days. These arrangements for raw materials are recognized as Acceptances i.e. trade payables and are included in total outstanding due of creditors other than micro enterprises and small enterprises.

Financial guarantee

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because, the principal debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, including transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in statement of profit or loss are included within finance costs or finance income.

Other financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit or loss. Gains or losses on liabilities held for trading or designated as at FVTPL are recognized in the profit or loss.

(iii) Derecognition of financial liabilities:

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or Modification is treated as the de-recognition of the original liability and the recognition of a new



**SHANKARA BUILDING PRODUCTS LIMITED, BENGALURU
YEAR ENDED 31.03.2024**

MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

c) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

d) Impairment of Financial assets

The Board assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

e) Fair value measurement

The Board measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability which are accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Valuation techniques that are appropriate in the circumstances are used and for which sufficient data are available to measure fair value, maximizing the use of



MATERIAL ACCOUNTING POLICIES INFORMATION- STANDALONE FINANCIAL STATEMENTS

relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

f) Derivative financial instruments

Derivative financial instruments are accounted for at FVTPL except for derivatives designated as hedging instruments in cash flow hedge relationships, which require a specific accounting treatment. To qualify for hedge accounting, the hedging relationship must meet several strict conditions with respect to documentation, probability of occurrence of the hedged transaction and hedge effectiveness. These arrangements have been entered into to mitigate currency exchange risk arising on account of repayment of foreign currency term loan and interest thereon. For the reporting periods under review, the company has not designated any forward currency contracts as hedging instruments.

2.20 Cash and cash equivalents and cash flow statement

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is appropriately classified for the effects of transactions



MATERIAL ACCOUNTING POLICIES INFORMATION – STANDALONE FINANCIAL STATEMENTS

of non-cash nature and any deferrals or accruals of past or future receipts or payments. In cash flow statement, cash and cash equivalents include cash in hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of three months or less.

2.21 Dividend on ordinary shares

The entity recognises a liability to make cash or non-cash distributions to equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the Company. The amount so authorised is recognised directly in equity.

2.22 Segment reporting

An operating segment is defined as a component of the entity that represents business activities from which it earns revenues and incurs expenses and for which discrete financial information is available. The operating segments are based on the entity's internal reporting structure and the manner in which operating results are reviewed by the Chief Operating Decision Maker (CODM).

2.23 Indian Accounting Standards / amendments issued but not yet effective

i) New standard – Nil

ii) Amendments to existing Ind AS : The Ministry of Corporate Affairs ("MCA") notified amendments to the existing standards – (Indian Accounting Standards) Rules, 2023 on March 31, 2023. These amendments are effective for the financial year beginning from April 1, 2023.

Ind AS - 101 First-time Adoption of Indian Accounting Standards

Ind AS –102 Share-based payment

Ind AS –103 Business Combinations

Ind AS–107 Financial Instruments : Disclosures

Ind AS --109 Financial Instruments

Ind AS – 115 Revenue from Contracts with Customers.

Ind AS – 1 Presentation of Financial Statements

Ind AS – 8 Accounting

Ind AS - 12 Income Taxes



MATERIAL ACCOUNTING POLICIES INFORMATION- STANDALONE FINANCIAL STATEMENTS

Ind AS - 34 Interim Financial Reporting

The Company has evaluated the amendment and the impact of the amendment is insignificant in the Standalone financial statements.

3. KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGEMENTS

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

(i) Useful lives of property, plant and equipment

The Board reviews the useful lives of property, plant and equipment once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the Management.

(ii) Impairment of investments in subsidiaries

Determining whether the investments in subsidiaries are impaired, requires an estimate in the value in use of investments. In considering the value in use, the Board has anticipated the future commodity prices, capacity utilization of plants, operating margins, discount rates and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

(iii) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected



MATERIAL ACCOUNTING POLICIES INFORMATION- STANDALONE FINANCIAL STATEMENTS

future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(iv) Business combinations and Intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations, which requires the identifiable intangible assets and contingent consideration to be measured at fair value in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the business. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by Independent valuation experts.

(v) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

(vi) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.



Shankara Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

4 PROPERTY, PLANT AND EQUIPMENT

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying amount as at 01-04-2022	51.90	70.04	5.40	36.30	9.93	4.07	2.30	179.94
Additions	14.34	13.38	0.19	5.47	2.80	0.48	0.41	37.07
Disposals	0.07	0.27	0.22	0.17	0.65	0.02	0.01	1.41
Gross carrying amount as at 31-03-2023	66.17	83.15	5.37	41.60	12.08	4.53	2.70	215.60
Additions	1.80	11.44	0.77	7.82	2.18	1.26	0.51	25.78
Transfer in / Transfer (out)	0.24	(0.24)	-	-	-	-	-	-
Disposals/Write off	0.70	0.14	0.05	0.65	0.17	0.38	0.03	2.32
Gross carrying amount as at 31-03-2024	67.51	94.21	6.09	48.57	14.09	5.41	3.18	239.06
Accumulated depreciation and impairment								
Balance as at 01-04-2022	-	4.65	1.62	14.44	5.34	2.59	1.97	30.61
Depreciation for the year	-	1.21	0.36	3.60	1.16	0.48	0.15	6.96
Depreciation on disposals	-	0.02	0.05	0.14	0.53	0.01	0.01	0.76
Balance as at 31-03-2023	-	5.84	1.93	17.90	5.97	3.06	2.11	36.81
Depreciation for the year	-	1.42	0.39	3.97	1.47	0.45	0.25	7.95
Depreciation on disposals	-	0.01	0.01	0.69	0.15	0.31	0.01	1.18
Balance as at 31-03-2024	-	7.25	2.31	21.18	7.29	3.20	2.35	43.58
Net Carrying amount								
As at 31-03-2024	67.51	86.96	3.78	27.39	6.80	2.21	0.83	195.48
As at 31-03-2023	66.17	77.31	3.44	23.70	6.11	1.47	0.59	178.79
Useful Life of the asset (in Years)	N/A	30 years - 60 Years	15 Years	10 Years	8 - 10 Years	5 Years	3 Years	
Method of depreciation	N/A	Straight Line Method						



Note

- a) Certain immovable properties (viz land and buildings) have been hypothecated as security against the loans availed by the subsidiary companies (refer note no 44).
- b) Certain vehicles have been hypothecated as security against the long term borrowings availed by the company (refer note no 22 and 44)
- c) During the current year as well as previous year the company has not revalued its Property, Plant and Equipment.
- d) The title deeds of the Immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.

4(a) CAPITAL WORK-IN-PROGRESS

Particulars	Amount
Gross carrying amount as at 01-04-2022	1.56
Additions	10.39
Sub-total	11.95
Less: Capitalised during the year	9.61
Gross carrying amount as at 31-03-2023	2.34
Additions	9.72
Sub-total	12.06
Less: Capitalised during the year	12.06
Gross carrying amount as at 31-03-2024	.



Capital Work-in-Progress (CWIP) ageing schedule as at 31-3-2024

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Project Completion overdue or exceeded cost compared to original plan- None

Capital Work-in-Progress (CWIP) ageing schedule as at 31-3-2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2.34	-	-	-	2.34
Projects temporarily suspended	-	-	-	-	-

Project Completion overdue or exceeded cost compared to original plan- None



5 INVESTMENT PROPERTY

(Rupees in Crores)

Particulars	Land	Buildings	Total
Gross carrying amount as at 01-04-2022	8.94	2.45	11.39
Additions	-	-	-
Disposals	-	-	-
Gross carrying amount as at 31-03-2023	8.94	2.45	11.39
Additions	-	-	-
Disposals	1.83	-	1.83
Gross carrying amount as at 31-03-2024	7.11	2.45	9.56
Accumulated depreciation and impairment			
Balance as at 01-04-2022	(0.06)	0.21	0.15
Depreciation for the year	-	0.04	0.04
Depreciation on disposals	-	-	-
Balance as at 31-03-2023	(0.06)	0.25	0.19
Depreciation for the year	-	0.04	0.04
Depreciation on disposals	-	-	-
Balance as at 31-03-2024	(0.06)	0.29	0.23
Net Carrying amount			
As at 31-03-2024	7.17	2.16	9.33
As at 31-03-2023	9.00	2.20	11.20
Useful Life of the asset (In Years)	N/A	60 years	
Method of depreciation	N/A	Straight line method	

Income earned from and expenses incurred on Investment Property

Particulars	For the year ended	
	31-03-2024	31-03-2023
Rental income from investment properties	0.66	0.56
Less: Direct operating expenses (including repairs and maintenance) that contribute to rental income	0.04	0.04
Profit from investment properties before depreciation	0.62	0.52
Less: Depreciation	0.04	0.04
Profit from investment property	0.58	0.48

Fair Value

Particulars	As at 31-03-2024	As at 31-03-2023
Investment properties	22.09	24.68

Estimation of fair value

The best evidence of fair values is current prices in an active market for similar properties. Since investment properties are leased out by the Company, the market rate for sale/purchase of such premises are representative of fair values. Company's investment properties are at a location where active market is available for similar kind of properties. Hence fair value is ascertained on the basis of market rates prevailing for similar properties in those location as determined by an independent registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 and consequently classified as a level 2 valuation.



Shankara Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

6 RIGHT-OF-USE ASSET:

Particulars	Gross Block			Accumulated depreciation			Net Block 31-03-2024
	Balance as at 01-04-2023	Additions	Deletions	Balance as at 31-03-2024	Balance as at 01-04-2023	Depreciation for the year on deletions	
Right-of-use Asset - Buildings	10.32	1.52	5.13	6.71	7.32	4.49	2.41
Total	10.32	1.52	5.13	6.71	7.32	4.49	2.41

Particulars	Gross Block			Accumulated depreciation			Net Block 31-03-2023
	Balance as at 01-04-2022	Additions	Deletions	Balance as at 31-03-2023	Balance as at 01-04-2022	Depreciation for the year on deletions	
Right-of-use Asset - Buildings	19.31	0.65	9.64	10.32	12.19	7.58	3.00
Total	19.31	0.65	9.64	10.32	12.19	7.58	3.00



(Rupees in Crores)

7 INTANGIBLE ASSETS

Particulars	Brand	Software	Total
Gross carrying amount as at 01-04-2022	10.78	0.69	11.47
Additions	-	-	-
Disposals	-	-	-
Gross carrying amount as at 31-03-2023	10.78	0.69	11.47
Additions	-	-	-
Disposals	-	-	-
Gross carrying amount as at 31-03-2024	10.78	0.69	11.47
Accumulated Amortization and impairment			
Balance as at 01-04-2022	10.78	0.69	11.47
Amortization for the year	-	-	-
Amortization on disposals	-	-	-
Balance as at 31-03-2023	10.78	0.69	11.47
Amortization for the year	-	-	-
Amortization on disposals	-	-	-
Balance as at 31-03-2024	10.78	0.69	11.47
Net Carrying amount			
As at 31-03-2024	-	-	-
As at 31-03-2023	-	-	-
Useful Life of the asset (In Years)	3 Years	3 Years	
Method of amortization	Straight Line Method		
Remaining amortization period (In Years)	-	-	

Note

During the current year as well the previous year the company has not revalued any intangible assets.

8 INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Amount
Gross carrying amount as at 01-04-2022	-
Additions	1.33
Sub-total	1.33
Less: Capitalised during the year	-
Gross carrying amount as at 31-03-2023	1.33
Additions	1.56
Sub-total	2.89
Less: Capitalised during the year	-
Gross carrying amount as at 31-03-2024	2.89

Intangible assets under development ageing schedule as at 31-03-2024

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.66	1.33	-	-	2.89
Projects temporarily suspended	-	-	-	-	-

Project Completion overdue or exceeded cost compared to original plan:

Project costs exceeded as compared to original plan is Rs.0.17 crores.

Intangible assets under development ageing schedule as at 31-03-2023

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.33	-	-	-	1.33
Projects temporarily suspended	-	-	-	-	-

Project Completion overdue or exceeded cost compared to original plan- None



Shankara Building Products Limited
Notes to the Standalone Financial Statements
9 INVESTMENTS (Non-current)

(Rupees in Crores)

Particulars	Face Value	As at 31-03-2024		As at 31-03-2023	
		No. of Shares / units	Amount	No. of Shares / units	Amount
Investment in Equity Instruments: Unquoted (At cost or deemed cost): Subsidiaries:					
(a) Vishal Precision Steel Tubes and Strips Private Limited, Hoskote, Karnataka Deemed equity in Vishal Precision Steel Tubes and Strips Private Limited, Hoskote, Karnataka. (Refer note 1 below)	Rs. 100 each	3,50,000	13.25	3,50,000	13.25
(b) Taurus Value Steel & Pipes Private Limited, Kutubisapur Mandal, Telangana Deemed equity in Taurus Value Steel & Pipes Private Limited, Kutubisapur Mandal, Telangana. (Refer note 1 below) (PY Rs. 16,500)	Rs. 10 each	15,10,100	0.02	15,10,100	15.01
(c) Steel Network (Holdings) Pte Ltd, Singapore	USD 1 each	47,640	0.30	47,640	0.30
(d) Centurywells Roofing India Private Limited, Kanchepuram, Tamil Nadu Deemed equity in Centurywells Roofing India Private Limited, Kanchepuram, Tamil Nadu. (Refer note 1 below)	Rs. 100 each	1,99,920	10.01	1,99,920	10.01
(e) Shankara Buildpro Limited, Bengaluru, Karnataka	Rs. 10 each	10,000	0.01	-	0.17
Sub-total			38.92		39.00
Leases:					
Provision for diminution in value of investment in a subsidiary viz. Steel Network (Holdings) Pte Limited, Singapore.			0.30		0.30
Total			38.62		38.70



Particulars	As at 31-03-2024	As at 31-03-2023
Aggregate amount of unquoted investments	38.62	38.70
Aggregate amount of impairment in the value of investments	0.30	0.30

Note:

1) The amount shown as deemed equity investments as per Ind AS 108, is in respect of financial guarantee given to subsidiaries.



Shankara Building Products Limited
Notes to the Standalone Financial Statements
Particulars of loans, guarantees, securities and investments under Section 186 of the Companies Act, 2013 during the financial year ended March 31, 2024

(Rupees in Crores)

S.No	Name of the Body Corporate	Nature of relationship	Nature of transaction	Amount of transaction during the year	Amount outstanding as at 31-03-24	Amount outstanding as at 31-03-23	Purpose for which the loan / security / guarantee utilized by the recipient
1	Vishal Precision Steel Tubes and Strips Private Limited, Karnataka	Wholly Owned Subsidiary	Advances given in the nature of loans*	10.21	-	-	For working capital purposes
2	Taurus Value Steel & Pipes Private Limited, Telangana	Wholly Owned Subsidiary	Advances given in the nature of loans*	0.06	-	-	For working capital purposes
3	Centurywells Roofing India Private Limited, Tamil Nadu	Wholly Owned Subsidiary	Guarantee	-	40.00	40.00	For working capital purposes
4	Vishal Precision Steel Tubes and Strips Private Limited, Karnataka	Wholly Owned Subsidiary	Guarantee	-	45.75	45.75	For working capital purposes
5	Taurus Value Steel & Pipes Private Limited, Telangana	Wholly Owned Subsidiary	Guarantee	-	5.00	5.00	For working capital purposes
6	Centurywells Roofing India Private Limited, Tamil Nadu	Wholly Owned Subsidiary	Security	-	12.97	13.13	For working capital purposes
7	Shankara Buildpro Limited, Karnataka	Wholly Owned Subsidiary	Acquisition of shares	0.01	0.01	-	

* Interest has been charged as per the provisions of Section 188(7) of the Companies Act, 2013.



10 TRADE RECEIVABLES (NON-CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Unsecured:		
(A) Considered Good	-	-
(B) Credit Impaired	5.38	5.58
Less: Allowance for doubtful debts (expected credit loss allowance)	5.38 (2.69)	5.58 (2.79)
Total	2.69	2.79
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member amount to	Nil	Nil

Movement in loss allowance of trade receivables

Particulars	As at 31-03-2024	As at 31-03-2023
Opening balance	2.79	3.07
Amount written off	-	-
Credit loss allowance	(0.10)	(0.28)
Closing balance	2.69	2.79

Trade Receivables (Non Current) ageing schedule as at 31-03-2024

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	-	-	-	0.03	0.10	2.56	2.69

Trade Receivables (Non Current) ageing schedule as at 31-03-2023

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	0.21	0.20	0.65	1.73	2.79
Total	-	-	0.21	0.20	0.65	1.73	2.79

11 LOANS (NON-CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Other Loans		
Unsecured:		
Considered good:		
Employee advances	0.06	0.06
Total	0.06	0.06

12 OTHER FINANCIAL ASSETS (NON-CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Security Deposits	5.88	6.19
(b) Deposit with Suppliers	1.42	1.41
(c) Others		
(i) Tender deposit	0.05	0.05
(ii) Utility deposit	0.32	0.32
Total	7.67	7.97



Disclosure of loans and advances granted to subsidiaries as per Regulation 34 (3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Name of the company	As at 31-03-2024	As at 31-03-2023
a) Taurus Value Steel & Pipes Private Limited, Kubbulapur Mandal, Telangana		
- Amount outstanding	Nil	Nil
- Maximum amount outstanding during the year	0.03	-
- Investment by subsidiary in shares of the Company (No. of Shares)	Nil	Nil
b) Vishal Precision Steel Tubes and Pipes Private Limited, Hoskote, Karnataka		
- Amount outstanding	Nil	Nil
- Maximum amount outstanding during the year	7.48	-
- Investment by subsidiary in shares of the Company (No. of Shares)	Nil	Nil

13 OTHER NON-CURRENT ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
(i) Capital advances (refer note below)	3.20	2.35
(ii) Advances other than capital advances		
(a) Deposits with Government authorities	0.39	0.44
(B) Prepaid expenses	0.33	0.39
Total	3.97	3.21

Capital advances includes borrowing costs of Rs. Nil (Previous year Rs.0.05 crores at 8%) which represents average borrowing costs of the company. This also includes advances made for purchase of land and Building in Chennai, Udupi, Mumbai and Bengaluru in the years 2013, 2018, 2021 & 2023 respectively.

14 INVENTORIES

Particulars	As at 31-03-2024	As at 31-03-2023
Inventories (at lower of cost or net realisable value)		
(a) Stock-in-trade *	348.18	336.25
Total	348.18	336.25

* Includes goods-in-transit amounting to Rs 2.08 crores (PY Rs.4.25 crores) and is net of provision for damaged goods amounting to Rs.0.50 crores. (PY Rs. Nil)

(refer note no. 47 B for related party transactions in relation to goods-in-transit)

Inventories have been hypothecated as security against certain bank borrowings of the company (refer note no 22, 27 and 44)

15 TRADE RECEIVABLES (CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Unsecured:		
(A) Trade receivables - Considered Good*	617.05	494.83
Less: Allowance for doubtful debts (Expected credit loss allowance)	(0.10)	(0.05)
Total A	616.95	494.78
(B) Trade receivables with significant increase in credit risk	22.83	8.09
Less: Allowance for doubtful debts (Expected credit loss allowance)	(6.22)	(2.85)
Total B	16.61	5.24
Total (A+B)	633.56	500.02
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member amount to	23.14	Nil

*Includes amount receivable from related party (Refer note no 47 C)

Movement in loss allowance of trade receivables

Particulars	As at 31-03-2024	As at 31-03-2023
Opening balance		
Amount written off	2.90	7.62
Credit loss allowance	-	-
Closing balance	3.42	(4.72)
	6.32	2.90



Trade Receivables (Current) ageing schedule as at 31-03-2024

(Rupees in Crores)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	333.78	263.07	20.10	-	-	-	616.96
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	12.70	1.16	2.75	16.61
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	333.78	263.07	20.10	12.70	1.16	2.75	633.56

Trade Receivables (Current) ageing schedule as at 31-03-2023

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	414.18	70.54	10.05	-	-	-	494.78
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	1.55	1.64	2.05	5.24
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	414.18	70.54	10.05	1.55	1.64	2.05	500.02

The credit period on goods sold ranges from 0 to 60 days without security. Trade receivable with credit impairment is identified on case to case basis. In determining the allowances for doubtful trade receivables, the Company has used a practical expediency by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Before accepting any new customer, the company evaluates the financial soundness, business opportunities, credit references etc of the new customer and defines credit limit and credit period. The credit limit and the credit period are reviewed at periodical intervals.

The Company does not generally hold any collateral or other credit enhancements over these balances.

Trade receivables have been offered as collateral towards borrowings (refer note no 22, 27 and 44).

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivable from the date when credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

18 CASH AND CASH EQUIVALENTS

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Balances with Banks: In current account and cash credit account	27.36	5.19
(b) Cash on hand	0.66	0.62
Total	28.02	5.81

The company has entered into cash management service agreement with certain banks for the collection of cheques at various branches and transfer of the funds to certain cash credit accounts by way of standing instructions. Pending such credits in the account, the cash credit accounts are disclosed as net of such collections. The above mentioned cash and cash equivalents contain the amount that are available for use by the company.



(Rupees in Crores)

17 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31-03-2024	As at 31-03-2023
Earmarked balances:		
(a) With banks in current account (for undivided dividends)	0.05	0.04
(b) Fixed Deposits held as margin money	1.17	1.80
Total	1.22	1.84

18 OTHER FINANCIAL ASSETS (CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Unsecured, considered good		
Financial assets at amortised cost		
(a) Rent receivable*	0.10	0.12
(b) Employee advances*	0.78	1.54
(c) Other receivable†	0.40	-
(d) Expenses receivable*	0.01	-
(e) Interest accrued on fixed deposits	0.01	0.04
(f) Interest receivable*	0.06	-
Total	1.36	1.30

* Includes transaction(s) with related parties - refer note no 47B and 47C.

† Other receivables include refundable capital advance on cancellation of agreements- Rs.0.30 crores.

19 OTHER CURRENT ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
Advances other than capital advances:		
(a) Advances for purchases	27.17	11.13
(b) Prepaid expenses	2.40	0.83
(c) Balances with Government authorities-(Goods and Services Tax)	1.01	2.48
(d) Demerger Expenses pending for final write off*	0.48	-
(e) Advances to a wholly owned Subsidiary (Refer note no 47C)†	-	2.59
Total	31.06	17.00

* Expenditure on demerger will be shared 50% each by Demerged company and Resulting company.(Refer note no.59)

† The director of the company is also a director of the wholly owned subsidiary.



20 EQUITY SHARE CAPITAL

Particulars	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	Amount	No. of Shares	Amount
Authorised:				
Equity shares of Rs.10/- each	3,00,00,000	30.00	3,00,00,000	30.00
Issued, subscribed and fully paid:	2,42,49,326	24.25	2,28,49,326	22.85

The Authorized share capital of the Company has been increased to Rs. 30 crores divided into 3,00,00,000 (Three Crore Only) Equity Shares of Rs. 10/- (Rupees Ten) each pursuant to approval of the shareholders in their Extra-ordinary meeting held on April 20, 2022.

a) Reconciliation of number of equity shares outstanding and equity share capital

Particulars	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning of the year	2,28,49,326	22.85	2,28,49,326	22.85
Changes in equity share capital during the year (Refer Note 20(f))	14,00,000	1.40	-	-
Balance as at the end of the year	2,42,49,326	24.25	2,28,49,326	22.85

b) Rights, preferences and restrictions

(i) Rights, preferences and restrictions attached to shares and terms of conversion of other securities into equity.

The company has one class of equity shares having par value of Rs.10 each. Each share holder is eligible for one vote per share held and carry a right to dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) There are no restrictions attached to equity shares except for the below:

Pursuant to the allotment of equity shares on conversion of 14,00,000 share warrants, the allotted equity shares are subject to a lock-in period for transferability of shares from the effective date of trading approval i.e. 14-03-2024 upto 29-09-2024 as specified in the requirements to Regulation 167(2) of Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

c) Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of Shareholder	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Mr. Sukumar Srinivas, Bengaluru	1,15,88,787	47.79%	1,15,78,787	50.67%
APL Apollo Mart Limited, Delhi	14,85,000	6.12%	10,00,000	4.38%

d) Shares held by promoters at the end of the year 31-03-2024

S. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Mr. Sukumar Srinivas, Bengaluru	1,15,88,787	47.79%	0.09%
	Total	1,15,88,787	47.79%	0.09%



Shares held by promoters at the end of the year 31-03-2023

S. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Mr. Sukumar Srinivas, Bengaluru	1,15,78,787	50.67%	0.00%
Total		1,15,78,787	50.67%	0.00%

- e) In the period of five years immediately preceding 31-03-2024
- The Company has not allotted any equity shares as fully paid-up without payment being received in cash.
 - The Company has not allotted any equity shares by way of bonus issue.
 - The Company has not bought back any equity shares.

f) Money Received against Share Warrants

Pursuant to the approval of the Board of Directors in their meeting held on 24th March, 2022 and approval of shareholders through special resolution dated 20th April, 2022 passed in Extra-Ordinary General Meeting, the Board has allotted 14,00,000 Warrants on 7th May 2022, each carrying a right to subscribe to one Equity Share per Warrant, at a price of Rs. 750/- per Warrant ("Warrant Price"), aggregating to Rs.105 crores. The Warrants were issued to APL Apollo Mart Limited, Delhi ("Acquirer"), a wholly owned subsidiary of APL Apollo Tubes Limited, Delhi an entity which does not qualify as a promoter or member of the promoter group of the Company. The Warrants were issued to APL Apollo Mart Limited by way of a preferential allotment.

25% of the total consideration (25% of Rs. 105 Crores i.e., Rs. 26.25 crores) was received on 6th May, 2022 and balance 75% of the total consideration (75% of Rs.105 Crores i.e., Rs.78.75 crores) was received on 2nd November, 2023.

The Company allotted 14,00,000 Lakh shares on 9th November 2023.

Consequently, as on 31st March 2024, the share capital of the Company is indicated in Note no 20(a).



Shankara Building Products Limited
Notes to the Standalone Financial Statements

21 OTHER EQUITY

(Rupees in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Capital Reserve	0.19	0.19
Securities Premium	214.88	111.28
General Reserve	1.24	1.24
Retained earnings	360.65	296.23
Money received against Share warrants (Refer Statement of changes in Equity for additions and deductions from the last year Balance sheet)	-	26.25
Total	576.96	435.19

General Reserve

General Reserve is an accumulation of retained earnings of the Company, apart from the balance in the statement of profit and loss which can be utilised for meeting future obligations.

Capital Reserve

Reserve is primarily created on amalgamation as per statutory requirement.

Securities Premium

This consists of premium realised on issue of shares and will be applied/ utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings

Surplus in Statement of Profit and Loss is part of retained earnings. This is available for distribution to shareholders as dividend and capitalisation.



Shankara Building Products Limited
Notes to the Standalone Financial Statements

22 BORROWINGS (NON - CURRENT)

(Rupees in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
SECURED		
(a) Term loan from banks*	14.40	25.09
UNSECURED		
(b) Loan from a related party viz a subsidiary. (refer note no 47C)	-	39.50
Total	14.40	64.59

Secured: Terms and security	Current	Non-current	Total
Term Loan 1 - from a bank - under Emergency Credit Line for a period of 60 months (including 12 months of moratorium) - secured by second charge on all the existing and future current assets of the company- rate of interest 6.95% to 9.10% pa - repayable in 48 equated monthly instalments post moratorium period.	4.34	4.93	9.27
Term Loan 2 - from a bank - under Emergency Credit Line for a period of 60 months (including 12 months of moratorium) - secured by second charge on stock and book debts - rate of interest 7.00% to 9.26% pa - repayable in 48 equated monthly instalments post moratorium period.	3.26	3.89	7.15
Term Loan 3 - from a bank - under Emergency Credit Line for a period of 60 months (including 12 months of moratorium) - secured primarily by charge on existing and future current assets of the company- second charge on the primary security pari passu with current assets - rate of interest 7.97% to 9.25% pa - repayable in 48 equated monthly instalments post moratorium period.	1.98	4.57	6.55
Term Loan 4 - from a bank - under Emergency Credit Line for a period of 60 months (including 24 months of moratorium) - secured primarily by charge on existing and future current assets of the company- second charge on the primary security pari passu with current assets - rate of interest 7.29% to 9.25% pa - repayable in 36 equated monthly instalments post moratorium period.	0.79	0.80	1.59
Vehicle Loan-1- First charge on the vehicle. Loan repayable in 37 months instalments till 15th July 2025 - rate of interest 8.24 % p.a.	0.04	0.01	0.05
Vehicle Loan-2- First charge on the vehicle. Loan repayable in 37 months instalments till 15th July 2025 - rate of interest 8.26 % p.a.	0.07	0.02	0.09
Vehicle Loan-3- First charge on the vehicle. Loan repayable in 36 months instalments till 5th December 2025 - rate of interest 8.44 % p.a.	0.03	0.02	0.05
Vehicle Loan-4- First charge on the vehicle. Loan repayable in 36 months instalments till 5th December 2025 - rate of interest 8.44 % p.a.	0.03	0.02	0.05



Shankara Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

Vehicle Loan-5- First charge on the vehicle. Loan repayable in 36 months instalments till 5th January 2026 - rate of interest 8.54 % p.a.	0.05	0.04	0.09
Vehicle Loan-6- First charge on the vehicle. Loan repayable in 36 months instalments till 5th January 2026 - rate of interest 8.54 % p.a.	0.05	0.05	0.10
Vehicle Loan-7- First charge on the vehicle. Loan repayable in 36 months instalments till 5th February 2026 - rate of interest 8.68 % p.a.	0.06	0.05	0.11

*Refer note no 44 for carrying amount of vehicles hypothecated

23 LEASE LIABILITY (NON-CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Lease liability	1.59	3.46
Total	1.59	3.46

24 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Rent deposit received*	0.19	0.12
Total	0.19	0.12

*Includes transactions with related parties. (Refer note no 47B and 47C)

25 PROVISIONS (NON-CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Financial guarantee liability	0.26	0.35
Total	0.26	0.35

Provision is made in respect of financial guarantees furnished to lender of subsidiaries. The Company does not foresee any outflow in near future. Refer note 48(C)(2)(ii) for details.

Movement in provision for financial guarantee liability

Particulars	As at 31-03-2024	As at 31-03-2023
Balance at the beginning of the year	0.35	0.44
Add: Provision made during the year	0.26	0.35
Less: Cost of investment in subsidiaries	0.35	0.44
Balance at the end of the year	0.26	0.35



Shankara Building Products Limited
Notes to the Standalone Financial Statements

26 INCOME TAXES

(Rupees in Crores)

Indian companies are subject to Indian Income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31.

Incomes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, the set-off of tax losses and depreciation carried forward and re-amount benefit costs.

The Company has opted to exercise the option permitted under section 115BAA of the Income-tax Act, 1961. Accordingly, the Company has made a provision for Income tax and re-measured its deferred tax at the rate prescribed by the section. Income tax is charged at 22% plus surcharge of 10% plus health and education cess of 4%.

a) Income tax expenses

Particulars	For the year ended	
	31-03-2024	31-03-2023
Current tax:		
Current tax	22.62	16.92
Tax pertaining to earlier years	0.29	0.11
Deferred tax	0.15	2.20
Total	23.06	19.23

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to income tax expense recognised for the year is furnished below:

Particulars	For the year ended		For the year ended	
	31-03-2024	31-03-2024	31-03-2023	31-03-2023
	%	Amount	%	Amount
Profit before tax		92.92		76.25
Tax using the company's domestic tax rate		23.39		19.19
Tax impact on account of:	25.168%		25.168%	
Depreciation under Income-tax Act		0.42		(0.22)
Provision for doubtful debts disallowable		(1.04)		(0.05)
Expenses allowed only on payment basis	0.45%		(0.29%)	
Deductions allowable under tax laws	(1.12%)		(0.06%)	
Others - Ind AS adjustments	(0.00%)		0.34%	0.26
Provision for Diminution in value of Investments	0.00%		(0.08%)	(0.08)
Effective income tax rate/ Tax expense	24.50%	22.77	25.08%	19.12
		For the year ended		For the year ended
		31-03-2024		31-03-2023
		Amount		Amount
Tax expenses:				
- Current tax		22.62		16.92
- Deferred tax		0.15		2.20
Total tax		22.77		19.12
Add: Tax for earlier years		0.29		0.11
Total tax expenses reported for the year		23.06		19.23



Shankara Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

b) Current Tax Liabilities	
Particulars	As at 31-03-2024
Current tax liabilities(Net)	4.25
	5.10

c) Deferred Tax Liabilities

The majority of the deferred tax balance represents differential rates of depreciation for Property, Plant and Equipment under Income Tax Act, 1961 and disallowance of certain expenditure under Income Tax Act, 1961. Significant components of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

Particulars	As at 31-03-2024	As at 31-03-2023		
Deferred Tax Liability:				
On account of depreciation for tax purpose	6.36	5.32		
Deferred Tax Asset:				
Opening adjustments as per Ind AS 116	(0.65)	(0.65)		
Provision for damaged goods	(0.13)	-		
Allowance for doubtful receivables and advances	(2.27)	(1.43)		
Ind AS adjustments	0.55	0.38		
Provision for Diminution in value of Investments	(0.08)	(0.08)		
Deferred Tax (Asset)/Liabilities (Net)	3.78	3.54		
Deferred tax balance (Asset)/Liability in relation to	Balance as at 01-04-2023	Recognised in/ (reversed) through profit and loss	Recognised in/ reclassified from other comprehensive incomes	Balance as at 31-03-2024
Depreciation under income tax act	5.32	1.04	-	6.36
Provision for employee benefit	-	(0.09)	0.09	-
Allowance for doubtful receivables and advances	(1.43)	(0.64)	-	(2.27)
Ind AS adjustments	0.38	0.17	-	0.55
Provision for Diminution in value of Investments	(0.08)	-	-	(0.08)
Provision for damaged goods	-	(0.13)	-	(0.13)
Adjustment on adoption of Ind AS 116	(0.65)	-	-	(0.65)
Total	3.54	0.15	0.09	3.78



Shankers Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

Deferred tax balance (Asset)/Liability in relation to	Balance as at 01-04-2022	Recognised/ (reversed) through profit and loss	Recognised in/ reclassified from other comprehensive income	Balance as at 31-03-2023
Depreciation under income tax act	4.85	0.47	-	5.32
Provision for employee benefit	-	(0.04)	0.04	-
Allowance for doubtful receivables and advances	(2.70)	1.27	-	(1.43)
Ind AS adjustments	(0.20)	0.58	-	0.38
Provision for Diminution in value of Investments	-	(0.08)	-	(0.08)
Adjustment on adoption of Ind AS 116	(0.65)	-	-	(0.65)
Total	1.30	2.20	0.04	3.54

Unrecognised deferred tax asset

Deferred tax asset have not been recognised in respect of the following items, because it is not probable that future long term capital gain will be available against which the Company can set off the long term/ short term capital loss.

Particulars	31st March 2024		31st March 2023	
	Gross Amount	Unrecognised tax effect	Gross Amount	Unrecognised tax effect
Long term Capital Loss on sale of Immovable Property	0.46	0.10	-	-
Short term Capital Loss on sale of Immovable Property	0.06	0.01	-	-
	0.52	0.11		

The long term and short term capital loss expires in Assessment Year 2032-33.



(Rupees in Crores)

27 BORROWINGS (CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
SECURED		
(a) Loan repayable on demand (from banks)	35.91	35.76
(b) Current maturities of long-term debt (from banks) (refer note no 22)	10.70	8.08
UNSECURED		
(a) Current maturities of long-term debt from related party (refer note no 22 and 47C)	-	0.24
(b) Other loans: Purchase bills discounting and financing	14.39	1.75
Total	61.00	45.83

Terms and Security:

- 1) Working capital loans are repayable on demand and carries interest @ 8.3% to 12.75% p.a. and secured by:
 - a) First charge on the existing and future current assets belonging to the company.
 - b) Guarantee by the Managing Director.
- 2) Other Loans- Purchase bills discounting and financing includes loan of Rs.9.81 crores (PY Rs.Nil) guaranteed by the Managing director.

Other disclosures (for both current and non-current borrowings)

- (i) Quarterly returns or statements of current assets filed by the company with banks are in agreement with books of accounts.
- (ii) The company has adhered to debt repayment and interest service obligations on time. The company has not been declared as wilful defaulter by any bank or financial institution.
- (iii) All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending as at the 31.03.2024
- (iv) Term loans were applied for the purposes for which they were obtained. Further short term loans availed have not been utilised for long term purposes.

Reconciliation of cashflows from financing activities

Particulars	As at 31-03-2024	As at 31-03-2023
Cash and cash equivalents	28.22	5.71
Current borrowings	(50.30)	(37.51)
Non-current borrowings*	(25.10)	(72.91)
Net Debt	(47.18)	(104.71)

* Including current maturities of long-term debt

Particulars	Other Assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Current borrowings	Non-current borrowings	
Net debt as at 01-04-2022	1.25	(60.10)	(79.73)	(138.58)
Net cashflows	4.46	-	-	4.46
Proceeds from borrowings	-	-	(0.95)	(0.95)
Repayment of borrowings	-	22.59	7.77	30.36
Net debt as at 31-03-2023	5.71	(37.51)	(72.91)	(104.71)
Net debt as at 01-04-2023	5.71	(37.51)	(72.91)	(104.71)
Net cashflows	22.51	-	-	22.51
Proceeds from borrowings	-	(12.79)	-	(12.79)
Repayment of borrowings	-	-	47.81	47.81
Net debt as at 31-03-2024	28.22	(50.30)	(25.10)	(47.18)

Note:

Assets are presented in positive numbers
Liabilities are presented in negative numbers



Shankara Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

28 LEASE LIABILITY (CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
Lease liability	1.19	0.52
Total	1.19	0.52

29 TRADE PAYABLES

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Total outstanding dues of micro enterprises and small enterprises (MSME) [refer note no 43]	21.33	105.66
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises*	564.01	402.96
Total	585.34	508.62

* Includes amount payable to related parties. Refer note 47C.

Trade Payables ageing schedule as at 31-03-2024

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	21.33	-	-	-	-	21.33
(ii) Others	563.10	0.91	-	-	-	564.01
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	584.43	0.91	-	-	-	585.34

Trade Payables ageing schedule as at 31-03-2023

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	105.66	-	-	-	-	105.66
(ii) Others	400.32	2.64	-	-	-	402.96
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	505.98	2.64	-	-	-	508.62

Refer note no 47(C) for related party transactions

30 OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Interest accrued but not due	0.56	0.06
(b) Unclaimed Dividend	0.05	0.04
(c) Employee Benefits payable*	5.67	5.63
(d) Expense payable	3.57	3.68
(e) Refund Liability	0.02	-
Total	9.87	9.43

*Includes transactions with related parties. Refer note no 47C.

31 OTHER CURRENT LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Advances from customers (refer note no 46(C))	9.59	8.26
(b) Statutory dues	13.48	2.54
(c) Deferred Rent	0.01	-
Total	23.08	11.20



Shankara Building Products Limited
Notes to the Standalone Financial Statements

32 PROVISIONS (CURRENT)

(Rupees in Crores)

Particulars	As at 31-03-2024	As at 31-03-2023
Provision for employee benefits		
(a) Gratuity (refer note no 45(b)) *	0.36	0.56
(b) Compensated absences **	0.18	0.15
Total	0.54	0.71

* Movement in provision for employee benefits - gratuity

Particulars	As at 31-03-2024	As at 31-03-2023
Balance at the beginning of the year	0.56	0.56
Add: Provision made during the year	0.38	0.56
Less: Provision utilised/ reversed during the year	0.58	0.56
Balance at the end of the year	0.36	0.56

** Movement in provision for compensated absences

Particulars	As at 31-03-2024	As at 31-03-2023
Balance at the beginning of the year	0.15	0.10
Add: Provision made during the year	0.53	0.48
Less: Provision utilised/ reversed during the year	0.50	0.43
Balance at the end of the year	0.18	0.15



33 REVENUE FROM OPERATIONS

(Rupees in Crores)

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
(a) Sale of traded goods	4,862.46	4,033.99
(b) Other Operating Revenues - Sale of scrap	0.27	2.23
Total	4,862.73	4,036.22

34 OTHER INCOME

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
(a) Interest income*	1.21	0.23
(b) Rent received *	0.66	0.56
(c) Profit on sale of property, plant & equipment / Investment property	1.25	0.07
(d) Fair valuation of financial guarantee	0.13	0.09
(e) Gain on termination of lease	0.29	0.74
(f) Unwinding of interest income on rental deposits	0.33	0.46
(g) Provision for doubtful debts no longer required written back	-	5.00
(h) Provision for expenses no longer required written back	0.05	-
(i) Commission Income	0.02	-
(j) Income from Corporate Guarantee given to Subsidiaries*	0.91	0.01
(k) Payables written back	1.73	0.04
(l) Other non-operating income	0.10	0.11
Total	6.68	7.31

*(Refer note no. 47B and 47C for related party transactions.)

34 (a) CHANGES IN INVENTORIES OF STOCK-IN-TRADE

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
Opening stock of Stock-in-Trade	332.00	281.91
Less: Closing stock of Stock-in-Trade	346.58	332.00
Total	(14.58)	(50.09)

35 EMPLOYEE BENEFITS EXPENSE

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
(a) Salaries and Wages	40.76	34.92
(b) Contribution to Provident fund and Other funds:		
(i) Provident fund (refer note no 45(a))	2.63	2.35
(ii) Employees' state insurance (refer note no 45(a))	0.23	0.23
(iii) Gratuity (refer note no 45(b))	0.74	0.70
(c) Staff welfare Expenses	0.98	0.89
Total	45.34	39.09



Shankara Building Products Limited
Notes to the Standalone Financial Statements

36 FINANCE COSTS

(Rupees in Crores)

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
(a) Interest on borrowings	27.11	18.11
(b) Other borrowing costs	3.83	2.97
(c) Interest on lease liability	0.24	0.46
(d) Interest on income tax	0.48	0.51
Total	31.66	22.05

36(a) DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	Note No	For the Year ended 31-03-2024	For the Year ended 31-03-2023
(a) Depreciation			
- Property, plant & equipment	4	7.95	6.96
- Investment property	5	0.04	0.04
- Right-of-use Asset	6	1.47	2.71
Total (A)		9.46	9.71
(B) Amortization of intangible assets	7	-	-
Total-(A+B)		9.46	9.71

37 OTHER EXPENSES

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
(a) Power, Fuel & Water	1.53	1.38
(b) Rent (refer note no 41(b))	11.31	8.79
(c) Repairs and Maintenance		
(i) Buildings	0.08	0.03
(ii) Others	5.17	4.80
(d) Insurance #	0.76	0.67
(e) Rates & Taxes	1.23	1.64
(f) Travelling and Conveyance	2.75	2.17
(g) Payments to the Auditors (refer note below)	0.38	0.37
(h) Legal and Professional fees	2.61	1.61
(i) Directors sitting fees	0.35	0.23
(j) Communication Expenses	0.93	0.88
(k) Advertisement & Publicity Expenses	2.20	2.42
(l) Loss Allowance for doubtful trade receivables	3.32	-
(m) Material handling charges **	11.18	11.40
(n) Freight Outwards ***	3.21	2.64
(o) Commission Charges	1.58	1.49
(p) Bad Debts written off (PY Rs.23,709)	1.01	0.00
(q) Loss on sale of property, plant and equipment	0.05	0.06
(r) Sub Contracting	0.45	0.18
(s) Corporate Social Responsibility expenditure (refer note no 49)	0.93	0.61
(t) Write off of property, plant and equipment	0.28	-
(u) Provision for damaged goods	0.50	-
(v) Fair valuation of financial guarantee	0.13	0.09
(w) Provision for diminution in the value of Investments	-	0.06
(x) Miscellaneous Expenses *	3.40	3.37
Total	55.34	44.89



*Under this head, there is no expenditure which is in excess of 1% of revenue from operations or Rs.10 lakhs, whichever is higher.

Shankara Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

**Material handling charges recovered from customers-Current year-Rs. 8.72 Crores Previous year-Rs.7.10 Crores

***Freight recovered from customers-Current year-Rs.9.89 crores Crores Previous year-Rs. 8.84 Crores

Insurance recovered from customers-Current year- Rs.0.59 Crores. Previous year- Rs. 0.51 Crores.

Note : Breakup for payments to the auditors is as under (excluding GST):

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
(a) As auditors		
(b) For taxation matters	0.27	0.22
(c) For other services	0.02	0.02
(d) For reimbursement of expenses	0.01	0.03
Total	0.38	0.10



38 Earnings Per Share (EPS)

(Rupees in Crores)

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
Basic & Diluted		
A Profit attributable to equity shareholders (in crores)	69.83	57.02
B Weighted average number of equity shares (in crores)	2.34	2.28
C Basic and Diluted EPS (Rs.) [A/B]	29.85	24.95
Face value per share (Rs.)	10.00	10.00

14,00,000 share warrants allotted during the financial year 2022-23 does not have dilutive effect on Earning Per Share (EPS) and hence have not been considered for the purpose of computing diluted EPS for the financial year 2022-23. The company does not have any potential equity shares. Accordingly, basic and diluted earnings per share would remain the same.

39 Contingent liabilities:

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Claims against the company not acknowledged as debt		
(i) Value added tax*	-	0.76
(ii) Goods and Service tax*	1.88	-
(iii) Income tax*	0.15	-
Total	1.83	0.76

* These cases are pending in appeal at various forums in the respective department. Outflows, if any, arising out of these claims would depend upon the adjudication of appellate authorities and the Company's rights for further appeals.

Refer Note below for amount remitted against disputed liability

Particulars	As at 31-03-2024	As at 31-03-2023
(i) Value added tax	-	0.15
(ii) Goods and Service tax	0.09	-

40 Commitments

Particulars	As at 31-03-2024	As at 31-03-2023
Estimated value of capital commitments towards buildings (Not of advances made PY Rs.0.78 crores)	-	0.19

41 Operating lease

a) As lessor:

Leasing Arrangements:

The investment properties are leased to tenants under operating leases with rentals payable monthly. Minimum lease payments receivable on leases of investment properties are as follows:

Particulars	As at 31-03-2024	As at 31-03-2023
Within one year	0.44	0.47
Between 1 and 2 years	0.25	0.49
Between 2 and 3 years	0.17	0.51
Between 3 and 4 years	0.14	-
Between 4 and 5 years	-	-
Later than 5 years	-	-
Total	1.00	1.47



b) As lessee:

(Rupees in Crores)

Various Buildings have been taken on operating lease with lease term between 11 and 144 months for office premises, storage space and retail shop, which are renewable on a periodic basis by mutual consent of both parties. There is no restriction imposed by lease arrangements, such as those concerning dividends, additional debts.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The reporting entity makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised.

For the short-term and low value leases, the reporting entity recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Accounting for leases under Ind AS 116

Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Opening Gross carrying amount of right of use assets		
Depreciation charged for the Right-of-use assets	10.32	19.31
Interest expense on lease liability	1.47	2.71
The rental expense relating to short-term leases for which Ind AS 116 has not been applied	0.24	0.45
Additions to Right-of-use assets during the current year	11.07	8.60
Deletions to Right-of-use assets during the current year	1.52	0.65
Closing Gross carrying amount of right of use assets	5.13	9.64
Total cash outflow for leases for the year	6.71	10.32
	2.03	3.44

Lease liabilities

Particulars	As at 31-03-2024	As at 31-03-2023
Maturity analysis - contractual undiscounted cash flows		
Not later than one year		
Later than one year and not more than five years	1.38	0.04
More than five years	1.83	3.59
Total undiscounted Liabilities	-	0.35
	3.21	4.48
Lease liabilities		
Current		
Non-current	1.19	0.62
	1.59	3.46

42 Segment Reporting

The company is primarily engaged in the business of Trading and retailing of Steel Tubes & Pipes, Steel-Flat Products, roofing, TMT, Steel-Long Products, Sanitaryware, Tiles, PVC Pipes & Fittings and other building material products. In accordance with IND AS 108 "Operating Segments", the company has presented the segment information on the basis of its consolidated financial statements. Hence, the segment information for the separate (i.e. standalone) financial statements are not presented.

43 Additional Information

Disclosure required under Section 22 of Micro, Small and Medium Enterprise Development ("MSMED") Act, 2006

Particulars	As at 31-03-2024	As at 31-03-2023
(i) the principal amount and the interest due there on remaining unpaid to any supplier as at the end of each accounting year;		
Principal amount	21.33	105.66
Interest due thereon	-	-
(ii) the amount of interest paid by the buyer under the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of accounting year and	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006.	-	-



Shankara Building Products Limited
Notes to the Standalone Financial Statements

44 Assets hypothecated as security:

(Rupees in Crores)

The carrying amount of assets hypothecated as security for current and non-current borrowings are:

Particulars	Note No	As at 31-03-2024	As at 31-03-2023
Current Assets			
A) Financial assets			
(i) First and Second Charge			
- Trade Receivables	15	633.56	500.02
(ii) Floating Charge		-	-
B) Non Financial assets			
(i) First and Second Charge			
- Inventories (net off goods-in-transit)	14	346.08	332.00
(ii) Floating Charge		-	-
Total current assets hypothecated as security		979.64	832.02
Non-Current Assets			
A) Non Financial assets			
(i) First Charge			
- Vehicles		0.92	1.05
- Land and Building (Refer note no 47C)		12.97	13.13
(ii) Floating Charge		-	-
Total non-current assets hypothecated as security		13.89	14.18
Total assets hypothecated as security		993.53	846.20



45 Employee benefits

a) Defined contribution plans

Contribution to Defined Contribution Plans, recognised as an expense for the year is as under:

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
Employer's Contribution to Provident Fund (includes pension fund)	2.63	2.35
Employer's Contribution to Employee State Insurance	0.23	0.23

b) Defined benefit plan

(i) Gratuity

The Company has funded the gratuity liability ascertained on actuarial basis, wherein every employee who has completed five years or more of service is entitled to gratuity on retirement or resignation or death calculated at 15 days salary for each completed year of service, subject to a maximum of Rs. 20 lacs per employee. The vesting period for Gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

There are no other post-retirement benefits provided to employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31-03-2024. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Gratuity (Funded)

Particulars	As at 31-03-2024	As at 31-03-2023
Liability recognized in the Balance Sheet		
Present value of defined benefit obligation		
Opening Balance		6.11
Current Service Cost	6.62	
Past Service Cost	0.71	0.67
Interest Cost	-	-
Actuarial Loss/(Gain) on obligation	0.48	0.40
Transfer In/(Out)	(0.31)	(0.29)
Benefits paid	(0.02)	-
Closing Balance	7.29	(0.27)
Less: Fair Value of Plan Assets		
Opening Balance		5.55
Expected Return on Plan assets less loss on investments	6.06	
Actuarial (Loss)/Gain on Plan Assets	0.45	0.37
Transfer In/ (Out)	0.05	(0.15)
Employers' Contribution	-	-
Benefits paid	0.56	0.56
Closing Balance	(0.19)	(0.27)
Amount recognized in Balance Sheet (refer note no 32)	6.93	6.06
	0.36	0.56



Shankara Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
Expenses during the year		
Current Service cost	0.71	0.67
Past Service cost	-	-
Interest cost	0.48	0.40
Expected Return on Plan assets	(0.45)	(0.37)
Component of defined benefit cost recognized in statement of profit & loss (refer note no 35)	0.74	0.70
Remeasurement of net defined benefit liability		
- Actuarial Loss/(Gain) on defined benefit obligation	(0.31)	(0.29)
- Actuarial Loss/(Gain) on Plan Assets	(0.05)	0.15
Component of defined benefit cost recognized in other comprehensive income	(0.36)	(0.14)
Actual Return on plan assets	0.50	0.22
Break up of Plan Assets:		
i) Equity instruments	-	-
ii) Debt instruments	-	-
iii) Investment Funds with Insurance Company	100%	100%
Of which, Unit Linked	0%	100%
Of which, Traditional/ Non-Unit Linked	100%	-
iv) Asset-backed securities	-	-
v) Structured debt	-	-

Note: None of the assets carry a quoted market price in an active market or represent the entity's own transferable financial instruments or are property occupied by the entity.

Principal actuarial assumptions

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
Discount Rate (pa)	7.00%	7.20%
Expected rate(s) of salary increase (pa)	7.00%	7.00%
Expected return on plan assets (pa)	7.20%	6.50%
Attrition rate (pa)	10.00%	10.00%
Mortality rate during employment	Indian assured lives mortality 2012-2014 Uilt	

Experience adjustments

Particulars	31-03-2024	31-03-2023	31-03-2022	31-03-2021	31-03-2020
Defined Benefit Obligation	7.29	6.82	6.11	5.90	6.10
Plan Assets	6.93	6.06	5.55	5.69	4.68
Surplus / (Deficit)	(0.36)	(0.56)	(0.56)	(0.21)	(1.43)
Experience Adjustments on Plan Liabilities - (Loss)/Gain - (PY Rs.17,000)	0.40	(0.00)	0.10	0.47	(0.20)
Experience Adjustments on Plan Assets - (Loss)/Gain	0.05	(0.15)	(0.14)	0.05	0.23

The Company expects to contribute Rs.0.36 crores (previous year Rs.0.56 crores) to its gratuity plan for the next year.

In assessing the Company's post retirement liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian assured lives mortality (2012-14) ultimate.

Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations after considering several applicable factors such as the composition of plan assets, investment strategy, market scenario, etc.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

Effective March 29, 2018, the Government of India has notified the Payment of Gratuity (Amendment) Act, 2018 to raise the statutory ceiling on gratuity benefit payable to each employee to Rs 20 lakhs from Rs 10 lakhs. Accordingly the amended and improved benefits, if any, are recognised as current year's expense as required under paragraph 103 of Ind AS 19.



Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	Impact on Defined benefit obligation			
	For the Year ended 31-03-2024		For the Year ended 31-03-2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% increase)	-	0.40	-	0.37
Discount rate (1% decrease)	0.45	-	0.42	-
Future salary growth (1% increase)	0.45	-	0.42	-
Future salary growth (1% decrease)	-	0.41	-	0.38
Attrition rate (1% increase)(PY Rs.39,000)	-	0.01	-	0.00
Attrition rate (1% decrease)(PY Rs.35,000)	0.01	-	0.00	-
Mortality (increase in expected life time by 1 year)(PY Rs.1,000)	-	-	-	-
Mortality (increase in expected life time by 3 years) (PY Rs.3,000)	-	-	-	0.00
				0.00

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The average expected remaining lifetime of the plan members is 6 years (31-03-2023 - 6 years) as at the valuation date which represents the weighted average of the expected remaining lifetime of all plan participants.

The expected maturity analysis of the benefit payments of gratuity is as follows:

Particulars	Less than a year	Between 1 - 2 years	Between 3 - 5 years	Next 5 years	Total
31-03-2024					
Defined benefit obligation (Gratuity)	0.98	1.01	2.83	5.27	10.09
Total	0.98	1.01	2.83	5.27	10.09
31-03-2023					
Defined benefit obligation (Gratuity)	0.80	0.79	2.88	4.56	9.03
Total	0.80	0.79	2.88	4.56	9.03

The Company had deployed its investment assets in an insurance plan which is invested in market linked bonds. The investment returns of the market-linked plan are sensitive to the changes in interest rates as compared with the investment returns from the smooth return investment plan. The liabilities' duration is not matched with the assets' duration.

The liabilities of the fund are funded by assets. The company aims to maintain a close to full-funding position at each Balance Sheet date. Future expected contributions are disclosed based on this principle.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.



46 Disclosure on Accounting for revenue from customers in accordance with Ind AS 115

Disaggregated revenue information

A Type of goods and service

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
(a) Sale of traded goods	4,862.46	4,033.99
(b) Other operating revenues Sale of scrap	0.27	2.23
Total Operating Revenue	4,862.73	4,036.22
In India	4,862.73	4,036.22
Outside India	-	-

B Timing of revenue recognition

Particulars	For the Year ended 31-03-2024		For the Year ended 31-03-2023	
	At a point of time	Over a period of time	At a point of time	Over a period of time
Sale of products and other operating income	4,862.73	Nil	4,036.22	Nil

C Contract Balances

Particulars	As at 31-03- 2024	As at 31-03- 2023
Contract Assets	-	-
Contract Liabilities	9.59	8.26

D Revenue recognised in relation to contract liabilities

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
Revenue recognised in relation to contract liabilities	7.85	6.52

E Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
Revenue at contracted prices	4,862.75	4,036.22
Less: Refund Liabilities	(0.02)	-
Total Revenue at contracted prices	4,862.73	4,036.22
Revenue from contract with customers	4,862.73	4,036.22

F Unsatisfied or partially satisfied performance obligation

Particulars	As at 31-03- 2024	As at 31-03- 2023
Unsatisfied or partially satisfied performance obligation	Nil	Nil

Shankara Building Products Limited
Notes to the Standalone Financial Statements

(Rajoo in Crores)

47 Related party disclosures

A. Names of Related parties with whom transactions have taken place during the year/previous year and nature of relationship:

Subsidiaries	Taurus Value Steel & Pipes Private Limited, Kuttalapur Mandal, Tolongana Vishal Precision Steel Tubes and Strips Private Limited, Hoskote, Karnataka Steel Network (Holdings) Pte Limited, Singapore Centurywells Roofing India Private Limited, Karthepulim, Tamil Nadu Shankara Building Limited, Bengaluru, Karnataka, (Incorporated on 13th October 2023)
Other related parties and their relationship where transaction exists:	
Key Managerial Personnel	Mr. Sukumar Srinivas (Managing Director) Mr. C. Ravikumar (Whole-time Director) Mr. Alex Varghese (Chief Financial Officer) Ms. Eshana Vikram (Company Secretary) Mr. V. Ravichandrar-Chairman and B. Jayaraman-Independent Director Mr Chandu Nair-Independent Director Ms. Jayashri Murali-Independent Director Mr. RSV Sivaprasad-Non Executive and Non-independent Director
Relatives of Key Managerial Personnel	Mr. Charanjay Misra Srinivas Mrs. Parvathi Misra Srinivas
Enterprise in which Key Managerial Personnel have significant influence	Shankara Holdings Private Limited, Bengaluru
Entities where control exist	Shankara Building Products Employees Gratuity Fund, Bengaluru

B. Transactions with Related Parties

	For the Year ended 31-03-2024	For the Year ended 31-03-2023
Purchase of Goods from (refer note 1 below)		
Taurus Value Steel & Pipes Private Limited	61.20	54.06
Vishal Precision Steel Tubes and Strips Private Limited	418.31	352.19
Centurywells Roofing India Private Limited	236.60	233.27
Sale of Goods to (refer note 2 below)		
Taurus Value Steel & Pipes Private Limited	4.75	7.27
Vishal Precision Steel Tubes and Strips Private Limited	160.62	37.89
Centurywells Roofing India Private Limited	125.14	14.06
Rent paid to		
Taurus Value Steel & Pipes Private Limited	0.08	0.04
Vishal Precision Steel Tubes and Strips Private Limited	0.03	0.00
Managing Director	0.43	0.40
Relative of Key Managerial Personnel	0.07	0.00
Interest received from		
Vishal Precision Steel Tubes and Strips Private Limited	0.27	-
Taurus Value Steel & Pipes Private Limited (CY Rs.4,000)	0.00	-
Centurywells Roofing India Private Limited	0.63	-
Interest paid to		
Taurus Value Steel & Pipes Private Limited	2.61	2.79
Rent received from		
Taurus Value Steel & Pipes Private Limited	0.05	0.03
Vishal Precision Steel Tubes and Strips Private Limited	0.02	0.01
Centurywells Roofing India Private Limited	0.32	0.22
Shankara Building Limited	0.01	-



Shankara Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

Transactions with Related Parties	For the Year ended 31-03-2024	For the Year ended 31-03-2023
Sale of Assets to		
Vishal Precision Steel Tubes and Strips Private Limited	0.04	0.54
Income on Corporate guarantees		
Taurus Value Steel & Pipes Private Limited (PY Rs.20,000)	0.05	0.00
Vishal Precision Steel Tubes and Strips Private Limited (PY Rs.20,000)	0.48	0.00
Centurywell's Roofing India Private Limited (PY Rs.20,000)	0.40	0.00
Advances granted to / (repaid by) Refer note no 4 below.		
Taurus Value Steel & Pipes Private Limited	0.05	-
Vishal Precision Steel Tubes and Strips Private Limited	10.21	-
Taurus Value Steel & Pipes Private Limited	(0.06)	-
Vishal Precision Steel Tubes and Strips Private Limited	(10.21)	-
A Whole-time Director-Net (CY Rs.14,412)	(0.00)	(0.02)
Chief Financial Officer-Net	(0.01)	(0.02)
Rental Deposit- Received from		
Vishal Precision Steel Tubes and Strips Private Limited (CY Rs.45,000)	0.03	-
Centurywell's Roofing India Private Limited	0.03	0.01
Shankara Builders Limited (CY Rs.30,000)	0.00	-
Rental Deposit- Given to		
Taurus Value Steel & Pipes Private Limited	0.01	-
Centurywell's Roofing India Private Limited	0.00	-
Goods-in-transit from		
Taurus Value Steel & Pipes Private Limited	0.79	0.39
Vishal Precision Steel Tubes and Strips Private Limited	1.20	3.60
Centurywell's Roofing India Private Limited	0.00	-
Unsecured loan availed/ (Repaid)		
Taurus Value Steel & Pipes Private Limited	(30.74)	(0.24)
Contribution to employee related trusts made during the year		
Shankara Building Products Employees Gratuity Fund	0.56	0.55
Investments in subsidiary companies		
Shankara Builders Limited (Refer note no 5)	0.01	-
Dividend paid to		
Key Managerial Personnel	2.92	1.17
Relatives of Key Managerial Personnel	0.05	0.02
Shankara Holdings Private Limited	0.04	0.00
Remuneration paid to Key Managerial Personnel (refer note 3 below)	For the Year ended 31-03-2024	For the Year ended 31-03-2023
Short-term employee benefits		
Managing Director	1.34	1.32
Whole-time director	0.68	0.62
Chief Financial Officer	0.40	0.36
Company Secretary	0.15	0.13
Sitting fees paid to Non executive Directors	0.35	0.25
Remuneration paid to Relative of Key Managerial Personnel	0.18	0.10

Notes

- The purchases from related parties are in the ordinary course of business. Purchase transactions are based on normal commercial terms and conditions and market rates.
- The sales to related parties are in the ordinary course of business. Sales transactions are based on prevailing price lists. The Company has not recorded any expected credit loss for trade receivables from related parties.
- As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.
- Advances granted to subsidiaries for working capital purposes.



Shankara Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

C. Balance Outstanding to/ from related parties		
	As at 31-03-2024	As at 31-03-2023
Trade Payables		
Taurus Value Steel & Pipes Private Limited	7.30	-
Centurywells Roofing India Private Limited	7.54	31.83
Vishal Precision Steel Tubes and Strips Private Limited	-	23.04
Advances to Subsidiary company for Purchases		
Taurus Value Steel & Pipes Private Limited	-	2.58
Trade Receivables		
Vishal Precision Steel Tubes and Strips Private Limited	23.14	-
Interest Receivables		
Vishal Precision Steel Tubes and Strips Private Limited	0.00	-
Taurus Value Steel & Pipes Private Limited (CY Rs.4,000)	0.00	-
Rent payable		
Vishal Precision Steel Tubes and Strips Private Limited (Current year Rs.27,000/-, Previous Year Rs.27,000/-)	0.03	0.00
Taurus Value Steel & Pipes Private Limited Managing Director	0.01	0.01
Relative of a Key managerial personnel (PY Rs.23,625)	0.04	0.04
	0.01	0.00
Remuneration payable to Key Managerial Personnel		
Managing Director	0.05	0.07
Whole-time director	0.03	0.03
Chief Financial Officer	0.04	0.02
Company Secretary	0.02	0.01
Remuneration payable to a relative of a Key Managerial Personnel	0.02	0.31
Expenses receivable		
Shankara Buildpro Limited	0.01	-
Rent Receivable		
Taurus Value Steel & Pipes Private Limited (Current Year Rs.31,250/-, Previous year Rs.31,000/-)	0.00	0.00
Vishal Precision Steel Tubes and Strips Private Limited Previous year Rs.23,000/-)	0.01	0.00
Centurywells Roofing India Private Limited	0.00	0.02
Shankara Buildpro Limited	0.01	-
Rental Deposit -Payable to		
Centurywells Roofing India Private Limited	0.09	0.01
Shankara Buildpro Limited (CY Rs.30,000)	0.00	-
Vishal Precision Steel Tubes and Strips Private Limited (Current Year Rs.45,000/-)	0.00	-
Rental Deposit- Receivable		
Taurus Value Steel & Pipes Private Limited	0.01	-
Centurywells Roofing India Private Limited	0.05	-
Loan Payable		
Taurus Value Steel & Pipes Private Limited	-	39.74
Investments in subsidiary companies (Refer note no 8)	38.62	38.79
Assets hypothecated as security against the loans availed by		
Centurywells Roofing India Private Limited	12.97	13.13
Guarantees & Collaterals furnished to (Refer note no 48 (C)(2)(ii) for maximum exposure)		
Taurus Value Steel & Pipes Private Limited	5.00	5.00
Vishal Precision Steel Tubes and Strips Private Limited	45.75	45.75
Centurywells Roofing India Private Limited	40.00	40.00
Guarantees furnished by		
Managing Director	580.00	552.00
Due from a Whole-time director (PY Rs.14,412)	-	0.00
Due from Chief Financial Officer	-	0.01

Terms and Conditions

All outstanding balances are unsecured and are repayable in cash

Guarantees furnished to subsidiaries:

Guarantees furnished to the lenders of the subsidiaries are for availing working capital facilities from the lender banks.

Guarantees furnished by subsidiaries:

Guarantees furnished to the lenders of the company are for availing working capital facilities from the lender banks.

Guarantees furnished by managing director:

Personal guarantee furnished by the managing director to the company are for availing working capital facilities from the lender banks.



Shankers Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

48 Financial Instruments

A. Capital Management

(1) Capital risk management

The Company's capital requirements are mainly to fund its expansion, working capital and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by borrowings from bank and funds from capital markets. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce finance cost and closely monitors its judicious allocation amongst competing expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents. Bank balances other than cash and cash equivalents.

Particulars	Note No.	As at 31-03-2024	As at 31-03-2023
Long term borrowings	22	14.40	54.59
Current maturities of long-term debt	27	10.70	8.32
Short term borrowings	27	50.30	37.51
Less: Cash and cash equivalents	16	(26.22)	(5.71)
Net Debt (A)		47.18	104.71
Total Equity (B)	20, 21	601.21	458.04
Gearing Ratio (A / B)		0.08	0.23

i) Equity includes all capital and reserves of the Company that are managed as capital.

ii) Debt is defined as long and short term borrowings (excluding financial guarantee contracts), as described in Note 22 and 27

(2) Dividends

Particulars	As at 31-03-2024	As at 31-03-2023
Equity Shares		
(i) Final Dividend for the year ended March 31, 2023 of Rs.2.5 per fully paid share	5.71	-
(ii) Final Dividend for the year ended March 31, 2022 of Rs.1.00 per fully paid share	-	2.29



Shankara Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

B. Categories of financial instruments

Particulars	Note no	As at 31-03-2024		As at 31-03-2023	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets					
Measured at amortised cost					
Loans	11				0.06
Other financial assets	12, 18	0.06	0.06	0.06	0.06
Trade receivables	10, 15	9.03	9.03	9.27	9.27
Cash and cash equivalents	16	636.25	636.25	502.81	502.81
Bank balances other than cash and cash equivalents	17	26.22	28.22	5.71	5.71
Non-current investments		1.22	1.22	1.84	1.84
Total financial assets at amortised cost (A)	9	38.52	38.52	38.70	38.70
Total financial assets measured at fair value through other comprehensive income (B)		713.40	713.40	558.39	558.39
Total financial assets measured at fair value through profit and loss		-	-	-	-
Derivative asset not designated as hedge					
Foreign exchange forward contracts		-	-	-	-
Total financial assets measured at fair value through profit and loss (C)		-	-	-	-
Total financial assets (A+B+C)		713.40	713.40	558.39	558.39
Financial liabilities					
Measured at amortised cost					
Long term Borrowings *	22, 27	25.10	25.10	72.91	72.91
Short term Borrowings **	27	50.30	50.30	37.51	37.51
Trade payables	29	585.34	585.34	506.52	506.52
Lease Liabilities	23, 28	2.78	2.78	3.98	3.98
Other financial liabilities	24, 30	10.06	10.06	9.55	9.55
Total financial liabilities carried at amortised cost (A)		673.58	673.58	632.57	632.57
Total financial liabilities measured at fair value through profit and loss (B)		-	-	-	-
Total financial liabilities measured at fair value through other comprehensive income (C)		-	-	-	-
Total financial liabilities (A+B+C) including current maturities of long-term debt excluding current maturities of long-term debt		673.58	673.58	632.57	632.57



(Rupees in Crores)

C. Financial risk management

The Company has an Audit & Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

(1) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in commodity prices and interest rates.

(1) Currency Risk

Exposure to currency risk

Particulars	As at 31-03-2024		As at 31-03-2023	
	USD	INR	USD	INR
Total foreign currency exposure in respect of recognised liabilities	-	-	-	-
Forward exchange contracts	-	-	-	-
Net Exposure	-	-	-	-

Sensitivity

Currency risks related to the amounts of foreign currency loans are fully hedged using derivatives that mature on the same dates as the loans are due for repayment.

(ii) Commodity price risk:

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel and other building products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products. The Company purchases the steel and other building products in the open market from third parties as well as from subsidiaries at prevailing market price. The Company is therefore subject to fluctuations in the prices of steel coil, steel pipes, sanitary wares etc.

The Company aims to sell the products at prevailing market prices. Similarly the Company procures the products based on prevailing market rates as the selling prices of steel products and the prices of inputs move in the same direction.

Inventory Sensitivity Analysis (Stock in trade)

A reasonably possible changes of 1% in prices of inventory at the reporting date, would have increased (decreased) equity and profit or loss by the amounts shown below. The analysis assumes that all other variables remain constant.

Particulars	Impact on profit or (loss)		Impact on Equity, net of tax	
	As at 31-03-2024	As at 31-03-2023	As at 31-03-2024	As at 31-03-2023
1% increase in prices of inventory	(3.48)	(3.36)	(2.61)	(2.52)
1% decrease in prices of inventory	3.48	3.36	2.61	2.52



(Rupees in Crores)

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk since funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

Particulars	As at 31-03-2024	As at 31-03-2023
Fixed rate borrowings	3.28	0.86
Floating rate borrowings	72.12	109.56
Total borrowings	75.40	110.42
Total Net borrowings as per Financial Statements	75.40	110.42
Add: Uplift fees	-	-
Total borrowings	75.40	110.42

Sensitivity analysis for variable-rate instruments

This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Impact on profit or (loss)		Impact on Equity, net of tax	
	As at 31-03-2024	As at 31-03-2023	As at 31-03-2024	As at 31-03-2023
100 basis points increase in interest rates	(0.72)	(1.10)	(0.54)	(0.82)
100 basis points decrease in interest rates	0.72	1.10	0.54	0.82

(2) Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

Company's credit risk arises principally from the trade receivables, advances and financial guarantees furnished to the lenders of the subsidiaries.

(i) Trade receivables:
Customer credit risk is managed centrally by the company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on financial position, past performance, business' economic conditions, market reputation, expected business etc. Based on that credit limit & credit terms are decided. Outstanding customer receivables are regularly monitored

Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.



(Rupees in Crores)

Year ended 31-03-2024

Expected credit loss for trade receivables under simplified approach

Ageing	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount - Trade receivables	333.78	263.07	20.20 (0.10)	15.94 (3.21)	1.65 (0.39)	10.62 (5.31)	645.26 (9.01)
Expected credit losses (Loss allowance provision) - trade receivables	-	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	333.78	263.07	20.10	12.73	1.26	5.31	636.25

Year ended 31-03-2023

Expected credit loss for trade receivables under simplified approach

Ageing	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount - Trade receivables	414.18	70.54	10.53 (0.28)	2.33 (0.58)	3.35 (1.06)	7.57 (3.79)	508.50 (5.69)
Expected credit losses (Loss allowance provision) - trade receivables	-	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	414.18	70.54	10.27	1.75	2.29	3.78	502.81

(ii) Financial guarantees furnished :

The company has furnished Corporate guarantee to the lenders of the subsidiaries for availing working capital facilities. Maximum amount of exposure if the guarantee is called on, in the event of default:

As at 31-03-2024	As at 31-03-2023
67.58	70.81



The company does not anticipate any downfall in the current level of performance of the subsidiaries in the near future. The networth of the subsidiaries are sufficient enough to manage in the event of default.

(3) Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for strategic acquisitions. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and borrowings provide liquidity. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(Rupees in Crores)

The company has access to the following undrawn borrowing facilities at the end of the reporting period:

Financing arrangements

Particulars	As at 31-03-2024	As at 31-03-2023
Floating Rate		
- Expiring within one year	180.59	138.20
- Expiring beyond one year	-	-
	180.59	138.20

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

With respect to floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Liquidity exposure as at 31-03-2024

Particulars	Note no	< 1 year	1-5 years	> 5 years	Total
Financial assets					
Loans	11	-	0.06	-	0.06
Other financial assets	12,15	1.36	7.53	-	8.89
Trade receivables	10,15	633.56	2.69	0.14	636.35
Cash and cash equivalents	16	28.22	-	-	28.22
Bank balances other than cash and cash equivalents	17	1.22	-	-	1.22
Non-current investments	9	-	-	38.62	38.62
Total financial assets		664.36	10.28	38.76	713.40
Financial liabilities					
Long term Borrowings *	22,27	10.70	14.40	-	25.10
Short term Borrowings**	27	50.30	-	-	50.30
Trade payables	29	585.34	-	-	585.34
Lease Liabilities	23,28	1.19	1.59	-	2.78
Other financial liabilities	24,30	9.87	0.19	-	10.06
Total financial liabilities		657.40	16.18	-	673.58

* including current maturities of long-term debt

** excluding current maturities of long-term debt



Shankara Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

Liquidity exposure as at 31-03-2023

Particulars	Note no	< 1 year	1-5 years	> 5 years	Total
Financial assets					
Loans	11	-	0.06	-	0.06
Other financial assets	12,18	1.30	7.63	0.14	9.27
Trade receivables	10,15	500.02	2.79	-	502.81
Cash and cash equivalents	16	5.71	-	-	5.71
Bank balances other than cash and cash equivalents	17	1.84	-	-	1.84
Non-current investments	9	-	-	38.70	38.70
Total financial assets		508.87	10.68	38.84	558.39
Financial liabilities					
Long term Borrowings *	22,27	8.32	64.59	-	72.91
Short term Borrowings**	27	37.51	-	-	37.51
Trade payables	29	506.62	-	-	506.62
Lease Liabilities	23,28	0.52	3.46	-	3.98
Other financial liabilities	24,30	9.43	0.12	-	9.55
Total financial liabilities		564.40	68.17	-	632.57

* including current maturities of long-term debt

**excluding current maturities of long-term debt

The amount of guarantees furnished on behalf of subsidiaries included in note no.47(c) represents the maximum amount the Company could be forced to settle for the full guaranteed amount. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the arrangement.

Collateral

The Company has hypothecated part of its financial assets in order to fulfill certain collateral requirements for the banking facilities extended to the Company. There is an obligation to return the securities to the Company once these banking facilities are surrendered. (refer note no 22, 27 and 44)



(Rupees in Crores)

D. Level wise disclosure of financial instruments

Particulars	Note No	As at 31-03-2024			As at 31-03-2023				
		Carrying Value	Fair Value			Carrying Value	Fair Value		
			Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets									
Loans	11	0.06					0.06		
Other financial assets	12,18	9.03					9.27		
Trade receivables	10,15	636.25					502.81		6.09
Cash and cash equivalents	16	28.22		5.86			5.71		
Bank balances other than cash and cash equivalents	17	1.22					1.84		
Non-current investments	9	38.62					38.70		
Total financial assets		713.40		5.86			556.39		6.09
Financial liabilities									
Long term Borrowings *	22,27	25.10					72.91		
Short term Borrowings**	27	50.30					37.51		
Trade payables	29	586.34					508.62		
Lease Liabilities	23,28	2.78					3.98		
Other financial liabilities	24,30	10.06		0.09			9.55		
Total financial liabilities		673.58		0.09			632.57		6.09

* including current maturities of long-term debt

**excluding current maturities of long-term debt

The carrying amounts of short-term borrowings, trade receivables, trade payables, cash and cash equivalents, other bank balances and other financial assets and liabilities other than those disclosed in the above table, are considered to be the same as their fair values, due to their short term nature.



Shankara Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

49 Corporate social responsibility

The provisions of Corporate Social Responsibility (Section 135 of the Companies Act, 2013) are applicable to the company.

a) Gross amount required to be spent by Company during the year - Rs. 0.82 Crores (Previous year: Rs.0.61 Crores)

b) Amount spent during the year:
Year ended 31-03-2024

Particulars	Amount required to be spent for the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of previous years shortfall
a) Construction / acquisition of any assets	-	-	-	-
b) On purpose other than (a) above	0.82	0.93	-	-

Year ended 31-03-2023

Particulars	Amount required to be spent for the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of previous years shortfall
a) Construction / acquisition of any assets	-	-	-	-
b) On purpose other than (a) above	0.61	0.61	-	-

Amount paid is included under Other expenses (refer note no 37)

(c) **Nature of CSR Activities-** Healthcare infrastructure, education, environment sustainability, rehabilitating abandoned women and children.

50 Previous year figures

The previous year figures has been regrouped /rearranged wherever necessary to conform to the current year's presentation.



51 Ratios as per the Schedule III requirements

(Rupees in Crores)

A. Current ratio = Current assets / Current liabilities.

Particulars	As at 31.03.2024	As at 31.03.2023
Current assets	1,043.58	862.12
Current Liabilities	685.27	581.41
Ratio (times)	1.52	1.48
% change from previous year	2.70%	
Reason for change more than 25%: Not applicable		

B. Net Debt-Equity Ratio = Net debt / total equity

Particulars	As at 31.03.2024	As at 31.03.2023
Net Debt (refer note (i) below)	47.18	104.71
Equity	601.21	456.04
Ratio (times)	0.08	0.23
% change from previous year	-65.22%	
Note (i) Net debt = Long term borrowings + Short term borrowings - Cash and cash equivalents		
Reason for change more than 25%: Reflects reduction in borrowings		

C. Debt service coverage ratio = Earnings available for debt service / Interest expense and principal repayment of long term loan made during the year.

Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Earnings available for debt services (refer note (i) below)	134.04	108.01
Interest + Principal Repayments of long term loans made during the period excluding prepayment	39.25	28.86
Ratio (times)	3.42	3.74
% change from previous year	-8.56%	
Note (i) Earnings available for debt service = Earnings before interest, tax, exceptional items, depreciation and amortisation		
Reason for change more than 25%: Not applicable		

D. Return on equity ratio = Net profit after tax / average equity

Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Net profit after tax	69.86	57.02
Average shareholders equity (refer note (i) below)	529.63	417.50
Ratio (percentage)	13.19%	13.68%
% change from previous year	-3.44%	
Note (i) Average shareholders equity = (Total equity as at beginning of respective year + total equity as at end of respective year) divided by 2		
Reason for change more than 25%: Not applicable		

E. Inventory turnover ratio = Cost of goods sold / average inventory

Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Cost of goods sold (refer note (i) below)	4,634.69	3,851.54
Average inventory (refer note (ii) below)	339.04	306.86
Ratio (times)	13.67	12.55
% change from previous year	8.92%	
Note (i) Cost of goods sold of respective year = Cost materials consumed + purchases + Changes in inventory (ii) Average inventory = (Total inventory - Goods in transit as at beginning of respective year) + (total inventory - Goods in transit as at end of respective year) divided by 2		
Reason for change more than 25%: Not Applicable		



F. Trade receivables turnover ratio = Sales / Average trade receivables

Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Turnover (refer note (i) below)	6,738.02	4,762.74
Average trade receivables (refer note (ii) below)	589.53	420.57
Ratio (times)	11.08	11.32
% change from previous year	-10.95%	
Note		
(i) Turnover = Revenue from operations (including GST)		
(ii) Average trade receivables = (Total trade receivables as at beginning of respective year + total trade receivables as at end of respective year) divided by 2		
Reason for change more than 25%: Not Applicable		

G. Trade payables turnover ratio = Purchases / Average trade payables

Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Purchases (including GST)	5,486.14	4,803.92
Average trade payables (refer note (i) below)	546.98	404.89
Ratio (times)	10.03	11.37
% change from previous year	-11.79%	
Note		
(i) Average trade payables = (Total Trade Payables as at beginning of respective year + Total Trade Payables as at end of respective year) divided by 2		
Reason for change more than 25%: Not applicable		

H. Net capital turnover ratio = Revenue from operations / Working capital

Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
Revenue from operations	4,862.73	4,036.22
Working capital	358.31	280.71
Ratios (times)	13.57	14.38
% change from previous year	-5.63%	
Note		
Working capital = Current assets - Current liabilities		
Reason for change more than 25%: Not applicable		

I. Net profit ratio = Net profit after tax / Revenue from operations

Particulars	For the Year ended 31-03-2024	For the Year ended 31-03-2023
Net profit after tax	69.86	57.02
Revenue from operations	4,862.73	4,036.22
Ratios (percentage)	1.44%	1.41%
% change from previous year	2.13%	
Reason for change more than 25%: Not applicable		

J. Return on Capital employed = Earnings before interest and taxes (EBIT) / Average Capital employed

Particulars	As at / For the Year ended 31-03-2024	As at / For the Year ended 31-03-2023
EBIT (refer note (i) below)	124.26	98.30
Average Capital employed (refer note (ii) & (iii) below)	605.57	539.15
Ratios (percentage)	20.57%	18.23%
% change from previous year	12.84%	
Note		
(i) EBIT = Profit before taxes + finance cost		
(ii) Capital employed = Total equity + Long term borrowings + Short term borrowings - Cash and cash equivalents		
(iii) Average Capital employed = (Capital Employed at beginning of respective year + Capital Employed at end of respective year) divided by 2		
Reason for change more than 25%: Not applicable		

K. Return on investment = Income generated from investments / average investments

This is not applicable as the investments are made only in the subsidiaries. Benchmarking the return on annual basis will not reflect yield from such investments.



Shankar Building Products Limited
Notes to the Standalone Financial Statements

(Figures in Crores)

- 52 No proceedings have been initiated or pending against the Company for holding Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made there under
- 53 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary
- 54 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- 55 The Company has not operated in any crypto currency or Virtual Currency transactions
- 56 Balances outstanding with nature of transactions with struck off companies as per section 248 of the Companies Act, 2013

Name of the Struck off Company	Nature of transactions with struck off company	Balance outstanding as at 31-03-2024	Relationship with struck off companies, if any to be disclosed
Gurdo Organics India Pvt.Ltd.	Trade Receivables	0.20	Third party customer
Bacol FPS & Engineers India Pvt. Ltd.	Trade Receivables	0.09	Third party customer
Arpana Megawatt International Private Limited	Trade Receivables	0.20	Third party customer
SNN Builders Pvt Ltd (CY - Rs. 5,030)	Trade Receivables	0.00	Third party customer
Yash Trading Company	Trade Receivables	0.36	Third party customer
KODES Design Consultants Private Limited	Trade Receivables	0.01	Third party customer

To the extent information is available with the company the details of struck off companies, as per the master data base in Ministry of Corporate Affairs (MCA) Portal is provided.



Shankara Building Products Limited
Notes to the Standalone Financial Statements

(Rupees in Crores)

- 57 During the year the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.
- 58 The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- 59 The Board of Directors of the Company at their meeting held on 18th December, 2023 approved a Scheme of Arrangement under section 230-232 and read with other applicable provisions of the Companies Act, 2013 for demerger of the Demerged Undertaking ("Trading Business") of Shankara Building Products Limited ("Demerged Company") into Shankara Buildpro Limited ("Resulting Company") which is a wholly owned subsidiary of the Demerged Company and their respective shareholders and creditors ("Scheme").

The Scheme inter-alia provides for

- (i) Demerger, transfer and vesting of Trading Business from the Demerged Company into the Resulting company on a going concern basis.
- (ii) Reduction and cancellation of equity share capital of the Resulting company held by the Demerged Company.
- (iii) Issuance and allotment of Equity Shares by the Resulting Company to all the shareholders of the Demerged Company as per the Share Entitlement Ratio i.e., for every 1 (one) fully paid equity share of face value of INR 10/- (Indian Rupees Ten only) each, held in the Demerged Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Demerged Company shall be issued 1 (One) fully paid equity share of face value of INR 10/- (Indian Rupees Ten Only) each in the Resulting Company, in consideration of transfer of Demerged Undertaking.

After the sanction of the Scheme by the National Company Law Tribunal, Bengaluru having jurisdiction over the Companies (NCLT) and upon the fulfilment of conditions as prescribed in clause 18 of the Scheme, the Scheme shall become effective from the Effective Date as defined in the Scheme.

The Appointed date is 01.01.2024 as per the Scheme which is approved by the Board of Directors in the Board Meeting held on 18th December 2023.

The Scheme is subject to receipt of necessary regulatory and other approvals inter-alia approval from BSE Limited, NSE Limited, Securities and Exchange Board of India, Shareholders and Creditors of the Company, NCLT and such other statutory and regulatory approvals as may be applicable.

The Board is of the view that provisions of Ind AS 105- "Non-Current Assets Held for Sale and Discontinued Operations" are not applicable as there is no sale by the Demerged Company. Further there is no inflow of cash as consideration for sale into the Demerged Company.

- 60 The company has not granted loans or advances in the nature of loans to any Promoters, Directors, KMPs which are repayable on demand or without specifying any terms or period of repayments but has granted advances in the nature of loans to its related parties i.e. two wholly owned subsidiaries which are repayable on demand. Refer Note No. 9(a)

Type of borrower	Amount of advance in the nature of loans outstanding	Percentage of the total loans and advances in the nature of loans
Related parties	Nil	0%

61 Events occurring after the Balance Sheet date

The Board has recommended a final dividend of Rs.3/- (Rupees Three only) per equity share (face value of Rs. 10/- each) for the financial year ended 31-03-2024 aggregating to Rs.7.27 crore, subject to the approval of shareholders in the ensuing Annual General Meeting.

- 62 The financial statements has been approved by the Board of directors at their meeting held on 20th May, 2024.

As per our report attached of even date
For SUNDARAM & SRINIVASAN
 Chartered Accountants
 ICAI Firm Reg.No: 0042075

Srinivasan K
 Partner
 Membership No: 309120

For and on behalf of the Board of Directors

Srikumar Srinivas
 Managing Director
 DIN: 0100005

Alexy Varghese
 Chief Financial Officer

Place: Bengaluru
 Date: May 20, 2024

G.Ravikumar
 Whole-time Director
 DIN: 01247947

Errena Vikram
 Company Secretary
 Membership No:
 33459

Place: Bengaluru
 Date: May 20, 2024



Shankara Building Products Limited
CIN: L26922KA1995PLC018990
Registered 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 Crores)

Statement of Unaudited Consolidated financial results for the Quarter and Half year ended 30th September 2024

Particulars	For the quarter ended			For the half year ended		For the year ended
	30.09.2024	30.06.2024	30.09.2023	30.09.2024	30.09.2023	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Revenue From Operations	1,329.40	1,290.97	1,142.49	2,620.37	2,274.62	4,828.44
2 Other Income	1.00	0.53	0.58	1.53	1.04	5.24
3 Total Income (1+2)	1,330.40	1,291.50	1,143.07	2,621.90	2,275.66	4,833.68
4 Expenses						
a) Cost of materials consumed	335.10	323.93	228.79	659.03	444.90	961.69
b) Purchases of Stock-in-Trade	879.34	938.14	851.37	1,817.48	1,731.48	3,636.48
c) Changes in inventories of finished goods and Stock-in-Trade	41.14	(45.71)	(4.09)	(4.57)	(30.92)	(46.11)
d) Employee benefits expense	16.48	14.49	14.08	30.97	26.59	54.97
e) Finance costs	12.95	15.51	7.76	28.46	15.16	32.34
f) Depreciation and amortization expense	4.23	4.20	4.02	8.43	7.91	15.91
g) Other expenses	20.76	19.40	16.67	40.16	32.90	70.30
Total expenses (4)	1,310.00	1,269.96	1,118.60	2,579.94	2,228.02	4,725.58
5 Profit before exceptional items and tax [3-4]	20.40	21.54	24.47	41.94	47.64	108.10
6 Exceptional items	-	-	-	-	-	-
7 Profit/(loss) before tax (5+6)	20.40	21.54	24.47	41.94	47.64	108.10
8 Tax expense:						
(a) Current tax	5.25	5.64	6.20	10.89	12.21	26.85
(b) Tax - earlier years	-	-	-	-	-	0.29
(c) Deferred tax	(0.06)	(0.13)	0.06	(0.21)	(0.06)	(0.18)
Total Tax Expenses	5.19	5.49	6.26	10.68	12.15	26.97
9 Profit/(loss) for the period (7-8)	15.21	16.05	18.21	31.26	35.49	81.13
10 Other Comprehensive Income						
A (i) Items that will not be reclassified to profit or loss from operations - Re-measurements of the defined benefit plans	(0.09)	0.10	0.12	0.01	0.17	0.41
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.02	(0.02)	(0.03)	(0.00)	(0.04)	(0.10)
Total A	(0.07)	0.08	0.09	0.01	0.13	0.31
(i) Items that will be reclassified to profit or loss from operations - Exchange differences in translating the financial statements of a foreign operation (For quarter ended 30th Sept 2024-Rs.19,609/-, for quarter ended 30th June 2024-Rs.4,593/-, for quarter ended 30th Sept 2023-Rs.50,604/-, for half year ended 30th Sept 2024-Rs.24,202/-, for half year ended 30th Sept 2023-Rs.41,674/- and for the year ended 31st March 2024-Rs.61,100/-)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Total B	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total Other Comprehensive Income/(Loss) (A+B)	(0.07)	0.08	0.09	0.01	0.13	0.31
11 Total Comprehensive Income/(loss) (9+10)	15.14	16.13	18.30	31.27	35.62	81.44
12 Total Profit/(loss) for the period attributable to:						
- Owners of the parent	15.21	16.05	18.21	31.26	35.49	81.13
- Non-controlling interest	-	-	-	-	-	-
	15.21	16.05	18.21	31.26	35.49	81.13
13 Other comprehensive Income/(loss) for the period attributable to:						
- Owners of the parent	(0.07)	0.08	0.09	0.01	0.13	0.31
- Non-controlling interest	-	-	-	-	-	-
	(0.07)	0.08	0.09	0.01	0.13	0.31
14 Total comprehensive income(loss) for the period attributable to:						
- Owners of the parent	15.14	16.13	18.30	31.27	35.62	81.44
- Non-controlling interest	-	-	-	-	-	-
	15.14	16.13	18.30	31.27	35.62	81.44
15 Paid-up Equity share capital	24.25	24.25	22.85	24.25	22.85	24.25
Face Value per share (in Rs.)	10.00	10.00	10.00	10.00	10.00	10.00
Reserve excluding revaluation reserve - Other equity						773.32
16 Earnings per share (Face Value of Rs.10/- each) (Not annualised/Annualised for the year ended 31-03-2024)						
Basic (in Rs.)	6.27	6.62	7.97	12.89	15.53	34.67
Diluted (in Rs.)	6.27	6.62	7.97	12.89	15.53	34.67

See accompanying notes to the Financial Results

Place : Bengaluru

Date : 4th November, 2024



A-284

By order of the Board
SUKUMAR SRINIVAS

Managing Director

Shankara Building Products Limited

CIN: L26922KA1995PLC018990

Registered 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

Consolidated statement of assets and liabilities as at 30th September 2024

(Rs. in Crores)

Particulars	As at	As at
	30.09.2024	31.03.2024
	Unaudited	Audited
I ASSETS		
1 Non-current assets		
(a) Property, Plant and Equipment	267.63	268.50
(b) Capital work-in-progress	0.74	-
(c) Investment Property	7.66	7.67
(d) Right-of-use Asset	3.44	2.66
(e) Goodwill on Consolidation	14.04	14.04
(f) Other Intangible assets	-	-
(g) Intangible assets under development	3.71	2.89
(h) Financial Assets		
(i) Trade receivables	2.40	2.80
(ii) Loans	0.05	0.06
(iii) Other financial assets	10.67	10.15
(i) Deferred tax Assets	0.01	0.01
(j) Other non-current assets	4.52	5.83
Total Non current assets	314.87	314.61
2 Current assets		
(a) Inventories	529.89	484.76
(b) Financial Assets		
(i) Trade receivables	734.52	686.11
(ii) Cash and cash equivalents	22.18	28.35
(iii) Bank balances other than (ii) above	6.19	6.05
(iv) Other financial assets	1.59	1.35
(c) Current Tax Asset (Net)	1.89	1.63
(d) Other current assets	68.36	62.68
Total current assets	1,364.62	1,270.93
Total Assets	1,679.49	1,585.54
II EQUITY AND LIABILITIES		
1 Equity		
(a) Equity Share capital	24.25	24.25
(b) Other Equity	797.32	773.32
Total Equity	821.57	797.57
Liabilities		
2 Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	8.95	14.40
(ia) Lease Liabilities	2.59	1.59
(ii) Other financial liabilities	0.15	0.09
(b) Deferred tax liabilities (Net)	8.51	8.72
Total Non-current liabilities	20.20	24.80
3 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	101.54	69.01
(ia) Lease Liabilities	1.18	1.65
(ii) Trade payables		
(A) Total Outstanding Dues of Micro Enterprises and Small Enterprises and	12.84	21.33
(B) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	682.59	629.17
(iii) Other financial liabilities	14.36	12.18
(b) Other current liabilities	17.18	24.45
(c) Provisions	0.96	0.58
(d) Current Tax Liabilities (Net)	7.07	4.80
Total current liabilities	837.72	763.17
Total Equity and Liabilities	1,679.49	1,585.54

See accompanying notes to the Financial Results

By order of the Board

SUKUMAR SRINIVAS

Managing Director

A-285

Place : Bengaluru

Date : 4th November, 2024



Shankara Building Products Limited
CIN: L26922KA1995PLC018990
Registered 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
Unaudited Consolidated Statement of Cash Flows

Particulars	(Rs. In Crores)	
	For the half year ended 30.09.2024	For the half year ended 30.09.2023
	Unaudited	Unaudited
Cash flow from operating activities		
Profit before tax for the period	41.94	47.64
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation and amortization expense	8.43	7.91
Loss on sale of property, plant and equipment (CY Rs.30,280)	0.00	0.05
Profit on sale of property, plant and equipment/Investment property (PY Rs.47,471)	(0.26)	(0.00)
Unwinding of interest income on rental deposits	(0.19)	(0.15)
Interest income	(0.21)	(0.30)
Provision for doubtful debts written back	(0.43)	(0.02)
Interest expense on borrowings	28.32	15.03
Interest on Lease liability	0.14	0.13
Bad Debts written off (PY Rs.3,755)	0.37	0.00
Loss Allowance for doubtful trade receivables	2.00	1.74
Gain on termination of lease	-	(0.22)
Foreign currency translation reserve (CY Rs.24202, PY Rs.41,674)	0.00	(0.00)
Operating profit before working capital changes	80.11	71.81
Adjustments for :		
Decrease/ (Increase) in inventories	(45.13)	(44.38)
Decrease/ (Increase) in trade receivables	(49.95)	(72.30)
Decrease/ (Increase) in loans and other financial assets	(0.54)	0.84
Decrease/ (Increase) in other current assets	(5.68)	(13.66)
Decrease/ (Increase) in other non-current assets	(0.06)	0.12
(Decrease)/ Increase in trade payables	44.93	67.63
(Decrease)/ Increase in other financial liabilities	2.03	1.52
(Decrease)/ Increase in other current liabilities	(7.27)	2.46
(Decrease)/Increase in provisions	(1.49)	(1.13)
Cash flow from/(used in) operations	16.95	12.91
Income taxes paid	(7.00)	(9.50)
Net cash flows from/(used in) operating activities (A)	9.95	3.41
Cash flow from investing activities		
Consideration paid for purchase of property, plant and equipment (including capital work-in-progress)	(7.15)	(14.25)
	1.29	0.78
Proceeds from sale of property, plant and equipment/ Investment property	(0.82)	(0.73)
Purchase of software (Including intangible assets under development)	(0.14)	(0.62)
(Purchase)/proceeds from maturity of bank deposits/ unclaimed dividend	0.19	0.33
Interest receipt	0.19	0.33
Net cash flows from/(used in) investing activities (B)	(6.63)	(14.49)
Cash flow from financing activities		
Principal element of lease payments	(1.04)	(1.39)
Interest on lease liability	(0.14)	(0.13)
Repayment of term loans	(6.44)	(3.63)
Current Borrowings availed/ (repaid)	33.52	42.86
Interest paid	(28.20)	(14.84)
Unclaimed dividend - Transfer in/(out)	0.08	0.01
Dividends paid	(7.27)	(5.71)
Net cash from/(used in) financing activities (C)	(9.49)	17.17
Net increase/(decrease) in cash and cash equivalents(A+B+C)	(6.17)	6.09
Cash and cash equivalents - at the beginning of the period	28.35	5.87
Cash and cash equivalents - at the end of the period	22.18	11.96

The above Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7.
See accompanying notes to the Financial Results

Place : BENGALURU
Date : 4th November 2024



By order of the Board
SUKUMAR SRINIVAS
Managing Director

Shankara Building Products Limited

CIN: L26922KA1995PLC018990

Registered 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

Consolidated Unaudited Segment Information for the quarter and half year ended 30th September 2024

"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 Crores)

Particulars	For the quarter ended / as at			For the half year ended / as at		For the year ended / as at
	30.09.2024	30.06.2024	30.09.2023	30.09.2024	30.09.2023	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue						
- Retail	702.90	684.10	592.14	1,387.00	1,223.28	2,556.33
- Channel & Enterprise	626.50	606.87	550.35	1,233.37	1,051.34	2,272.11
Revenue from operations	1,329.40	1,290.97	1,142.49	2,620.37	2,274.62	4,828.44
2. Segment Results						
- Retail	37.78	39.05	32.65	76.83	65.09	145.57
- Channel & Enterprise	7.04	9.00	10.25	16.04	18.15	35.02
Total Segment Profit before Interest and Tax and unallocable expenses/income	44.82	48.05	42.90	92.87	83.24	180.59
Finance Costs	12.95	15.51	7.76	28.46	15.16	32.34
Unallocable Corporate Expenses (Net of unallocable income)	11.47	11.00	10.67	22.47	20.44	40.15
Profit before Tax	20.40	21.54	24.47	41.94	47.64	108.10
3. Assets						
- Retail	620.82	602.17	537.15	620.82	537.15	568.79
- Channel & Enterprise	671.96	719.92	532.87	671.96	532.87	636.48
- Unallocated	386.71	409.06	361.79	386.71	361.79	380.27
TOTAL ASSETS	1,679.49	1,731.15	1,431.81	1,679.49	1,431.81	1,585.54
4. Liabilities						
- Retail	104.23	78.71	82.95	104.23	82.95	93.74
- Channel & Enterprise	591.20	668.93	504.98	591.20	504.98	556.76
- Unallocated	162.49	177.08	170.88	162.49	170.88	137.47
TOTAL LIABILITIES	857.92	924.72	758.81	857.92	758.81	787.97

See accompanying notes to the Financial Results

By order of the Board

SUKUMAR SRINIVAS

Sukumaran
Managing Director

Place : BENGALURU

Date : 4th November 2024



Shankara Building Products Limited
CIN: L26922KA1995PLC018990
Registered 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
Statement of Unaudited Standalone financial results for the Quarter and Half year ended 30th September 2024

(Rs. In Crores)

Particulars	For the quarter ended			For the half year ended		For the year ended
	30.09.2024	30.06.2024	30.09.2023	30.09.2024	30.09.2023	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Revenue from operations	1,238.54	1,178.01	1,187.93	2,416.55	2,361.89	4,862.73
2 Other Income	0.48	0.33	0.64	0.81	0.94	6.68
3 Total Income (1+2)	1,239.02	1,178.34	1,188.57	2,417.36	2,362.83	4,869.41
4 Expenses						
a) Purchases of stock-in-trade	1,126.11	1,161.22	1,115.41	2,287.33	2,265.91	4,649.27
b) Changes in inventories of finished goods and Stock-in-Trade	52.31	(45.27)	17.21	7.04	(10.47)	(14.58)
c) Employee Benefits Expense	13.63	11.84	11.65	25.47	21.95	45.34
d) Finance Costs	11.09	13.12	7.59	24.21	14.58	31.66
e) Depreciation and amortisation expense	2.53	2.47	2.34	5.00	4.63	9.46
f) Other Expenses	15.60	14.51	13.26	30.11	26.01	55.34
Total Expenses (4)	1,221.27	1,157.89	1,167.46	2,379.16	2,322.61	4,776.49
5 Profit before exceptional items and tax [3-4]	17.75	20.45	21.11	38.20	40.22	92.92
6 Exceptional Items	-	-	-	-	-	-
7 Profit/(loss) before tax [5+6]	17.75	20.45	21.11	38.20	40.22	92.92
8 Tax Expense:						
a) Current tax	4.50	5.22	5.26	9.72	10.12	22.62
b) Tax for earlier years	-	-	-	-	-	0.29
c) Deferred tax	0.01	(0.10)	0.14	(0.09)	0.14	0.15
Total Tax Expense	4.51	5.12	5.40	9.63	10.26	23.06
9 Profit/(loss) for the period [7-8]	13.24	15.33	15.71	28.57	29.96	69.86
10 Other Comprehensive Income						
A						
(i) Items that will not be reclassified to profit or loss - Re-measurements of the defined benefit plans	(0.05)	0.09	0.12	0.04	0.16	0.36
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.01	(0.02)	(0.03)	(0.01)	(0.04)	(0.09)
Total A	(0.04)	0.07	0.09	0.03	0.12	0.27
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)	(0.04)	0.07	0.09	0.03	0.12	0.27
11 Total Comprehensive Income/(loss) (9+10)	13.20	15.40	15.80	28.60	30.08	70.13
12 Paid-up equity share capital (Face Value of Rs.10/- each)	24.25	24.25	22.85	24.25	22.85	24.25
13 Reserve excluding revaluation reserve -other equity						576.96
14 Earnings per share (Face Value of Rs.10/- each) (Not annualised/Annualised for the year ended 31-03-2024)						
Basic (In Rs.)	5.46	6.32	6.88	11.78	13.11	29.85
Diluted (In Rs.)	5.46	6.32	6.88	11.78	13.11	29.85

See accompanying notes to the Financial Results

Place : BENGALURU
Date : 4th November, 2024



By order of the Board
SUKUMAR SRINIVAS
Sukumar Srinivas
Managing Director

Shankara Building Products Limited
CIN: L26922KA1995PLC018990
Registered 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
Standalone statement of assets and liabilities as at 30th September 2024

(Rs. In Crores)

Particulars	As at	As at
	30.09.2024	31.03.2024
	Unaudited	Audited
I ASSETS		
1 Non-current assets		
(a) Property, Plant and Equipment	194.64	195.48
(b) Capital work-in-progress	0.74	-
(c) Investment Property	9.31	9.33
(d) Right-of-use Asset	3.37	2.41
(e) Intangible assets	-	-
(f) Intangible assets under development	3.71	2.89
(g) Financial Assets		
(i) Investments	38.62	38.62
(ii) Trade receivables	2.35	2.69
(iii) Loans	0.05	0.06
(iv) Other financial assets	7.99	7.67
(h) Other non-current assets	4.03	3.97
Total Non current assets	264.81	263.12
2 Current assets		
(a) Inventories	339.94	348.16
(b) Financial Assets		
(i) Trade receivables	672.96	633.56
(ii) Cash and cash equivalents	8.54	28.22
(iii) Bank balances other than (ii) above	1.31	1.22
(iv) Other financial assets	1.58	1.36
(c) Other current assets	22.70	31.06
Total current assets	1,047.03	1,043.58
Total Assets	1,311.84	1,306.70
II EQUITY AND LIABILITIES		
1 Equity		
(a) Equity Share capital	24.25	24.25
(b) Other Equity	598.29	576.96
Total Equity	622.54	601.21
Liabilities		
2 Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	8.74	14.40
(ia) Lease Liabilities	2.59	1.59
(ii) Other financial liabilities	0.25	0.19
(b) Provisions	0.26	0.26
(c) Deferred tax liabilities (net)	3.70	3.78
Total Non-current liabilities	15.54	20.22
3 Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	46.62	61.00
(ia) Lease Liabilities	1.04	1.19
(ii) Trade payables		
(A) Total outstanding dues of Micro enterprises and Small enterprises and		
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	12.84	21.33
(iii) Other financial liabilities	577.98	564.01
(iii) Other financial liabilities	11.86	9.87
(b) Other current liabilities	16.24	23.08
(c) Provisions	0.83	0.54
(d) Current Tax Liabilities (net)	6.35	4.25
Total current liabilities	673.76	685.27
Total Equity and Liabilities	1,311.84	1,306.70

See accompanying notes to the Financial Results

Place : BENGALURU
Date : 4th November, 2024

By order of the Board
SUKUMAR SRINIVAS

Managing Director



Shankara Building Products Limited
CIN: L26922KA1995PLC018990
Registered 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

Unaudited Standalone Statement of Cash Flows

(Rs. in Crores)

Particulars	For the half year ended 30-09-2024	For the half year ended 30-09-2023
	Unaudited	Unaudited
Cash flow from operating activities		
Profit before tax	38.20	40.22
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation and amortization expense	5.00	4.63
Loss on sale of property, plant & equipment (CY Rs.30,280)	0.00	0.05
Profit on sale of property, plant & equipment (PY-Rs.47471)	(0.01)	(0.00)
Gain on termination of lease	-	(0.22)
Unwinding of interest income on rental deposits	(0.19)	(0.15)
Interest income	(0.08)	(0.18)
Interest expense on Borrowings	24.08	14.48
Interest on Lease liability	0.13	0.10
Bad Debts written off (CY Rs.29,485 , PY Rs.3,755)	0.00	0.00
Loss Allowance for doubtful trade receivables	2.00	1.62
Operating profit before working capital changes	69.13	60.55
Adjustments for :		
(Increase) / Decrease in inventories	8.22	(7.89)
(Increase) / Decrease in trade receivable	(41.06)	(64.45)
Decrease/ (Increase) in loans and other financial assets	(0.32)	0.88
Decrease/ (Increase) in other current assets	8.36	(13.43)
Decrease/ (Increase) in other non-current assets	(0.06)	0.12
(Decrease)/ Increase in trade payables	5.48	28.01
(Decrease)/ Increase in other financial liabilities	1.96	1.39
(Decrease)/ Increase in other current liabilities	(6.84)	4.37
(Decrease)/Increase in provisions	(0.79)	(0.45)
Cash flow from/(used in) operations	44.08	9.10
Income taxes paid	(6.50)	(9.00)
Net cash flows from/(used in) operating activities (A)	37.58	0.10
Cash flow from investing activities		
Consideration paid for purchase of property, plant & equipment (Including capital work-in-progress and capital advances)	(4.36)	(13.74)
Purchase of software (Including intangible assets under development)	(0.82)	(0.73)
Proceeds from sale of property, plant & equipment \ Investment property	0.10	0.71
(Purchase)/proceeds from maturity of bank deposits/ unclaimed dividend	(0.09)	(0.21)
Interest receipt	0.06	0.21
Net cash flows from/(used in) investing activities (B)	(5.11)	(13.76)
Cash flow from financing activities		
Principal element of lease payments	(0.72)	(1.00)
Interest on Lease liability	(0.13)	(0.10)
Repayment of term loans	(5.23)	(3.96)
Repayment of term loan to a subsidiary	-	(0.12)
Current Borrowings availed/ (repaid)	(14.81)	44.88
Interest paid	(24.07)	(14.40)
Unclaimed dividend - Transfer in/(out)	0.08	0.01
Dividends paid	(7.27)	(5.71)
Net cash flows from/(used in) financing activities (C)	(52.15)	19.60
Net increase/(decrease) in cash and cash equivalents(A+B+C)	(19.68)	5.94
Cash and cash equivalents - at the beginning of the period	28.22	5.71
Cash and cash equivalents - at the end of the period	8.54	11.65

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

See accompanying notes to the Financial Results

Place : BENGALURU
Date : 4th November, 2024

By order of the Board
SUKUMAR SRINIVAS

Sukumar Srinivas
Managing Director



Shankara Building Products Limited

CIN: L26922KA1995PLC018990

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

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

Notes on statement of standalone and consolidated financial results for the quarter and half year ended September 30, 2024

1. The above financial results for the quarter and half year ended September 30, 2024 have been reviewed and recommended by the Audit Committee and approved by the Board at their meeting held on November 4, 2024. These above 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 under section 133 of the Companies Act, 2013.
3. The company conducts business 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. The Scheme of arrangement explained in a detailed manner in the Notes on Statement of Standalone and Consolidated results for the quarter and year ended 31st March 2024 has been approved by BSE Limited and National Stock Exchange of India Limited vide their observation letter dated 1st July 2024 and 6th July 2024 respectively.

The Company filed an online application with the National Company Law Tribunal (NCLT) on August 17, 2024. Additionally, physical documents,



1 of 2

A-291

Shankara Building Products Limited

CIN: L26922KA1995PLC018990

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

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

Notes on statement of standalone and consolidated financial results for the quarter and half year ended September 30, 2024

including the Company application (NCLT-1), were submitted to the NCLT Bangalore bench on August 19, 2024.

The Scheme is yet to be implemented and accordingly it has no impact on the financial results under review.

5. The previous period /year ended figures have been regrouped, wherever necessary to conform to the current period's classification.

By order of the Board

SUKUMAR SRINIVAS



Sukumar Srinivas
Managing Director

Place : Bengaluru

Date : November 04, 2024

Independent Limited Auditor's Review Report on Consolidated unaudited financial results of Shankara Building Products Limited, Bengaluru and its subsidiaries for the quarter ended September 30, 2024 and Year to date results for the period ended September 30, 2024 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

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, 2024 and year-to-date viz. April 01, 2024 to September 30, 2024 ("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 04, 2024, 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.



Independent Limited Auditor's Review Report on Consolidated unaudited financial results of Shankara Building Products Limited, Bengaluru and its subsidiaries for the quarter ended September 30, 2024 and Year to date results for the period ended September 30, 2024 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim 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. We have not performed an audit and 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



SUNDARAM & SRINIVASAN

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

Independent Limited Auditor's Review Report on Consolidated unaudited financial results of Shankara Building Products Limited, Bengaluru and its subsidiaries for the quarter ended September 30, 2024 and Year to date results for the period ended September 30, 2024 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

- (iii) Steel Network (Holdings) Pte Limited, Singapore
- (iv) Centurywells Roofing India Private Limited, Kancheepuram
- (v) Shankara Buildpro Limited, Bengaluru.

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 four subsidiaries included in the consolidated unaudited financial results, whose interim financial information / results reflect total assets of Rs. 510.05 Crores as at September 30, 2024 (before consolidation adjustments) and total revenue of Rs. 363.11 Crores and Rs. 719.64 Crores, total profit / (loss) after tax of Rs. 1.96 Crores and Rs. 2.64 Crores and



SUNDARAM & SRINIVASAN

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

Independent Limited Auditor's Review Report on Consolidated unaudited financial results of Shankara Building Products Limited, Bengaluru and its subsidiaries for the quarter ended September 30, 2024 and Year to date results for the period ended September 30, 2024 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

total comprehensive income / (loss) of Rs. 1.93 Crores and Rs.2.62 Crores for the quarter ended September 30, 2024 (before consolidation adjustments) and for the period from April 01, 2024 to September 30, 2024 (before consolidation adjustments) respectively and cash inflows (net) of Rs.13.52 Crores for the period from April 01, 2024 to September 30, 2024 (before consolidation adjustments) 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.0.01 Crores as at September 30, 2024 (before consolidation adjustments) and total revenue of Rs 0.00 Crores and Rs 0.00 Crores total loss after tax of Rs. 0.01 Crores and Rs. 0.01 Crores and total comprehensive loss of Rs.0.01 Crores and Rs. 0.01 Crores for the quarter ended September 30, 2024 (before consolidation adjustments) and for the period from April 01, 2024 to September 30,



SUNDARAM & SRINIVASAN

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

Independent Limited Auditor's Review Report on Consolidated unaudited financial results of Shankara Building Products Limited, Bengaluru and its subsidiaries for the quarter ended September 30, 2024 and Year to date results for the period ended September 30, 2024 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

2024 (before consolidation adjustments) respectively and cash flows of Rs. 0.00 Crores for the period from April 01, 2024 to September 30, 2024, (before consolidation adjustments) 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 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



Srinivasan K
Partner
Membership no.: 209120

ICAI UDIN: 24209120BKBK KK 8325

Place: Bengaluru
Dated: November 04, 2024.



SUNDARAM & SRINIVASAN

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

Independent Auditor's Limited Review Report on standalone unaudited financial results of Shankara Building Products Limited, Bengaluru for the quarter ended September 30, 2024 and Year to date results for the period ended September 30,2024 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,as amended

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

1. 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, 2024 and year-to-date viz. April 01, 2024 to September 30, 2024 ,being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,as amended.
2. This statement is the responsibility of the Company's management and has been approved by the Board of Directors at their meeting held on November 04, 2024. The statement 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 and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,as amended.

Our responsibility is to issue a report on these financial Statements based on our review.



Independent Auditor's Limited Review Report on standalone unaudited financial results of Shankara Building Products Limited, Bengaluru for the quarter ended September 30, 2024 and Year to date results for the period ended September 30, 2024 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

3. 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 responsible for financial and accounting matters and an analytical and other review procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



SUNDARAM & SRINIVASAN

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

Independent Auditor's Limited Review Report on standalone unaudited financial results of Shankara Building Products Limited, Bengaluru for the quarter ended September 30, 2024 and Year to date results for the period ended September 30, 2024 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

4. 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 the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognized 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.

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

K. Srinivasan

Srinivasan K
Partner
Membership no : 209120
ICAI UDIN: 24209120 BKBK KJ 5378

Place: Bengaluru
Dated: November 04, 2024



SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS
23, C.P. RAMASWAMY ROAD,
ALWARPET, CHENNAI - 600 018.

**INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDPRO
LIMITED, BENGALURU FOR THE PERIOD BEGINNING FROM OCTOBER 13
2023 TO MARCH 31, 2024**

To the Members of
Shankara Buildpro Limited, Bengaluru

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Ind AS financial statements of Shankara Buildpro Limited, Bengaluru ("the Company"), which comprise the standalone balance sheet as at March 31, 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the period beginning from October 13, 2023 to March 31, 2024, and notes to the Standalone Ind AS financial statements, including a summary of Material accounting policies information and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other



INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDPRO LIMITED, BENGALURU FOR THE PERIOD BEGINNING FROM OCTOBER 13 2023 TO MARCH 31, 2024

accounting principles generally accepted in India, of the state of affairs of the Company, as at March 31, 2024, its loss, changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Standalone Ind AS financial statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the



**INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDPRO
LIMITED, BENGALURU FOR THE PERIOD BEGINNING FROM OCTOBER 13
2023 TO MARCH 31, 2024**

Company's annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibilities of the Management and Those Charged with Governance
for the Standalone Ind AS financial statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in



**INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDPRO
LIMITED, BENGALURU FOR THE PERIOD BEGINNING FROM OCTOBER 13
2023 TO MARCH 31, 2024**

accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDPRO LIMITED, BENGALURU FOR THE PERIOD BEGINNING FROM OCTOBER 13 2023 TO MARCH 31, 2024

Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from



**INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDPRO
LIMITED, BENGALURU FOR THE PERIOD BEGINNING FROM OCTOBER 13
2023 TO MARCH 31, 2024**

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS financial statements or, if such disclosures are



**INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDPRO
LIMITED, BENGALURU FOR THE PERIOD BEGINNING FROM OCTOBER 13
2023 TO MARCH 31, 2024**

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



**INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDPRO
LIMITED, BENGALURU FOR THE PERIOD BEGINNING FROM OCTOBER 13
2023 TO MARCH 31, 2024**

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The standalone Balance Sheet, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone Statement of Changes in Equity and the standalone Cash Flows statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Ind AS specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.



**INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDPRO
LIMITED, BENGALURU FOR THE PERIOD BEGINNING FROM OCTOBER 13
2023 TO MARCH 31, 2024**

- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2".
- (g) The Company has not paid any remuneration to any Directors and hence reporting compliance of requirements of Section 197 (16) of the Act, does not arise.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigation which would impact its financial position .



**INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDPRO
LIMITED, BENGALURU FOR THE PERIOD BEGINNING FROM OCTOBER 13
2023 TO MARCH 31, 2024**

- ii. The Company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company;
- iv. a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The Management has represented, that, to the best of its knowledge and belief, , no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to



**INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDPRO
LIMITED, BENGALURU FOR THE PERIOD BEGINNING FROM OCTOBER 13
2023 TO MARCH 31, 2024**

our notice that has caused us to believe that the representations made by the management under sub-clause (a) and (b) above, contain any material misstatement.

- v. No Dividend was declared during the year.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1st April , 2023.

Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated for the period under this report for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.



**INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE IND AS
FINANCIAL STATEMENTS TO THE MEMBERS OF SHANKARA BUILDPRO
LIMITED, BENGALURU FOR THE PERIOD BEGINNING FROM OCTOBER 13
2023 TO MARCH 31, 2024**

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S



Srinivasan K
Partner
Membership No. 209120
UDIN: 24209120BKBKHY3157

Place: Chennai
Date : May 16 , 2024



Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the Period beginning from October 13 2023 to March 31, 2024

- (i) (a) (A) The company does not have any Property, Plant and Equipment and hence reporting under para 3(i) (a) (A) of the Order is not applicable
- (B) The company does not have any Intangible Assets and hence reporting under para 3(i) (a) (B) of the Order is not applicable
- (b) The Company does not have any Property, Plant and Equipment and hence reporting under para 3 (i) (b) of the Order is not applicable
- (c) The Company does not own Property, Plant and Equipment and Intangible Assets and hence reporting under para 3 (i) (c) of the Order is not applicable
- (d) The company does not own Property, Plant and Equipment (including Right-of-Use asset) or intangible assets and hence reporting under para 3 (i) (d) of the Order is not applicable
- (e) No proceedings have been initiated during the year or are pending against the company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.



Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the Period beginning from October 13 2023 to March 31, 2024

(ii) (a) The Company does not have Inventory and hence reporting under para 3(ii) (a) of the Order is not applicable.

(b) The company has not been sanctioned working capital limits at any point of time for the period under this report ,on the basis of security of current assets from any Banks or financial institutions and hence reporting under para 3 (ii) (b) of the order is not applicable .

(iii) During the period under this report, the company has neither made any investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans ,secured or unsecured, to companies , firms, Limited Liability Partnerships or any other parties .

(a) During the period under this report, the company has not provided loans or provided advances in the nature of loans , or stood guarantee or provided security to any other entity and hence reporting under para 3 (iii) (a) of the order is not applicable

(b) The Company has not made any investments, provided guarantees, given security and hence reporting under para 3(iii) (b) of the Order is not applicable .



Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the Period beginning from October 13 2023 to March 31, 2024

- (c) As the company has not granted any loan and advances in the nature of loans, reporting under para 3(iii) (c), (d), (e) and (f) of the Order are not applicable.
- (iv) The Company has neither made any investments in nor provided any guarantee or security or granted any loans and hence reporting on compliance by the company with the provisions of Section 185 and section 186 with respect to loans, investments , guarantees and security does not arise
- (v) The company has not accepted any deposit as mentioned in the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed thereunder and hence reporting under para 3 (iii) (v) of the Order is not applicable ..
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the company under sub-section (1) of section 148 of the Act.
- (vii) (a) The company has no employee and hence reporting on regularity of depositing undisputed statutory dues like Provident Fund , Employee State Insurance does not arise.



Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the Period beginning from October 13 2023 to March 31, 2024

Further the company has no taxable income for the period under report. Hence reporting on regularity of payment of Income Tax does not arise.

During the period covered by this report, the company was not liable to remit customs duty, Goods and Service tax and other statutory dues

The Company is yet to commence its business operations and is not therefore liable for income tax, customs duty , Goods and Service Tax , Cess. Thus the question of remitting undisputed dues in this regard which are due more than six months from the date on which they became payable does not arise.

(b) The company does not owe any statutory dues and hence the question of reporting disputed dues not deposited with the concerned authorities does not arise.

(viii) As the Company is yet to commence its business operations, reporting on unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) does not arise



Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the Period beginning from October 13 2023 to March 31, 2024

(ix) (a) As the Company has not availed any loan , reporting on default in repayment of loans nor in payment of interest thereon to any lender does not arise

(b) The company has not availed loan from any bank or financial institution or other lender. Hence reporting on para 3 (ix) (b) does not arise.

(c) The Company has not availed any term loans and hence reporting under para 3 (ix) (c) of the Order is not applicable

(d) The Company has not raised any funds on short term basis and hence reporting under para 3 (ix) (d) of the Order is not applicable.

(e) The company has no subsidiaries and hence reporting on whether funds were taken from any entity or person on account of or to meet the obligations of subsidiaries does not arise.

The company does not have a joint venture or an associate.

(f) The company has no subsidiaries and hence reporting on whether the company has raised loans during the year on the pledge of securities held in its subsidiaries does not arise . The company does not have a joint venture or an associate.



Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the Period beginning from October 13 2023 to March 31, 2024

- (x) (a) The Company has not raised money by way of initial public issue offer or further public offer (including debt instruments) and hence the question of utilization of money raised by way of initial public offer does not arise.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year .
- (xi) (a) Based on the audit procedures adopted and information and explanations furnished to us by the management, no fraud on or by the company has been noticed or reported during the year.
- (b) In view of what is stated in para xi (a) above, no report under sub-section 12 of section 143 of Companies Act, 2013 has been filed in Form ADT-4 during the year.
- (c) The whistle blower mechanism is not applicable to the company
- (xii) The Company is not a Nidhi Company. Therefore, para 3(xii) (a) and 3(xii) (b) and 3 (xii) (c) of the Order is not applicable to the Company
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable and the details have been



Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the Period beginning from October 13 2023 to March 31, 2024 disclosed in note no 12 to the Standalone Ind AS Financial Statements as required by the applicable accounting standards.

- (xiv) (a) The Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of section 138 of the Companies Act. Hence, para 3 (xiv)(a) and para 3 (xiv) (b) of the Order are not applicable to the company.
- (xv) According to the information and explanations furnished to us, the company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Act.
- (xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities and hence para 3(xvi) (b) of the order is not applicable
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence para 3 (xvi) (c) is not applicable to the company
- (d) In our opinion, there is no core investment company within the Group (including the company) (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and hence para 3 (xvi) (d) is not applicable.



Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the Period beginning from October 13 2023 to March 31, 2024

(xvii) The company has incurred cash loss of Rs 0.03 Crores in the financial year 2023-24. The Company was incorporated on 13th October 2023 and hence reporting cash loss in the immediately preceding financial year does not arise

(xviii) During the year, there has been no resignation of statutory auditors.

Accordingly, reporting under para 3 (xviii) is not applicable

(xix) The Company is yet to start its business operations and as at the period ended 31st March 2024 does not have huge liability and hence reporting on company's ability to meet the liability as and when they fall due within a period of one year from the balance sheet date does not arise. Under the circumstances obtaining there was no need to go into Management plans etc

(xx) (a) The provisions of section 135 of the Companies act, 2013 relating to Corporate Social Responsibility are not applicable . Hence para 3(xx) (a) and para 3 (xx) (b) of the Order are not applicable .

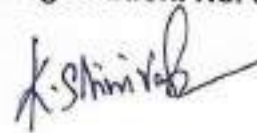


SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS
23, C.P. RAMASWAMY ROAD,
ALWARPET, CHENNAI - 600 018.

Annexure 1 referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the Period beginning from October 13 2023 to March 31, 2024

(xxi) The reporting under para 3 (xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company . Accordingly reporting under para 3 (xxi) of the order are not applicable

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration. No. 004207S



Srinivasan K
Partner
Membership Number : 209120
UDIN: 24209120BKBKHY3157

Place: Chennai
Date : May 16 , 2024



ANNEXURE - 2 referred to in our report under "Report on Other Legal and Regulatory requirements Para 2 (f) " of even date on the accounts for the period beginning from October 13 2023 to March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Shankara Buildpro Limited, Bengaluru ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls with reference to Financial Statements

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with



ANNEXURE - 2 referred to in our report under "Report on Other Legal and Regulatory requirements Para 2 (f) " of even date on the accounts for the period beginning from October 13 2023 to March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that;

- I. pertain to the maintenance of records, that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- II. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with



ANNEXURE - 2 referred to in our report under "Report on Other Legal and Regulatory requirements Para 2 (f) " of even date on the accounts for the period beginning from October 13 2023 to March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

- generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- III. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



ANNEXURE - 2 referred to in our report under "Report on Other Legal and Regulatory requirements Para 2 (f) " of even date on the accounts for the period beginning from October 13 2023 to March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at Mach 31, 2024, based on;

- i. existing policies that are presently adopted in relation to the existing circumstances and size of operations

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration. No. 004207S



Srinivasan K
Partner

Membership Number : 209120
UDIN: 24209120BKBKHY3157

Place: Chennai
Date : May 16 , 2024



Particulars		Note No.	(Rupees in Lakhs) As at 31-03-2024
I ASSETS			
(1) Non-current assets			
(a)	Property, Plant and Equipment		-
(b)	Capital work-in-progress		-
(c)	Investment Property		-
(d)	Right-of-use Asset		-
(e)	Intangible assets		-
(f)	Intangible assets under development		-
(g)	Financial Assets		-
(i)	Investments		-
(ii)	Trade receivables		-
(iii)	Loans		-
(iv)	Other financial assets	4	0.30
(h)	Deferred tax assets (net)	9	0.70
(l)	Other non-current assets		-
Total Non-current assets			1.00
(2) Current assets			
(a)	Inventories		-
(b)	Financial Assets		-
(i)	Trade receivables		-
(ii)	Cash and cash equivalents	5	0.70
(iii)	Bank balances other than (ii) above		-
(iv)	Other financial assets		-
(c)	Other current assets		-
Total current assets			0.70
Total Assets			1.70
II EQUITY AND LIABILITIES			
Equity			
(a)	Equity Share capital	6	1.00
(b)	Other Equity	7	(2.09)
Total Equity			(1.09)
Liabilities			
(1) Non-Current Liabilities			
(a)	Financial Liabilities		-
(i)	Borrowings		-
(ii)	Lease Liabilities		-
(iii)	Other financial liabilities		-
(b)	Provisions		-
(c)	Deferred tax liabilities (Net)		-
Total Non-current liabilities			-
(2) Current liabilities			
(a)	Financial Liabilities		-
(i)	Borrowings		-
(ii)	Lease Liabilities		-
(iii)	Trade payables:-		-
(A)	total outstanding dues of micro-enterprises and small enterprises ; and		-
(B)	total outstanding dues of creditors other than micro enterprises and small enterprises		-
(iv)	Other financial liabilities	8	2.79
(b)	Other current liabilities		-
(c)	Provisions		-
(d)	Current Tax Liabilities(Net)		-
Total current liabilities			2.79
Total Equity and Liabilities			1.70
Material accounting policies information		1 to 3	

See accompanying notes to the standalone financial statements

This is the first year of operation and hence prior period figures are not required to be furnished.

As per our report attached of even date

For SUNDARAM & SRINIVASAN

Chartered Accountants

ICAI Firm Reg No: 0042076

K. Srinivas

Srinivasan K

Partner

Membership No: 209120

Place: Bengaluru *Chennai*

Date: 16-05-2024

For and on behalf of the Board of Directors

Sukumar Srinivas

Sukumar Srinivas

Managing Director

DIN: 01658054

Place: Bengaluru

Date: 16-05-2024

Dhananjay

Dhananjay Miralay Srinivas

Director

DIN: 09108483



STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD FROM 13TH OCTOBER 2023 TO THE PERIOD ENDING ON 31ST MARCH 2024

Particulars		Note No.	(Rupees in Lakhs) For the period from 13-10-2023 to the period ending on 31-03-2024
I	Revenue From Operations		
II	Other Income		-
III	Total Income (I+II)		-
IV	Expenses		-
	Purchases of Stock-in-Trade		-
	Changes in inventories of Stock-in-Trade		-
	Employee benefits expense		-
	Finance costs		-
	Depreciation and amortization expense		-
	Other expenses		-
	Total expenses (IV)	10	2.79
V	Profit/(loss) before exceptional items and tax (III - IV)		2.79
VI	Exceptional items		(2.79)
VII	Profit/(loss) after exceptional items and tax (V - VI)		-
VIII	Tax expense:		(2.79)
	(1) Current tax		-
	(2) Tax relating to earlier years		-
	(3) Deferred tax		(0.70)
IX	Profit/(Loss) for the year (VII - VIII)		(0.70)
X	Other Comprehensive Income		(2.09)
A	Items that will not be reclassified to profit or loss		
	(i) Re-measurements of the defined benefit plans		-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-
	Total A		-
B	Items that will be reclassified to profit or loss		
	(i) Effective portion of cash flow hedges		-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-
	Total B		-
	Total Other Comprehensive Income/(loss) (A+B)		-
XI	Total Comprehensive Income for the year (IX + X)		(2.09)
XII	Earning per equity share: [Face value Rs.10 per share]		
	(1) Basic (in Rs.)	11	(20.90)
	(2) Diluted (in Rs.)		(20.90)
Material accounting policies information		1 to 3	(20.90)

See accompanying notes to the standalone financial statements

This is the first year of operation and hence prior period figures are not required to be furnished.

As per our report attached of even date

For SUNDARAM & SRINIVASAN

Chartered Accountants

ICAI Firm Reg.No: 004207S

Srinivasan K

Partner

Membership No: 209120

Place: Bengaluru

Date: 16-05-2024

For and on behalf of the Board of Directors

Sukumar Srinivas

Sukumar Srinivas

Managing Director

DIN: 01668064

Place: Bengaluru

Date: 16-05-2024

Dhananjay Mirlay Srinivas

Dhananjay Mirlay Srinivas

Director

DIN: 09108483



STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 13TH OCTOBER 2023 TO THE PERIOD ENDING ON 31ST MARCH 2024
 (Rupees in Lakhs)

A. Equity Share Capital

(1) Period ended 31st March 2024 (Refer Note No. 6)

Balance at the beginning i.e. 13th October 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end i.e. 31st March 2024
-	-	-	1.00	1.00

B. Other Equity (Refer Note No. 7)

(1) Period ended 31st March 2024

Particulars	Note No	Reserves and Surplus		Other items of other comprehensive income		Total
		Surplus in Statement of Profit and Loss	Retained Earnings	Surplus in Statement of Profit and Loss	Re-measurements of Net defined benefit Liability / Asset	
Balance at the beginning i.e. 13th October 2023		-	-	-	-	-
Profit/Loss for the period from 13th October 2023 to 31st March 2024		(2.09)	-	-	-	(2.09)
Other comprehensive income for the year, net of income tax		-	-	-	-	-
Transfer to retained earnings		-	-	-	-	-
Balance at the end i.e. 31st March 2024		(2.09)	-	-	-	(2.09)
Meta001 accounting policies information	1 to 3					

See accompanying notes to the standalone financial statements

This is the first year of operation and hence prior period figures are not required to be furnished.

As per our report attached of even date
 For **SUNDARAM & SRINIVASAN**
 Chartered Accountants
 ICAI Firm Reg.No: 0042078

Srinivasan K
 Partner
 Membership No: 209120
 Date: 15-05-2024

Place: Bengaluru
 Date: 15-05-2024

For and on behalf of the Board of Directors

Sukumar Srinivas
 Managing Director
 DIN: 01683004

Dhananjay Miralay Srinivas
 Director
 DIN: 08106483



SHANKARA BUILDPRO LIMITED

NO. 21/1 & 35-A-1, HOSUR MAIN ROAD, ELECTRONIC CITY, VEERASANDRA, ELECTRONICS CITY, BANGALORE - 560100.
CIN : U24311KA2023PLC179791 PHONE : 080 4011 7777
E MAIL ID : compliance@shankarabuildpro.com

STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 13TH OCTOBER 2023 TO THE PERIOD ENDING ON 31ST MARCH 2024

(Rupees in Lakhs)

Particulars	Note No.	For the period from 13-10-2023 to the period ending on 31-03-2024
Cash flow from operating activities		
Profit before tax		(2.78)
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation and amortization expense		-
Loss on sale of property, plant & equipment		-
Profit on sale of property, plant & equipment		-
(Increase) / Decrease in inventories		-
Operating profit before working capital changes		(2.78)
Adjustments for :		
Decrease/ (Increase) in loans and other financial assets		-
Decrease/ (Increase) in other current assets		-
Decrease/ (Increase) in other non-current assets	4	(0.30)
(Decrease)/ Increase in trade payables		-
(Decrease)/ Increase in other financial liabilities	8	2.78
(Decrease)/ Increase in other current liabilities		-
(Decrease)/ Increase in provisions		-
Cash flow from/(used in) operations		(0.30)
Income taxes paid		-
Net cash flows from/(used in) operating activities (A)		(0.30)
Cash flow from investing activities		
Consideration paid for purchase of property, plant & equipment (including capital work-in-progress and capital advances)		-
Net cash flows from/(used in) investing activities (B)		-
Cash flow from financing activities		
Proceeds from issuance of Equity share capital	6	1.00
Net cash flows from/(used in) financing activities (C)		1.00
Net increase/(decrease) in cash and cash equivalents (A+B+C)		0.70
Cash and cash equivalents - at the beginning of the year		0.70
Cash and cash equivalents - at the end of the year		0.70
Note: Cash and Cash equivalents in the Cash Flow Statement comprise of the		
(i) Balance with Banks :		
- In Current Account		0.70
Material accounting policies information	1 to 3	0.70

See accompanying notes to the standalone financial statements

The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS -7.

This is the first year of operation and hence prior period figures are not required to be furnished.

As per our report attached of even date
For SUNDARAM & SRINIVASAN
Chartered Accountants
ICAI Firm Reg.No. 004207S

Srinivasan K
Partner
Membership No: 209120

Place: Bengaluru / Chennai
Date: 16-05-2024

For and on behalf of the Board of Directors

Sukumar Srinivas
Sukumar Srinivas
Managing Director
DIN: 01668064

Place: Bengaluru
Date: 16-05-2024

Dhananjay Miriy Srinivas
Dhananjay Miriy Srinivas
Director
DIN: 09106483



**SHANKARA BUILDPRO LIMITED, BENGALURU
YEAR ENDED 31.03.2024**

MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Shankara Buildpro Limited ("the company") is a public limited company incorporated and domiciled in India. The registered office is situated at No. 21/1 & 35-A-1, Hosur Main Road, Electronics City, Veerasandra, Bangalore - 560100.

Shankara Buildpro Limited has been incorporated on October 13, 2023. It has been incorporated for engaging in retailing, trading, warehousing, wholesale distribution and e-commerce activities related to all building materials. The Company is yet to start its operations.

2. MATERIAL ACCOUNTING POLICIES INFORMATION

2.1 Statement of compliance

These Standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The Standalone financial statements for the period beginning from October 13, 2023 and ending on March 31, 2024 are duly adopted by the Board of Directors in the meeting held on May 16, 2024 for consideration of approval by the shareholders.

2.2 Functional and presentation currency

These Standalone financial statements have been prepared and presented in Indian Rupees and all amounts have been presented in lakhs with two decimals, except share data and as otherwise stated.

2.3 Basis of preparation and presentation

These financial statements have been prepared and presented under accrual basis of accounting and as a going concern on historical cost convention or fair values, wherever applicable, as per the requirements of Ind AS prescribed under section 133 of the Act and relevant provisions thereon.

Disclosures under Ind AS are made only in respect of material items and in respect of the items that will be useful to the users of financial statements in making economic decisions.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market



SHANKARA BUILDPRO LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

Current and Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle or 12 months or other criteria as set out in Schedule III to the Companies Act, 2013. Based on the nature of its business, the Board has ascertained its operating cycle to be 12 months for the purpose of current and non-current classification of assets and liabilities.

2.4 Business combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations between entities under common control are accounted for at carrying value.

2.5 Income taxes

Tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Indian Income Tax Act, 1961.



SHANKARA BUILDPRO LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION- STANDALONE FINANCIAL STATEMENTS

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each annual reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are netted against each other if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they are related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Company will exercise an option to pay income tax u/s. 115BAA of the Income Tax Act, 1961. Hence the provisions relating to Minimum Alternate Tax (MAT) are not applicable to the Company.



SHANKARA BUILDPRO LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION- STANDALONE FINANCIAL STATEMENTS

2.6 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Balance Sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent Liabilities and Contingent Assets are not recognized but are disclosed in the notes.

2.7 Earnings per share

Basic earnings per share is computed by dividing the profit after tax / (loss) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the company to satisfy the exercise of the share options by the employees.



SHANKARA BUILDPRO LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION- STANDALONE FINANCIAL STATEMENTS

2.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss ('FVTPL')) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

Trade receivables are recognised when they are originated.

Trade payables are in respect of the amount due on account of goods purchased or services availed in the normal course of business. They are recognised at their transaction and services availed value if the transaction do not contain significant financing component.

a) Financial Assets

(i) Recognition and initial measurement

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through Statement of Profit and Loss ('FVTPL')) are added to the fair value of the financial assets, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognized immediately in Statement of Profit and Loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL);



SHANKARA BUILDPRO LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION- STANDALONE FINANCIAL STATEMENTS

- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortised cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

-The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and λ .

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI:

A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are



SHANKARA BUILDPRO LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

measured at fair value with all changes recognized in the Statement of Profit and Loss.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL. However, such election is chosen only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

(iii) De-recognition of financial assets

A financial asset is de-recognised only when;

- a. The entity has transferred the rights to receive cash flows from the financial asset or
- b. The entity retains the contractual rights to receive the cash flows of the financial asset, but expects a contractual obligation to pay the cash flows to one or more recipients.

Where entity has transferred an asset, the entity examines and assesses whether it has transferred substantially all risk and rewards of ownership of financial asset. In such cases, financial asset is de-recognised. Where entity has not transferred substantially all risks and rewards of ownership of financial asset, such financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risk and rewards of ownership of the financial asset, the financial asset is de-recognised, if the entity has not retained control of the financial asset. Where the entity retains control of the financial asset is continued to be recognised to the extent of continuing involvement in the financial asset.

b) Financial liabilities and equity instruments

(i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value plus transaction cost (if any) that is attributable to the acquisition of the financial liabilities which are also adjusted.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:



SHANKARA BUILDPRO LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de-recognised through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Trade and other payables:

These amounts represent liabilities for goods or services provided to the Company which are unpaid at the end of the reporting period. Trade and other payables are presented as current liabilities when the payment is due within a period of 12 months from the end of the reporting period. For all trade and other payables classified as current, the carrying amounts approximate fair value due to the short maturity of these instruments. Other payables falling due after 12 months from the end of the reporting period are presented as non-current liabilities and are measured at amortised cost unless designated at fair value through profit and loss at the inception.

Financial guarantee

Financial guarantee contracts are recognised initially as a liability at fair value, including transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in Statement of Profit and Loss are included within finance costs or finance income.

Other financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit or loss. Gains or losses on liabilities held for trading or designated as at FVTPL are recognized in the profit or loss.



SHANKARA BUILDPRO LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

(iii) Derecognition of financial liabilities:

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or Modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

c) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

d) Impairment of Financial assets

The Board assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

e) Fair value measurement

The Board measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability which are accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



SHANKARA BUILDPRO LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION- STANDALONE FINANCIAL STATEMENTS

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Valuation techniques that are appropriate in the circumstances are used and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

f) Derivative financial instruments

Derivative financial instruments are accounted for at FVTPL except for derivatives designated as hedging instruments in cash flow hedge relationships, which require a specific accounting treatment. To qualify for hedge accounting, the hedging relationship must meet several strict conditions with respect to documentation, probability of occurrence of the hedged transaction and hedge effectiveness. These arrangements have been entered into to mitigate currency exchange risk arising on account of repayment of foreign currency term loan and interest thereon. For the reporting periods under review, the company has not designated any forward currency contracts as hedging instruments.



SHANKARA BUILDPRO LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

2.9 Cash and cash equivalents and Cash Flow Statement

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows are reported using the Indirect method, whereby profit/ (loss) before extraordinary items and tax is appropriately classified for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In Cash Flow Statement, cash and cash equivalents include cash in hand, balances with banks in current accounts and other short- term highly liquid investments with original maturities of three months or less.

2.10 Dividend on ordinary shares

The entity recognises a liability to make cash or non-cash distributions to equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the Company. The amount so authorised is recognised directly in equity.

2.11 Indian Accounting Standards / amendments issued but not yet effective

–

i) New standard – Nil

ii) Amendments to existing Ind AS: The Ministry of Corporate Affairs ("MCA") notified amendments to the existing standards – (Indian Accounting Standards) Rules, 2023 on March 31, 2023. These amendments are effective for the Financial Year beginning from April 1, 2023.

Ind AS - 101 First-time Adoption of Indian Accounting Standards

Ind AS –102 Share-based payment

Ind AS --103 Business Combinations

Ind AS--107 Financial Instruments: Disclosures

Ind AS --109 Financial Instruments

Ind AS – 115 Revenue from Contracts with Customers.

Ind AS – 1 Presentation of Financial Statements

Ind AS – 8 Accounting



SHANKARA BUILDPRO LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION– STANDALONE FINANCIAL STATEMENTS

Ind AS - 12 Income Taxes.

Ind AS - 34 Interim Financial Reporting

The Company has evaluated the amendment and the impact of the amendment is insignificant in the Standalone financial statements.

3. KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGEMENTS

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

(i) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(ii) Business combinations

Business combinations are accounted for using Ind AS 103, Business Combinations, which requires the identifiable intangible assets and contingent consideration to be measured at fair value in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the business. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.



SHANKARA BUILDPRO LIMITED, BENGALURU
YEAR ENDED 31.03.2024

MATERIAL ACCOUNTING POLICIES INFORMATION- STANDALONE FINANCIAL STATEMENTS

(iii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

(iv) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.



Shankara Buildpro Limited
Notes to the Standalone Financial Statements

(Rupees in Lakhs)

4 OTHER FINANCIAL ASSETS (NON-CURRENT)

Particulars	As at 31-03-2024
Unsecured: Considered good: (a) Security Deposits*	0.30
Total	0.30

*Includes transactions with related party. Kindly refer note no 12(C)

5 CASH AND CASH EQUIVALENTS

Particulars	As at 31-03-2024
(a) Balances with Banks: In current account	0.70
Total	0.70



Shankara Buildpro Limited
Notes to the Standalone Financial Statements

6 EQUITY SHARE CAPITAL (Rupees in Lakhs)

Particulars	As at 31-03-2024	
	No. of Shares	Amount
Authorised:		
Equity shares of Rs. 10/- each	10,000	1.00
Issued, subscribed and fully paid:	10,000	1.00

a) Reconciliation of number of equity shares outstanding and equity share capital

Particulars	As at 31-03-2024	
	No. of Shares	Amount
Balance as at the beginning of the year	-	-
Changes in equity share capital during the year	10,000	1.00
Balance as at the end of the year	10,000	1.00

b) Rights, preferences and restrictions

(i) Rights, preferences and restrictions attached to shares and terms of conversion of other securities into equity.

The company has one class of equity shares having par value of Rs.10 each. Each share holder is eligible for one vote per share held and carry a right to dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) There are no restrictions attached to equity shares

c) Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of Shareholder	As at 31-03-2024	
	No. of Shares	% of Holding
Shankara Building Products Limited, Bengaluru	10,000	100.00%

d) Shares held by promoters at the end of the year 31-03-2024

Promoter name	No. of Shares	% of total shares
Shankara Building Products Limited, Bengaluru	10,000	100.00%
Total		100.00%



Shankara Buildpro Limited
Notes to the Standalone Financial Statements

(Rupees in Lakhs)

7 OTHER EQUITY

Particulars	As at 31-03-2024
Retained earnings	(2.09)
Total	(2.09)

Retained earnings

Surplus in Statement of Profit and Loss is part of retained earnings. This is available for distribution to shareholders as dividend and capitalisation.



Shankara Buildpro Limited
Notes to the Standalone Financial Statements

(Rupees in Lakhs)

8 OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	As at 31-03-2024
(a) Expense payable*	2.79
Total	2.79

*Includes transactions with related party Kindly refer note no 12(C)



Shankara Buildpro Limited
Notes to the Standalone Financial Statements

(Rupees in Lakhs)

9 DEFERRED TAXES

The deferred tax balance represents business loss for the year.

Particulars	As at 31-03-2024
Deferred Tax Liability	NIL
Deferred Tax Asset:	
On account of business loss	(0.70)
Deferred Tax (Asset)/Liabilities (Net)	(0.70)



Shankara Buildpro Limited
Notes to the Standalone Financial Statements

(Rupees in Lakhs)

10 OTHER EXPENSES

Particulars	For the period from 13-10-2023 to the period ending on 31-03-2024
(a) Rent	0.56
(b) Rates & Taxes	0.13
(c) Payment to Auditors (Refer note below)	1.00
(d) Legal and Professional fees	1.05
(e) Miscellaneous Expenses *	0.05
Total	2.79

*Under this head, there is no expenditure which is in excess of 1% of revenue from operations or Rs.10 lakhs, whichever is higher.

Note : Breakup for payment to auditors is as under (excluding GST):

Particulars	For the period from 13-10-2023 to the period ending on 31-03-2024
(a) As auditors	1.00
(b) For taxation matters	-
(c) For other services	-
(d) For reimbursement of expenses	-
Total	1.00



(Rupees in Lakhs)

11 Earnings Per Share (EPS)

Particulars	For the period from 13-10-2023 to the period ending on 31-03-2024
Basic & Diluted	
A Profit attributable to equity shareholders (in Lakhs)	(2.09)
B Weighted average number of equity shares (in Lakhs)	0.10
C Basic and Diluted EPS (Rs.) [A/B]	(20.90)
Face value per share (Rs.)	10.00



12 Related party disclosures

A. Names of Related parties with whom transactions have taken place during the year and nature of relationship:

Holding Company	Shankara Building Products Limited, Bengaluru
Fellow Subsidiaries	Taurus Value Steel & Pipes Private Limited, Kutbullapur Mandal, Telangana
	Vishal Precision Steel Tubes and Strips Private Limited, Hoskote, Karnataka
	Steel Network (Holdings) Pte Limited, Singapore
	Centurywells Roofing India Private Limited, Kancheepuram, Tamil Nadu
Other related parties and their relationship where transaction exists:	
Key Managerial Personnel	Mr. Sukumar Srinivas (Managing Director)
	Mr. Dhananjay Mirlay Srinivas (Director)
	Mr. Chengalan Nalagath Agfa (Wholetime Director)
Enterprise in which Key Managerial Personnel	Shankara Holdings Private Limited, Bengaluru
Other related parties and their relationship where no transaction exists:	
Relatives of Key Managerial Personnel	Mrs. Parwathi Mirlay Srikanth

B.	Transactions with Related Parties	For the period from 13-10-2023 to the period ending on 31-03-2024
	Rent paid to Shankara Building Products Limited, Bengaluru	0.56
	Rental deposit given to Shankara Building Products Limited, Bengaluru	0.30
C.	Balance Outstanding to/ from related parties	As at 31-03-2024
	Expenses payable to Shankara Building Products Limited, Bengaluru	(0.80)
	Rental deposit receivable from Shankara Building Products Limited, Bengaluru	0.30
	Rent payable to Shankara Building Products Limited, Bengaluru	(0.56)



13 Financial Instruments

A. Categories of financial instruments

Particulars	Note no	As at 31-03-2024	
		Carrying Value	Fair Value
Financial assets			
Measured at amortised cost			
Other financial assets	4	0.30	0.30
Cash and cash equivalents	5	0.70	0.70
Total financial assets at amortised cost (A)		1.00	1.00
Total financial assets measured at fair value through other comprehensive income (B)		-	-
Total financial assets measured at fair value through profit and loss (C)		-	-
Total financial assets (A+B+C)		1.00	1.00
Financial liabilities			
Measured at amortised cost			
Other financial liabilities	8	2.79	2.79
Total financial liabilities carried at amortised cost (A)		2.79	2.79
Total financial liabilities measured at fair value through profit and loss (B)		-	-
Total financial liabilities measured at fair value through other comprehensive income (C)		-	-
Total financial liabilities (A+B+C)		2.79	2.79

B. Level wise disclosure of financial instruments

Particulars	Note No	As at 31-03-2024			
		Carrying Value	Fair Value		
			Level 1	Level 2	Level 3
Financial assets					
Other financial assets	4	0.30			
Cash and cash equivalents	5	0.70			
Total financial assets		1.00	-	-	-
Financial liabilities					
Other financial liabilities	8	2.79			
Total financial liabilities		2.79	-	-	-

14 Corporate social responsibility

The provisions related to Corporate social responsibility does not apply to the company.

15 Previous year figures

This is the first year of operation and hence prior period figures are not required to be furnished.



(Rupees in Lakhs)

16 Ratios as per the Schedule III requirements

A. Current ratio = Current assets / Current liabilities

Particulars	As at 31.03.2024
Current assets	0.70
Current Liabilities	2.79
Ratio (times)	0.25

B. Net Debt-Equity Ratio = Net debt / total equity

Particulars	As at 31.03.2024
Net Debt (refer note (i) below)	-0.70
Equity	-1.09
Ratio (times)	0.64

Note

(i) Net debt = Long term borrowings + Short term borrowings - Cash and cash equivalents

C. Debt service coverage ratio = Earnings available for debt service / Interest expense and principal repayment of long term loan made during the year

This ratio is not applicable as the company has not availed any loans.

D. Return on equity ratio = Net profit after tax / average equity

Particulars	As at/ For the period from 13.10.2023 to the period ending on 31.03.2024
Net profit after tax	-2.09
Average Shareholders equity (refer note (i) below)	-1.09
Ratio (percentage)	191.74%

Note

(i) Shareholders' equity as at the end of the period has been considered since this is the first year of operation.

E. Inventory turnover ratio = Cost of goods sold / average inventory

This ratio is not applicable as the company does not have any inventory.

F. Trade receivables turnover ratio = Sales / Average trade receivables

This ratio is not applicable as the company does not have any sales.

G. Trade payables turnover ratio = Purchases / Average trade payables

This ratio is not applicable as the company does not have any purchases.



H. Net capital turnover ratio = Revenue from operations / Working capital

This ratio is not applicable as the company does not have any revenue from operations.

I. Net profit ratio = Net profit after tax / Revenue from operations

This ratio is not applicable as the company does not have any revenue from operations.

J. Return on Capital employed = Earnings before interest and taxes (EBIT) / Capital employed

Particulars	As at/ For the period from 13.10.2023 to the period ending on 31.03.2024
EBIT (refer note (i) below)	-2.79
Capital employed (refer note (ii) below)	-1.79
Ratio (percentage)	155.87%

Note

(i) EBIT = Profit before taxes + finance cost

(ii) Capital employed = Total equity + Long term borrowings + Short term borrowings - Cash and cash equivalents

K. Return on investment = Income generated from investments / average investments

This ratio is not applicable as there are no investments.

Note: % change from previous year is not disclosed since this is the first year of operation.



- 17 No proceedings have been initiated or pending against the Company for holding Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made there under.
- 18 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary.
- 19 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 20 The Company has not operated in any crypto currency or Virtual Currency transactions.
- 21 There are no transactions with the Companies whose name are struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the period from 13th October, 2023 to 31st March, 2024.
- 22 During the period from 13th October, 2023 to 31st March, 2024, the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.
- 23 The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- 24 The Board of Directors of the Company at their meeting held on 18th December, 2023 approved a Scheme of Arrangement under section 230-232 and read with other applicable provisions of the Companies Act, 2013 for demerger of the Demerged Undertaking ("Trading Business") of Shankara Building Products Limited ("Demerged Company") into Shankara Buildpro Limited ("Resulting Company") which is a wholly owned subsidiary of the Demerged Company and their respective shareholders and creditors ("Scheme").
The Scheme inter-alia provides for
(i) Demerger, transfer and vesting of Trading Business from the Demerged Company into the Resulting company on a going concern basis.
(ii) Reduction and cancellation of equity share capital of the Resulting company held by the Demerged Company.
(iii) Issuance and allotment of Equity Shares by the Resulting Company to all the shareholders of the Demerged Company as per the Share Entitlement Ratio i.e., for every 1 (one) fully paid equity share of face value of INR 10/- (Indian Rupees Ten only) each, held in the Demerged Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Demerged Company shall be issued 1 (One) fully paid equity share of face value of INR 10/- (Indian Rupees Ten Only) each in the Resulting Company, in consideration of transfer of Demerged Undertaking. After the sanction of the Scheme by the National Company Law Tribunal, Bengaluru having jurisdiction over the Companies (NCLT) and upon the fulfilment of conditions as prescribed in clause 18 of the Scheme, the Scheme shall become effective from the Effective Date as defined in the Scheme. The Appointed date is 01.04.2024 as per the Scheme which is approved by the Board of Directors in the Board Meeting held on 18th December 2023. The Scheme is subject to receipt of necessary regulatory and other approvals inter-alia approval from BSE Limited, NSE Limited, Securities and Exchange Board of India, Shareholders and Creditors of the Company, NCLT and such other statutory and regulatory approvals as may be applicable.
- 25 The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.
- 26 The financial statements has been approved by the Board of directors at their meeting held on 16th May, 2024.

As per our report attached of even date
For **SUNDARAM & SRINIVASAN**
Chartered Accountants
ICAI Firm Reg.No: 004207S

Srinivasan K
Partner
Membership No: 209120

Place: Chennai
Date: 16-05-2024



For and on behalf of the Board of Directors

Sukumar Srinivas
Managing Director
DIN: 01668064

Place: Bengaluru
Date: 16-05-2024

Dhananjay Mirlay Srinivas
Director
DIN: 09108483



Independent Auditor's Review Report on Unaudited and Condensed Financial Statements of Shankara Buildpro Limited

To
 The Board of Directors
 Shankara Buildpro Limited

1. We have reviewed the accompanying Statement of Unaudited and Condensed Financial Statements of **Shankara Buildpro Limited** ("the Company"), which comprise the Condensed Balance Sheet as at September 30, 2024, Condensed Statement of Profit and Loss (including other comprehensive income), the Condensed Statement of changes in equity and notes to the Condensed Financial Statements for the half year ended September 30, 2024.
2. This Statement, which is the responsibility of the Company's Management and 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 Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim 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.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above, 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 and other accounting principles generally accepted in India, have not disclosed the information required to be disclosed or that it contains any material misstatement.
5. This report has been prepared only for the Board of Directors of the Company for the purpose of preparation of the Consolidated Financial Statements. We do not accept or assume responsibility for any other purpose except as expressly agreed by our prior consent in writing.
6. The financial statements of the Company for the year ended March 31, 2024, were audited by another auditor who expressed an unmodified opinion on those statements on May 16, 2024.

For **ASA & Associates LLP**
 Chartered Accountants
 Firm Registration No: 009571N/N500006


G N Ramaswami

Partner
 Membership No.: 202363
 UDIN: 24202363BKEZDI3185



Place: Chennai
 Date: October 19, 2024

Particulars		As at 30-09-2024 (Unaudited)	As at 31-03-2024 (Audited)
<i>(Rupees in Lakhs)</i>			
I ASSETS			
(1) Non-current assets			
(a)	Property, Plant and Equipment	-	-
(b)	Capital work-in-progress	-	-
(c)	Investment Property	-	-
(d)	Right-of-use Asset	-	-
(e)	Intangible assets	-	-
(f)	Intangible assets under development	-	-
(g) Financial Assets:			
(i)	Investments	-	-
(ii)	Trade receivables	-	-
(iii)	Loans	-	-
(iv)	Other financial assets	0.30	0.30
(h)	Deferred tax assets (net)	1.19	0.70
(i)	Other non-current assets	-	-
Total Non-current assets		1.49	1.00
(2) Current assets			
(a)	Inventories	-	-
(b) Financial Assets:			
(i)	Trade receivables	-	-
(ii)	Cash and cash equivalents	0.70	0.70
(iii)	Bank balances other than (i) above	-	-
(iv)	Other financial assets	-	-
(c)	Other current assets	-	-
Total current assets		0.70	0.70
Total Assets		2.19	1.70
II EQUITY AND LIABILITIES			
Equity			
(a)	Equity Share capital	1.00	1.00
(b)	Other Equity	(3.53)	(2.09)
Total Equity		(2.53)	(1.09)
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i)	Borrowings	-	-
(ii)	Lease Liabilities	-	-
(iii)	Other financial liabilities	-	-
(b) Provisions		-	-
(c)	Deferred tax liabilities (Net)	-	-
Total Non-current liabilities		-	-
(2) Current liabilities			
(a) Financial Liabilities			
(i)	Borrowings	-	-
(ii)	Lease Liabilities	-	-
(iii)	Trade payables -	-	-
(A)	total outstanding dues of micro enterprises and small enterprises ; and	-	-
(B)	total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(iv)	Other financial liabilities	4.69	2.79
(b)	Other current liabilities	0.03	-
(c)	Provisions	-	-
(d)	Current Tax Liabilities(Net)	-	-
Total current liabilities		4.72	2.79
Total Equity and Liabilities		2.19	1.70

As per our report attached of even date
For ASA & Associates LLP
 Chartered Accountants
 ICAI Firm Reg.No:009571NN500006

For and on behalf of the Board of Directors

(Signature)
GN Ramaswami
 Partner
 Membership No: 202363
 Place: Chennai
 Date: 19-10-2024



(Signature)
Sukumar Srinivas
 Managing Director
 DIN: 01668064
 Place: Bengaluru
 Date: 19-10-2024

(Signature)
Dhananjay Miriyal Srinivas
 Director
 DIN: 09105483



STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 30TH SEPTEMBER 2024

(Rupees in Lakhs)

Particulars	For the period ended 30-09-2024 (Unaudited)	For the period from 13-10-2023 to the period ending on 31-03-2024 (Audited)
I Revenue From Operations	-	-
II Other Income	-	-
III Total Income (I+II)	-	-
IV Expenses		
Purchases of Stock-in-Trade	-	-
Changes in inventories of Stock-in-Trade	-	-
Employee benefits expense	-	-
Finance costs	-	-
Depreciation and amortization expense	-	-
Other expenses	1.93	2.79
Total expenses (IV)	1.93	2.79
V Profit(loss) before exceptional items and tax (III - IV)	(1.93)	(2.79)
VI Exceptional items	-	-
VII Profit(loss) after exceptional items and tax (V - VI)	(1.93)	(2.79)
VIII Tax expense:		
(1) Current tax	-	-
(2) Tax relating to earlier years	-	-
(3) Deferred tax	(0.49)	(0.70)
	(0.49)	(0.70)
IX Profit(Loss) for the year (VII - VIII)	(1.44)	(2.09)
X Other Comprehensive Income		
A Items that will not be reclassified to profit or loss		
(i) Re-measurements of the defined benefit plans	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-
Total A	-	-
B Items that will be reclassified to profit or loss		
(i) Effective portion of cash flow hedges	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
Total B	-	-
Total Other Comprehensive Income(loss) (A+B)	-	-
XI Total Comprehensive income for the year (IX + X)	(1.44)	(2.09)
XII Earning per equity share: [Face value Rs.10 per share]		
(1) Basic (in Rs.)	(14.40)	(20.90)
(2) Diluted (in Rs.)	(14.40)	(20.90)


Material accounting policies information

See accompanying notes to the standalone financial statements

As per our report attached of even date

For and on behalf of the Board of Directors

For ASA & Associates LLP
 Chartered Accountants
 ICAI Firm Reg.No:009571NN500006



 GN Ramaswami
 Partner
 Membership No: 202363

Place: Chennai
 Date: 19-10-2024


 Sukumar Srinivas
 Managing Director
 DIN: 01668064

Place: Bengaluru
 Date: 19-10-2024



 Dhananjay Srinivas
 Director
 DIN: 09108243

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30TH SEPTEMBER 2024

(Figures in Lakhs)

A. Equity Share Capital

(1) Period ended 30th Sept 2024

Balance at the beginning i.e. 1st April 2024	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end i.e. 30th September 2024
1.00	-	1.00	-	1.00

(2) Period ended 31st March 2024

Balance at the beginning i.e. 13th October 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end i.e. 31st March 2024
-	-	-	1.00	1.00

B. Other Equity

(1) Period ended 30th September 2024

Particulars	Reserves and Surplus		Other Items of other comprehensive income	Total
	Retained Earnings		Remeasurements of Net defined benefit Liability / Asset	
	Surplus in Statement of Profit and Loss	Defined benefit plan		
Balance at the beginning i.e. 1st April 2024	(2.09)	-	-	(2.09)
Profit/Loss for the period	(1.44)	-	-	(1.44)
Other comprehensive income for the year, net of income tax	-	-	-	-
Transfer to retained earnings	-	-	-	-
Balance at the end i.e. 30th September 2024	(3.53)	-	-	(3.53)

(2) Period ended 31st March 2024

Particulars	Reserve and Surplus		Other Items of other comprehensive income	Total
	Retained Earnings		Remeasurements of Net defined benefit Liability / Asset	
	Surplus in Statement of Profit and Loss	Defined benefit plan		
Balance at the beginning i.e. 13th October 2023	-	-	-	-
Profit/Loss for the period from 13th October 2023 to 31st March 2024	(2.09)	-	-	(2.09)
Other comprehensive income for the year, net of income tax	-	-	-	-
Transfer to retained earnings	-	-	-	-
Balance at the end i.e. 31st March 2024	(2.09)	-	-	(2.09)

As per our report attached of even date
 For ASA & Associates LLP
 Chartered Accountants
 ICAI Firm Reg.No 009571NAN500038

For and on behalf of the Board of Directors

GN Ramaswami
 Partner
 Membership No: 202303

Sukumar Srinivas
 Managing Director
 DIN: 01668064

Dhananjay Miralay Srinivas
 Director
 DIN: 00108483



Place: Chennai
 Date: 19-10-2024

Place: Bengaluru
 Date: 19-10-2024

SHANKARA BUILDPRO LIMITED

NO. 21/1 & 35-A-1, HOSUR MAIN ROAD, ELECTRONIC CITY, VEERASANDRA, ELECTRONICS CITY, BANGALORE - 560100.
 CIN : U24319KA2023PLC179791 PHONE : 080 4511 7777
 E MAIL ID : compliance@shankarabuildpro.com

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30-09-2024

Particulars	(Rupees in Lakhs)	
	For the period ended 30-09-2024 (Unaudited)	For the period from 13-10-2023 to the period ending on 31-03-2024 (Audited)
Cash flow from operating activities		
Profit before tax		(2.78)
Adjustments to reconcile profit before tax to net cash flow:	(1.93)	
Depreciation and amortization expense	-	-
Loss on sale of property, plant & equipment	-	-
Profit on sale of property, plant & equipment	-	-
(Increase) / Decrease in inventories	-	-
Operating profit before working capital changes	(1.93)	(2.78)
Adjustments for:		
Proceeds from capital reduction in subsidiary	-	-
Interest expense on borrowings	-	-
Decrease/ (Increase) in loans and other financial assets	-	-
Decrease/ (Increase) in other current assets	-	-
Decrease/ (Increase) in other non-current assets	-	(0.30)
(Decrease)/ Increase in trade payables	-	-
(Decrease)/ Increase in other financial liabilities	1.90	2.79
(Decrease)/ Increase in other current liabilities	0.03	-
(Decrease)/ Increase in provisions	-	-
Cash flow from/used in operations	(0.08)	(0.30)
Income taxes paid	-	-
Net cash flows from/used in operating activities (A)	(0.08)	(0.30)
Cash flow from investing activities		
Consideration paid for purchase of property, plant & equipment (including capital work-in-progress and capital advances)	-	-
Net cash flows from/used in investing activities (B)	-	-
Cash flow from financing activities		
Proceeds from issuance of Equity share capital	-	1.00
Net cash flows from/used in financing activities (C)	-	1.00
Net increase/(decrease) in cash and cash equivalents (A+B+C)	-	0.70
Cash and cash equivalents - at the beginning of the year	0.70	0.70
Cash and cash equivalents - at the end of the year	0.70	0.70
Note: Cash and Cash equivalents in the Cash Flow Statement comprise of the following >		
a) Balance with Banks :		
- In Current Account	0.70	0.70
	0.70	0.70

The above Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS -7.

As per our report attached of even date
 For ASA & Associates LLP
 Chartered Accountants
 ICAI Firm Reg.No:009571NM500006

For and on behalf of the Board of Directors


 GN Ramaswami
 Partner
 Membership No: 209363




 Sukumar Srinivas
 Managing Director
 DIN: 01660094


 Dhananjay Murthy Srinivas
 Director
 DIN: 03105493



Place: Chennai
 Date: 19-10-2024

Place: Bengaluru
 Date: 19-10-2024

SHANKARA BUILDPRO LIMITED
NO. 21/1 & 35-A-1, HOSUR MAIN ROAD, ELECTRONIC CITY, VEERASANDRA, ELECTRONICS CITY, BANGALORE - 560100.
CIN : U24311KA2023PLC179791 PHONE : 080 4011 7777
E MAIL ID : compliance@shankarabuildpro.com
Notes forming part of Financial Statements as at and for the period ended 30th September, 2024

- 1) Financial results for all the periods presented have been prepared in accordance with recognition and measurement principles of Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other generally accepted accounting practices and principles.
- 2) The above financial results were approved by the Board of Directors at its meeting held on 19.10.2024
- 3) The review of financial results has been carried out by the Statutory Auditors of the Company and they have issued an unmodified report thereon.
- 4) Figures for the comparative periods have been regrouped wherever necessary in conformity with current period classification.

As per our report attached of even date
For ASA & Associates LLP
Chartered Accountants
ICAI Firm Reg.No:009571N/N500006

For and on behalf of the Board of Directors


GN Ramaswami
Partner
Membership No: 202363




Sukumar Srinivas
Managing Director
DIN: 01668064

Place: Chennai
Date: 19-10-2024

Place: Bengaluru
Date: 19-10-2024


Dhananjay Miralay Srinivas
Director
DIN: 09108483



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SHANKARA BUILDING PRODUCTS LIMITED AT ITS MEETING HELD ON 18th December, 2023 EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS PURSUANT TO THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013

1. Background

- 1.1. The draft Scheme of Arrangement to be entered amongst Shankara Building Products Limited ("**Company**" or "**Demerged Company**") and its wholly owned subsidiary company, Shankara Buildpro Limited ("**Resulting Company**") and their respective shareholders and creditors (hereinafter referred to as "**Scheme**") for the demerger, transfer and vesting of the Trading Business or the Demerged Undertaking of the Demerged Company (as defined in the Scheme) in terms of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") and the applicable rules framed thereunder including Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Securities and Exchange Board of India ("**SEBI**") (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 as amended from time to time ("**Master Circular**") was approved by the Board of Directors of the Company ("**Board**") vide resolution dated 18th December, 2023.
- 1.2. The provisions of Section 232(2)(c) of the Act requires the directors to adopt a report explaining the effect of the Scheme on the shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, specifying valuation difficulties and the same is required to be circulated to the members at the time of seeking their approval to the Scheme as may be directed by the Hon'ble National Company Law Tribunal, Bengaluru Bench ("**NCLT**"). Capitalised terms used herein but not defined shall have the same meaning as ascribed to it in the Scheme.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4. The following documents were placed before the Board:

- Draft Scheme;






- Share Entitlement Ratio Report ("**SER Report**") dated 18th December, 2023 issued by SSPA & Co., Chartered Accountants (Registration No. IBBI/RV-E/06/2020/126), recommending the share entitlement ratio; and
- Fairness Opinion dated 18th December, 2023 issued by Fortress Capital Management Services Private Limited, the SEBI registered merchant banker (Registration No. INM000011146) providing fairness opinion on the share entitlement ratio recommended in the SER Report.

2. **Effect of Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company**

2.1. Equity shareholders (Promoter and non-promoter shareholders): All shareholders of the Demerged Company will get equity shares of the Resulting Company and become shareholders of the Resulting Company and participate in the Trading Business. Based on the share entitlement ratio (as indicated below), the inter-se ownership of the Demerged Company's shareholders will continue to be the same in the Resulting Company as well.

Further, all the shares of the Resulting Company will be listed and/or admitted to trading on the stock exchange(s) having the nation-wide trading terminals thus, ensuring the marketability and tradability of shares of the Resulting Company. Accordingly, the Scheme should be in the best interest of the equity shareholders as the overall economic interest of the shareholders remaining unchanged.

2.2. Key managerial personnel: The Directors and key managerial personnel of the Demerged Company shall cease to be responsible for the management of the Trading Business transferred to the Resulting Company unless they are also appointed as Directors or key managerial personnel of the Resulting Company. Further, upon the coming into effect of the Scheme, identified staff, workmen & Employees shall become the Employees of the Resulting Company, and, subject to the provisions of the Scheme, on terms and conditions not less favorable than those on which they are engaged by the Demerged Company, without any interruption of service as a result of the demerger of the Demerged Undertaking into the Resulting Company.





3. Share entitlement ratio and valuation difficulties

Upon the Scheme becoming effective and in consideration of the transfer of the Trading Business to the Resulting Company in accordance with the terms of the Scheme, the Resulting Company shall issue the following as per Clause 14 of the Scheme:


"For every 1 (One) fully paid Equity Share of face value of INR 10/- (Indian Rupees Ten Only) each, held in Demerged Company as on the Record Date, the equity shareholders of the Demerged Company shall be issued 1 (One) fully paid Equity Share of face value of INR 10/- each (Indian Rupees Ten Only) in the Resulting Company". ("Share Entitlement Ratio")

The Board understands that there have been no special valuation difficulties in determining the above share entitlement ratio.

In the opinion of the Board, the Scheme will be of advantage and be beneficial to the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable.

FOR AND ON BEHALF OF SHANKARA BUILDING PRODUCTS LIMITED


Name: Sukumar Srinivas
Designation: Managing Director
Place: Bangalore
Date: 18th December, 2023


Name: C. Ravikumar
Designation : Whole-time Director
Place: Bangalore
Date: 18th December, 2023



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SHANKARA BUILDPRO LIMITED AT ITS MEETING HELD ON 18TH DECEMBER, 2023 EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT ON EACH CLASS OF THE SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS PURSUANT TO THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013

1. Background

- 1.1 The draft Scheme of Arrangement to be entered amongst Shankara Building Products Limited ("Demerged Company") and its wholly owned subsidiary company, Shankara Buildpro Limited ("Company" or "Resulting Company") and their respective shareholders and creditors (hereinafter referred to as "Scheme") for the demerger, transfer and vesting of the Trading Business or the Demerged Undertaking of the Demerged Company (as defined in the Scheme) in terms of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") and the applicable rules framed thereunder including Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, was approved by the Board of Directors of the Company ("Board") vide resolution dated 18th December, 2023.
- 1.2 The provisions of Section 232(2)(c) of the Act requires the directors to adopt a report explaining the effect of the Scheme on the shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, specifying valuation difficulties and the same is required to be circulated to the members at the time of seeking their approval to the Scheme as may be directed by the Hon'ble National Company Law Tribunal, Bengaluru Bench ("NCLT"). Capitalised terms used herein but not defined shall have the same meaning as ascribed to it in the Scheme.
- 1.3 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4 The following documents were placed before the Board:
 - Draft Scheme;
 - Share Entitlement Ratio Report ("SER Report") dated 18th December, 2023 issued by SSPA & Co., Chartered Accountants (Registration No. IBBI/RV-E/06/2020/126), recommending the share entitlement ratio; and
 - Fairness Opinion dated 18th December, 2023 issued by Fortress Capital Management Services Private Limited, the SEBI registered merchant banker (Registration No. INM000011146) providing fairness opinion on the share entitlement ratio recommended in the SER Report.

Registered Office :

21/1 & 35, A-1, Hosur Main Road, Electronic City, Veerasandra,
Bengaluru - 560 100. Ph.: + 91 - 080 - 29910709 | Email : sbi.inf@shankarabuildpro.com

CIN:U24311KA2023PTC179791



2. Effect of Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company

- 2.1 Equity shareholders (Promoter and non-promoter shareholders): Currently, the entire share capital of the Resulting Company is held by the Demerged Company ("**Pre-scheme/ initial share capital**"). Upon allotment of new Equity Shares by the Resulting Company as per Part II of the Scheme to the shareholders of Demerged Company, the shareholding of Demerged Company in the Resulting Company, shall be cancelled in accordance with the order(s) of the NCLT sanctioning the Scheme under Sections 230 to 232 of the Act. After the cancellation of the initial share capital and issue of Equity Shares to the shareholders of Demerged Company, the shareholding pattern of the Resulting Company shall be the same as that of the Demerged Company. No consideration shall be payable to the Demerged Company on account of cancellation of initial share capital pursuant the Scheme.
- 2.2 Key managerial personnel: The Scheme will not have any adverse effect on the rights and interest of the employees, key managerial personnel and directors of the Resulting Company.

3. Share entitlement ratio and valuation difficulties

Upon the Scheme becoming effective and in consideration of the transfer of the Trading Business to the Resulting Company in accordance with the terms of the Scheme, the Resulting Company shall issue the following as per Clause 14 of the Scheme:

"For every 1 (One) fully paid Equity Share of face value of INR 10/- (Indian Rupees Ten Only) each, held in Demerged Company as on the Record Date, the equity shareholders of the Demerged Company shall be issued 1 (One) fully paid Equity Share of face value of INR 10/- each (Indian Rupees Ten Only) in the Resulting Company". ("Share Entitlement Ratio")

The Board understands that there have been no special valuation difficulties in determining the above share entitlement ratio.

Praveen
FF



Registered Office :

21/1 & 35, A-1, Hosur Main Road, Electronic City, Veerasandra, Bengaluru - 560 100. Ph.: + 91-080- 29910709 | Email : sbl.info@shankarabuildpro.com
CIN:U24311KA2023PTC179791

In the opinion of the Board, the Scheme will be of advantage and be beneficial to the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable.

FOR AND ON BEHALF OF SHANKARA BUILDPRO LIMITED


Name: Sukumar Srinivas
Designation: Managing Director
Place: Bangalore
Date: 18th December, 2023


Name: Dhananjay Mirlay Srinivas
Designation: Director
Place: Bangalore
Date: 18th December, 2023



SSPA & CO.*Chartered Accountants*

1st Floor, "Arjun", Plot No.6A,

V. P. Road, Andheri (W),

Mumbai – 400 058. INDIA.

Tel. : 91 (22) 2670 4376 / 77

91 (22) 2670 3682

Website : www.sspa.in

STRICTLY PRIVATE & CONFIDENTIAL

December 18, 2023

To,
Board of Directors,
Shankara Building Products Limited
 G2, No. 133, Farah Winsford,
 Infantry Road,
 Bengaluru – 560 001, Karnataka.

To,
Board of Directors,
Shankara Buildpro Limited
 #21/1 & 35-A-1 Hosur Road,
 Electronic City,
 Bengaluru – 560 100, Karnataka.

Dear Sir(s)/ Madam(s),

Re: Report on recommendation of fair share entitlement ratio for the proposed demerger of 'Trading Business' of Shankara Building Products Limited into Shankara Buildpro Limited

We refer to the engagement letter dated November 28, 2023, whereby, SSPA & Co., Chartered Accountants (hereinafter referred to as 'SSPA' or 'Registered Valuer' or 'We') have been appointed by the management of Shankara Building Products Limited ('SBPL' or 'Demerged Company') and Shankara Buildpro Limited ('Resulting Company') to issue a report recommending a fair share entitlement ratio for the proposed demerger of Trading Business of Demerged Company (hereinafter referred to as the 'Demerged Undertaking' or the 'Demerged Business' or 'Trading Business') into Resulting Company.

(Demerged Company and Resulting Company are hereinafter collectively referred to as the 'Companies').

1. SCOPE AND PURPOSE OF THIS REPORT

1.1 We have been informed by the management of Demerged Company and Resulting Company (hereinafter referred to as 'the Management') that they are considering a proposal for demerger of Trading Business of Demerged Company into Resulting Company pursuant to a scheme of arrangement under section 230 to 232 and other relevant provisions of the Companies Act, 2013 (hereinafter referred to as the 'Scheme').



Subject to necessary approvals, Trading Business of Demerged Company would be demerged into Resulting Company with effect from the appointed date of April 01, 2024 (hereinafter referred to as 'Appointed Date').

The proposed transaction is hereinafter referred to as the 'Proposed Demerger'.

- 1.2 As a consideration for the Proposed Demerger of Trading Business of the Demerged Company into the Resulting Company, equity shareholders of the Demerged Company are proposed to be allotted equity shares of face value of INR 10 each fully paid up of the Resulting Company. As part of the Scheme, the existing equity shares of the Resulting Company as held by the Demerged Company will be cancelled on the demerger coming into effect.
- 1.3 In this regard, we have been requested to issue a report containing recommendation of fair share entitlement ratio for the Proposed Demerger.

2. BRIEF BACKGROUND

2.1. SHANKARA BUILDING PRODUCTS LIMITED

The Demerged Company is a leading organized retailer of home improvement and building products in India operating under the brand name of "Shankara BuildPro". The Demerged Company has 125 fulfilment centers out of which 91 are stores and 21 warehouses, 13 processing units in 10 states and in 1 union territory in India.

The Demerged Company's product portfolio is spread across categories of construction materials, plumbing, sanitary ware, flooring, electrical, and interior exterior finishing.

The Demerged Company caters to the following segments:

- i. Retail Segment: The Demerged Company has 91 retail stores operating under the brand name of "Shankara BuildPro". The stores are spread across South, West and East India.
- ii. Enterprise Segment: The Demerged Company caters directly to industrial customers under this segment.
- iii. Channel Segment: The Demerged Company caters to dealers and other retailers through its branch network.

The equity shares of the Demerged Company are listed on BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE').



The standalone revenue from operations of the Demerged Company for six months period ended September 30, 2023 ('6ME Sep23') is INR 2,361.89 crores and standalone profit before tax of the Demerged Company for 6ME Sep23 is INR 40.22 crores.

2.2. 'TRADING BUSINESS' OF SHANKARA BUILDING PRODUCTS LIMITED

Trading Business of the Demerged Company comprises of retail, supply, distribution and promotion of various home improvement and building products in India including but not limited to steel pipes and tubes, structural steel products, infrastructure materials, PVC products, aluminium and metal products, fabrication, electrical products, tiles and sanitary wares, through multiple sales channel(s).

2.3. SHANKARA BUILDPRO LIMITED

The Resulting Company is a public limited company incorporated on October 13, 2023 under the provisions of the Companies Act 2013 having its registered office at #21/1 & 35-A-1 Hosur Road, Electronic City, Bangalore - 560 100, Karnataka. The Resulting Company is a wholly owned subsidiary of the Demerged Company and incorporated to inter-alia carry on the business with primary focus on engaging in retailing, trading, warehousing, wholesale distribution and ecommerce activities related to all building materials as per the Memorandum of Association.

We have been informed that with the issue and allotment of equity shares by the Resulting Company to the equity shareholders of the Demerged Company in accordance with the proposed Scheme, all the existing equity shares issued by the Resulting Company to the Demerged Company shall stand cancelled.

3. REGISTERED VALUER - SSPA & CO., CHARTERED ACCOUNTANTS

SSPA, is a partnership firm, located at 1st Floor, "Arjun", Plot No. 6A, V. P. Road, Andheri (West), Mumbai - 400 058, India. SSPA is engaged in providing various corporate consultancy services.

We are a firm of practising Chartered Accountants registered with The Institute of Chartered Accountants of India ('ICAI'). We are also registered with the Insolvency and Bankruptcy Board of India ('IBBI'), as a Registered Valuer for asset class – 'Securities or Financial Assets' with Registration No. IBBI/RV-E/06/2020/126.



4. SOURCES OF INFORMATION

For the purpose of this exercise, we have relied upon the following sources of information received from the Management and information available in the public domain:

- (a) Provisional unaudited statement of assets and liabilities of Trading Business of the Demerged Company as on September 30, 2023, as certified by the management of the Demerged Company.
- (b) Draft Scheme of Arrangement.
- (c) Such other information and explanations as we required and which have been provided by the Management, including management representations.

5. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS, AND DISCLAIMERS

- 5.1. Our report is subject to the scope and limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. Further, our report containing recommendation of fair share entitlement ratio for the Proposed Demerger is in accordance with ICAI Valuation Standards 2018 issued by The Institute of Chartered Accountants of India.
- 5.2. This report has been prepared for the Board of Directors of the Demerged Company and of Resulting Company solely for the purpose of recommending a fair share entitlement ratio for the Proposed Demerger.
- 5.3. The report assumes that the Companies / Trading Business of the Demerged Company comply fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the Companies / Trading Business of the Demerged Company will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations.
- 5.4. The draft of the present report was circulated to the management of the Companies (excluding the recommended fair share entitlement ratio) for confirming the facts stated in the report and to confirm that the information or facts stated are not erroneous.



- 5.5. For the purpose of this exercise, we were provided with both written and verbal information including information detailed hereinabove in para 'Sources of Information'. Further, the responsibility for the accuracy and completeness of the information provided to us by the Companies and / or its auditors / consultants, is that of the Management. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Management that they have not omitted any relevant and material information about the Companies / Trading Business of the Demerged Company. The Management have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our conclusions.
- 5.6. Our work does not constitute an audit, due diligence, or certification of these information referred to in this report including information sourced from public domain. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any information referred to in this report and consequential impact on the present exercise. However, we have evaluated the information provided to us by the Companies through broad inquiry, analysis, and review. However, nothing has come to our attention to indicate that the information provided / obtained was materially misstated / incorrect or would not afford reasonable grounds upon which to base the report.
- 5.7. This report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies / Trading Business of the Demerged Company and any other matter, which may have an impact on the report including any significant changes that have taken place or are likely to take place in the financial position of the Companies / Trading Business of the Demerged Company. Events and transactions occurring after the date of this report may affect the report and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this report.
- 5.8. We are independent of the Companies and have no current or expected interest in the Companies or its assets. The fee paid for our services in no way influenced the results of our analysis.
- 5.9. Our report is not, nor should it be construed as our opining or certifying the compliance with the provisions of any law including companies, competition, taxation, and capital market related laws or as regards any legal implications or issues arising in India or abroad from the Proposed Demerger.



- 5.10. Any person/party intending to provide finance/divest/invest in the shares/convertible instruments/business of the Companies / Trading Business of the Demerged Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- 5.11. The decision to carry out the Proposed Demerger (including consideration thereof) lies entirely with the parties concerned and our work and our finding shall not constitute a recommendation as to whether or not the parties should carry out the Proposed Demerger.
- 5.12. Our report is meant for the purpose mentioned in Para 1 only and should not be used for any purpose other than the purpose mentioned therein. It is exclusively for the use of the Companies and may be submitted to the National Company Law Tribunal /regulatory/statutory authority for obtaining requisite approvals. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall SSPA assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- 5.13. SSPA nor its partners, managers, employees make any representation or warranty, express or implied, as to the accuracy, reasonableness, or completeness of the information, based on which this report is issued. We owe responsibility only to the Companies that has appointed us under the terms of the Engagement Letter. We will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions, or advice given by any other person. In no event shall we be liable for any loss, damages, cost, or expenses arising in any way from fraudulent acts, misrepresentations, or willful default on part of the client or companies, their directors, employees, or agents.

6. RECOMMENDATION OF SHARE ENTITLEMENT RATIO

Based on the discussion with the Management, the share entitlement ratio has been determined as follows:

- 6.1. As mentioned in Para 1.2 above, in consideration for the Proposed Demerger, Resulting Company would issue equity shares to the equity shareholders of the Demerged Company.



We understand that the Management have considered following parameters while arriving at the share entitlement ratio:

- i. All shareholders of the Demerged Company will get equity shares of the Resulting Company and become shareholders of the Resulting Company and participate in the Trading Business. The ratio of 1:1 will result in identical shareholding and thus, will be in the interest of all the shareholders. This will avoid complaints from shareholders who may not be allotted any shares otherwise in case a different ratio would have been adopted.
- ii. No fractional entitlements will arise with this ratio.
- iii. Easily comprehensible to the shareholders.
- iv. Share entitlement ratio of 2:1 or any other share entitlement ratio which may result in allotment of more than 1 equity share of the Resulting Company for every 1 equity share of the Demerged Company, may increase the shareholding of the Resulting Company to a sub-optimal level as compared to the Demerged Company. Accordingly, in the opinion of the board of the Companies, equivalent number of equity shares so allotted to the shareholders of the Demerged Company in the Resulting Company will be an optimum equity share capital for the Resulting Company on the following grounds:
 - payment of dividend to shareholders in future;
 - raising of capital by the Resulting Company in future by issue of fresh shares; and
 - optimum per share price for ease of trading by the shareholders.

6.2. Accordingly, the Management has recommended the following share entitlement ratio in consideration for the Proposed Demerger i.e. demerger of Trading Business of the Demerged Company into Resulting Company:

1 (one) equity share of INR 10 each fully paid up of Resulting Company for every 1 (one) equity share of INR 10 each fully paid up held in the Demerged Company

We believe that the aforementioned share entitlement ratio is fair considering that all the shareholders of Demerged Company are and will, upon Proposed Demerger, be the ultimate beneficial owners of Resulting Company in the same ratio (inter se) as they hold shares in the Demerged Company.

6.3. As mentioned above, post the Proposed Demerger all the shareholders of the Demerged Company are and will be the ultimate beneficial owners of Resulting Company in the same



ratio (inter se) as they hold shares in the Demerged Company. Therefore, no relative valuation of Trading Business of the Demerged Company and of Resulting Company is required to be undertaken for the Proposed Demerger. Accordingly, valuation approaches as indicated in the format (as attached herewith as **Annexure I** to this report) as prescribed by circular number NSE/CML/2017/12 of NSE and LIST/COMP/02/2017-18 of BSE have not been undertaken as they are not relevant in the instant case.

7. CONCLUSION

7.1. The share entitlement ratio in consideration for the Proposed Demerger as recommended by the Management is:

1 (one) equity share of INR 10 each fully paid up of Resulting Company for every 1 (one) equity share of INR 10 each fully paid up held in the Demerged Company

Based on our review, information made available to us and discussions with the Management, in our opinion, the aforementioned share entitlement ratio in consideration for the Proposed Demerger of Trading Business of the Demerged Company into Resulting Company is reasonable.

We believe that the aforementioned share entitlement ratio is fair considering that all the shareholders of the Demerged Company are and will, upon proposed demerger, be the ultimate beneficial owners of the Resulting Company in the same ratio (inter se) as they hold shares in the Demerged Company.

Thanking you,
Yours faithfully,

For SSPA & CO.

Chartered Accountants

ICAI Firm registration number: 128851W

IBBI Registered Valuer No.: IBBI/RV-E/06/2020/126

Parag S. Ved



Parag Ved

Partner

ICAI Membership No. 102432

IBBI Registered Valuer No.: IBBI/RV/06/2018/10092

UDIN: 23102432BGUANK7829

Place: Mumbai

Annexure I

For Demerger of 'Trading Business' of the Demerged Company into the Resulting Company

Valuation Approach	Trading Business of the Demerged Company		Resulting Company	
	Value per share (INR)	Weight	Value per share (INR)	Weight
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Relative value per share	NA		NA	

NA = Not Adopted/ Not Applicable



STRICTLY PRIVATE & CONFIDENTIAL

December 18, 2023

To,
The Board of Directors,
Shankara Building Products Limited
G2, No. 133, Farah Winsford,
Infantry Road,
Bengaluru – 560 001, Karnataka.

The Board of Directors,
Shankara Buildpro Limited
#21/1 & 35-A-1 Hosur Road,
Electronic City,
Bengaluru – 560 001, Karnataka.

Sub: Fairness Opinion on Share Entitlement Ratio for the proposed demerger of ‘Trading Business’ of Shankara Building Products Limited into Shankara Buildpro Limited

Dear Sir(s),

We refer to our engagement letter dated November 28, 2023 and discussion wherein the management of Shankara Building Products Limited (‘SBPL’ or ‘Demerged Company’) and Shankara Buildpro Limited (‘Resulting Company’) has requested Fortress Capital Management Services Private Limited (hereinafter referred to as “we” or “Fortress”), a SEBI Registered Category I Merchant Banker to give a fairness opinion on the share entitlement ratio for the proposed demerger of ‘Trading Business’ of SBPL (‘Demerged Undertaking’ or ‘Demerged Business’ or ‘Trading Business’) into the Resulting Company recommended by SSPA & Co., Chartered Accountants (hereinafter referred to as “Valuer”). SBPL and Resulting Company are hereinafter collectively referred to as the ‘Companies’.

1. BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

- 1.1 We have been informed by the management of Demerged Company and Resulting Company (hereinafter collectively referred to as ‘the Management’) that they are considering the following proposal for demerger of Trading Business of Demerged Company into Resulting Company pursuant to a scheme of arrangement under section 230

Page 1 of 6



Fortress Capital Management Services Pvt. Ltd. CIN : U67120MH2004PTC145815

Corporate office : 204, Lotus Park, 2nd Floor, Road No 16, Wagle Estate, Thane (W) 400 604, India. Tel : +91 (22) 6266 7900

Registered office : Daryanagar House, 2nd Floor, 6B Maharsi Kalyan Road, Marine Lines, Mumbai 400 002, India. Tel : +91 (22) 2200 7973

to 232 and other relevant provisions of the Companies Act, 2013 (hereinafter referred to as the 'Scheme');

- 1.2 Subject to necessary approvals, the Trading Business of Demerged would be demerged into the Resulting Company with effect from the Appointed Date of April 01, 2024 (hereinafter referred to as the 'Appointed Date'). The proposed transaction is hereinafter referred to as the 'Proposed Demerger'.

1.3 **SHANKARA BUILDING PRODUCTS LIMITED**

The Demerged Company is a leading organized retailer of home improvement and building products in India operating under the brand name of "Shankara BuildPro". The Demerged Company has 125 fulfilment centers out of which 91 are stores and 21 warehouses, 13 processing unit in 10 states and in 1 union territory in India.

The Demerged Company product portfolio is spread across categories of construction materials, plumbing, sanitary ware, flooring, electrical, and interior exterior finishing.

The Demerged Company caters to the following segments:

- i. Retail Segment: The Demerged Company has 91 retail stores operating under the brand name of "Shankara BuildPro". The stores are spread across South, West and East India.
- ii. Enterprise Segment: The Demerged Company caters directly to industrial customers under this segment.
- iii. Channel Segment: The Demerged Company caters to dealers and other retailers through its branch network.

The equity shares of the Demerged Company are listed on BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE').

The standalone revenue from operations of the Demerged Company for six months period ended September 30, 2023 ('6ME Sep23') is INR 2,361.89 crores and standalone profit before tax of the Demerged Company for 6ME Sep23 is INR 40.22 crores.

1.4 **'TRADING BUSINESS' OF SHANKARA BUILDING PRODUCTS LIMITED**

Trading Business of the Demerged Company comprises of retail, supply, distribution and promotion of various home improvement and building products in India including but not limited to steel pipes and tubes, structural steel products, infrastructure materials, PVC products, aluminium and metal products, fabrication, electrical products, tiles and sanitary wares, through multiple sales channel(s).



1.5 SHANKARA BUILDPRO LIMITED

The Resulting Company is a public limited company incorporated on October 13, 2023, under the provisions of the Companies Act 2013 having its registered office at #21/1 & 35-A-1 Hosur Road, Electronic City, Bangalore - 560 100, Karnataka. The Resulting Company is a wholly owned subsidiary of the Demerged Company and incorporated to inter-alia carry on the business with primary focus on engaging in retailing, trading, warehousing, wholesale distribution and ecommerce activities related to all building materials as per the Memorandum of Association.

We have been informed that with the issue and allotment of equity shares by the Resulting Company to the equity shareholders of the Demerged Company in accordance with the proposed Scheme, all the existing equity shares issued by the Resulting Company to the Demerged Company shall stand cancelled.

- 1.6 As a consideration for the Proposed Demerger of Trading Business of the Demerged Company into the Resulting Company, equity shareholders of the Demerged Company are proposed to be allotted equity shares of face value of Rs. 10 each fully paid up of the Resulting Company. As part of the Scheme, the existing equity shares of the Resulting Company as held by the Demerged Company will be cancelled on the demerger coming into effect.
- 1.7 In this regard Valuer was appointed to provide share entitlement ratio for the Proposed Demerger of the Trading Business of the Demerged Company into the Resulting Company.
- 1.8 Accordingly, we have been appointed in the capacity of SEBI Registered Category I Merchant Banker to give a fairness opinion on share entitlement ratio for the Proposed Demerger recommended by the Valuer to comply with SEBI Guidelines.
- 1.9 The information contained in our report herein is confidential. It is intended only for the sole use of captioned purpose including for obtaining the requisite statutory approvals.

2. SOURCES OF INFORMATION

For the purposes of this exercise, we have relied upon the following sources of information:

- (a) Draft Scheme of Arrangement
- (b) Provisional unaudited statement of assets and liabilities of Trading Business of the Demerged Company as on September 30, 2023, as certified by the management of the Demerged Company.



- (c) Report dated December 18, 2023, issued by Valuer.
- (d) Such other information and explanations as we required, and which have been provided by the Management including Management Representations and Valuer.

3. EXCLUSIONS AND LIMITATIONS

- 3.1 Our conclusion is based on the information furnished to us being complete and accurate in all material respects.
- 3.2 We have been represented by the Management of the Companies that the Companies have clear and valid title of assets. No investigation on Companies claim to title of their assets has been made and their claim to such rights has been assumed to be valid.
- 3.3 Our work does not constitute verification of historical financials or including the working results of the Companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.
- 3.4 Our opinion is not intended to and does not constitute a recommendation to any shareholders as to how such shareholder should vote or act in connection with the Scheme or any matter related therein.
- 3.5 The fee for the engagement and this report is not contingent upon the results reported.
- 3.6 Our liability (statutory or otherwise) for any economic loss or damage arising out of the rendering this Opinion shall be limited to amount of fees received for rendering this Opinion as per our engagement.
- 3.7 Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed merger with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.
- 3.8 Any person / party intending to provide finance / divest / invest in the shares / convertible instruments / business of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- 3.9 This Fairness Opinion ("Opinion") is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on the Opinion including any significant changes that have taken place or are likely to take place in the



financial position of the Companies. Events and transactions occurring after the date of this Opinion may affect the opinion and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this Fairness Opinion.

- 3.10 We do not express any opinion as to the price at which shares of the Company may trade at any time, including subsequent to the date of this opinion.
- 3.11 This Fairness Opinion has been issued for the sole purpose to facilitate the Companies to comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 relating to Scheme of Arrangement by Listed Entities, it shall not be valid for any other purpose and should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- 3.12 Fortress nor its directors, managers, employees make any representation or warranty, express or implied, as to the accuracy, reasonableness, or completeness of the information, based on which the fairness opinion is provided. All such parties expressly disclaim any and all liability for/or based on or relating to any such information contained in the fairness opinion.

4. REVIEW OF DOCUMENTS

For arriving at the opinion, we have reviewed the following documents:

- Draft Scheme of Arrangement.
- Shareholding Pattern of Companies.
- Provisional unaudited statement of assets and liabilities of Trading Business of the Demerged Company as on September 30, 2023.
- Report dated December 18, 2023, of Valuer.
- Explanation and information provided by the Management of Companies and Valuer.



5. VALUATION METHODOLOGY ADOPTED BY VALUER

Since all the shareholders of Demerged Company are and will, upon Proposed Demerger of the Trading Business of Demerged Company into Resulting Company, be the ultimate beneficial owners of Resulting Company in the same ratio (inter se) as they hold shares in Demerged Company Therefore, no relative valuation of Trading Business of the Demerged Company and of the Resulting Company is carried out by the Valuer for the Proposed Demerger.

6. CONCLUSION

On the basis of and subject to the foregoing, to the best of our knowledge and belief and based on the information and explanation provided to us, in our opinion, since all the shareholders of Demerged Company are and will, after Proposed Demerger, remain ultimate beneficial owners of Resulting Company in the same ratio (inter-se) as they hold shares of Demerged Company the following Share Entitlement Ratio **recommended by Valuer is fair:**

1 (One) equity share of INR 10 each fully paid up of Resulting Company for every 1 (One) equity share of INR 10 each fully paid up held in Demerged Company.

Thanking you,

Yours faithfully,

For Fortress Capital Management Services Pvt. Ltd.



Authorized Signatory



Place: Mumbai

SEBI Registration No.: INM000011146



REPORT OF THE AUDIT COMMITTEE OF SHANKARA BUILDING PRODUCTS LIMITED ON THE DRAFT SCHEME OF ARRANGEMENT BETWEEN SHANKARA BUILDING PRODUCTS LIMITED AND SHANKARA BUILDPRO LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

This Report of the Audit Committee ("**Committee**") is considered and approved by the Committee at its meeting held on December 18, 2023.

The following members of the Committee were present at the meeting:

1. Mr. Bhadrannarasimham Jayaraman, Chairman
2. Mr. Ravichandar Venkataraman, Member
3. Mr. Chandu Nair, Member
4. Ms. Jayashri Murali, Member
5. Mr. Sukumar Srinivas, Member

A. Background

1. The draft Scheme of Arrangement to be entered between Shankara Building Products Limited ("**Company**" or "**Demerged Company**") and its wholly owned subsidiary company, Shankara Buildpro Limited ("**Resulting Company**") and their respective shareholders and creditors (hereinafter referred to as "**Scheme**") for the demerger, transfer and vesting of the Trading Business of the Demerged Company comprising of retail, supply, distribution and promotion of various home improvement and building products in India ("**Trading Business**" or "**Demerged Undertaking**") in terms of Sections 230 to 232 of the Companies Act, 2013 ("**Act**") and the applicable rules framed thereunder and Securities and Exchange Board of India ("**SEBI**") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**") including SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 as amended from time to time ("**Master Circular**") and reduction by way of cancellation of the entire pre-scheme share capital of the Resulting Company as an integral part of the Scheme was presented to the Committee at its meeting held on December 18, 2023 for its consideration and making recommendation to the Board of Directors of the Company.



Registered Office :
G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph.: + 91- 080-40117777.

Page 1 of 7
A-382

Corporate Office :
No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru-560100
Ph.: +91-080-29910702 | 080-29910709

Email :- info@shankarabuildpro.com | CIN:L26922KA1995PLC018990. | Website : www.shankarabuildpro.com

2. In terms of the Master Circular, a report from the Committee recommending the draft Scheme, is required to be adopted and recommended to the Board. Accordingly, this report is prepared to comply with the aforesaid requirements.
3. While deliberating on the Scheme, the Committee, inter-alia, considered and took on record the following documents:
 - i) Draft Scheme, duly initialled by the Company Secretary of the Company for the purpose of identification;
 - ii) Share Entitlement Ratio Report ("SER Report") dated 18th December, 2023, issued by SSPA & Co., Chartered Accountants (Registration No. IBBI/RV-E/06/2020/126), recommending the share entitlement ratio being issuance or allotment of 1 equity share of the Resulting Company for every 1 equity share of Demerged Company ("Share Entitlement Ratio");
 - iii) Fairness Opinion dated 18th December, 2023, issued by Fortress Capital Management Services Private Limited, the SEBI registered merchant banker Registration No. INM000011146 providing fairness opinion on the share entitlement ratio recommended in the SER Report;
 - iv) Certificate dated 17th December, 2023 obtained from the Statutory Auditors of the Company i.e., M/s Sundaram & Srinivasan, Chartered Accountants, (Firm Registration No.004207S), regarding compliance of the accounting treatment contained in the draft Scheme with the accounting standards specified under Section 133 of the Act;
 - v) Undertaking given by the Company confirming that approval of majority of public shareholders as prescribed under Paragraph (A) (10)(b) of Part I of the Master Circular is not applicable to the Scheme along with certificate of the Statutory Auditors of the Company, certifying the said undertaking.



4. The Scheme, amongst others, contemplates the following arrangements (Capitalised terms used and not defined herein shall have the meaning ascribed to them in the Scheme):
- i) Demerger of Trading Business of the Demerged Company into Resulting Company and their respective shareholders and creditors, in accordance with Sections 230 to 232 of the Act and other applicable laws.
 - ii) Pursuant to the sanction of the Scheme by the Tribunal and upon the fulfilment of conditions as prescribed in the Scheme, the Scheme shall become effective from date on which the certified copies of the last of the Sanction Orders are filed with the RoC in accordance with **Clause 18** of the Scheme (i.e., "Effective Date") or such other date as may be approved by the Tribunal.
 - iii) With effect from the Appointed Date, and upon the Scheme becoming effective, the Demerged Undertaking of the Demerged Company shall stand transferred to and be vested in the Resulting Company, as a going concern, without any further deed or act, together with the benefits and interest therein, in the manner provided for in the Scheme, in accordance with Sections 230 to 232 of the Act, and other applicable laws.
 - iv) Allotment of Equity Shares of the Resulting Company to the equity shareholders of Demerged Company in accordance with the Share Entitlement Ratio, as set out in the SER Report.
 - v) Reduction by way of cancellation of the entire pre-scheme share capital of the Resulting Company.
5. The effectiveness of the Scheme is conditional upon fulfilment of the 'Conditions Precedent' as specified in the Scheme ("said conditions"), which include:
- a) **Stock Exchange Approval:** The Demerged Company shall have received no-objection letter from the designated stock exchange in respect of the Scheme (prior to filing the Scheme with the Hon'ble NCLT) and the transactions contemplated therein in accordance with the SEBI LODR Regulations and the Master Circular.



- b) **Shareholders' and Creditors' Approval:** The Scheme shall have been approved by the respective majority of the requisite classes of shareholders (through postal ballot/e-voting, as applicable) and creditors (where applicable) of the Companies as required under the Act, Master Circular and as may be directed by the NCLT, subject to any dispensation that may be granted by the NCLT.
- c) **Approval of the Hon'ble NCLT:** The Scheme shall have been approved by the Hon'ble NCLT, either on terms as originally approved by the relevant parties to the Scheme, or subject to such modifications as approved by the Hon'ble NCLT.
- d) **Filing of e-form INC 28:** The Demerged Company and the Resulting Company each duly filing e-form INC 28 on the website of the ministry of corporate affairs.
- e) **Listing of equity shares of the Resulting Company:** The Resulting Company shall upon allotment of shares to the shareholders of the Demerged Company pursuant to the Scheme immediately make an application to SEBI in terms of Rule 19(7) of Securities Contracts (Regulation) Rules, 1957 for listing of equity shares of the Resulting Company at all the stock exchanges where the equity shares of Demerged Company are listed i.e., National Stock Exchange and Bombay Stock Exchange.

B. Need for the Scheme and Synergies of business of the companies involved in the Scheme

- i) **Focus on individual businesses:** With the help of the demerger, the Demerged Company and the Resulting Company could concentrate its resources, management attention, and investments on its individual operations, potentially leading to improved performance and competitiveness.
- Demerged Company individually may manage the Manufacturing Business more efficiently; demerger to enable optimal exploitation, monetization and development of its assets.
- ii) **Improve financial performance:** Demerger is likely to improve the financial performance of the companies. Both the companies can optimize its capital structure, streamline costs, and have clearer financial reporting, potentially leading to enhanced financial results.



- iii) **Better capital allocation:** Both the companies can optimize its capital structure and accordingly allocate the capital that suits its business and investment requirements and growth plans.
- Financial resources will be conveniently raised in accordance with the requirement of the business.
- iv) **Enhanced strategic flexibility:** Management of both companies to pursue independent growth & expansion strategies for both the businesses.
- Resulting Company will have the flexibility to pursue its individual growth strategies, partnerships, mergers, acquisitions, and investments, tailored to its specific business objectives without any constraints if any, as may be contemplated in future.
- v) **Alignment with industry trends & customized growth:** Both the companies may adapt and align more effectively with the trends and requirements of their respective industries, leading to better competitiveness and sustainability from long-term perspective.
- vi) **Simplification of organizational structure:** Complex organizational structures & legacy issues may impede the decision-making, agility, and efficiency. Demerger aims to simplify the structure, making each entity more manageable and enabling faster decision-making and targeted strategies.
- vii) **Better corporate governance:** Demerger is expected to improve corporate governance within the separated entities, ensuring that the board and management are aligned with the specific interests and goals of their businesses.
- viii) **Unlocking shareholders value:** Ability to achieve valuation based on respective risk-return profile & cash flows thus, creating the overall value for the shareholders.
- Creating different companies will allow investors to better understand and evaluate each business's potential, thus, potentially resulting in higher valuations for the individual companies.
 - Resulting Company to have better visibility and valuation in the market as a standalone business.



C. Rationale of the Scheme

- i) Demerger shall enable both Demerged Company and the Resulting Company to enhance business operations by streamlining operations, more efficient management control and outlining independent growth strategies such as expansion of product categories and geographical presence.
- ii) Creation of dedicated vertical for the growth of Trading Business with focused attention.
- iii) Attracting new set of investors with specific knowledge, expertise and risk appetite corresponding to their own businesses, thus, both the Demerged Company and the Resulting Company will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of Trading Business and Manufacturing Business.
- iv) Pursuant to the scheme of arrangement, equity shares issued by the Resulting Company would be listed on the stock exchanges and thus, will unlock the value of the Trading Business for the shareholders of the Demerged Company.
 - Existing shareholders of the Demerged Company would hold the shares of two (2) listed companies once the scheme becomes effective, giving them flexibility in managing their investments in two (2) businesses having differential dynamics.
- v) Demerger to be in the interest of shareholders, creditors and there is no likelihood that any shareholder or creditor would be prejudiced as a result of scheme of arrangement. It will not impose any additional burden on the shareholders of the Demerged Company considering the scheme would merely involve transfer and vesting of Trading Business by way of an arrangement from the Demerged Company to Resulting Company.

D. Impact of Scheme on shareholders of the Company

- i) Segregation of Trading Business & Manufacturing Business of the Demerged Company through demerger will help in unlocking shareholder value which may be undervalued when part of a larger consolidation.



- ii) Pursuant to demerger, the Resulting Company will issue its equity shares to the shareholders of the Demerged Company based on the SER Report and in the same proportion in which the shareholders held equity shares in the Demerged Company. Thus, the overall economic interest of the shareholders of the Demerged Company should remain same in both the companies.
- iii) Given the above, considering there is no proposed change in the shareholding pattern of the Demerged Company, the proposed demerger should be in the best interest of shareholders.
- iv) Post effectiveness of the demerger and subject to receipt of regulatory approvals, the equity shares of the Resulting Company issued as consideration pursuant to demerger should be listed on the recognized stock exchanges and thus, ensuring the marketability and tradability of equity shares of the Resulting Company.

E. Cost benefit analysis of the Scheme

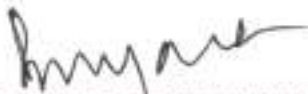
The Committee is of the view that while the demerger would involve certain cost such as stamp duty, regulatory fees, consultancy fees and other transactional and implementation cost, the expected benefits as stated under Paragraph B, would offset the impact of the aforementioned costs.

F. Recommendation of the Committee

Taking into consideration inter alia the draft Scheme, SER Report, Fairness Opinion, certificate issued by the Statutory Auditors and the specific points as mentioned above, the Committee, after due deliberation and consideration, recommends the draft Scheme for favourable consideration and approval by the Board of Directors of the Company, Stock Exchanges, SEBI and other appropriate authorities.

On behalf of the Audit Committee of

SHANKARA BUILDING PRODUCTS LIMITED



BHADRANARASIMHAM JAYARAMAN
CHAIRPERSON, AUDIT COMMITTEE
(DIN: 00022567)



Date: December 18, 2023
Place: Bengaluru

REPORT OF THE INDEPENDENT DIRECTORS OF SHANKARA BUILDING PRODUCTS LIMITED ON THE DRAFT SCHEME OF ARRANGEMENT BETWEEN SHANKARA BUILDING PRODUCTS LIMITED AND SHANKARA BUILDPRO LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

This Report of the Independent Directors is considered and approved at its meeting held on December 18, 2023.

The following Independent Directors were present at the meeting:

1. Mr. Ravichandar Venkataraman, Chairman, Independent Director
2. Mr. Bhadrannarasimham Jayaraman, Independent Director
3. Mr. Chandu Nair, Independent Director
4. Ms. Jayashri Murali, Independent Director

A. Background

1. The draft Scheme of Arrangement to be entered between Shankara Building Products Limited ("**Company**" or "**Demerged Company**") and its wholly owned subsidiary company, Shankara Buildpro Limited ("**Resulting Company**") and their respective shareholders and creditors (hereinafter referred to as "**Scheme**") for the demerger, transfer and vesting of the Trading Business of the Demerged Company comprising of retail, supply, distribution and promotion of various home improvement and building products in India ("**Trading Business**" or "**Demerged Undertaking**") in terms of Sections 230 to 232 of the Companies Act, 2013 ("**Act**") and the applicable rules framed thereunder and Securities and Exchange Board of India ("**SEBI**") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**") including SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 as amended from time to time ("**Master Circular**") and reduction by way of cancellation of the entire pre-scheme share capital of the Resulting Company as an integral part of the Scheme was presented to the Independent Directors at its meeting held on December 18, 2023, for its consideration and making recommendation to the Board of Directors of the Company.



2. In terms of the Master Circular, a report from the Independent Directors recommending the draft Scheme, is required to be adopted and recommended to the Board. Accordingly, this report is prepared to comply with the aforesaid requirements.
3. While deliberating on the Scheme, the Independent Directors, inter-alia, considered and took on record the following documents:
 - i) Draft Scheme, duly initialled by the Managing Director/Company Secretary of the Company for the purpose of identification;
 - ii) Share Entitlement Ratio Report ("**SER Report**") dated 18th December, 2023 issued by SSPA & Co., Chartered Accountants (Registration No. IBBI/RV-E/06/2020/126), recommending the share entitlement ratio being issuance or allotment of 1 equity share of the Resulting Company for every 1 equity share of Demerged Company ("**Share Entitlement Ratio**");
 - iii) Fairness Opinion dated 18th December, 2023 issued by Fortress Capital Management Services Private Limited, the SEBI registered merchant banker (Registration No. **INM000011146**) providing fairness opinion on the share entitlement ratio recommended in the SER Report.
 - iv) Certificate dated 17th December, 2023 obtained from the Statutory Auditors of the Company i.e., M/s Sundaram & Srinivasan, Chartered Accountants, (Firm Registration No.004207S), regarding compliance of the accounting treatment contained in the draft Scheme with the accounting standards specified under Section 133 of the Act.
 - v) Undertaking given by the Company confirming that approval of majority of public shareholders as prescribed under Paragraph (A)(10)(b) of Part I of the Master Circular is not applicable to the Scheme along with certificate of the Statutory Auditors of the Company, certifying the said undertaking.
4. The Scheme, amongst others, contemplates the following arrangements (Capitalised terms used and not defined herein shall have the meaning ascribed to them in the Scheme);



- i) Demerger of Trading Business of the Demerged Company into Resulting Company and their respective shareholders and creditors, in accordance with Sections 230 to 232 of the Act and other applicable laws.
 - ii) Pursuant to the sanction of the Scheme by the Tribunal and upon the fulfilment of conditions as prescribed in the Scheme, the Scheme shall become effective from date on which the certified copies of the last of the Sanction Orders are filed with the RoC in accordance with **Clause 18** of the Scheme (i.e., "Effective Date") or such other date as may be approved by the Tribunal.
 - iii) With effect from the Appointed Date, and upon the Scheme becoming effective, the Demerged Undertaking of the Demerged Company shall stand transferred to and be vested in the Resulting Company, as a going concern, without any further deed or act, together with the benefits and interest therein, in the manner provided for in the Scheme, in accordance with Sections 230 to 232 of the Act, and other applicable laws.
 - iv) Allotment of Equity Shares of the Resulting Company to the equity shareholders of Demerged Company in accordance with the Share Entitlement Ratio, as set out in the SER Report.
 - v) Reduction by way of cancellation of the entire pre-scheme share capital of the Resulting Company.
5. The effectiveness of the Scheme is conditional upon fulfilment of the 'Conditions Precedent' as specified in the Scheme ("said conditions"), which include:
- a) **Stock Exchange Approval:** The Demerged Company shall have received no-objection letter from the designated stock exchange in respect of the Scheme (prior to filing the Scheme with the Hon'ble NCLT) and the transactions contemplated therein in accordance with the SEBI LODR Regulations and the Master Circular.
 - b) **Shareholders' and Creditors' Approval:** The Scheme shall have been approved by the respective majority of the requisite classes of shareholders (through postal ballot/e-voting, as applicable) and creditors (where applicable) of the Companies as required under the Act, Master Circular and as may be directed by the NCLT, subject to any dispensation that may be granted by the NCLT.



- c) **Approval of the Hon'ble NCLT:** The Scheme shall have been approved by the Hon'ble NCLT, either on terms as originally approved by the relevant parties to the Scheme, or subject to such modifications as approved by the Hon'ble NCLT.
- d) **Filing of e-form INC 28:** The Demerged Company and the Resulting Company each duly filing e-form INC 28 on the website of the ministry of corporate affairs.
- e) **Listing of equity shares of the Resulting Company:** The Resulting Company shall upon allotment of shares to the shareholders of the Demerged Company pursuant to the Scheme immediately make an application to SEBI in terms of Rule 19(7) of Securities Contracts (Regulation) Rules, 1957 for listing of equity shares of the Resulting Company at all the stock exchanges where the equity shares of Demerged Company are listed i.e., National Stock Exchange and Bombay Stock Exchange.

B. Need for the Scheme and Synergies of business of the companies involved in the Scheme

- i) **Focus on individual businesses:** With the help of the demerger, the Demerged Company and the Resulting Company could concentrate its resources, management attention, and investments on its individual operations, potentially leading to improved performance and competitiveness.
 - Demerged Company individually may manage the Manufacturing Business more efficiently; demerger to enable optimal exploitation, monetization and development of its assets.
- ii) **Improve financial performance:** Demerger is likely to improve the financial performance of the companies. Both the companies can optimize its capital structure, streamline costs, and have clearer financial reporting, potentially leading to enhanced financial results.
- iii) **Better capital allocation:** Both the companies can optimize its capital structure and accordingly allocate the capital that suits its business and investment requirements and growth plans.
 - Financial resources will be conveniently raised in accordance with the requirement of the business.



- iv) **Enhanced strategic flexibility:** Management of both companies to pursue independent growth & expansion strategies for both the businesses.
- Resulting Company will have the flexibility to pursue its individual growth strategies, partnerships, mergers, acquisitions, and investments, tailored to its specific business objectives without any constraints if any, as may be contemplated in future.
- v) **Alignment with industry trends & customized growth:** Both the companies may adapt and align more effectively with the trends and requirements of their respective industries, leading to better competitiveness and sustainability from long-term perspective.
- vi) **Simplification of organizational structure:** Complex organizational structures & legacy issues may impede the decision-making, agility, and efficiency. Demerger aims to simplify the structure, making each entity more manageable and enabling faster decision-making and targeted strategies.
- vii) **Better corporate governance:** Demerger is expected to improve corporate governance within the separated entities, ensuring that the board and management are aligned with the specific interests and goals of their businesses.
- viii) **Unlocking shareholders value:** Ability to achieve valuation based on respective risk-return profile & cash flows thus, creating the overall value for the shareholders.
- Creating different companies will allow investors to better understand and evaluate each business's potential, thus, potentially resulting in higher valuations for the individual companies.
 - Resulting Company to have better visibility and valuation in the market as a standalone business.

C. Rationale of the Scheme

- i) Demerger shall enable both Demerged Company and the Resulting Company to enhance business operations by streamlining operations, more efficient management control and outlining independent growth strategies such as expansion of product categories and geographical presence.



- ii) Creation of dedicated vertical for the growth of Trading Business with focused attention.
- iii) Attracting new set of investors with specific knowledge, expertise and risk appetite corresponding to their own businesses, thus, both the Demerged Company and the Resulting Company will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of Trading Business and Manufacturing Business.
- iv) Pursuant to the scheme of arrangement, equity shares issued by the Resulting Company would be listed on the stock exchanges and thus, will unlock the value of the Trading Business for the shareholders of the Demerged Company.
 - Existing shareholders of the Demerged Company would hold the shares of two (2) listed companies once the scheme becomes effective, giving them flexibility in managing their investments in two (2) businesses having differential dynamics.
- v) Demerger to be in the interest of shareholders, creditors and there is no likelihood that any shareholder or creditor would be prejudiced as a result of scheme of arrangement. It will not impose any additional burden on the shareholders of the Demerged Company considering the scheme would merely involve transfer and vesting of Trading Business by way of an arrangement from the Demerged Company to Resulting Company.

D. Impact of Scheme on shareholders of the Company

- i) Segregation of Trading Business & Manufacturing Business of the Demerged Company through demerger will help in unlocking shareholder value which may be undervalued when part of a larger consolidation.
- ii) Pursuant to demerger, the Resulting Company will issue its equity shares to the shareholders of the Demerged Company based on the SER Report and in the same proportion in which the shareholders held equity shares in the Demerged Company. Thus, the overall economic interest of the shareholders of the Demerged Company should remain same in both the companies.
- iii) Given the above, considering there is no proposed change in the shareholding pattern of the Demerged Company, the proposed demerger should be in the best interest of shareholders.



- iv) Post effectiveness of the demerger and subject to receipt of regulatory approvals, the equity shares of the Resulting Company issued as consideration pursuant to demerger should be listed on the recognized stock exchanges and thus, ensuring the marketability and tradability of equity shares of the Resulting Company.

E. Cost benefit analysis of the Scheme

The Independent Directors are of the view that while the demerger would involve certain cost such as stamp duty, regulatory fees, consultancy fees and other transactional and implementation cost, the expected non-quantifiable benefits as stated under Paragraph B would offset the impact of the aforementioned costs.

F. Scheme not detrimental to the shareholders of the Company

The Independent Directors discussed the rationale and expected benefits of the Scheme and noted that on account of the aforesaid, the proposed Scheme is in the interest of the shareholders of the Company and is not detrimental to the shareholders of the Company.

G. Recommendation of the Independent Directors

In view of the above and after taking into consideration inter alia the draft scheme, SER Report, the Fairness Opinion, certificate issued by the Statutory Auditors and the specific points as mentioned above, the Independent Directors are of view that Scheme is not detrimental to the interest of the shareholders of the Company and having considered and noted the above, unanimously recommends the Scheme to the Board, in its present form for favourable consideration by the Board, Stock Exchanges, National Company Law Tribunal, SEBI and such other regulatory authorities, as may be applicable.

For and on behalf of the Independent Directors of

Shankara Building Products Limited



RAVICHANDAR VENKATARAMAN
INDEPENDENT DIRECTOR
(DIN: 00634180)



Date: December 18, 2023

Place: Bengaluru

Independent Auditor's Certificate on the accounting treatment contained in the proposed scheme of arrangement entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under section(s) 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder.

To,
The Board of Directors,
Shankara Building Products Limited
G-2 Farah Winsford, No.133,
Infantry Road, Bengaluru,
Karnataka, India – 560001

We, the statutory auditors of Shankara Building Products Limited, Bengaluru (hereinafter referred to as "**the Company**" or "**the Demerged Company**"), have examined the proposed accounting treatment specified in clause 19 of the draft scheme of arrangement (hereinafter referred to as "**the Draft Scheme**") between the Company and Shankara Buildpro Limited, Bengaluru ("**the Resultant Company**") (collectively referred to as "**the Companies**") and their respective shareholders and creditors in terms of the provisions of section(s) of 230 to 232 of the Companies Act, 2013 ("**the Act**") with reference to its compliance with the applicable Accounting Standards notified under the Act and Other Generally Accepted Accounting Principles in India.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting

Independent Auditor's Certificate on the accounting treatment contained in the proposed scheme of arrangement entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under section(s) 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder.

Principles. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid Draft Scheme is in compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI LODR Regulations") and circulars issued thereunder and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.

This Certificate read with the notes attached in Appendix 1 below is issued at the request of Shankara Building Products Limited, Bengaluru pursuant to the requirements of circulars issued under SEBI LODR Regulations for onward submission to the BSE Limited, the National Stock Exchange of India Limited and further onward submission with the SEBI, the National Company Law Tribunal, Bengaluru Bench, Regional Director, Registrar of Companies and/or other regulatory authorities in connection with the Draft Scheme.



Independent Auditor's Certificate on the accounting treatment contained in the proposed scheme of arrangement entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under section(s) 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder.

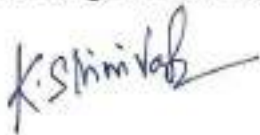
This Certificate should not be used for any other purpose without our prior written consent.

This Certificate should be read together with Annexure A, attached.

For M/s Sundaram & Srinivasan,

Chartered Accountants

Firm Registration No.: 004207S



K Srinivasan

Partner

Membership Number: 209120

ICAI UDIN: 23209120BGSIPM1734

Place: Chennai

Date: 17th December, 2023



Independent Auditor's Certificate on the accounting treatment contained in the proposed scheme of arrangement entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under section(s) 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder.

**Appendix 1 to our certificate on the accounting treatment
Notes to Independent Auditor's Certificate**

1. This Certificate is issued in accordance with the terms of our engagement letter dated 14th December, 2023 with Shankara Building Products Limited, Bengaluru

2. For ease of reference, the Clause 19 of the Draft Scheme relating to the proposed accounting treatment in the books of account of the Demerged Company, duly authenticated by the Company's management, is reproduced in Annexure A to this Certificate and is initialled by us only for the purposes of identification.

Management's Responsibility

3. The preparation of the Draft Scheme is the responsibility of the management of the company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Draft Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Draft Scheme is proposed to be approved by the Board of Directors in their Board Meeting to be held on 18th December, 2023.



Independent Auditor's Certificate on the accounting treatment contained in the proposed scheme of arrangement entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under section(s) 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder.

4. The management of the Company is also responsible for ensuring that the Company complies with the relevant laws and regulations, including the applicable accounting standards as aforesaid and provide relevant information to the National Company Law Tribunal and any other regulatory authority in connection with the Draft Scheme.

Auditors' Responsibility

5. Our responsibility is to provide reasonable assurance in the form of certification [pursuant to the requirements of section 230 of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016] on whether the accounting treatment as contained in the Annexure A is in compliance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules made thereunder, as amended from time to time and other generally accepted accounting principles in India.



Independent Auditor's Certificate on the accounting treatment contained in the proposed scheme of arrangement entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under section(s) 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder.

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control ("SQC") 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. Our examination did not extend to any aspects of a legal or propriety nature of the Draft Scheme and other compliances thereof. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.



Independent Auditor's Certificate on the accounting treatment contained in the proposed scheme of arrangement entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under section(s) 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder.

9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgment including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following:

- a) Obtaining and reading the Draft Scheme and the proposed accounting treatment specified therein.
- b) Obtained a representation stating that the Draft Scheme will be approved by the Board of Directors in their meeting slated for 18th December, 2023.
- c) Examining whether the proposed accounting treatment as per clause 19 of the Draft Scheme is in compliance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules made thereunder, as amended from time to time and other generally accepted accounting principles in India.
- d) Performing necessary inquiries with the management and obtained necessary representations from the management.

Annexure A

Relevant extract of clause 19 to the Draft Scheme of Arrangement between Shankara Building Products Limited ("Demerged Company"), Shankara Buildpro Limited ("Resulting Company"), and their respective shareholders and creditors in terms to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Act")

EXTRACT OF ACCOUNTING TREATMENT FROM DRAFT SCHEME OF ARRANGEMENT ENTERED AMONGST SHANKARA BUILDING PRODUCTS LIMITED ("DEMERGED COMPANY") AND SHANKARA BUILDPRO LIMITED ("RESULTING COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (UNDER SECTION(S) 230-232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013)

19. ACCOUNTING TREATMENT PURSUANT TO THE SCHEME

19.1 The accounting treatment for the demerger of the Demerged Undertaking in the books of the Demerged Company and the Resulting Company shall be in compliance with the standards of accounting or any addendum thereto as notified under Section 133 of the Act read with the Companies (Accounts) Rules, 2014 or Companies (Indian Accounting Standards) Rules, 2015 or any other relevant or related requirement under the Act and other generally accepted accounting principles.

Registered Office :
G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph.: + 91- 080-40117777.



A-403

Corporate Office :
No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru-560100
Ph.: +91-080-29910702 | 080-29910709



19.2 The amount of any inter-company balances and loans or advances between the Demerged Undertaking and the Resulting Company, if any, shall stand cancelled without any further act or deed, upon the Scheme coming into effect, and the amounts so cancelled shall not be recorded in the books of account of the Resulting Company.

In the books of the Demerged Company:

a) The assets and the liabilities of the Demerged Undertaking shall be transferred to the Resulting Company at the carrying values appearing in books of accounts of the Demerged Company as on the Appointed Date and correspondingly reduced from its books of account, the carrying values of assets and the liabilities so transferred.

b) With effect from the Appointed Date, the Demerged Company shall account for the demerger of Demerged Undertaking in its books of account in compliance with the standards of accounting or any addendum thereto, as notified under Section 133 of the Act read with the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015 (as may be applicable) and in accordance with prevailing guidelines and generally accepted accounting principles in India.



Registered Office :
G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph.: + 91- 080-40117777.

A-404

Corporate Office :
No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru-560100
Ph.: +91-080-29910702 | 080-29910709

- e) The difference between the amount of assets and liabilities so transferred shall be adjusted against retained earnings of the Demerged Company

For Shankara Building Products Limited



Alex Varghese

Chief Financial Officer

16th December, 2023

Bangalore



Independent Auditor's Certificate on the accounting treatment contained in the proposed scheme of arrangement entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under section(s) 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder

To,
The Board of Directors,
Shankara Buildpro Limited
21/1 & 35-A-1 Hosur Road,
Electronic City, Bengaluru,
Karnataka, India – 560100

We, the statutory auditors of Shankara Buildpro Limited, Bengaluru (hereinafter referred to as "**the Company**" or "**the Resultant Company**"), have examined the proposed accounting treatment specified in clause 19 of the draft scheme of arrangement (hereinafter referred to as "**the Draft Scheme**") between the Company and Shankara Building Products Limited, Bengaluru ("**the Demerged Company**") (collectively referred to as "**the Companies**") and their respective shareholders and creditors in terms of the provisions of section(s) of 230 to 232 of the Companies Act, 2013 ("**the Act**") with reference to its compliance with the applicable Accounting Standards notified under the Act and Other Generally Accepted Accounting Principles in India.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is to examine and report whether the Draft Scheme complies with the

Independent Auditor's Certificate on the accounting treatment contained in the proposed scheme of arrangement entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under section(s) 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder

applicable Accounting Standards and Other Generally Accepted Accounting Principles. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid Draft Scheme is in compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI LODR Regulations") and circulars issued thereunder and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013

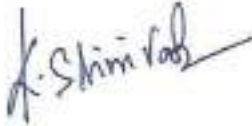
This Certificate read with the notes attached in Appendix 1 below is issued at the request of Shankara Buildpro Limited, Bengaluru pursuant to the requirements of circulars issued under SEBI LODR Regulations for onward submission to the BSE Limited, the National Stock Exchange of India Limited and further onward submission with the SEBI, the National Company Law Tribunal, Bengaluru Bench, Regional Director, Registrar of Companies and/or other regulatory authorities in connection with the Draft Scheme.

Independent Auditor's Certificate on the accounting treatment contained in the proposed scheme of arrangement entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under section(s) 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder

This Certificate should not be used for any other purpose without our prior written consent.

This Certificate should be read together with Annexure A, attached.

For M/s Sundaram & Srinivasan,
Chartered Accountants
Firm Registration No.: 004207S



K Srinivasan
Partner
Membership Number: 209120
ICAI UDIN: 23209120BGSIPN7130
Place: Chennai
Date: 17th December, 2023



Independent Auditor's Certificate on the accounting treatment contained in the proposed scheme of arrangement entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under section(s) 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder

Appendix 1 to our certificate on the accounting treatment

Notes to Independent Auditor's Certificate

1. This Certificate is issued in accordance with the terms of our engagement letter dated 14th December, 2023 with Shankara Buildpro Limited, Bengaluru
2. For ease of reference, the Clause 19 of the Draft Scheme relating to the proposed accounting treatment in the books of account of the Resulting Company, duly authenticated by the Company's management, is reproduced in Annexure A to this Certificate and is initialled by us only for the purposes of identification.

Management's Responsibility

3. The preparation of the Draft Scheme is the responsibility of the management of the company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Draft Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Draft Scheme is

Independent Auditor's Certificate on the accounting treatment contained in the proposed scheme of arrangement entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under section(s) 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder

proposed to be approved by the Board of Directors in their Board Meeting to be held on 18th December, 2023.

4. The management of the Company is also responsible for ensuring that the Company complies with the relevant laws and regulations, including the applicable accounting standards as aforesaid and provide relevant information to the NCLT and any other regulatory authority in connection with the Draft Scheme.

Auditors' Responsibility

5. Our responsibility is to provide reasonable assurance in the form of certification [pursuant to the requirements of section 230 of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016] on whether the accounting treatment as contained in the Annexure A is in compliance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules made thereunder, as amended from time to time and other generally accepted accounting principles in India.

Independent Auditor's Certificate on the accounting treatment contained in the proposed scheme of arrangement entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under section(s) 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control ("SQC") 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. Our examination did not extend to any aspects of a legal or propriety nature of the Draft Scheme and other compliances thereof. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.



Independent Auditor's Certificate on the accounting treatment contained in the proposed scheme of arrangement entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under section(s) 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules made thereunder

9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgment including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following:

- a) Obtaining and reading the Draft Scheme and the proposed accounting treatment specified therein.
- b) Obtained a representation stating that the Draft Scheme will be approved by the Board of Directors in their meeting slated for 18th December, 2023.
- c) Examining whether the proposed accounting treatment as per clause 19 of the Draft Scheme is in compliance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules made thereunder, as amended from time to time and other generally accepted accounting principles in India.
- d) Performing necessary inquiries with the management and obtained necessary representations from the management

Relevant extract of clause 19 to the Draft Scheme of Arrangement between Shankara Building Products Limited ("Demerged Company"), Shankara Buildpro Limited ("Resulting Company"), and their respective shareholders and creditors in terms to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Act")

Annexure A

EXTRACT OF ACCOUNTING TREATMENT FROM DRAFT SCHEME OF ARRANGEMENT ENTERED AMONGST SHANKARA BUILDING PRODUCTS LIMITED ("DEMERGED COMPANY") AND SHANKARA BUILDPRO LIMITED ("RESULTING COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (UNDER SECTION(S) 230-232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013)

19. ACCOUNTING TREATMENT PURSUANT TO THE SCHEME

19.1 The accounting treatment for the demerger of the Demerged Undertaking in the books of the Demerged Company and the Resulting Company shall be in compliance with the standards of accounting or any addendum thereto as notified under Section 133 of the Act read with the Companies (Accounts) Rules, 2014 or Companies (Indian Accounting Standards) Rules, 2015 or any other relevant or related requirement under the Act and other generally

Registered Office:

21/1 & 35, A-1, Hosur Main Road, Electronic City, Veerasandra,
Bengaluru - 560 100. Ph.: + 91- 080- 29910709 | Email: sbl.info@shankarabuildpro.com
CIN:U24311KA2023PTC179791



accepted accounting principles.

- 19.2 The amount of any inter-company balances and loans or advances between the Demerged Undertaking and the Resulting Company, if any, shall stand cancelled without any further act or deed, upon the Scheme coming into effect, and the amounts so cancelled shall not be recorded in the books of account of the Resulting Company.

In the books of the Resulting Company:

- a) Upon coming into effect of this Scheme and upon the arrangement becoming operative, the Resulting Company shall record the assets and liabilities comprised in the Demerged Undertaking transferred to and vested in it pursuant to this Scheme, at the respective carrying values as appearing the books of the Demerged Company;
- b) The Resulting Company shall credit the share capital account in its books of account with the aggregate face value of the Equity Shares of the Resulting Company issued to the shareholders of the Demerged Company; and
- c) Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the Resulting Company shall account the transaction in accordance

Registered Office :

21/1 & 35, A-1, Hosur Main Road, Electronic City, Veerasandra,
Bengaluru - 560 100. Ph.: + 91- 080- 29910709 | Email : sbl.info@shankarabuildpro.com
CIN:U24311KA2023PTC179791

A-414



with the standards of accounting or any addendum thereto as notified under Section 133 of the Act read with the Companies (Accounts) Rules, 2014 or Companies (Indian Accounting Standards) Rules, 2015 (as may be applicable) and in accordance with prevailing guidelines and generally accepted accounting principles in India.

The excess or deficit, if any, remaining after recording the aforesaid entries shall be credited/debited by the Resulting Company to the 'capital reserve account'.

For Shankara Buildpro Limited



Sukumar Srinivas

Managing Director

16th December, 2023

Bangalore



DCS/AMAL/JP/R37/3227/2024-25

The Company Secretary,
Shankara Building Products Limited
G2, No. 133, Farah Winsford,
Infantry Road, Bengaluru,
Karnataka, 560001

Dear Sir,

Sub: Observation letter regarding the Scheme of Arrangement amongst Shankara Building Products Limited (Company or Demerged Company), its wholly owned subsidiary i.e., Shankara Buildpro Limited (Resulting Company) and their respective shareholders and creditors

We are in receipt of the Scheme of Arrangement amongst Shankara Building Products Limited (Company or Demerged Company or SBPL), its wholly owned subsidiary i.e., Shankara Buildpro Limited (Resulting Company or SBL) and their respective shareholders and creditors filed by Shankara Building Products Limited, as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 and November 17, 2022 read with SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 37, 94(2) of SEBI (LODR) Regulations 2015 (LODR Regulations); SEBI vide its letter dated June 28, 2024 has inter alia given the following comment(s) on the draft Scheme of Arrangement:

1. "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
2. "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
3. "Company shall ensure compliance with the SEBI circulars issued from time to time. The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company"
4. "Company is advised that the information pertaining to all the Unlisted Companies involved, if any, in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
5. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
6. "Company is advised that the details of the proposed scheme under consideration as provided by Company to the Stock Exchange shall be prominently disclosed in the notice sent to the shareholders."
7. "Company is advised that the proposed equity shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only."
8. "Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."



9. "Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."
10. "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."
11. "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
12. "Company is advised to disclose the following as a part of the Explanatory Statement or notice or proposal accompanying resolution to be passed to be forwarded by the Company to its shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013, to enable them to make an informed decision:
 - i. Details of assets, liabilities, net worth and revenue of the companies involved, pre and post scheme of arrangement.
 - ii. Pre and post scheme shareholding pattern of SBL and SBPL considering the changes, if any, post filing of the scheme with exchange.
 - iii. Impact of scheme on revenue generating capacity of Demerged company.
 - iv. Need and Rationale of the scheme, Synergies of business of the entities involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme.
 - v. Value of Assets and Liabilities of Demerged Company that are being transferred to Resulting company.
 - vi. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes by the public shareholders against it.
 - vii. The Company shall ensure that the additional information if any submitted to SEBI along with draft scheme of arrangement as advised by exchange query no. 13 dated January 12, 2024 shall form part of disclosures to the shareholders.
13. "It is to be noted that the petitions are filed by the Company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the Company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the Company to the shareholders, while seeking approval of the scheme, it shall disclose Information about unlisted

A handwritten signature in blue ink, appearing to be the initials 'JA' or similar, is located at the bottom left of the page.

companies involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.

However, the listing of equity shares of Shankara Buildpro Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. Further, Shankara Buildpro Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such Company and also comply with other applicable statutory requirements. However, the listing of shares of Shankara Buildpro Limited is at the discretion of the Exchange. In addition to the above, the listing of Shankara Buildpro Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Shankara Buildpro Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the Companies are also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all details of Shankara Buildpro Limited in line with the details required as per the aforesaid SEBI circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.
3. To disclose all the material information about Shankara Buildpro Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:
 - "The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."
 - "There shall be no change in the shareholding pattern of Shankara Buildpro Limited between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations do not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**



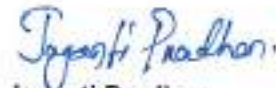
In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, would be accepted and processed through the Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Marian Dsouza'.

Marian Dsouza
Senior Manager

A handwritten signature in blue ink, appearing to read 'Jayanti Pradhan'.

Jayanti Pradhan
Assistant Manager

National Stock Exchange Of India Limited

Ref: NSE/LIST/39334

July 06, 2024

The Company Secretary
Shankara Building Products Limited
G2, Farah Winsford, No. 133,
Infantry Road,
Bangalore - 560001

Kind Attn.: Ms. Ereena Vikram

Dear Sir,

Sub: Observation Letter for draft Scheme of Arrangement amongst Shankara Building Products Limited (“SBPL” or “Demerged Company”) and Shankara Buildpro Limited (“SBL” or “Resulting Company”) and their respective shareholders and creditors under sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 and relevant rules made thereunder.

We are in receipt for draft Scheme of Arrangement amongst Shankara Building Products Limited (“SBPL” or “Demerged Company”) and Shankara Buildpro Limited (“SBL” or “Resulting Company”) and their respective shareholders and creditors under sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 and relevant rules made thereunder.

Based on our letter reference no. NSE/LIST/39334 dated April 30, 2024, submitted to SEBI pursuant to SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 read with 94(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI vide its letter dated June 28, 2024, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a) *The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b) *The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed Company and the Stock Exchanges.*
- c) *The Companies involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*
- d) *The Company shall ensure that the information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement*

A-420

or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.

- e) The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- f) The Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.*
- g) The Company shall ensure that the proposed equity shares to be issued in terms of the “Scheme” shall mandatorily be in demat form only.*
- h) The Company shall ensure that the “Scheme” shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- i) The Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.*
- j) The Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- k) The Company shall ensure to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.*
- l) The Companies involved in the Scheme shall ensure to disclose the following, as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013:*
 - Details of assets, liabilities, net worth and revenue of the companies involved, pre and post scheme.*
 - Pre and post scheme shareholding pattern of SBL and SBPL considering the change, if any, post filing of scheme with the Exchange.*
 - Impact of Scheme on revenue generating capacity of Demerged Company.*
 - Need and rationale of the scheme, synergies of business of the Companies involved in the scheme, impact of the scheme on the shareholders and cost benefit analysis of the scheme.*
 - Value of assets and liabilities of Demerged Company that are being transferred to Resulting Company.*
 - The proposal of scheme of arrangement shall be considered as approved only if the vote cast by public shareholders in favour of the proposal is more than the number of votes cast by public shareholders against it.*

m) *The Company shall ensure that applicable additional information (Annexure M - Part A) as submitted by the Company vide letter dated February 3, 2024 shall form part of disclosures to the shareholders.*

n) *The listed companies involved in the scheme shall disclose the No-objection letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 37 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India Limited (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

The Company should also fulfil the Exchange’s criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of Shankara Buildpro Limited is at the discretion of the Exchange.

The listing of Shankara Buildpro Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Shankara Buildpro Limited and its group companies in line with the disclosure requirements applicable for public issues with National Stock Exchange of India Limited (“NSE”) for making the same available to the public through website of the companies. The following lines must be inserted as a disclaimer clause in the Information Memorandum:

“The approval given by the NSE should not in any manner be deemed or construed that the Scheme has been approved by NSE; and/ or NSE does not in any manner warrant, certify or endorse the correctness or completeness of the details provided for the unlisted Company; does not in any manner take any responsibility for the financial or other soundness of the Shankara Buildpro Limited, its promoters, its management etc.”

2. To publish an advertisement in the newspapers containing all the information Shankara Buildpro Limited in line with the details required as per SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20,2023. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about Shankara Buildpro Limited to NSE on continuous basis to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.

4. The following provision shall be incorporated in the scheme:

(a) "The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange."

(b) "There shall be no change in the shareholding pattern or control in Shankara Buildpro Limited between the record date and the listing which may affect the status of this approval."

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from July 06, 2024, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Charmi Dharod
Senior Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklis>

Annexure 15

Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Demerged Company, its promoters and directors

Details of proceedings relating to direct and indirect taxes pertaining to the Demerged Company are as below:

Sl. No.	Court / Authority Name	Case Matter	Status	Amount Involved*
1.	Deputy Commissioner of Commercial Taxes	Indirect Tax (GST)	In Appeal	2.18 Crs.
2.	Commissioner of Income Tax (Appeals)	Income Tax	In Appeal	0.15 Crs.

**To the extent quantifiable.*

There are no ongoing adjudication and recovery proceedings, prosecution initiated, or other enforcement action taken, against the Demerged Company, its Promoters or Promoter Group and Directors that would have an adverse impact on the proposed Scheme of Arrangement or its implementation.

For and on behalf of Shankara Building Products Limited

Ereena Vikram



Ereena Vikram
Company Secretary & Compliance officer
Place: Bangalore
Date: 03/01/2025



To,
The General Manager,
Department of Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

Scrip Code: 540425

Dear Sir/Madam,

Ref: Application under Regulation 37 of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the draft scheme of arrangement amongst Shankara Building Products Limited (“Company” or “Demerged Company”), Shankara Buildpro Limited (“Resulting Company”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Scheme”)

Sub: Report on Complaints in terms of Para 6 of Part I (A) of SEBI master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June 2023 (“SEBI Master Circular”)

This has reference to the subject application filed by the Company with BSE Limited on 05th January 2024. The Scheme along with the other relevant documents were hosted on the website of BSE Limited and the Company on 25th January 2024.

We hereby confirm that the no complaint relating to Scheme have been received during the period 25th January 2024 to 21st June 2024. As required under the SEBI Master Circular, the “Report on Complaints” as per the format prescribed under the aforesaid circular is enclosed.

The Report on Complaints is also uploaded on the website of the Company i.e., www.shankarabuildpro.com as per the requirement of Para 9(c) of Part I (A) of the SEBI Master Circular.

For and on behalf of Shankara Building Products Limited



Ereena Vikram

Company Secretary & Compliance officer

Place: Bangalore

Date: 21st June, 2024

Registered Office :
G2, Farah Windsor, 133 Infantry Road,
Bangalore-560001, Karnataka
Ph.: + 91-080-40117777, Fax: +91-080-41119317
Email -> info@shankarabuildpro.com | CIN L28922KA1995PLC018990, | Website - www.shankarabuildpro.com

Corporate Office :
No. 21/1 & 25-A-1, Heer Main Road,
Electronic City, Veerisandra, Bangalore-560100
Ph.: +91-080-27830955 | 080-27836244

REPORT ON COMPLAINTS
(For the period 25th January 2024 to 21st June 2024)

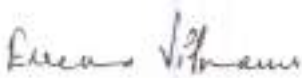
Part A

Sr. No.	Particular	Number
1	Number of complaints received directly	-
2	Number of complaints forwarded by Stock Exchanges / SEBI	-
3	Total Number of complaints/comments received (1+2)	-
4	Number of complaints resolved	-
5	Number of complaints pending	-

Part B

Sr. No.	Name of complainant	Date of Complaint	Status
1	-	-	-

For and on behalf of Shankara Building Products Limited




Ereena Vikram
Company Secretary & Compliance officer
Place: Bangalore
Date: 21st June, 2024

Registered Office :
G2, Farah Windsor, 133 Infantry Road,
Bangalore-560001, Karnataka
Ph.: + 91-080-40117777, Fax: +91-080-41119317
Email -> info@shankarabuildpro.com | CIN L28922KA1995PLC018990, | Website - www.shankarabuildpro.com

Corporate Office :
No. 21/1 & 35-A-1, Hesar Main Road,
Electronic City, Veerisandra, Bangalore-560100
Ph.: +91-080-27830955 | 080-27836244



To,
Manager – Listing Compliance,
National Stock Exchange of India Limited
'Exchange Plaza', C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

Symbol: SHANKARA

Dear Sir/Madam,

Ref: Application under Regulation 37 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the draft scheme of arrangement amongst Shankara Building Products Limited ("Company" or "Demerged Company"), Shankara Buildpro Limited ("Resulting Company") and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

Sub: Report on Complaints in terms of Para 6 of Part I (A) of SEBI master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June 2023 ("SEBI Master Circular")

We hereby confirm that the no complaint relating to Scheme have been received during the period 1st March, 2024 to 23rd March, 2024. As required under the SEBI Master Circular, the "Report on Complaints" as per the format prescribed under the aforesaid circular is enclosed.

The Report on Complaints is also uploaded on the website of the Company i.e., www.shankarabuildpro.com as per the requirement of Para 9(c) of Part I (A) of the SEBI Master Circular.

For and on behalf of Shankara Building Products Limited

A handwritten signature in black ink, appearing to read "Ereena Vikram".

Ereena Vikram
Company Secretary & Compliance officer
Place: Bangalore
Date: 26th March, 2024

Registered Office :
G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph.: +91-080-40117777, Fax: +91-080-41119317

Page 2 of 2

Corporate Office :
No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru-560100
Ph.: +91-080-27836955 | 080-27836244

Email :- info@shankarabuildpro.com | CIN:L26922KA1995PLC018990. | Website : www.shankarabuildpro.com

REPORT ON COMPLAINTS
(For the period 1st March, 2024 to 23rd March, 2024)


Part A

Sr. No.	Particular	Number
1	Number of complaints received directly	-
2	Number of complaints forwarded by Stock Exchanges / SEBI	-
3	Total Number of complaints/comments received (1+2)	-
4	Number of complaints resolved	-
5	Number of complaints pending	-

Part B

Sr. No.	Name of complainant	Date of Complaint	Status
1	-	-	-

For and on behalf of Shankara Building Products Limited



Ereena Vikram

Company Secretary & Compliance officer

Place: Bangalore

Date: 26th March, 2024

Registered Office :
G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph.: +91-080-40117777, Fax: +91-080-41119317

Page 2 of 2

Corporate Office :
No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru-560100
Ph.: +91-080-27836955 | 080-27836244

Email :- info@shankarabuildpro.com | CIN:L26922KA1995PLC018990, | Website : www.shankarabuildpro.com

Statement Explaining the Split of Assets and Liabilities of the Demerged Company, Demerged Undertaking and Resulting Company Pre and Post Effectiveness Of The Scheme

(Based in the unaudited consolidated financial statements as at 31st December 2023)

(INR in crores)

Particulars	Demerged Company		Demerged Undertaking	Resulting Company	
	(Pre Scheme)	(Post Scheme)	(Pre Scheme)	(Pre Scheme) ¹	(Post Scheme) ²
ASSETS					
Non-current assets					
Fixed Assets ³	287.30	246.69	40.56	-	40.56
Investments	-	-	-	-	-
Trade receivables	2.80	0.11	2.69	-	2.69
Loans	0.06	39.56	0.06	-	0.06
Other financial Assets ⁴	9.96	2.68	7.28	0.00	7.28
Deferred tax Assets (Net)	-	-	3.81	-	3.81
Other Non-current Assets	5.17	4.78	0.39	-	0.39
Current assets					
Inventories	498.87	125.70	373.42	-	373.42
Trade Receivables	654.34	40.99	628.25	-	628.25
Cash & Cash Equivalents	31.01	0.45	30.55	0.01	30.56
Bank balances other than above	7.01	4.83	2.18	-	2.18
Cash & Cash Equivalents					
Other financial Assets	0.92	0.19	0.74	-	0.74
Current Tax Assets	0.59	0.77	-	-	-
Other Current Assets	43.02	24.08	36.70	-	36.70
TOTAL ASSETS	1,541.05	490.84	1,126.63	0.01	1,126.64
LIABILITIES					
Non-current liabilities					
Borrowings	17.48	0.34	56.46	-	56.46
Lease liabilities	1.93	0.07	1.86	-	1.86
Other financial liabilities	0.10	0.09	0.01	-	0.01



Registered Office :
 G2, Farah Winsford, 133 Infantry Road,
 Bengaluru-560001, Karnataka
 Ph.: + 91- 080-40117777,

Email :- info@shankarabuildpro.com | CIN:L26922KA1995PLC018990, | Website : www.shankarabuildpro.com

Corporate Office :
 No. 21/1 & 35-A-1, Hosur Main Road,
 Electronic City, Veerasandra, Bengaluru-560100
 Ph.: +91-080-29910702 | 080-29910709

Particulars	Demerged Company		Demerged Undertaking	Resulting Company	
	(Pre Scheme)	(Post Scheme)	(Pre Scheme)	(Pre Scheme) ¹	(Post Scheme) ²
Provisions ³	0.00	0.00	-	-	-
Deferred tax liabilities (Net)	8.84	12.73	-	-	-
Current liabilities					
Borrowings	55.33	1.26	54.31	-	54.31
Lease liabilities	1.89	0.56	1.33	-	1.33
Trade payables	647.93	81.35	599.14	-	599.14
Other financial liabilities	13.28	2.31	10.97	0.01	10.98
Other current liabilities	14.33	0.50	13.84	-	13.84
Provisions	0.86	0.09	0.77	-	0.77
Current tax liabilities (Net)	5.80	1.12	4.86	-	4.86
TOTAL LIABILITIES	767.77	100.42	743.55	0.01	743.56

¹ Please note that the pre scheme figures are reflected based on the unaudited standalone financial statements of the Resulting Company for the period from 13th October 2023 to the period ending on 31st December 2023 since the company was incorporated on 13th October 2023.

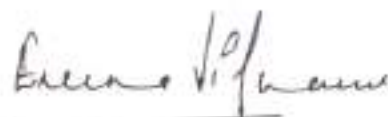
² Post scheme figures are considered based on the values of assets and liabilities of the Demerged Undertaking as on 31st December 2023. It may be noted that above figures shall undergo a change upon the effectiveness of the scheme from the appointed date (as defined in the scheme).

³ Fixed assets include Property, Plant and Equipment, Capital work-in-progress, Investment Property, Right-of-Use Asset and intangible assets under development and Goodwill on Consolidation.

⁴ Other financial assets as at 31st December 2023 for the Resulting Company (pre scheme) is INR 30,000.

⁵ Provisions as at 31st December 2023 for the Demerged Company (pre and post scheme) is INR 3,000.

For and on behalf of Shankara Building Products Limited





Ereena Vikram
Company Secretary & Compliance officer
Date: 6th March 2024
Place: Bangalore

Registered Office :
G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph.: + 91- 080-40117777,

A-430
Page 4 of 4

Corporate Office :
No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru-560100
Ph.: +91-080-29910702 | 080-29910709

Email :- info@shankarabuildpro.com | CIN:L26922KA1995PLC018990, | Website : www.shankarabuildpro.com

PRE SCHEME SHAREHOLDING PATTERN

(There will be no change in the post-scheme shareholding pattern of Shankara Building Products Limited, since no shares are being issued by Shankara Building Products Limited under the scheme of arrangement)

1. Name of Listed Entity : Shankara Building Products Limited
2. Scrip Code/Name of Scrip/Class of Security : BSE: 540425; NSE: SHANKARA
3. Share Holding Pattern Filed under : This is the Pre-Scheme shareholding pattern filed as per the requirements of Stock Exchanges prescribed in accordance with SEBI Master Circular dated 20th June, 2023 relating to Scheme of Arrangement by Listed entities. This shareholding pattern is based on the shareholding data as on 9th November, 2023.
4. Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-

S. No.	Particulars	Yes/No	
1	Whether the Listed Entity has issued any partly paid up shares?	No	
2	Whether the Listed Entity has issued any Convertible Securities?	No	
3	Whether the Listed Entity has any shares against which depository receipts are issued?	No	
4	Whether the Listed Entity has any shares in locked-in?	No	
5	Whether any shares held by promoters are pledge or otherwise encumbered?	No	
6	Whether the Listed Entity has issued any differential Voting Rights?	No	
7	Whether the Listed Entity has issued any Warrants ?	Yes	Public Group
8	Whether the listed entity has any significant beneficial owner?	Yes	



Table I- Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked In Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								No of Voting Rights		Total as a % of (A+B+C)			No	As a % of total Shares held	No	As a % of total Shares held		
								Class X	Class Y									Total
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)	(XIV)		
(A)	Promoter & Promoter Group	4	11926037	0	0	11926037	49.18	11926037	0	11926037	49.18	0	49.18	0	0.00	0	0.00	11926037
(B)	Public	24709	12323289	0	0	12323289	50.82	12323289	0	12323289	50.82	0	50.82	0	0.00	NA	NA	10500784
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total:	24712	24249326	0	0	24249326	100.00	24249326	0	24249326	100.00	0	100.00	0	0.00	0	0.00	22426821



Table II- Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
									No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held		
									Class X	Class Y									Total
									(I)	(II)	(III)			(IV)	(V)	(VI)	(VII)		(VIII)
(1)	Indian																		
(a)	Individuals/Hindu undivided Family		3	11759837	0	0	11759837	48.50	11759837	0	11759837	48.50	0	48.50	0	0.00	0	0.00	11759837
	SUKUMAR SRINIVAS		1	11578787	0	0	11578787	47.75	11578787	0	11578787	47.75	0	47.75	0	0.00	0	0.00	11578787
	PARWATHI SRIKANTH MIRLAY		1	100000	0	0	100000	0.41	100000	0	100000	0.41	0	0.41	0	0.00	0	0.00	100000
	DHANANJAY MIRLAY SRINIVAS		1	81050	0	0	81050	0.33	81050	0	81050	0.33	0	0.33	0	0.00	0	0.00	81050
(b)	Central Government/St		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0



	ate Government(s)																		
(c)	Financial Institutions/Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0
(d)	Any Other	1	166200	0	0	166200	0.69	166200	0	166200	0.69	0	0.69	0	0.00	0	0.00	0	166200
	SHANKARA HOLDINGS PRIVATE LIMITED	1	166200	0	0	166200	0.69	166200	0	166200	0.69	0	0.69	0	0.00	0	0.00	0	166200
	Sub-Total (A)(1)	4	11926037	0	0	11926037	49.18	11926037	0	11926037	49.18	0	49.18	0	0.00	0	0.00	0	11926037
(2)	Foreign																		
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0
(b)	Government	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0
(c)	Institutions	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0
(e)	Any Other	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0
	Sub-Total (A)(2)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	4	11926037	0	0	11926037	49.18	11926037	0	11926037	49.18	0	49.18	0	0.00	0	0.00	0	11926037



(f)	Provident Funds/Pension Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(g)	Asset Reconstruction Companies		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(h)	Sovereign Wealth Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(i)	NBFC Registered with RBI		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(j)	Other Financial Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(k)	Any Other		2	1373467	0	0	1373467	5.66	1373467	0	1373467	5.66	0	5.66	0	0.00	N A	NA	1373467	0	0	0
	Sub Total (B)(1)		2	1373467	0	0	1373467	5.66	1373467	0	1373467	5.66	0	5.66	0	0.00	N A	NA	1373467	0	0	0
(2)	Institutions (Foreign)																					
(a)	Foreign Direct Investment		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(b)	Foreign Venture Capital		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(c)	Sovereign Wealth Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(d)	Foreign Portfolio Investors Category I		40	2231325	0	0	2231325	9.20	2231325	0	2231325	9.20	0	9.20	0	0.00	N A	NA	2231325	0	0	0
	VANDERBILT UNIVERSITY - FLOWERING TREE INVESTMENT		1	244248	0	0	244248	1.01	244248	0	244248	1.01	0	1.01	0	0.00	N A	NA	244248	0	0	0
	MATTHEWS INDIA FUND		1	593801	0	0	593801	2.45	593801	0	593801	2.45	0	2.45	0	0.00	N A	NA	593801	0	0	0
	GENERATION IM FUND PLC- GENERATION IM ASIA FUND		1	463314	0	0	463314	1.91	463314	0	463314	1.91	0	1.91	0	0.00	N A	NA	463314	0	0	0
	ARJUNA FUND PTE. LTD.		1	369173	0	0	369173	1.52	369173	0	369173	1.52	0	1.52	0	0.00	N A	NA	369173	0	0	0
(e)	Foreign Portfolio Investors Category II		2	382833	0	0	382833	1.58	382833	0	382833	1.58	0	1.58	0	0.00	N A	NA	382833	0	0	0
	MARVAL GURU FUND		1	250000	0	0	250000	1.03	250000	0	250000	1.03	0	1.03	0	0.00	N A	NA	250000	0	0	0
(f)	Overseas Depositories (holding DRs) (balancing figure)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(g)	Any Other																					



	Sub Total (B)(2)	42	2614158	0	0	2614158	10.78	2614158	0	2614158	10.78	0	10.78	0	0.00	N A	NA	2614158	0	0	0
(3)	Central Government/State Government(s)/President of India																				
(a)	Central Government / President of India	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(b)	State Government / Governor	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
	Sub Total (B)(3)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(4)	Non-Institutions																				
(a)	Associate companies / Subsidiaries	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(b)	Directors and their relatives (excluding independent directors and nominee directors)	2	108173	0	0	108173	0.45	108173	0	108173	0.45	0	0.45	0	0.00	N A	NA	35773	0	0	0
(c)	Key Managerial Personnel	1	20720	0	0	20720	0.09	20720	0	20720	0.09	0	0.09	0	0.00	N A	NA	100	0	0	0
(d)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0



Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
									No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held		
									Class X	Class Y									Total
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)	(XIV)		
(1)	Custodian/DR Holder		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00			0



Table V - Statement showing details of Significant Beneficial Owners (SBOs)

Sno	Details of the significant beneficial owner			Details of the registered owner			Particulars of the shares in which significant beneficial interest is held by the beneficial owner		Date of creation/acquisition of significant beneficial interest
	I			II			III		IV
Sr No	Name	PAN	Nationality	Name	PAN	Nationality	Number of Shares	Shareholding as a % of total no of shares (Calculated as per SCRR 1957) As a % of [A+B+C2]	
1	Sukumar Srinivas		Indian	Shankara Holdings Private Limited		Indian	166200	0.68	02/06/2000
2.	Sukumar Srinivas		Indian	Shankara Holdings Private Limited		Indian	11578787	47.75	13/10/1995

Note - Details of SBO have been included based on the shareholding data of Shankara Building Products Limited as on 9th November, 2023 and after giving effect to the Scheme.



Table VI - Statement showing foreign ownership limits

	Board approved limits	Limits utilized	Date
As on shareholding date	49%	12.41	31-12-2023
As on the end of previous 1st quarter	49%	11.94	30-09-2023
As on the end of previous 2nd quarter	49%	10.18	30-06-2023
As on the end of previous 3rd quarter	49%	8.46	31-03-2023
As on the end of previous 4th quarter	49%	8.44	31-12-2022



POST SCHEME SHAREHOLDING PATTERN

(There will be no change in the post-scheme shareholding pattern of Shankara Building Products Limited, since no shares are being issued by Shankara Building Products Limited under the scheme of arrangement)

1. Name of Listed Entity : Shankara Building Products Limited
2. Scrip Code/Name of Scrip/Class of Security : BSE: 540425; NSE: SHANKARA
3. Share Holding Pattern Filed under : This is the Post-Scheme shareholding pattern filed as per the requirements of Stock Exchanges prescribed in accordance with SEBI Master Circular dated 20th June, 2023 relating to Scheme of Arrangement by Listed entities. This shareholding pattern is based on the shareholding data as on 9th November, 2023.
4. Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-

S. No.	Particulars	Yes/No	
1	Whether the Listed Entity has issued any partly paid up shares?	No	
2	Whether the Listed Entity has issued any Convertible Securities?	No	
3	Whether the Listed Entity has any shares against which depository receipts are issued?	No	
4	Whether the Listed Entity has any shares in locked-in?	No	
5	Whether any shares held by promoters are pledge or otherwise encumbered?	No	
6	Whether the Listed Entity has issued any differential Voting Rights?	No	
7	Whether the Listed Entity has issued any Warrants ?	Yes	Public Group
8	Whether the listed entity has any significant beneficial owner?	Yes	



Table I- Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held [VII] = [IV]+(V)+(VI)]	Shareholding as a % of total no of shares (As a % of (A+B+C))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								No of Voting Rights		Total as a % of (A+B+C)			No	As a % of total Shares held	No	As a % of total Shares held		
								Class X	Class Y									Total
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)	(XIV)		
(A)	Promoter & Promoter Group	4	11926037	0	0	11926037	49.18	11926037	0	11926037	49.18	0	49.18	0	0.00	0	0.00	11926037
(B)	Public	24708	12323289	0	0	12323289	50.82	12323289	0	12323289	50.82	0	50.82	0	0.00	NA	NA	1,05,00,784
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total:	24712	24249326	0	0	24249326	100.00	24249326	0	24249326	100.00	0	100.00	0	0.00	0	0.00	22426821



Table II- Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	No of Shareholders	PAN	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
									No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held		
									Class X	Class Y									Total
									(I)	(III)	(IV)			(V)	(VI)	(VII)	(VIII)		(IX)
(1)	Indian	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(a)	Individuals/ Hindu undivided Family	3	-	11759837	0	0	11759837	48.50	11759837	0	11759837	48.50	0	48.50	0	0.00	0	0.00	11759837
	SUKUMAR SRINIVAS	1	-	11578787	0	0	11578787	47.75	11578787	0	11578787	47.75	0	47.75	0	0.00	0	0.00	11578787
	PARWATHI SRIKANTH MIRLAY	1	-	100000	0	0	100000	0.41	100000	0	100000	0.41	0	0.41	0	0.00	0	0.00	100000
	DHANANJAY MIRLAY SRINIVAS	1	-	81050	0	0	81050	0.33	81050	0	81050	0.33	0	0.33	0	0.00	0	0.00	81050
(b)	Central Government/State Government(s)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0



(c)	Financial Institutions/Banks	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Any Other	1	-	166200	0	0	166200	0.69	166200	0	166200	0.69	0	0.69	0	0.00	0	0.00	166200
	SHANKARA HOLDINGS PRIVATE LIMITED	1	-	166200	0	0	166200	0.69	166200	0	166200	0.69	0	0.69	0	0.00	0	0.00	166200
	Sub-Total (A)(1)	4	-	11926037	0	0	11926037	49.18	11926037	0	11926037	49.18	0	49.18	0	0.00	0	0.00	11926037
(2)	Foreign		-																
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(b)	Government	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Institutions	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
			-																
(d)	Foreign Portfolio Investor	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
			-																
(e)	Any Other	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
			-																
	Sub-Total (A)(2)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	4	-	11926037	0	0	11926037	49.18	11926037	0	11926037	49.18	0	49.18	0	0.00	0	0.00	11926037



(f)	Provident Funds/Pension Funds	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(g)	Asset Reconstruction Companies	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(h)	Sovereign Wealth Funds	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(i)	NSFC Registered with RBI	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(j)	Other Financial Institutions	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(k)	Any Other		-																			
	Sub Total (B)(1)	2	-	1373467	0	0	1373467	5.66	1373467	0	1373467	5.66	0	5.66	0	0.00	N	NA	1373467	0	0	0
(2)	Institutions (Foreign)		-																			
(a)	Foreign Direct Investment	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(b)	Foreign Venture Capital	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(c)	Sovereign Wealth Funds	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(d)	Foreign Portfolio Investors Category I	10	-	2231325	0	0	2231325	9.20	2231325	0	2231325	9.20	0	9.20	0	0.00	N	NA	2231325	0	0	0
	VANDERBILT UNIVERSITY - FLOWERING TREE INVESTMENT	1	-	244248	0	0	244248	1.01	244248	0	244248	1.01	0	1.01	0	0.00	N	NA	244248	0	0	0
	MATTHEWS INDIA FUND	1	-	593801	0	0	593801	2.45	593801	0	593801	2.45	0	2.45	0	0.00	N	NA	593801	0	0	0
	GENERATION IM FUND PLC- GENERATION IM ASIA FUND	1	-	463314	0	0	463314	1.91	463314	0	463314	1.91	0	1.91	0	0.00	N	NA	463314	0	0	0
	ARJUNA FUND PTE LTD.	1	-	369173	0	0	369173	1.52	369173	0	369173	1.52	0	1.52	0	0.00	N	NA	369173	0	0	0
(e)	Foreign Portfolio Investors Category II	2	-	382833	0	0	382833	1.58	382833	0	382833	1.58	0	1.58	0	0.00	N	NA	382833	0	0	0
	MARVAL GURU FUND	1	-	250000	0	0	250000	1.03	250000	0	250000	1.03	0	1.03	0	0.00	N	NA	250000	0	0	0
(f)	Overseas Depositories (holding DRs) (balancing figure)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	N	NA	0	0	0	0
(g)	Any Other		-																			



	Sub Total (B)(2)	42	-	26141	0	0	26141	10.78	26141	0	26141	10.7	0	10.78	0	0.0	N	NA	2614158	0	0	0
(3)	Central Government/State Government(s)/President of India		-														N	NA				
(a)	Central Government / President of India	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(b)	State Government / Governor	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
	Sub Total (B)(3)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(4)	Non-Institutions		-														N	NA				
(a)	Associate companies / Subsidiaries	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(b)	Directors and their relatives [excluding independent directors and nominee directors]	2	-	10817	0	0	10817	0.45	10817	0	10817	0.45	0	0.45	0	0.00	N	NA	35773	0	0	0
(c)	Key Managerial Personnel	1	-	20720	0	0	20720	0.09	20720	0	20720	0.09	0	0.09	0	0.00	N	NA	100	0	0	0
(d)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0



(f)	Investor Education and Protection Fund (IEPF)	0	-	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0	
(g)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	23336	-	30169 49	0	0	30169 49	12.44	30169 49	0	30169 49	12.44	0	12.44	0	0.00	N A	NA	2708394	0	0	0
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	26	-	26512 97	0	0	26512 97	10.93	26512 97	0	26512 97	10.93	0	10.93	0	0.00	N A	NA	2609747	0	0	0
	ASHISH KACHOLIA	1	-	45114 0	0	0	45114 0	1.86	45114 0	0	45114 0	1.86	0	1.86	0	0.00	N A	NA	451140	0	0	0
	MUKUL MAHAVIR AGRAWAL	1	-	55000 0	0	0	55000 0	2.27	55000 0	0	55000 0	2.27	0	2.27	0	0.00	N A	NA	550000	0	0	0
	DEEPAK KUMAR	1	-	26555 7	0	0	26555 7	1.10	26555 7	0	26555 7	1.10	0	1.10	0	0.00	N A	NA	265557	0	0	0
(i)	Non Resident Indians (NRIs)	403	-	11446 4	0	0	11446 4	0.47	11446 4	0	11446 4	0.47	0	0.47	0	0.00	N A	NA	114464	0	0	0
(j)	Foreign Nationals	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(k)	Foreign Companies	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(l)	Bodies Corporate	214	-	22439 34	0	0	22439 34	9.25	22439 34	0	22439 34	9.25	0	9.25	0	0.00	N A	NA	2243934	0	0	0
(m)	Any Other		-																			
	CLEARING MEMBERS	4	-	248	0	0	248	0.00	248	0	248	0.00	0	0.00	0	0.00	N A	NA	248	0	0	0
	HUF	677	-	17892 6	0	0	17892 6	0.74	17892 6	0	17892 6	0.74	0	0.74	0	0.00	N A	NA	178926	0	0	0
	TRUSTS	1	-	953	0	0	953	0.00	953	0	953	0.00	0	0.00	0	0.00	N A	NA	953	0	0	0
	Sub Total (B)(4)	24664	-	83356 64	0	0	83356 64	34.37	83356 64	0	83356 64	34.37	0	34.37	0	0.00			7913159	0	0	0
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)+(B)(4)	24708	-	12323 289	0	0	12323 289	50.82	12323 289	0	12323 289	50.82	0	50.82	0	0.00			1190078 4	0	0	0



Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked In Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
									No of Voting Rights					Total as a % of (A+B+C)	No.	As a % of total Shares held	No.		As a % of total Shares held
									Class X	Class Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)		
(1)	Custodian/DR Holder	-	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)	-	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total Non-Promoter- Non Public Shareholding (C) = (C)(1)+(C)(2)	-	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00			0



Table V - Statement showing details of Significant Beneficial Owners (SBOs)

Sno	Details of the significant beneficial owner			Details of the registered owner			Particulars of the shares in which significant beneficial interest is held by the beneficial owner		Date of creation/acquisition of significant beneficial interest
	I			II			III		
Sr No	Name	PAN	Nationality	Name	PAN	Nationality	Number of Shares	Shareholding as a % of total no of shares (Calculated as per SCRR 1957) As a % of (A+B+C2)	
1	Sukumar Srinivas	AGDPSS408F	Indian	Shankara Holdings Private Limited	AACCS4143K	Indian	166200	0.68	Date of allotment of shares by the Company in accordance with the Scheme
2	Sukumar Srinivas	AGDPSS408F	Indian	-	AACCS4143K	Indian	11578787	47.75	Date of allotment of shares by the Company in accordance with the Scheme

Note - Details of SBO have been included based on the shareholding data of Shankara Building Products Limited as on 9th November, 2023 and after giving effect to the Scheme.



Table VI - Statement showing foreign ownership limits

	Board approved limits	Limits utilized	Date
As on shareholding date	49%	12.41	31-12-2023
As on the end of previous 1st quarter	49%	11.94	30-09-2023
As on the end of previous 2nd quarter	49%	10.18	30-06-2023
As on the end of previous 3rd quarter	49%	8.46	31-03-2023
As on the end of previous 4th quarter	49%	8.44	31-12-2022



PRE SCHEME SHAREHOLDING PATTERN

1. Name of Listed Entity : Shankara Buildpro Limited
 2. Scrip Code/Name of Scrip/Class of Security : NA/Equity Shares (unlisted)
 3. Share Holding Pattern Filed under : This is the Pre-Scheme shareholding pattern filed as per the requirements of Stock Exchanges prescribed in accordance with SEBI Master Circular dated 20th June, 2023 relating to Scheme of Arrangement by Listed entities. This shareholding pattern is based on the shareholding data as on 9th November, 2023
4. Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-

S. No.	Particulars	Yes/No	
1	Whether the Listed Entity has issued any partly paid up shares?	No	
2	Whether the Listed Entity has issued any Convertible Securities?	No	
3	Whether the Listed Entity has any shares against which depository receipts are issued?	No	
4	Whether the Listed Entity has any shares in locked-in?	No	
5	Whether any shares held by promoters are pledge or otherwise encumbered?	No	
6	Whether the Listed Entity has issued any differential Voting Rights?	No	
7	Whether the Listed Entity has issued any Warrants ?	No	
8	Whether the listed entity has any significant beneficial owner?	No	



Table I- Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								No of Voting Rights					Total as a % of (A+B+C)	No	As a % of total Shares held	No		As a % of total Shares held
								Class X	Class Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)	(XIV)		
(A)	Promoter & Promoter Group	4	9997	0	0	9997	99.97	9997	0	9997	99.97	0	99.97	0	0.00	0	0.00	-
(B)	Public	3	3	0	0	3	0.03	3	0	3	0.03	0	0.03	0	0.00	NA	NA	-
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total:	7	10000	0	0	10000	100.00	10000	0	10000	100.00	0	100.00	0	0.00	0	0.00	-



Table II- Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	No of Shareholders	PAN	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
									No of Voting Rights		Total as a % of (A+B+C)			No	As a % of total Shares held	No	As a % of total Shares held		
									Class X	Class Y									Total
	(I)	(III)		(IV)	(V)	(VI)	(VII)	(VIII)	(IX)		(X)	(XI)	(XII)	(XIII)	(XIV)				
(1)	Indian																		
(a)	Individuals/Hindu undivided Family	2	-	2	0	0	2	0.02	1	0	1	0.02	0	0.02	0	0.00	0	0.00	-
	SUKUMAR SRINIVAS	1	-	1	0	0	1	0.01	1	0	1	0.01	0	0.01	0	0.00	0	0.00	-
	DHANANJAY MERLAY SRINIVAS	1	-	1	0	0	1	0.01	1	0	1	0.01	0	0.01	0	0.00	0	0.00	-
(b)	Central Government/State Government(s)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Financial Institutions/Banks	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0

1. Currently, 25.94% of the shares of the Resulting Company is held by the Demerged Company and 0.02% shares is held by 8 committees on behalf of the Demerged Company Members. The major shareholder is indicated in (Given)



(d)	Any Other	2		9995	0	0	9995	99.95	999	0	999	99.95	0	99.95	0	0.00	0	0.00	-
	SHANKARA BUILDING PRODUCTS LIMITED	1	-	9994	0	0	9994	99.94	999	0	999	99.94	0	99.94	0	0.00	0	0.00	
	SHANKARA HOLDINGS PRIVATE LIMITED	1	-	1	0	0	1	0.01	1	0	1	0.01	0	0.01	0	0.00	0	0.00	-
	Sub-Total (A)(1)	4	-	9997	0	0	9997	99.97	999	0	999	99.97	0	99.97	0	0.00	0	0.00	-
(2)	Foreign		-																
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(b)	Government	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Institutions	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
			-																
(d)	Foreign Portfolio Investor	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
			-																
(e)	Any Other	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
			-																
	Sub-Total (A)(2)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	4	-	9997	0	0	9997	99.97	999	0	999	99.97	0	99.97	0	0.00	0	0.00	-



Table III - Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the Shareholder	No of Shareholders	PAN	No of fully paid up equity shares held	No of Partly paid up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form	Sub-categorization of shares				
									No of Voting Rights	Total as a % of (A+B+C)				No.	As a % of total Shares held			No.	As a % of total Shares held	Shareholding (No. of shares) under		
																				Class X	Class Y	Total
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)	(XIII)	(XIV)									
(1)	Institutions (Domestic)	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
(a)	Mutual Funds	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
(b)	Venture Capital Funds	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
(c)	Alternate Investment Funds	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
(d)	Banks	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
(e)	Insurance Companies	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
(f)	Provident Funds/Pension Funds	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
(g)	Asset Reconstruction Companies	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
(h)	Sovereign Wealth Funds	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		



(i)	NBFC Registered with RBI	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(j)	Other Financial Institutions	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(k)	Any Other	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub Total (B)(1)	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(2)	Institutions (Foreign)	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(a)	Foreign Direct Investment	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Foreign Venture Capital	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Sovereign Wealth Funds	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investors Category I	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Foreign Portfolio Investors Category II	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(f)	Overseas Depositories (holding DRs) (balancing figure)	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(g)	Any Other	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub Total (B)(2)	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(3)	Central Government/State Government(s)/President of India	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(a)	Central Government / President of India	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	State Government / Governor	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub Total (B)(3)	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(4)	Non-Institutions	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(a)	Associate companies / Subsidiaries	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Directors and their relatives (excluding independent	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



	directors and nominee directors)																					
(c)	Key Managerial Personnel	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(f)	Investor Education and Protection Fund (IEPF)	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(g)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	3	-	3	0	0	3	0.03	3	0	3	0.03	0	0.03	0	0.00	0	0.00	0	0	0	0
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(i)	Non Resident Indians (NRIs)	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(j)	Foreign Nationals	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(k)	Foreign Companies)	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(l)	Bodies Corporate	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(m)	Any Other	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub Total (B)(4)	0	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)+(B)(4)	3	-	3	0	0	3	0.03	3	0	3	0.03	0	0.03	0	0.00	0	0.00	0	0	0	0



Table V - Statement showing details of Significant Beneficial Owners (SBOs)									
Sno	Details of the significant beneficial owner			Details of the registered owner			Particulars of the shares in which significant beneficial interest is held by the beneficial owner		Date of creation/acquisition of significant beneficial interest
	I			II			III		IV
Sr No	Name	PAN	Nationality	Name	PAN	Nationality	Number of Shares	Shareholding as a % of total no of shares (Calculated as per SCRR 1957) As a % of (A+B+C2)	
1	Sukumar Srinivas	AGDP5540BF	Indian	Shankara Building Products Limited	AACC59670B	Indian	9994	99.94	13.10.2023

Shankara Buildpro Limited has reported the name of Mr. Sukumar Srinivas, in Form BEN-2 as per the provisions of Section 90 of the Companies Act, 2013 read with the Companies (Significant Beneficial Owners) Rules, 2018. Accordingly, name of Mr. Sukumar Srinivas is disclosed above in the column "Details of the Significant Beneficial Owner"



Table VI - Statement showing foreign ownership limits

	Board approved limits	Limits utilized	Date
As on shareholding date	-	-	-
As on the end of previous 1st quarter	-	-	-
As on the end of previous 2nd quarter	-	-	-
As on the end of previous 3rd quarter	-	-	-
As on the end of previous 4th quarter	-	-	-



POST SCHEME SHAREHOLDING PATTERN

1. Name of Listed Entity : Shankara Buildpro Limited
2. Scrip Code/Name of Scrip/Class of Security : NA/Equity Shares
3. Share Holding Pattern Filed under : This is the post-Scheme shareholding pattern filed as per the requirements of Stock Exchanges prescribed in accordance with SEBI Master Circular dated 20th June, 2023 relating to Scheme of Arrangement by Listed entities. This shareholding pattern is based on the shareholding data of Shankara Building Products Limited (Demerged Company) as on 9th November, 2023.

4. Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-

S. No.	Particulars	Yes/No	
1	Whether the Listed Entity has issued any partly paid up shares?	No	
2	Whether the Listed Entity has issued any Convertible Securities?	No	
3	Whether the Listed Entity has any shares against which depository receipts are issued?	No	
4	Whether the Listed Entity has any shares in locked-in?	No	
5	Whether any shares held by promoters are pledge or otherwise encumbered?	No	
6	Whether the Listed Entity has issued any differential Voting Rights?	No	
7	Whether the Listed Entity has issued any Warrants ?	Yes	Public Group
8	Whether the listed entity has any significant beneficial owner?	Yes	



Table I- Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked In Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								No of Voting Rights					Total as a % of (A+B+C)	No	As a % of total Shares held	No		As a % of total Shares held
								Class X	Class Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)	(XIV)		
(A)	Promoter & Promoter Group	4	11926037	0	0	11926037	49.18	11926037	0	11926037	49.18	0	49.18	0	0.00	0	0.00	11926037
(B)	Public	24708	12323289	0	0	12323289	50.82	12323289	0	12323289	50.82	0	50.82	0	0.00	NA	NA	1,05,06,784
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total:	24712	24249326	0	0	24249326	100.00	24249326	0	24249326	100.00	0	100.00	0	0.00	0	0.00	22426821



Table II- Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	No of Shareholders	PAN	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
									No of Voting Rights					Total as a % of (A+B+C)	No.	As a % of total Shares held	No.		As a % of total Shares held
									Class X	Class Y	Total								
	(I)	(II)		(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)	(XIV)		
(1)	Indian																		
(a)	Individuals/Hindu undivided Family	3	-	11759837	0	0	11759837	48.50	11759837	0	11759837	48.50	0	48.50	0	0.00	0	0.00	11759837
	SUKUMAR SRINIVAS	1	-	11578787	0	0	11578787	47.75	11578787	0	11578787	47.75	0	47.75	0	0.00	0	0.00	11578787
	PARWATHI SRIKANTH MIRLAY	1	-	100000	0	0	100000	0.41	100000	0	100000	0.41	0	0.41	0	0.00	0	0.00	100000
	DHANANJAY MIRLAY SRINIVAS	1	-	81050	0	0	81050	0.33	81050	0	81050	0.33	0	0.33	0	0.00	0	0.00	81050
(b)	Central Government/State Government(s)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0



(c)	Financial Institutions/Banks	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Any Other	1	-	166200	0	0	166200	0.69	166200	0	166200	0.69	0	0.69	0	0.00	0	0.00	166200
	SHANKARA HOLDINGS PRIVATE LIMITED	1	-	166200	0	0	166200	0.69	166200	0	166200	0.69	0	0.69	0	0.00	0	0.00	166200
	Sub-Total (A)(1)	4	-	11926037	0	0	11926037	49.18	11926037	0	11926037	49.18	0	49.18	0	0.00	0	0.00	11926037
(2)	Foreign		-																
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(b)	Government	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Institutions	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
			-																
(d)	Foreign Portfolio Investor	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
			-																
(e)	Any Other	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
			-																
	Sub-Total (A)(2)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	Total Shareholding of Promoter and Promoter Group (A)-(A)(1)+(A)(2)	4	-	11926037	0	0	11926037	49.18	11926037	0	11926037	49.18	0	49.18	0	0.00	0	0.00	11926037



Table III - Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the Shareholder	No of Shareholders	PAN	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	Sub-categorization of shares			
									No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held		Shareholding (No. of shares) under			
									Class X	Class Y									Total	Subcategory (i)	Subcategory (ii)	Subcategory (iii)
	(I)	(II)		(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)	(XIV)					
(1)	Institutions (Domestic)	-	-																			
(a)	Mutual Funds	1	-	1353467	0	0	1353467	5.58	1353467	0	1353467	5.58	0	5.58	0	0.00	NA	NA	1353467	0	0	0
	FRANKLIN INDIA BALANCED ADVANTAGE FUND	1	-	1353467	0	0	1353467	5.58	1353467	0	1353467	5.58	0	5.58	0	0.00	NA	NA	1353467	0	0	0
(b)	Venture Capital Funds	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0	0	0	0
(c)	Alternate Investment Funds	1	-	20000	0	0	20000	0.08	20000	0	20000	0.08	0	0.08	0	0.00	NA	NA	20000	0	0	0
(d)	Banks	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0	0	0	0
(e)	Insurance Companies	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0	0	0	0



(f)	Provident Funds/Pension Funds	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(g)	Asset Reconstruction Companies	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(h)	Sovereign Wealth Funds	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(i)	NBFC Registered with RBI	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(j)	Other Financial Institutions	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(k)	Any Other		-														A					
	Sub Total (B)(1)	2	-	1373467	0	0	1373467	5.66	1373467	0	1373467	5.66	0	5.66	0	0.00	N	NA	1373467	0	0	0
(2)	Institutions (Foreign)		-														A					
(a)	Foreign Direct Investment	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(b)	Foreign Venture Capital	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(c)	Sovereign Wealth Funds	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(d)	Foreign Portfolio Investors Category I	40	-	2231325	0	0	2231325	9.20	2231325	0	2231325	9.20	0	9.20	0	0.00	N	NA	2231325	0	0	0
	VANDERBILT UNIVERSITY - FLOWERING TREE INVESTMENT	1	-	244248	0	0	244248	1.01	244248	0	244248	1.01	0	1.01	0	0.00	N	NA	244248	0	0	0
	MATTHEWS INDIA FUND	1	-	593801	0	0	593801	2.45	593801	0	593801	2.45	0	2.45	0	0.00	N	NA	593801	0	0	0
	GENERATION IM FUND PLC- GENERATION IM ASIA FUND	1	-	463314	0	0	463314	1.91	463314	0	463314	1.91	0	1.91	0	0.00	N	NA	463314	0	0	0
	ARJUNA FUND PTE. LTD.	1	-	369173	0	0	369173	1.52	369173	0	369173	1.52	0	1.52	0	0.00	N	NA	369173	0	0	0
(e)	Foreign Portfolio Investors Category II	2	-	382833	0	0	382833	1.58	382833	0	382833	1.58	0	1.58	0	0.00	N	NA	382833	0	0	0
	MARVAL GURU FUND	1	-	250000	0	0	250000	1.03	250000	0	250000	1.03	0	1.03	0	0.00	N	NA	250000	0	0	0
(f)	Overseas Depositories (holding DRs) (balancing figure)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N	NA	0	0	0	0
(g)	Any Other		-														A					



	Sub Total (B)(2)	42		2614158	0	0	2614158	10.78	2614158	0	2614158	10.78	0	10.78	0	0.00	N A	NA	2614158	0	0	0
(3)	Central Government/State Government(s)/President of India		-																			
(a)	Central Government / President of India	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(b)	State Government / Governor	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
	Sub Total (B)(3)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(4)	Non-Institutions		-																			
(a)	Associate companies / Subsidiaries	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(b)	Directors and their relatives (excluding independent directors and nominee directors)	2	-	108173	0	0	108173	0.45	108173	0	108173	0.45	0	0.45	0	0.00	N A	NA	35773	0	0	0
(c)	Key Managerial Personnel	1	-	20720	0	0	20720	0.09	20720	0	20720	0.09	0	0.09	0	0.00	N A	NA	100	0	0	0
(d)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0



(f)	Investor Education and Protection Fund (IEPF)	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(g)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	23336	-	30169 49	0	0	30169 49	12.44	30169 49	0	30169 49	12.44	0	12.44	0	0.00	N A	NA	2708394	0	0	0
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	26	-	26512 97	0	0	26512 97	10.93	26512 97	0	26512 97	10.93	0	10.93	0	0.00	N A	NA	2609747	0	0	0
	ASHISH KACHOLIA	1	-	45114 0	0	0	45114 0	1.86	45114 0	0	45114 0	1.86	0	1.86	0	0.00	N A	NA	451140	0	0	0
	MUKUL MAHAVIR AGRAWAL	1	-	55000 0	0	0	55000 0	2.27	55000 0	0	55000 0	2.27	0	2.27	0	0.00	N A	NA	550000	0	0	0
	DEEPAK KUMAR	1	-	26555 7	0	0	26555 7	1.10	26555 7	0	26555 7	1.10	0	1.10	0	0.00	N A	NA	265557	0	0	0
(i)	Non Resident Indians (NRIs)	403	-	11446 4	0	0	11446 4	0.47	11446 4	0	11446 4	0.47	0	0.47	0	0.00	N A	NA	114464	0	0	0
(j)	Foreign Nationals	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(k)	Foreign Companies	0	-	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	N A	NA	0	0	0	0
(l)	Bodies Corporate	214	-	22439 34	0	0	22439 34	9.25	22439 34	0	22439 34	9.25	0	9.25	0	0.00	N A	NA	2243934	0	0	0
(m)	Any Other		-																			
	CLEARING MEMBERS	4	-	248	0	0	248	0.00	248	0	248	0.00	0	0.00	0	0.00	N A	NA	248	0	0	0
	H U F	677	-	17892 6	0	0	17892 6	0.74	17892 6	0	17892 6	0.74	0	0.74	0	0.00	N A	NA	178926	0	0	0
	TRUSTS	1	-	953	0	0	953	0.00	953	0	953	0.00	0	0.00	0	0.00	N A	NA	953	0	0	0
	Sub Total (B)(4)	24664	-	83356 64	0	0	83356 64	34.37	83356 64	0	83356 64	34.37	0	34.37	0	0.00			7913159			
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)+(B)(4)	24700	-	12323 289	0	0	12323 289	50.82	12323 289	0	12323 289	50.82	0	50.82	0	0.00			1190078 4	0	0	0



Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held		
								Class X	Class Y									Total
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)	(XIV)		
(1)	Custodian/DR Holder	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00			0



Table V - Statement showing details of Significant Beneficial Owners (SBOs)									
Sno	Details of the significant beneficial owner			Details of the registered owner			Particulars of the shares in which significant beneficial interest is held by the beneficial owner		Date of creation/acquisition of significant beneficial interest
	I			II			III		IV
Sr No	Name	PAN	Nationality	Name	PAN	Nationality	Number of Shares	Shareholding as a % of total no of shares (Calculated as per SCRR 1957) As a % of (A+B+C2)	
1	Sukumar Srinivas	AGDPS5408F	Indian	Shankara Holdings Private Limited	AACC54143K	Indian	166200	0.68	Date of allotment of shares by the Company in accordance with the Scheme
2	Sukumar Srinivas	AGDPS5408F	Indian	Shankara Holdings Private Limited	AACC54143K	Indian	11578787	47.75	Date of allotment of shares by the Company in accordance with the Scheme

Note - Details of SBO have been included based on the shareholding data of Shankara Building Products Limited as on 9th November, 2023 and after giving effect to the Scheme



Table VI - Statement showing foreign ownership limits

	Board approved limits	Limits utilized	Date
As on shareholding date	-	-	-
As on the end of previous 1st quarter	-	-	-
As on the end of previous 2nd quarter	-	-	-
As on the end of previous 3rd quarter	-	-	-
As on the end of previous 4th quarter	-	-	-



Impact of scheme on revenue generating capacity of the Demerged Company

Post implementation of Scheme, the Demerged Company shall continue to hold the entire warehousing infrastructure facilities/assets inter alia comprising of investment properties (being land and buildings) etc. Such facilities shall be effectively managed by the Demerged Company to accelerate its existing revenue from rental or lease incomes.

In addition to the assets deployed by the Demerged Company, it also holds investment in three wholly owned subsidiaries viz. **Vishal Precision Steel Tubes & Strips Private Limited, Taurus Value Steel & Pipes Private Limited and Centurywells Roofing (India) Private Limited** which carries out the manufacturing of various steel products inter alia comprising of cold rolled strips, precision tubes & pipes, roofing sheets and allied accessories. The Demerged Company shall assist these subsidiaries with the marketing of the products manufactured by them.

Further, it may be noted that the manufacturing business housed under the subsidiaries will be carried out by the subsidiaries under the overall brand name of Shankara Building Products Limited (i.e., Demerged Company).

The turnover of the above subsidiaries for the period ended 30th September 2024 is INR 715.78 crores.

The Demerged Company will consolidate and focus on its manufacturing activities by expanding its product range and customer base. The Demerged Company intend to enhance its capacity utilization up to around 1 Lakhs tons per annum.

Mission & Vision of the Demerged Company:

Vision: To be a niche manufacturer of high-quality precision steel tubes and color coated roofing sheets and accessories.

Mission: To customize the products in accordance with the requirements of the customers thereby delivering enhanced customer satisfaction and fulfillment.

Brief description of the business carried by the subsidiaries:

- **Vishal Precision Steel Tubes & Strips Private Limited** is currently engage in the manufacturing of steel pipes and tubes, cold rolled strips and certain steel extrusion products primarily catering to the automobile industries. It has two units in Bengaluru.

- **Centurywells Roofing (India) Private Limited** is engaged in the manufacture of roofing profiles and allied products. Its processing unit are located at Bengaluru, Mysore, Mangalore, Davangere and Hubli in Karnataka, Chennai and Coimbatore in Tamil Nadu, Vijayawada in Andhra Pradesh, Hyderabad in Telangana and Pune in Maharashtra. The Company targets making color coated profile sheets used in the roofing industry as well as for cladding and fencing purposes.
- **Taurus Value Steel & Pipes Private Limited** is the manufacturer of Steel Pipes & Tubes. Its unit is located at Hyderabad and Telangana. Further, the Company targets producing hot rolled tubes, a limited range of cold- rolled and pre coated steel tubes.

For and on behalf of Shankara Building Products Limited

Ereena Vikram



Ereena Vikram
Company Secretary & Compliance officer
Place: Bangalore
Date: 03/01/2025

Need and rationale of the Scheme, Synergies of business of the entities involved in the Scheme, Impact of the Scheme on the shareholders and cost benefit analysis of the Scheme

Refer to Annexure 10 i.e., Report of the Audit Committee of the Demerged Company on the Scheme dated 18th December 2023 for Need and rationale of the Scheme, Synergies of business of the entities involved in the Scheme, Impact of the Scheme on the shareholders and cost benefit analysis of the Scheme.

To,
The General Manager,
Department of Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

Scrip Code: 540425

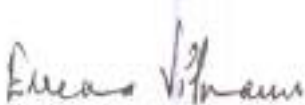
Dear Sir/Madam,

Ref: Application under Regulation 37 of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the draft scheme of arrangement amongst Shankara Building Products Limited (“Company” or “Demerged Company”), Shankara Buildpro Limited (“Resulting Company”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Scheme”)

Sub: Undertaking regarding obtaining approval from majority of public shareholders of the listed Demerged Company in relation to the Scheme as per para 10(b) of Part I (A) of SEBI master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June 2023 (“SEBI Master Circular”)

We hereby confirm that the Scheme shall be acted upon only if the vote cast by the public shareholders in favour of the aforesaid Scheme are more than the number of votes cast by such public shareholders against it, as provided under para 10(b) of Part I (A) of the SEBI Master Circular.

For and on behalf of Shankara Building Products Limited





Ereena Vikram
Company Secretary & Compliance officer
Place: Bangalore
Date: 28th June, 2024

Details of Assets, Liabilities, Revenue & Net worth of the Demerged Company & Resulting Company based on unaudited standalone financial statements for the period ended 30th September, 2023 (INR in crores)

S. No.	Particular	Demerged Company		Resulting Company	
		Pre	Post	Pre	Post
A.	ASSETS				
	Non-current assets				
1	Fixed Assets *	202.91	164.88	-	38.03
2	Investments	38.70	38.70	-	-
3	Trade receivables	2.77	-	-	2.77
4	Loans	0.06	-	-	0.06
5	Other financial Assets	7.48	0.17	-	7.31
6	Deferred tax Assets (Net)	-	-	-	3.72
7	Other Non-current Assets	5.35	4.95	-	0.40
	Current assets				
1	Inventories	344.14	-	-	344.14
2	Trade Receivables	562.87	-	-	562.87
3	Cash & Cash Equivalents	11.65	0.12	-	11.53
4	Bank balances other than (3) above	2.06	0.05	-	2.01
5	Other financial Assets	1.05	0.14	-	0.91
6	Current Tax Assets	-	0.11	-	-
7	Other Current Assets	30.43	0.08	-	30.35
	TOTAL ASSETS	1,209.47	209.20	-	1,004.10
B.	LIABILITIES				
	Non-current liabilities				
1	Borrowings	59.22	-	-	59.22
2	Lease liabilities	0.87	-	-	0.87
3	Other financial liabilities	0.12	0.12	-	-
4	Provisions	0.35	0.35	-	-
5	Deferred tax liabilities (Net)	3.72	7.44	-	-
	Current liabilities				
1	Borrowings	92.00	-	-	92.00
2	Lease liabilities	1.33	-	-	1.33
3	Trade Payables	536.65	-	-	536.65
4	Other financial liabilities	10.91	0.26	-	10.65
5	Other Current Liabilities	15.57	0.01	-	15.56
6	Provisions	0.63	0.01	-	0.62
7	Current Tax Liabilities (Net)	5.69	-	-	5.80
	TOTAL LIABILITIES	727.06	8.19	-	722.70

Date

Details of Assets, Liabilities, Revenue & Net worth of the Demerged Company & Resulting Company based on unaudited standalone financial statements for the period ended 30th September, 2023
(INR in crores)

S. No.	Particular	Demerged Company		Resulting Company	
		Pre	Post	Pre	Post
C.	INCOME				
1	Revenue from Operations	2,361.89	-	-	2,361.89
2	Other Income	0.94	0.23	-	0.71
	TOTAL INCOME	2,362.83	0.23	-	2,362.60
D.	NET WORTH				
1	Net worth (Refer Note 1)	455.97	174.57	-	281.40

*Fixed assets include Property, Plant and Equipment, Capital work-in-progress, Investment Property, Right-of-Use Asset and Intangible assets under development.

Note 1:

Net worth has been computed in terms of Regulation 2(1)(s) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 2(57) of the Companies Act, 2013, which defines it as the aggregate value of the paid-up share capital and all reserves created out of profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

I. Capital Reserve:

The company has Capital reserves of Rs.0.19 crores arising out of amalgamation is not considered for calculation the net worth.

II. Share Warrants:

The holder of 14,00,000 warrants (Fourteen lakhs only) exercised their option to convert the warrants into 14,00,000 (Fourteen lakhs only) equity shares of face value of Rs. 10/- each at a premium of Rs. 740/- per share. The shares were allotted on 9th November, 2023. The money received against share warrants of Rs. 26.25 crores is not considered for the computation of net worth as on 31st March, 2023 and 30th September, 2023 as it is not part of Reserves and Surplus as per section 2(57) of the Companies Act, 2013.

Details of Assets, Liabilities, Revenue & Net worth of the Demerged Undertaking based on unaudited standalone financial statements as on 30th September, 2023.

(INR in crores)

S.No.	Particulars	Amount
A.	<u>ASSETS</u>	
	Non-current assets	
1	Fixed Assets*	38.03
2	Trade receivables	2.77
3	Loans	0.06
4	Other financial Assets	7.31
5	Deferred tax Assets (Net)	3.72
6	Other Non-current Assets	0.40
	Current assets	
1	Inventories	344.14
2	Trade Receivables	562.87
3	Cash & Cash Equivalents	11.53
4	Bank balances other than (3) above	2.01
5	Other financial Assets	0.91
6	Other Current Assets	30.35
	TOTAL ASSETS	1,004.10
B.	<u>LIABILITIES</u>	
	Non-current liabilities	
1	Borrowings	59.22
2	Lease liabilities	0.87
	Current liabilities	
1	Borrowings	92.00
2	Lease liabilities	1.33
3	Trade Payables	536.65
4	Other financial liabilities	10.65
5	Other Current Liabilities	15.56
6	Provisions	0.62
7	Current Tax Liabilities (Net)	5.80
	TOTAL LIABILITIES	722.70
C.	<u>INCOME</u>	
1	Revenue from Operations	2,361.89
2	Other Income	0.71
	TOTAL INCOME	2,362.60



Date

Details of Assets, Liabilities, Revenue & Net worth of the Demerged Undertaking based on unaudited standalone financial statements as on 30th September, 2023.

		(INR in crores)
S.No.	Particulars	Amount
D.	NET WORTH	
1	Net worth (Refer Note 1)	281.40

*Fixed assets include Property, Plant and Equipment, Capital work-in-progress, Investment Property, Right-of-Use Asset and Intangible assets under development.

Note 1:

Net worth has been computed in terms of Regulation 2(1)(s) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 2(57) of the Companies Act, 2013, which defines it as the aggregate value of the paid-up share capital and all reserves created out of profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.



Comparison of Revenue and Net Worth of Demerged Undertaking with Total Revenue and Net Worth of the Demerged Company (in the last three financial years)

(INR in crores)

Particulars	2022-2023		2021-22		2020-21	
	Revenue	Net worth	Revenue	Net worth	Revenue	Net worth
Demerged Undertaking (A)	4,036.22	263.50	2,328.75	209.93	1,957.24	193.65
Demerged Company (B)*	4,036.22	431.60	2,328.75	376.77	1,957.24	349.47
% to Total (A/B)	100%	61.05%	100%	55.72%	100%	55.41%

***Note:**

Net worth has been computed in terms of Regulation 2(1)(s) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 2(57) of the Companies Act, 2013, which defines it as the aggregate value of the paid-up share capital and all reserves created out of profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

I. Capital Reserve:

The company has Capital reserves of Rs.0.19 crores arising out of amalgamation is not considered for calculation the net worth.

II. Share Warrants:

The holder of 14,00,000 warrants (Fourteen lakhs only) exercised their option to convert the warrants into 14,00,000 (Fourteen lakhs only) equity shares of face value of Rs. 10/- each at a premium of Rs. 740/- per share. The shares were allotted on 9th November, 2023. The money received against share warrants of Rs. 26.25 crores is not considered for the computation of net worth as on 31st March, 2023 and 30th September, 2023 as it is not part of Reserves and Surplus as per section 2(57) of the Companies Act, 2013.

For M/s Sundaram & Srinivasan,

Chartered Accountants

Firm Registration No.: 004207S


K Srinivasan

Partner

Membership Number: 209120

ICAI UDIN: 23209120B6S1PR9920

Place: Chennai

Date: 25th December, 2023

Independent Auditor's Certificate on the Brief History of the Demerged Company/Undertaking (Shankara Building Products Limited, Bengaluru)

To,
The Board of Directors,
Shankara Building Products Limited
G-2 No 133, Farah Winsford
Infantry Road, Bengaluru
Karnataka, India – 560 001

1. This Certificate is issued in accordance with the terms of our engagement letter dated 14th December, 2023 with Shankara Building Products Limited, Bengaluru (**the "Company" or "Demerged Company"**).
2. The accompanying document about the Brief History of the Demerged company which we have initialed for the purpose of identification purposes only, is prepared by the management to comply with the requirements of the stock exchanges for filing along with the draft scheme of arrangement amongst Shankara Buildpro Limited Bengaluru (**the Resulting Company**), the Company and their respective shareholders and creditors (**the Scheme**).

Management's Responsibility

3. The preparation of the Brief History is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents.



Independent Auditor's Certificate on the Brief History of the Demerged Company /Undertaking (Shankara Building Products Limited, Bengaluru)

4. The management of the Company is also responsible for ensuring that the Company complies with the requirements of Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and the Companies Act, 2013, in relation to the Scheme and for providing all the relevant information to SEBI and stock exchanges.

Auditor's Certification

5. Pursuant to the requirements of Regulation 37 of SEBI LODR Regulations and the stock exchanges, we as Statutory Auditors of Shankara Building Products Limited, Bengaluru are required to certify whether the document about the brief history of the Demerged Company / Undertaking is correct.
6. We conducted our examination in accordance with the Guidance Note on Audit Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgment including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following :-
- Study of the Draft Scheme
 - Study of Company's Website and the IPO Prospectus
 - Holding Discussions with the demerged Company's Executives



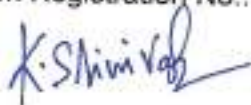
Independent Auditor's Certificate on the Brief History of the Demerged Company /Undertaking (Shankara Building Products Limited, Bengaluru)

9. We as statutory auditors of Shankara Building Products Limited certify that the accompanying document about the brief history of the Demerged Company / Undertaking is correct.

Restriction on Use

10. This Certificate has been issued at the request of the Company and is addressed to and provided to the Board of Directors for submission to the Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, National Company Law Tribunal, Regional Director, Registrar of Companies and/or any other regulatory authority, as may be required to give effect to the Scheme and uploading the same on the website of the Company and should not be used by any other person or for any other purpose or distributed to anyone or referred to in any document without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom it is shown or into whose hands it may come. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For M/s Sundaram & Srinivasan,
Chartered Accountants
Firm Registration No.: 004207S



K Srinivasan
Partner
Membership Number: 209120
ICAI UDIN: 24209120BKBKHC9870
Place: Chennai
Date 4th January, 2024



Brief History of the Demerged Undertaking

The Company was originally incorporated as Shankara Pipes India Private Limited on October 13, 1995, at Bengaluru, Karnataka, India, as a private limited company under the Companies Act, 1956. Subsequently, the Company was converted to a public limited company and a fresh certificate of incorporation consequent to conversion into a public limited company was issued by the RoC on August 28, 2007, in the name of Shankara Pipes India Limited.

The name of the Company was subsequently changed to Shankara Infrastructure Materials Limited and a fresh certificate of incorporation consequent to change of name was issued by the RoC on March 25, 2011. The change of name of the Company from Shankara Pipes India Limited to Shankara Infrastructure Materials Limited was undertaken to replicate the business focus of offering infrastructure materials to the customers.

Thereafter, the name of the Company was changed to Shankara Building Products Limited and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on July 27, 2016. The change of name of the Company from Shankara Infrastructure Materials Limited to Shankara Building Products Limited was consequent to the shifting focus from offering a range of infrastructure materials to offering to a wider product range of building products to the customers.

The Demerged Undertaking sells over 1,00,000+ SKUs across the entire home construction and renovation lifecycle through the retail stores. The products are spread across categories of Steel Pipes and Tubes, Structural Steel Products, Infrastructure Materials, PVC Products, Aluminium and Metal Products, Fabrications, Tiles, Plumbing, Sanitaryware, Electricals Products, Interior-Exterior finishing through multiple sales channel. It has tied up with leading brands across categories.

The customers include homeowners as well as professional customers like architects, interior designers, contractors, developers, plumbers, electricians, tile layers, masons, carpenters, painters, etc. as well as small enterprises spread across Tier 1, 2 and 3 locations.





Major events and milestones of the Demerged Undertaking

The table below sets forth the key events in the history of the Demerged Undertaking:

Year	Key Events
2006	Commenced retail operations by opening the first retail store in Bengaluru
2007	Commenced retail operations in Outside Karnataka
2009	Achieved turnover of INR 1 billion in the retail segment
2010	Expansion of retail footprint across South and West India
2011	Achieved overall turnover of INR 10 billion+
2013	Crossed 50+ retail stores mark
2015	Launched private label brands (Taurus, Prince Galva and Loha) Crossed INR 6 billion turnover in the retail segment in Financial Year 2015, accounting for 31.00% of overall revenues of the Company Added new product category of water tanks Listed among the top 200 best unlisted Indian companies by Business Standard
2016	Achieved INR 20 billion + turnover Added new products categories cement, tiles, scaffolding and solar products Crossed INR 8 billion turnover in the retail segment, accounting for 39.68% of overall revenues of the Company
2018	Companies acquired to Vaigai Sanitation Chennai, & JP sanitation Bangalore, Collaborations with industry leaders across all category segments.
2019	Launched our Ecommerce website for building materials 'online store at www.buildpro.store'
2020	Product portfolio expanded to include Electricals.
2022	Chain of 90+ retail stores Added new product category of Paints, Lightings, Cladding & Exterior UPVC window doors, Plywood & Modular Kitchen Added Luxury Brands portfolio



Independent Auditor's Certificate on the Rationale for the Share Entitlement Ratio of 1:1 under the Scheme of Arrangement to be entered amongst Shankara Building Products Limited, Bengaluru ("Demerged Company") and Shankara Buildpro Limited, Bengaluru, (" Resulting Company")

To,
The Board of Directors,
Shankara Building Products Limited
G-2 No 133, Farah Winsford
Infantry Road, Bengaluru
Karnataka, India – 560 001

1. This Certificate is issued in accordance with the terms of our engagement letter dated 14th December, 2023 with Shankara Building Products Limited, Bengaluru (the "Company" or "Demerged Company").
2. The accompanying Rationale for the Share Entitlement Ratio (hereinafter referred as "the Statement"), which we have initialed for the purpose of identification purposes only, is prepared by the management to comply with the requirements of the Stock Exchanges for filing along with the draft scheme of arrangement amongst Shankara Buildpro Limited Bengaluru ("the Resulting Company"), the Company and their respective shareholders and creditors ("the Scheme").

Management's Responsibility

3. The preparation of the Rationale for the Share Entitlement is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents.



Independent Auditor's Certificate on the Rationale for the Share Entitlement Ratio of 1:1 under the Scheme of Arrangement to be entered amongst Shankara Building Products Limited, Bengaluru ("Demerged Company") and Shankara Buildpro Limited, Bengaluru, ("Resulting Company")

4. The management of the Company is also responsible for ensuring that the Company complies with the requirements of Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and the Companies Act, 2013, in relation to the Scheme and for providing all the relevant information to SEBI and stock exchanges.

Auditors' Certification

5. Pursuant to the requirements of Regulation 37 of SEBI LODR Regulations and the Stock Exchanges, we as Statutory Auditors are required to certify whether the accompanying Rationale for the Share Entitlement Ratio is correct.
6. We conducted our examination in accordance with the Guidance Note on Audit Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgment including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following :-
- a) Study of the Draft Scheme
- b) Study of the Report dated 18th December 2023 of the Registered Valuer on recommendation of fair share entitlement ratio for the proposed demerger.



Independent Auditor's Certificate on the Rationale for the Share Entitlement Ratio of 1:1 under the Scheme of Arrangement to be entered amongst Shankara Building Products Limited, Bengaluru ("Demerged Company") and Shankara Buildpro Limited, Bengaluru, ("Resulting Company")

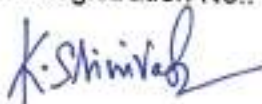
Date

- c) Study of the Opinion dated 18th December 2023 on Fairness on Share Entitlement Ratio from SEBI Registered Category I Merchant Banker
9. We as Statutory Auditors certify that the accompanying Rationale for the Share Entitlement Ratio is correct.

Restriction on Use

10. This Certificate has been issued at the request of the Company and is addressed to and provided to the Board of Directors for submission to the Securities and Exchange Board of India, BSE Limited, Mumbai National Stock Exchange of India Limited, Mumbai National Company Law Tribunal, Regional Director, Registrar of Companies and/or any other regulatory authority, as may be required to give effect to the Scheme and uploading the same on the website of the Company and should not be used by any other person or for any other purpose or distributed to anyone or referred to in any document without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom it is shown or into whose hands it may come. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For M/s Sundaram & Srinivasan,
Chartered Accountants
Firm Registration No.: 004207S



K Srinivasan
Partner
Membership Number: 209120
ICAI UDIN: 24209120BKBKHE8150
Place: Chennai
Date: 4th January, 2024



Rationale for the Share Entitlement Ratio of 1:1 under the Scheme of Arrangement to be entered amongst Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Private Limited ("Resulting Company")

A. Background of the Scheme

1. The subject Scheme provides for:
 - demerger of the Trading Business (as defined in the Scheme) of the Demerged Company into its wholly owned subsidiary i.e., the Resulting Company.
 - Issue of equity shares by the Resulting Company to all the equity shareholders of Demerged Company in the ratio of one equity share of Resulting Company for every one equity share held in the Demerged Company and listing of equity shares of the Resulting Company in the stock exchanges.
2. The Scheme does not involve transfer of the Trading Business of the Demerged Company to any third party but to its wholly owned subsidiary.
3. In the proposed Scheme:
 - Only shareholders of the Demerged Company will be the shareholders of the Resulting Company upon demerger;
 - Resulting Company will not be issuing equity shares to any new persons;
 - Demerged Company's shareholding in the Resulting Company will be cancelled;
 - Inter-se ownership of Demerged Company's shareholders will continue to be same in the Resulting Company as well.

It is for these reasons, the SEBI master circular dated June 20, 2023, rightly provides that valuation report is not required in such cases as in the proposed Scheme.

B. Rationale for 1:1 share entitlement ratio as proposed in the Scheme:

1. All shareholders of the Demerged Company will get equity shares of the Resulting Company and become shareholders of the Resulting Company and participate in the Trading Business. Hence, this ratio of 1:1 will result in identical shareholding and thus, will be in the interest of all the shareholders. This will avoid complaints from shareholders who may not be allotted any shares otherwise in case a different ratio would have been adopted.



Registered Office :
G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph. : + 91- 080-40117777.

Corporate Office :
No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru-560100
Ph. : +91-080-29910702 | 080-29910709.

Email :- info@shankarabuildpro.com | CIN: L26922KA1995PLC018990. | Website : www.shankarabuildpro.com

2. No fractional entitlements will arise with this ratio.
3. Easily comprehensible to the shareholders.
4. Share entitlement ratio of 2:1 or any other share entitlement ratio which may result in allotment of more than 1 equity share of the Resulting Company for every 1 equity share of the Demerged Company, may increase the shareholding of the Resulting Company to a sub-optimal level as compared to the Demerged Company. Accordingly, in the opinion of the board, equivalent number of equity shares so allotted to the shareholders of the Demerged Company in the Resulting Company will be an optimum equity share capital for the Resulting Company on the following grounds:
 - payment of dividend to shareholders in future;
 - raising of capital by the Resulting Company in future by issue of fresh shares; and
 - optimum per share price for ease of trading by the shareholders.



Registered Office :
G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph.: + 91- 080-40117777.

Corporate Office :
No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Vasrasandra, Bengaluru-560100
Ph.: +91-080-29910702 | 080-29910709

Email - info@shankarabuildpro.com | CIN: L26922KA1995PLC018990. | Website : www.shankarabuildpro.com

ANNEXURE III

(AS PER THE FORMAT PROVIDED IN ANNEXURE M OF THE NSE CHECKLIST)

Additional Requirements

Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
1.	Apportionment of losses of the listed company among the companies involved in the scheme.	NA	Since the listed company does not have any losses, there shall not be any apportionment of losses of listed company among the Resulting Company pursuant to the Demerger.	-
2.	Details of assets, liabilities, revenue and net worth of the companies involved in the scheme, both pre and post scheme of arrangement, along with a write up on the history of the demerged undertaking/Transferor Company certified by Chartered Accountant (CA).	Yes	Same is enclosed herewith.	Annexure A
3.	Any type of arrangement or agreement between the demerged company/resulting company/merged/amalgamated company/ creditors / shareholders / promoters / directors/etc., which may have any implications on the scheme of arrangement as well as on the shareholders of listed entity.	NA	-	-

Registered Office :
G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph.: + 91- 080-40117777,



A-492

Corporate Office :
No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru-560100
Ph.: +91-080-29910702 | 080-29910709

Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
4.	Reasons along with relevant provisions of Companies Act, 2013 or applicable laws for proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, as a free reserve, certified by CA.	Yes	Same is enclosed herewith.	Annexure B
5.	Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, certified by CA.	Yes	Same is enclosed herewith.	Annexure B
6.	Nature of reserves viz. Capital Reserve, Capital Redemption Reserve, whether they are notional and/or unrealized, certified by CA.	Yes	Same is enclosed herewith.	Annexure B
7.	The built up of the accumulated losses over the years, certified by CA.	Yes	Same is enclosed herewith.	Annexure C
8.	Relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and Accounting treatment, certified by CA.	Yes	Please note that we have duly submitted this certification vide Annexure 9A and 9B while submitting the application.	Annexure 9A and 9B
9.	Details of shareholding of companies involved in the scheme at each stage, in case of composite scheme.	NA	-	-



Registered Office :
G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph.: +91- 080-40117777.

Corporate Office :
No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru-560100
Ph.: +91-080-29910702 | 080-29910709

A-493

Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
10.	Whether the Board of unlisted company has taken the decision regarding issuance of Bonus shares. If yes provide the details thereof. If not, provide the reasons thereof.	NA	-	-
11.	List of comparable companies considered for comparable companies' multiple method.	NA	<p>Please note that no valuation exercise has been undertaken for the Demerged Company and the Resulting Company considering there will not be any change in the shareholding pattern of Demerged Company / Resulting Company pursuant to the scheme in line with the guidelines provided under SEBI master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June 2023 on scheme of arrangement.</p> <p>Further, it may be noted that only a mirror image is being created in the Resulting Company. Thus, for every 1 fully paid equity share of face value INR 10/- each held in Demerged Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Demerged Company shall be issued 1 fully paid equity share of face value INR 10/- in the Resulting Company.</p>	-
12.	Share Capital built-up in case of scheme of arrangement involving	Yes	Same is enclosed herewith.	Annexure D

Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
	unlisted entity/entities, certified by CA.			
13.	Any action taken/pending by Govt./Regulatory body/Agency against all the entities involved in the scheme.	Yes	Same is enclosed herewith.	Annexure E
14.	Comparison of revenue and net worth of demerged undertaking with the total revenue and net worth of the listed entity in last three financial years.	Yes	Same is enclosed herewith.	Annexure A
15.	Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement by the Board of Directors of the listed company.	Yes	<p>Please note that the rationale for arriving at the share entitlement ratio has been indicated in the Share Entitlement Ratio Report submitted vide Annexure 2 along with the application. Same is indicated below for your consideration:</p> <p>1. All shareholders of the Demerged Company will get equity shares of the Resulting Company and become shareholders of the Resulting Company and participate in the Trading Business. Hence, this ratio of 1:1 will result in identical shareholding and thus, will be in the interest of all the shareholders. This will avoid complaints from shareholders who may not be allotted any shares otherwise in case a different ratio would have been adopted.</p>	Annexure 2

Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
			<p>2. No fractional entitlements will arise with this ratio.</p> <p>3. Easily comprehensible to the shareholders.</p> <p>4. Share entitlement ratio of 2:1 or any other share entitlement ratio which may result in allotment of more than 1 equity share of the Resulting Company for every 1 equity share of the Demerged Company, may increase the shareholding of the Resulting Company to a sub-optimal level as compared to the Demerged Company. Accordingly, in the opinion of the board of the Companies, equivalent number of equity shares so allotted to the shareholders of the Demerged Company in the Resulting Company will be an optimum equity share capital for the Resulting Company on the following grounds:</p> <ul style="list-style-type: none"> • payment of dividend to shareholders in future; • raising of capital by the Resulting Company in future by issue of fresh shares; and • optimum per share price for ease of trading by the shareholders. 	



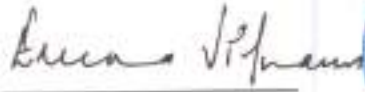
Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
16.	In case of Demerger, basis for division of assets and liabilities between divisions of Demerged entity.	Yes	<p>Please note that all the assets and liabilities which are related to the retail, supply, distribution and promotion of various home improvement and building products are classified as assets and liabilities of the Trading Business and hence, are being transferred as part of Demerged Undertaking to the Resulting Company.</p> <p>Further, all the remaining assets and liabilities of the Demerged Company are retained by the Demerged Company and considered as part of the remaining business of the Demerged Company.</p>	-
17.	How the scheme will be beneficial to public shareholders of the Listed entity and details of change in value of public shareholders pre and post scheme of arrangement.	Yes	<p>As indicated in the Report of the Independent Directors submitted vide Annexure 4, the scheme will be beneficial to public shareholders of the Demerged Company (Listed entity) in following manner:</p> <ul style="list-style-type: none"> i) Segregation of Trading Business & Manufacturing Business of the Demerged Company through demerger will help in unlocking shareholder value which may be undervalued when part of a larger consolidation. ii) Pursuant to demerger, the Resulting Company will issue its equity shares to the shareholders of the Demerged 	Annexure 4

Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
			<p>Company based on the Share Entitlement Ratio Report and in the same proportion in which the shareholders held equity shares in the Demerged Company. Thus, the overall economic interest of the shareholders of the Demerged Company should remain same in both the companies.</p> <p>iii) Given the above, considering there is no proposed change in the shareholding pattern of the Demerged Company, the proposed demerger should be in the best interest of shareholders.</p> <p>iv) Post effectiveness of the demerger and subject to receipt of regulatory approvals, the equity shares of the Resulting Company issued as consideration pursuant to demerger should be listed on the recognized stock exchanges and thus, ensuring the marketability and tradability of equity shares of the Resulting Company.</p> <p>Further, as indicated above, all the shareholders of the Demerged Company shall become shareholders of the Resulting Company in the same proportion, the overall economic interest/value of the</p>	

Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
			public shareholders pre and post the scheme of the arrangement shall remain unchanged.	
18.	Tax/other liability/benefit arising to the entities involved in the scheme, if any.	NA	Please note that the scheme contemplates merely transfer, demerger and vesting of Trading Business of the Demerged Company into the Resulting Company being its wholly owned subsidiary in line with the rationale as indicated in Para C of the scheme. Thus, no tax/other liability/benefit shall arise to the entities involved in the scheme.	
19.	Revenue, PAT and EBIDTA (in value and percentage terms) details of entities involved in the scheme for all the number of years considered for valuation. Reasons justifying the EBIDTA/PAT margin considered in the valuation report.	NA	Please refer to our response provided under Sr. No. 11 above.	-
20.	Confirmation from valuer that the valuation done in the scheme is in accordance with applicable valuation standards.	NA	Please refer to our response provided under Sr. No. 11 above.	-
21.	Confirmation from Company that the scheme is in compliance with the applicable securities laws.	Yes	We hereby confirm that the scheme is in compliance with the applicable securities laws. Further, please note that the same is duly certified in the Compliance Report	Annexure 13

Sr. No.	Particulars	Yes/ No/ Not Applicable	Remarks	Annexure (Document Provided)
			submitted by the Demerged Company vide Annexure 13 .	
22	Confirmation that the arrangement proposed in the scheme is yet to be executed.	Yes	We hereby confirm that the arrangement proposed in the scheme is yet to be executed.	-

For and on behalf of Shankara Building Products Limited





Ereena Vikram

Company Secretary & Compliance Officer

Date: 3rd February, 2024

Place: Bangalore

Encl: As above



Venkat & Vasan

Chartered Accountants

Independent Practicing Chartered Accountant's Certificate on Built up, nature and utilization of Reserves viz. Capital Reserve, Capital Redemption Reserve, Securities Premium (as may be applicable) for Shankara Building Products Limited, Bengaluru

To,

The Board of Directors

Shankara Building Products Limited

G-2 Farah Winsford, No. 133, Infantry Road,

Bangalore, Karnataka, India – 560 001

1. This Certificate is issued in accordance with the terms of our engagement letter dated 12th January 2024 with Shankara Building Products Limited, Bengaluru (the "Company" or "Demerged Company").
2. The accompanying Statement on Built up, nature and utilization of Reserves viz. Capital Reserve, Capital Redemption Reserve, Securities Premium (as may be applicable) which we are certifying, is prepared by the management to comply with the requirements of the stock exchanges i.e., for filing replies to the specific queries raised by BSE authorities in relation to the draft scheme of arrangement amongst the Company and Shankara Buildpro Limited Bengaluru ("the Resulting Company"), and their respective shareholders and creditors ("the Draft Scheme").

Management's Responsibility

3. The preparation of the Statement on Built up, nature and utilization of Reserves viz. Capital Reserve, Capital Redemption Reserve, Securities Premium (as may be applicable) is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents.

Practicing Chartered Accountants' Responsibility

4. Pursuant to the requirements of Regulation 37 of SEBI LODR Regulations and the stock exchanges, it is our responsibility to provide reasonable assurance in the form of certification on whether the





Venkat & Vasan

Chartered Accountants

Statement on Built up, nature and utilization of Reserves viz. Capital Reserve, Capital Redemption Reserve, Securities Premium (as may be applicable) as contained in Annexure A, B and C is correct.

5. We conducted our examination in accordance with the Guidance Note on Audit Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria mentioned in paragraph 4 above. The procedures selected depend on the accountant's judgment including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following:-
 - a) Obtaining and reading the draft Scheme
 - b) Auditor's Certificate on Accounting Treatment prescribed in the draft Scheme
 - c) Unaudited Standalone Financial Statements for the period ended 30th September 2023 accompanied by the limited review report of the auditors
 - d) Other necessary documents & Management representation letter

Restriction on Use

8. This Certificate has been issued at the request of the Company and is addressed to and provided to the Board of Directors for submission to the Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, National Company Law Tribunal, Regional Director, Registrar of Companies and/or any other regulatory authority, as may be required to give effect to the Scheme and uploading the same on the website of the Company and should not be used by any other





Venkat & Vasani

Chartered Accountants

person or for any other purpose or distributed to anyone or referred to in any document without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For Venkat and Vasani

Chartered Accountants

Firm Registration No.: 004598S

Suresh J W

Partner

Membership Number: 215106

ICAI UDIN: 242151069KFTML2798

Place: Bengaluru

Date: 20th January, 2024.



Statement on Built Up of Reserves viz. Capital Reserve, Capital Redemption Reserve, Securities Premium (as may be applicable) as on 30 September 2023

Statement of Capital Reserve as on 30th September 2023

Particulars	Date	Amount (In INR)
1. Investment subsidy Received (Andhra Pradesh state financial corporation)	18-05-2010	15,00,000
2. Investment subsidy Received (Andhra Pradesh state financial corporation)	10-02-2011	3,61,710
Closing Balance as on 30th September 2023		18,61,710

Statement of Securities Premium as on 30th September 2023

Particulars	Date	Amount (In INR)
On dissolution of Shankara Steel tubes (Partnership firm)		
Issue of shares to Sukumar Srinivas (45,700 No.'s) and Shankara Holdings Pvt Ltd (52,000 No.'s) Total 97,700 at a premium of Rs.110.	31-10-2007	1,07,47,000
Less: Expenditure on Share Issue Expenses written off	31-05-2009	-63,94,815
Balance Available (A)		43,52,185
Premium on Shares issued to Reliance Alternative Investment fund		
Issue of 60,49,937 shares at Rs.95.1619 premium	08-03-2011	57,57,23,572
Less: Expenditure on Share Issue Expenses written off	31-03-2011	-2,45,50,123
Issue of 8,56,559 shares at Rs.95.1619 premium	04-07-2012	8,15,11,782
Issue of 7,00,821 shares at Rs.95.1619 premium	28-06-2013	6,66,91,476
Balance Available (B)		69,93,76,707
Premium on Shares issued at IPO		
Issue of 9,78,289 shares at Rs.450 premium	31-03-2017	44,02,30,050
Less: Expenditure on Share Issue Expenses written off	31-03-2017	-2,69,84,539
Less: Expenditure on Share Issue Expenses written off	30-09-2017	-41,40,043
Balance Available (C)		40,91,05,468
Total Securities Premium as on 30th Sept 2023 (A)+(B)+(C)		1,11,28,34,360



Registered Office :
G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph.: + 91- 080-40117777.

Corporate Office :
No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru-560100
Ph.: +91-080-29910702 | 080-29910709



Statement of Capital Redemption Reserve as on 30th September 2023

Particulars	Date	Amount
-	-	NIL
Closing Balance as on 30th September 2023	-	NIL

For and on behalf of Shankara Building Products Limited,



Name: Eereena Vikram
Designation: Company Secretary & Compliance Officer
Place: Bangalore
Date: 19th January 2024



For VENKAT & VASAN
Chartered Accountants
Firm No. 004598 S


Suresh. J.W.
Partner (M.No.215106)

Statement on Nature of Reserves viz. Capital Reserve, Capital Redemption Reserve (as may be applicable) as on 30 September 2023

We hereby confirm that the capital reserve amounting to INR 0.19 cr. (Indian Rupees Nineteen Lakh Only) as reflected in the unaudited standalone financial statements of the Company for the period ended 30th September 2023 (as accompanied by limited review report of the auditors of the Company) is unrealized reserve primarily created on receipt of subsidy from Andhra Pradesh State Financial Corporation in the Financial year 2010-2011

Further, we also confirm that currently no capital redemption reserves are available or reflected in the books of accounts of the Company.

For and on behalf of **Shankara Building Products Limited**,



Name: Erena Vikram

Designation: Company Secretary & Compliance Officer

Place: Bangalore

Date: 19th January 2024



For **VENKAT & VASAN**
Chartered Accountants
Firm No. 004598 S


Supesh. J.W.
Partner (M.No.215106)

Registered Office :

G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph.: + 91- 080-40117777.

5

Corporate Office :

No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru-560100
Ph.: +91-080-29910702 | 080-29910709

A-506

Email :- info@shankarabuildpro.com | CIN:L26922KA1995PLC018990, | Website : www.shankarabuildpro.com

Statement on Utilization of Reserves viz. Capital Reserve, Capital Redemption Reserve, Securities Premium (as may be applicable) as a free reserve based on the unaudited financial statements for the period ended 30 September 2023 accompanied by the limited review report of Auditors of the Company

(Amount in INR crores)

Particulars	Pre-scheme	Post scheme
Reserve & Surplus		
- Capital Reserve	0.19	0.19
- Securities Premium	111.28	111.28
- General Reserve	1.24	1.24
- Retained Earning	320.60	39.20
Total reserves & Surplus	433.31	151.91

Notes:

- The holder of 14,00,000 warrants (Fourteen lakhs only) exercised their option to convert the warrants into 14,00,000 (Fourteen lakhs only) equity shares of face value of Rs. 10/- each at a premium of Rs. 740/- per share. As the shares were allotted on 9th November 2023, the share premium for the same has not been considered for the statement of reserves as on 30th September 2023. The money received against share warrants of Rs. 26.25 crores on 6th May 2022 is not considered above as the same is not part of Reserves and Surplus.

In line with the accounting treatment prescribed in the draft Scheme which is certified by M/s Sundaram & Srinivasan, the Statutory Auditor of the Company and Shankara Buildpro Limited (i.e., Resulting Company) following points may be considered:

- The accounting treatment prescribed in the draft Scheme provides for utilisation of Retained earnings account of the Company for adjustment of any difference arising pursuant to transfer of any assets and liabilities by the Company to the Resulting Company in accordance with the draft Scheme. Accordingly, in the above table, the post Scheme retained earnings of the Company is adjusted to the extent of INR 261.40 crores being the net asset value (as on 30th Sept 2023) to be transferred to the Resulting Company pursuant to Scheme and consequent cancellation of investment held by the Company in the Resulting Company pursuant to the draft Scheme.

Registered Office :
G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph.: + 91- 080-40117777.



Corporate Office:
No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru-560100
Ph.: +91-080-29910702 | 080-29910709

-A-507



- No Reserves viz. Capital Reserve or Securities Premium will be utilised by the Company pursuant to the draft Scheme and the same shall be retained by the Company on as is basis pursuant to the draft Scheme.
- Further, the Company does not any Capital Redemption Reserve in its books of accounts as on 30 September 2023.

For and on behalf of Shankara Building Products Limited,



Name: Erena Vikram

Designation: Company Secretary & Compliance Officer

Place: Bangalore

Date: 19th January 2024



For VENKAT & VASAN
Chartered Accountants
Firm No. 004598.S


Suresh. J.W.
Partner (M.No.215106)



Venkat & Vasan

Chartered Accountants

Independent Practicing Chartered Accountant's Certificate on Built up of Accumulated losses for
Shankara Building Products Limited, Bengaluru

To,

The Board of Directors

Shankara Building Products Limited

G-2 Farah Winsford, No. 133, Infantry Road,

Bangalore, Karnataka, India – 560 001

1. This Certificate is issued in accordance with the terms of our engagement letter dated 12th January 2024 with Shankara Building Products Limited, Bengaluru (the "Company" or "Demerged Company").
2. The accompanying Statement on Built up of accumulated losses which we are certifying, is prepared by the management to comply with the requirements of the stock exchanges i.e., for filing replies to the specific queries raised by BSE authorities in relation to the draft scheme of arrangement amongst the Company and Shankara Buldpro Limited Bengaluru ("the Resulting Company"), and their respective shareholders and creditors ("the Draft Scheme").

Management's Responsibility

3. The preparation of the Statement on Built up of accumulated losses is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents.

Practicing Chartered Accountants' Responsibility

4. Pursuant to the requirements of Regulation 37 of SEBI LODR Regulations and the stock exchanges, it is our responsibility to provide reasonable assurance in the form of certification on whether the Statement on Built up of accumulated losses as contained in Annexure A is correct.
5. We conducted our examination in accordance with the Guidance Note on Audit Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.





Venkat & Vasan

Chartered Accountants

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria mentioned in paragraph 4 above. The procedures selected depend on the accountant's judgment including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following:-
 - a) Obtaining and reading the draft Scheme
 - b) Unaudited Standalone Financial Statements for the period ended 30th September 2023 accompanied by limited review report of the auditors
 - c) Management representation letter
 - d) Income Tax Return of the Company for FY 2022-23

Restriction on Use

8. This Certificate has been issued at the request of the Company and is addressed to and provided to the Board of Directors for submission to the Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, National Company Law Tribunal, Regional Director, Registrar of Companies and/or any other regulatory authority, as may be required to give effect to the Scheme and uploading the same on the website of the Company and should not be used by any other person or for any other purpose or distributed to anyone or referred to in any document without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For Venkat and Vasan

Chartered Accountants

Firm Registration No.: 004598S


Suresh J W

Partner

Membership Number: 215106

ICAI UDIN: 24215106BKFTMM9618

Place: Bengaluru

Date: 20th January, 2024.



Statement on Built Up of Accumulated losses as on 30 September 2023

(Amount in INR crores)

Particulars	Amount
Accumulated losses	Nil
Total	Nil

For and on behalf of Shankara Building Products Limited,

Ereena Vikram



Name: Ereena Vikram
Designation: Company Secretary & Compliance Officer
Place: Bangalore
Date: 19th January 2024

For VENKAT & VASAN
Chartered Accountants
Firm No. 004598-S

Suresh J.W.
Suresh. J.W.
Partner (M.No.215106)



Venkat & Vasan

Chartered Accountants

Independent Practicing Chartered Accountant's Certificate on Share capital Built Up for Shankara Building Products Limited, Bengaluru

To,

The Board of Directors

Shankara Building Products Limited

G-2 Farah Winsford, No. 133, Infantry Road,

Bangalore, Karnataka, India – 560 001

1. This Certificate is issued in accordance with the terms of our engagement letter dated 12th January 2024 with Shankara Building Products Limited, Bengaluru (the "Company" or "Demerged Company").
2. The accompanying Statement on **Share capital Built Up** for Shankara Building Products Limited which we are certifying, is prepared by the management to comply with the requirements of the stock exchanges i.e., for filing replies to the specific queries raised by BSE authorities in relation to the draft scheme of arrangement amongst the Company and Shankara Buildpro Limited Bengaluru ("the Resulting Company"), and their respective shareholders and creditors ("the Draft Scheme").

Management's Responsibility

3. The preparation of the Statement on **Share capital Built Up** is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents.

Practicing Chartered Accountants' Responsibility

4. Pursuant to the requirements of Regulation 37 of SEBI LODR Regulations and the stock exchanges, it is our responsibility to provide reasonable assurance in the form of certification on whether the Statement on **Share capital Built Up** as contained in **Annexure 18A** is correct.
5. We conducted our examination in accordance with the Guidance Note on Audit Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.





Venkat & Vasan

Chartered Accountants

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria mentioned in paragraph 4 above. The procedures selected depend on the accountant's judgment including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following:-
 - a) Obtaining and reading the draft Scheme
 - b) Memorandum of Association of Shankara Building Products Limited.
 - c) ROC forms

Restriction on Use

8. This Certificate has been issued at the request of the Company and is addressed to and provided to the Board of Directors for submission to the Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, National Company Law Tribunal, Regional Director, Registrar of Companies and/or any other regulatory authority, as may be required to give effect to the Scheme and uploading the same on the website of the Company and should not be used by any other person or for any other purpose or distributed to anyone or referred to in any document without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For Venkat and Vasan

Chartered Accountants

Firm Registration No.: 004598S


Suresh J W

Partner

Membership Number: 215106

ICAI UDIN: 24215106BKFTMO1661

Place: Bengaluru

Date: 20th January, 2024.



**Details of capital evolution of the Demerged Company
(Shankara Building Products Limited)**

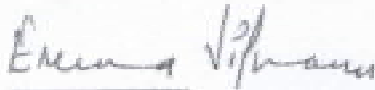
Date of Issue	No. of shares issued	Issue Price (INR)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No. of shares)	Whether listed, if not listed, give reasons thereof
October 13, 1995	300	10	Initial subscription to the MOA	300	No, the Company was a private company.
October 23, 1995	49,700	10	Preferential allotment	50,000	No, the Company was a private company.
March 30, 1998	2,00,000	10	Preferential allotment	2,50,000	No, the Company was a private company.
March 30, 2000	2,50,000	10	Preferential allotment	5,00,000	No, the Company was a private company.
April 6, 2001	15,00,000	10	Preferential allotment	20,00,000	No, the Company was a private company.
February 28, 2002	25,00,000	10	Preferential allotment	45,00,000	No, the Company was a private company.
March 1, 2003	700	10	Preferential allotment	45,00,700	No, the Company was a private company.
October 15, 2003	2,800	10	Preferential allotment	45,03,500	No, the Company was a private company.
November 6, 2007	97,700	120	Preferential allotment	48,04,200	No, the Company was an unlisted public company.





November 12, 2007	96,62,520	-	Bonus issue in the ratio of 2:1:1	1,42,63,720	No, the Company was an unlisted public company.
March 8, 2011	60,49,937	105.16	Preferential allotment	2,03,13,657	No, the Company was an unlisted public company.
July 4, 2012	8,58,559	-	Conversion of CCDs	2,11,70,216	No, the Company was an unlisted public company.
June 28, 2013	7,00,821	-	Conversion of CCDs	2,18,71,037	No, the Company was an unlisted public company.
March 31, 2017	9,78,289	460	Initial Public Offering	2,28,49,326	Equity shares of the Company were listed on BSE and NSE with effect from April 5, 2017.
November 9, 2023	14,00,000	-	Conversion of share warrants	2,42,49,326	Yes

For and on behalf of Shankara Building Products Limited



Ereena Vikram

Company Secretary & Compliance officer

Place: Bangalore

Date: 18th December, 2023



For VENKAT & VASAN
Chartered Accountants
Firm No. 004598 S


Suresh. J.W.
Partner (M.No.215106)



Venkat & Vasan

Chartered Accountants

Independent Practicing Chartered Accountant's Certificate on Share capital Built Up for Shankara Buildpro Limited, Bengaluru

To,

The Board of Directors

Shankara Buildpro Limited

No. 21/1 & 35-A-1, Hosur Main Road,

Electronic City, Veersandra,

Bangalore, Karnataka, India - 560100

1. This Certificate is issued in accordance with the terms of our engagement letter dated 12th January 2024 with Shankara Buildpro Limited, Bengaluru (the "Company" or "Resulting Company").
2. The accompanying Statement on **Share capital Built Up** for Shankara Buildpro Limited which we are certifying, is prepared by the management to comply with the requirements of the stock exchanges i.e., for filing replies to the specific queries raised by BSE authorities in relation to the draft scheme of arrangement amongst the Company and Shankara Building Products Limited Bengaluru (the **Demerged Company**), and their respective shareholders and creditors (the **Draft Scheme**).

Management's Responsibility

3. The preparation of the Statement on **Share capital Built Up** is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents.

Practicing Chartered Accountants' Responsibility

4. Pursuant to the requirements of Regulation 37 of SEBI LODR Regulations and the stock exchanges, it is our responsibility to provide reasonable assurance in the form of certification on whether the Statement on **Share capital Built Up** as contained in **Annexure 18B** is correct.
5. We conducted our examination in accordance with the Guidance Note on Audit Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.





Venkat & Vasan

Chartered Accountants

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria mentioned in paragraph 4 above. The procedures selected depend on the accountant's judgment including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following:-
 - a) Obtaining and reading the draft Scheme
 - b) Memorandum of Association of Shankara Buildpro Limited.
 - c) ROC forms

Restriction on Use

8. This Certificate has been issued at the request of the Company and is addressed to and provided to the Board of Directors for submission to the Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, National Company Law Tribunal, Regional Director, Registrar of Companies and/or any other regulatory authority, as may be required to give effect to the Scheme and uploading the same on the website of the Company and should not be used by any other person or for any other purpose or distributed to anyone or referred to in any document without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For Venkat and Vasan

Chartered Accountants

Firm Registration No.: 004598S

Suresh J W

Partner

Membership Number: 215106

ICAI UDIN: 24215106BKFTMN2704

Place: Bengaluru

Date: 20th January, 2024.



Details of capital evolution of the Resulting Company
(Shankara Buildpro Limited)

Date of issue	No. of shares issued	Issue Price (INR)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No. of shares)	Whether listed, if not listed, give reasons thereof
October 13, 2023	10,000	10/-	Subscription to Memorandum	10,000	No, the Company is currently an unlisted company.

For and on behalf of Shankara Buildpro Limited



Name: Sukumar Srinivas

Designation: Managing Director

Place: Bangalore

Date: 18th December, 2023



For VENKAT & VASAN
 Chartered Accountants
 Firm No. 004598 S



Suresh. J.W.

Partner (M.No.215106)

Date: 14th August, 2023

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

Dear Sir/Madam,

Re: Details under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read along with SEBI Circular SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), read with SEBI Notification No. SEBI/LAD-NRO/GN/2023/131 dated June 14, 2023 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, we hereby submit brief details of pending litigations based on materiality thresholds as prescribed by the SEBI as below.

The dues outstanding with respect to value added tax on account of any dispute, is as follows:

Name of the statute: The Maharashtra Value Added Tax Act, 2002			
Financial year	Nature of dues	Amount (Rs. In crore)	Forum where the dispute is Pending
2012-2013	Value added tax*	0.76	Maharashtra Sales Tax Tribunal, Mumbai.

* out of it, Rs. 0.15 crore has been remitted by the company under protest

Further, we wish to state that there is no material change from April 1, 2023 till August 14, 2023 which has a bearing on the quantitative/qualitative materiality threshold as prescribed by SEBI.

Kindly take the above information on record and acknowledge

Thanking You

Yours faithfully

For Shankara Building Products Limited

Digitally signed by EREENA VIKRAM
Date: 2023-08-14 21:29+05:30

Ereena Vikram
Company Secretary & Compliance Officer

(AS PER THE FORMAT PROVIDED IN ANNEXURE D OF THE NSE CHECKLIST)

COMPLIANCE REPORT

It is hereby certified that the draft scheme of arrangement involving Shankara Building Products Limited (the "Company" or "Demerged Company"), Shankara Buildpro Limited (the "Resulting Company") and their respective shareholders and creditors does not, in any way, violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") and the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June 2023 ("SEBI Master Circular"), including the following:

Sl. No.	Reference	Particulars	Remarks
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements	Complied
2	Regulation 11 of LODR Regulations	Compliance with securities laws	Complied
Requirements of SEBI Master Circular			
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges	Complied
(b)	Para (I)(A)(3)	Conditions for schemes of arrangement involving unlisted entities	Complied Information pertaining to the unlisted entity involved in the scheme will be provided, in the explanatory statement, as per the format prescribed.
(c)	Para (I)(A)(4) (a)	Submission of Valuation Report	Complied Share entitlement ratio report as issued by the registered valuer is enclosed as part of this application.
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards	Complied Certificate as received from the statutory auditors of the Company is enclosed as part of this application.

Registered Office :
G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph.: + 91-080-40117777,



Page 3 of 3
A-521

Corporate Office :
No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru-560100
Ph.: +91-080-29910702 | 080-29910709

Email :- info@shankarabuildpro.com | CIN:L26922KA1995PLC018990, | Website : www.shankarabuildpro.com



(e)	Para (I)(A)(10)	Provision of approval of public shareholders through e-voting	<p>The Company will comply with the provisions of e-voting as per the Companies Act, 2013 and LODR Regulations as amended from time to time.</p> <p>Provisions of Part (I)(A)(10)(b) of SEBI Master Circular are not applicable. In this regard, an undertaking by the Company stating the reasons for non-applicability as certified by the auditor and duly approved by the Board of the Company is enclosed with this application.</p>
-----	-----------------	---	---

For, Shankara Building Products Limited

Ereena Vikram
Company Secretary & Compliance Officer

Date: 18th December, 2023

Sukumar Srinivas
Managing Director

DIN: 01668064

Date: 18th December, 2023





Certified that the transactions / accounting treatment provided in the draft scheme of arrangement involving Shankara Building Products Limited, Shankara Buildpro Limited and their respective shareholders and creditors are in compliance with all the Accounting Standards applicable to a listed entity.

For, Shankara Building Products Limited

Alex Varghese
Chief Financial Officer

Date: 18th December, 2023



Sukumar Srinivas
Managing Director

DIN: 01668064

Date: 18th December, 2023

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF SHANKARA BUILDING PRODUCTS LIMITED HELD ON MONDAY, 18TH DECEMBER, 2023 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT G-2 FARAH WINSFORD, NO.133, INFANTRY ROAD, BENGALURU-560001, KARNATAKA, INDIA AT 1.00 P.M

APPROVAL TO THE SCHEME OF ARRANGEMENT AMONGST SHANKARA BUILDING PRODUCTS LIMITED ("COMPANY" OR "DEMERGED COMPANY") AND SHANKARA BUILDPRO LIMITED ("RESULTING COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

"RESOLVED THAT in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**the Act**") read with the applicable rules framed thereunder including the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Securities and Exchange Board of India ("**SEBI**") (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("**Master Circular**") and any other directions, circulars or guidelines issued by SEBI from time to time, Section 2(19AA) and other relevant provisions of the Income-tax Act, 1961 and rules made thereunder and all other applicable laws, or any amendments thereto or modifications thereof, the Memorandum of Association and Articles of Association of the Company and subject to the approval of shareholders and creditors of the Company and the Resulting Company (unless the same are dispensed with), the stock exchange(s)/SEBI, as may be required, the National Company Law Tribunal ("**NCLT**") Bengaluru Bench and such other approvals, consents, permissions and sanctions of all appropriate authorities, institutions or bodies, as may be required or as may be directed by the NCLT and subject to such terms, conditions and modifications as may be prescribed by any of such authorities while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company ("**the Board**") is hereby authorised to accept, the consent and approval of the Board be and is hereby accorded for the demerger, transfer and vesting of the Trading Business (as defined in the Scheme) of the Company into the Resulting Company, on a going concern basis.

RESOLVED FURTHER THAT the draft Scheme of Arrangement amongst the Company and the Resulting Company and their respective shareholders and creditors ("**the Scheme**"), as circulated and recommended by the Audit Committee and the Independent Directors Committee vide their respective reports dated 18th December, 2023 as placed before the Board, be and are hereby approved;



Registered Office :
G2, Farah Winsford, 133 Infantry Road,
Bengaluru-560001, Karnataka
Ph.: + 91- 080-40117777,

Corporate Office :
No. 21/1 & 35-A-1, Hosur Main Road,
Electronic City, Veerasandra, Bengaluru-560100
Ph.: +91-080-29910702 | 080-29910709

Email :- info@shankarabuildpro.com | CIN:L26922KA1995PLC018990, | Website : www.shankarabuildpro.com



RESOLVED FURTHER THAT for every 1 (One) fully paid equity share of face value INR 10/- (Indian Rupees Ten Only) each, held in the Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Company shall be issued 1 (One) fully paid equity share of face value INR 10/- each (Indian Rupees Ten Only) in the Resulting Company based on the: -

- (a) the Share Entitlement Ratio Report dated 18th December, 2023 issued by M/s SSPA & Co., Chartered Accountants, the Registered Valuers (Registration No. IBBI/RV-E/06/2020/126) read with
- (b) the Fairness Opinion Report dated 18th December, 2023 issued by Fortress Capital Management Services Private Limited, the Category I Merchant Banker (Registration No. INM000011146) registered with the SEBI,

as considered by the Audit Committee for recommending the Scheme, as placed before the Board, be and are hereby approved.

RESOLVED FURTHER THAT the Share Entitlement Ratio Report dated 18th December, 2023 and the Fairness Opinion Report dated 18th December, 2023, issued by the Registered Valuers and the Category I Merchant Banker registered with SEBI respectively, placed before the Board and initialled by the Chairman, be and is hereby approved.

RESOLVED FURTHER THAT the Certificate dated 17th December, 2023 received from M/s Sundaram & Srinivasan, Chartered Accountants, (Firm Registration No.004207S), the Statutory Auditors of the Company to the effect that the accounting treatment contained in the Scheme is in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued thereunder and all the applicable accounting standards notified by the Central Government under section 133 of the Act and other generally accepted accounting principles, as placed before the Board, be and is hereby approved.

RESOLVED FURTHER THAT the Undertaking dated 18th December, 2023 given by the Company Secretary confirming that approval of majority of public shareholders as prescribed under Paragraph (A) (10)(b) of Part I of the Master Circular is not applicable to the Scheme along with certificate dated 18th December, 2023 received from M/s Sundaram & Srinivasan, Chartered Accountants, (Firm Registration No.004207S), the Statutory Auditors of the Company, certifying the aforesaid Undertaking, as placed before the Board, be and are hereby approved.





RESOLVED FURTHER THAT the report of Audit Committee dated 18th December, 2023, recommending the draft Scheme for approval by the Board, prepared in conformity with the Master Circular and taking into consideration, inter alia, the Share Entitlement Ratio Report, the Fairness Opinion and the Certificates issued by the Statutory Auditors of the Company, as placed before the Board, be and is hereby approved.

RESOLVED FURTHER THAT the Independent Directors Committee Report dated 18th December, 2023, recommending the Scheme taking into consideration, inter alia, that the Scheme is not detrimental to the shareholders of the Company, be and is hereby approved.

RESOLVED FURTHER THAT the Report of the Board dated 18th December, 2023, prepared in conformity with Section 232(2)(c) of the Act, explaining the effect of the Scheme on the shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, specifying valuation difficulties, if any, be and is hereby approved; and the Chairman, the Managing Director and the Whole-time Directors, any two of them, be and are hereby authorised to sign the said Report on behalf of the Board.

RESOLVED FURTHER THAT the Board be and is hereby BSE Limited to act as a designated stock exchange for the purpose of coordinating with SEBI for the purpose of obtaining a No Objection certificate in relation to the Scheme.

RESOLVED FURTHER THAT in the opinion of the Board, the Scheme will be of advantage and be beneficial to the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make necessary applications to government, judicial, quasi-judicial and other statutory authorities or regulatory authorities or any other body or agency, in relation to seeking relevant regulatory approval(s) or sanction(s) for the Scheme and any other approvals required in connection with the Scheme.

RESOLVED FURTHER THAT Mr. Sukumar Srinivas (DIN. 01668064), Managing Director, Mr. Alex Varghese, Chief Financial Officer and Ms. Eeena Vikram, Company Secretary of the Company, be and are hereby authorized to make and agree to such modifications or alterations or amendments to the Scheme which do not amount to a material change to the substance of the Scheme and which (a) may otherwise be considered necessary, desirable, expedient or appropriate; or (b) may be necessary to comply with any conditions or limitations that any regulatory authorities (including but not limited to the relevant stock exchanges, the SEBI, and NCLT) may deem fit to direct or impose, or (c) may finalise, approve and issue the notice of the NCLT convened meeting of shareholders and creditors (if required) along with the explanatory statement thereto as may be directed by the NCLT or (d) may be necessary



for solving all difficulties that may arise for carrying out the Scheme; or (e) do all acts deeds and things necessary for putting the Scheme into effect.

RESOLVED FURTHER THAT of the authorized signatories comprising of Mr. Sukumar Srinivas, Managing Director, Mr. Alex Varghese, Chief Financial Officer and Ms. Ereena Vikram, Company Secretary; (collectively referred to as "**Authorized Persons**"), be and are hereby severally authorized to file all such applications, notices, certificates, documents and other instruments as shall appear to be necessary or appropriate with any governmental or regulatory authorities (including but not limited to the relevant stock exchanges, SEBI, and NCLT) in connection with the Scheme (collectively the "**Approvals**") and the Authorized Persons be and are hereby severally authorized to seek such Approvals from, and to give such notices to, any private persons or entities as are necessary, or are reasonably deemed necessary or appropriate in relation to the Scheme and that the Authorized Persons be and are hereby severally authorized to sign the relevant applications with or without amendments, modifications or alterations for Approvals on behalf of the Company and do all such other acts, deeds, matters and things and to finalize and execute all such deeds documents and writings as they consider necessary, desirable or expedient.

RESOLVED FURTHER THAT any of the Authorized Persons be and are hereby severally authorised to take all the necessary steps, for and on behalf of the Board, *inter alia*, in order to;

- (a) Finalise and settle the Scheme including carrying out of any modification(s) thereof;
- (b) Making appropriate applications, filings and (as applicable) to notify, obtain no objection letter or approval from and/or represent before the relevant stock exchanges, SEBI, Registrar of Companies, Ministry of Corporate Affairs, Regional Director, Income Tax authorities or any other regulatory authority(ies) for approval and for the purpose of carrying into effect the Scheme;
- (c) Filing of application(s)/ summons/ affidavits/ petition(s), if required, with the NCLT or such other competent authority(ies) seeking directions as to convening or asking for dispensation of the meetings of the shareholders and creditors of the Company as may considered necessary, to give effect to the Scheme and to file all necessary affidavits, papers and proceedings;
- (d) Filing of consent affidavits, if required, with the NCLT or such other competent authority(ies) as shareholders and creditors of the Company and the Resulting Company providing consent for dispensation of the meetings;





- (e) Finalise and settle the draft of the notices for convening the shareholders' and/or creditors' meetings as directed by the NCLT or otherwise and the draft of the explanatory statement with any modifications as they may deem fit;
- (f) Conducting the meetings of shareholders and/or creditors, signing and sending the notices and carry all such other activities in relation to the meeting, if the NCLT does not dispense with such meetings;
- (g) Filing of petitions, if required, for confirmation and sanction of the Scheme by the NCLT or such other competent authority(ies);
- (h) Prepare, sign and file applications, petitions, documents, affidavits, vakalatnama and other documents relating to the Scheme;
- (i) File affidavits, pleadings, reports, applications or any other proceedings incidental or deemed necessary or useful in connection with such proceedings and to engage and instruct counsels, advocates, solicitors, chartered accountants and other professionals and to sign and execute vakalatnama wherever necessary and sign and issue public advertisements and notices;
- (j) To apply and obtaining approval from Central Government and /or such other regulatory or statutory authorities or other authorities and parties including the shareholders, lenders, financial institutions, creditors, as may be considered necessary, to the Scheme;
- (k) To approve such actions as may be considered necessary for approval / sanction of the Scheme and the implementation of the Scheme after the same is sanctioned by the NCLT or any other appropriate authority under the applicable provisions of the Act, as may be applicable including but not limited to making filing with the concerned Registrar of Companies, Regional Directors and other authorities as may be required and to approve all other actions required for full and effective implementation of the sanctioned Scheme and to remove and resolve all doubts and difficulties and to do all such acts, deeds and things as they may deem necessary and desirable in connection therewith and incidental thereto;





- (l) Signing and executing request letters/no-objection/sanction letters for dispensation of the meeting(s) of the shareholders of the Company for approving the Scheme and thereafter submitting the same on receipt thereof to the NCLT or any other appropriate authority, as may be required;
- (m) Make any alterations / changes to the Scheme as may be expedient or necessary, which does not materially change the substance of the Scheme, particularly for satisfying the requirements or conditions imposed by the Central Government or the NCLT or any other appropriate authority under the applicable provisions of the Act, as may be applicable;
- (n) Settling any questions or doubts or any difficulties that may arise with regards to the Scheme, including passing of accounting entries and/or making such other adjustments in the books of account as are considered necessary to the Scheme and this resolution;
- (o) Accepting services of notices or other process which may from time to time be issued in connection with the matter aforesaid and also to serve any such notices or other processes to parties or person concerned;
- (p) Producing all documents, matters or other evidence in connection with the matters aforesaid and any other proceedings incidental thereto or arising therefrom;
- (q) Signing all the papers, documents, writings, applications, petitions, affidavits, representations, pleadings, public advertisements, notices, reports, e-forms to be filed with the Registrar of Companies, during the process etc., which are required to be signed, executed, delivered for carrying into effect the said Scheme in all respects whatsoever and/or for obtaining directions including but not limited to from the NCLT and for this purpose, to appear in person and/or represent the Company before the NCLT or any other authority and to deliver a certified copy of this resolution to any concerned party or authorities and for this purpose, to appear in person and/or represent the Company before the NCLT or any other authority;
- (r) Pay/authorise payments of stamp duties, taxes, charges, fees and such other payments as may be necessary;
- (s) Taking all procedural steps for having the Scheme sanctioned by the NCLT including, without limitation, filing necessary applications, petitions and signing, verifying and affirming all applications, affidavits and petitions as may be necessary; and





(t) Doing all further acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to the Scheme and for matters connected therewith or incidental thereto.

RESOLVED FURTHER THAT any of the Board of Directors of the Company and the Company Secretary be and are hereby severally authorized to sign any copy of this resolution as a certified true copy thereof and furnish the same to whomsoever concerned."

//CERTIFIED TRUE COPY//

FOR SHANKARA BUILDING PRODUCTS LIMITED



EREENA VIKRAM

Designation: COMPANY SECRETARY & COMPLIANCE OFFICER

Address: Sapthagiri Layout, Channasandra, Bangalore-560067

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF SHANKARA BUILDPRO LIMITED HELD ON MONDAY, 18TH DECEMBER, 2023 AT G2, FARAH WINSFORD, 133 INFANTRY ROAD, BANGALORE-560001 AT 9.30 A.M.

APPROVAL TO THE SCHEME OF ARRANGEMENT AMONGST SHANKARA BUILDING PRODUCTS LIMITED ("DEMERGED COMPANY") AND SHANKARA BUILDPRO LIMITED ("COMPANY" OR "RESULTING COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

"RESOLVED THAT in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (**"the Act"**) read with the applicable rules framed thereunder including the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Section 2(19AA) and other relevant provisions of the Income-tax Act, 1961 and rules made thereunder and all other applicable laws, or any amendments thereto or modifications thereof, the Memorandum of Association and Articles of Association of the Company and subject to the approval of shareholders and creditors of the Demerged Company and the Resulting Company (unless the same are dispensed with), the stock exchange(s)/SEBI, as may be required, the National Company Law Tribunal (**"NCLT"**) Bengaluru Bench and such other approvals, consents, permissions and sanctions of all appropriate authorities, institutions or bodies, as may be required or as may be directed by the NCLT and subject to such terms, conditions and modifications as may be prescribed by any of such authorities while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (**"the Board"**) is hereby authorised to accept, the consent and approval of the Board be and is hereby accorded for the demerger, transfer and vesting of the Trading Business (as defined in the Scheme) of the Demerged Company into the Resulting Company, on a going concern basis.

RESOLVED FURTHER THAT the draft Scheme of Arrangement amongst the Demerged Company and the Resulting Company and their respective shareholders and creditors (**"the Scheme"**), as placed before the Board, be and are hereby approved.

RESOLVED FURTHER THAT for every 1 (One) fully paid equity share of face value INR 10/- (Indian Rupees Ten Only) each, held in the Demerged Company as on the Record Date (as defined in the Scheme), the equity shareholders of the Demerged Company shall be issued 1 (One) fully paid equity share of face value INR 10/- each (Indian Rupees Ten Only) in the Resulting Company based on the:-



Registered Office :

21/1 & 35, A-1, Hosur Main Road, Electronic City, Veerasandra,

Bengaluru - 560 100. Ph.: + 91- 080- 29910709 | Email : sbi.inf@shankarabuildpro.com

CIN:U24311KA2023PTC179791

- (a) the Share Entitlement Ratio Report dated 18th December, 2023 issued by M/s SSPA & Co., Chartered Accountants, the Registered Valuers (Registration No. IBBI/RV-E/06/2020/126) read with
- (b) the Fairness Opinion Report dated 18th December, 2023 issued by Fortress Capital Management Services Private Limited, the Category I Merchant Banker (Registration No. NM000011146) registered with the SEBI,

as placed before the Board, be and are hereby approved.

RESOLVED FURTHER THAT the Share Entitlement Ratio Report dated 18th December 2023 and the Fairness Opinion Report dated 18th December, 2023, issued by the Registered Valuers and the Category I Merchant Banker registered with SEBI respectively, placed before the Board and initialled by the Chairman, be and is hereby approved.

RESOLVED FURTHER THAT the Certificate dated 17th December, 2023 received from M/s Sundaram & Srinivasan, Chartered Accountants, (Firm Registration No.004207S), the Statutory Auditors of the Company to the effect that the accounting treatment contained in the Scheme is in compliance with all the applicable accounting standards notified by the Central Government under section 133 of the Act and other generally accepted accounting principles, as placed before the Board, be and is hereby approved.

RESOLVED FURTHER THAT the Report of the Board dated 18th December, 2023 prepared in conformity with Section 232(2)(c) of the Act, explaining the effect of the Scheme on the shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, specifying valuation difficulties, if any, be and is hereby approved; and the Chairman, the Managing Director and the Whole-time Directors, any two of them, be and are hereby authorised to sign the said Report on behalf of the Board.

RESOLVED FURTHER THAT in the opinion of the Board, the Scheme will be of advantage and be beneficial to the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make necessary applications to government, judicial, quasi-judicial and other statutory authorities or regulatory authorities or any other body or agency, in relation to seeking relevant regulatory approval(s) or sanction(s) for the Scheme and any other approvals required in connection with the Scheme.

Registered Office :

21/1 & 35, A-1, Hosur Main Road, Electronic City, Veerasandra,
Bengaluru - 560 100. Ph.: + 91- 080- 29910709 | Email: sbi.inf@shankarabuildpro.com
CIN:U24311KA2023PTC179791



RESOLVED FURTHER THAT Mr. Sukumar Srinivas (DIN: 01668064), Managing Director, Mr. Dhananjay Miralay Srinivas (DIN:09108483), Director and Mr. Chengalan Nalagath Agfa (DIN: 10373519), Whole-time Director of the Company, be and is hereby authorized to make and agree to such modifications or alterations or amendments to the Scheme which do not amount to a material change to the substance of the Scheme and which (a) may otherwise be considered necessary, desirable, expedient or appropriate; or (b) may be necessary to comply with any conditions or limitations that any regulatory authorities (including but not limited to the Registrar of Companies, Regional Directors and NCLT) may deem fit to direct or impose; or (c) may finalise, approve and issue the notice of the NCLT convened meeting of shareholders and creditors (if required) along with the explanatory statement thereto as may be directed by the NCLT or (d) may be necessary for solving all difficulties that may arise for carrying out in the Scheme; or (e) do all acts deeds and things necessary for putting the Scheme into effect.

RESOLVED FURTHER THAT of the authorized signatories comprising of Mr. Sukumar Srinivas (DIN: 01668064), Managing Director, Mr. Dhananjay Miralay Srinivas (DIN:09108483), Director and Mr. Chengalan Nalagath Agfa (DIN: 10373519), Whole-time Director of the Company (collectively referred to as "**Authorized Persons**"), be and are hereby severally authorized to file all such applications, notices, certificates, documents and other instruments as shall appear to be necessary or appropriate with any governmental or regulatory authorities (including but not limited to the Registrar of Companies, Regional Directors and NCLT) in connection with the Scheme (collectively the "**Approvals**") and the Authorized Persons be and are hereby severally authorized to seek such Approvals from, and to give such notices to, any private persons or entities as are necessary, or are reasonably deemed necessary or appropriate in relation to the Scheme and that the Authorized Persons be and are hereby severally authorized to sign the relevant applications with or without amendments, modifications or alterations for Approvals on behalf of the Company and do all such other acts, deeds, matters and things and to finalize and execute all such deeds documents and writings as they consider necessary, desirable or expedient.

RESOLVED FURTHER THAT any of the Authorized Persons be and are hereby severally authorised to take all the necessary steps, for and on behalf of the Board, *inter alia*, in order to;

- (a) Finalise and settle the Scheme including carrying out of any modification(s) thereof;
- (b) Making appropriate applications, filings and (as applicable) to notify, obtain no objection letter or approval from and/or represent before the relevant Registrar of Companies, Ministry of Corporate Affairs, Regional Director, Income Tax authorities or any other regulatory authority(ies), for approval and for the purpose of carrying into effect the Scheme;

Registered Office :

21/1 & 35, A-1, Hosur Main Road, Electronic City, Veerandra,
Bengaluru - 560 100, Ph.: + 91- 080- 29910709 | Email: sb@shankarabuildpro.com
CIN:U24311KA2023PTC179791



- (c) Filing of application(s)/ summons/ affidavits/ petition(s), if required, with the NCLT or such other competent authority(ies) seeking directions as to convening or asking for dispensation of the meetings of the shareholders and creditors of the Company as may be considered necessary, to give effect to the Scheme and to file all necessary affidavits, papers and proceedings;
- (d) Filing of consent affidavits, if required, with the NCLT or such other competent authority(ies) as shareholders and creditors of the Demerged Company and the Resulting Company and providing consent for dispensation of the meetings;
- (e) Finalise and settle the draft of the notices for convening the shareholders' and/or creditors' meetings as directed by the NCLT or otherwise and the draft of the explanatory statement with any modifications as they may deem fit
- (f) Conducting the meetings of shareholders and/or creditors, signing and sending the notices and carry all such other activities in relation to the meeting, if the NCLT does not dispense with the meetings;
- (g) Filing of petitions, if required, for confirmation and sanction of the Scheme by the NCLT or such other competent authority(ies);
- (h) Prepare, sign and file applications, petitions, documents, affidavits, vakalatnama and other documents relating to the Scheme;
- (i) File affidavits, pleadings, reports, applications or any other proceedings incidental or deemed necessary or useful in connection with such proceedings and to engage and instruct counsels, advocates, solicitors, chartered accountants and other professionals and to sign and execute vakalatnama wherever necessary and sign and issue public advertisements and notices;
- (j) To apply and obtaining approval from Central Government and /or such other regulatory or statutory authorities or other authorities and parties including the shareholders, lenders, financial institutions, creditors, as may be considered necessary, to the Scheme;
- (k) To approve such actions as may be considered necessary for approval / sanction of the Scheme and the implementation of the Scheme after the same is sanctioned by the NCLT or any other appropriate authority under the applicable provisions of the Act, as may be applicable including but not limited to making filing with the concerned Registrar of Companies, Regional Directors and other authorities as may be required and to approve all other actions required for full and effective implementation of the sanctioned Scheme and to remove and resolve all doubts and difficulties and

Registered Office :

21/1 & 35, A-1, Hosur Main Road, Electronic City, Yelahandra,
Bengaluru - 560 100, Ph.: +91- 080- 29910709 | Email: sbi.inf@shankarabuildpro.com
CIN:U24311KA2023PTC179791



- (l) to do all such acts, deeds and things as they may deem necessary and desirable in connection therewith and incidental thereto;
- (m) Signing and executing request letters/no-objection/sanction letters for dispensation of the meeting(s) of the shareholders of the Company for approving the Scheme and thereafter submitting the same on receipt thereof to the NCLT or any other appropriate authority, as may be required;
- (n) Make any alterations / changes to the Scheme as may be expedient or necessary, which does not materially change the substance of the Scheme, particularly for satisfying the requirements or conditions imposed by the Central Government or the NCLT or any other appropriate authority under the applicable provisions of the Act, as may be applicable;
- (o) Settling any questions or doubts or any difficulties that may arise with regards to the Scheme, including passing of accounting entries and/or making such other adjustments in the books of account as are considered necessary to the Scheme and this resolution;
- (p) Accepting services of notices or other process which may from time to time be issued in connection with the matter aforesaid and also to serve any such notices or other processes to parties or person concerned;
- (q) Producing all documents, matters or other evidence in connection with the matters aforesaid and any other proceedings incidental thereto or arising therefrom;
- (r) Signing all the papers, documents, writings, applications, petitions, affidavits, representations, pleadings, public advertisements, notices, reports, e-forms to be filed with the Registrar of Companies, during the process etc., which are required to be signed, executed, delivered for carrying into effect the said Scheme in all respects whatsoever and/or for obtaining directions including but not limited to from the NCLT and for this purpose, to appear in person and/or represent the Company before the NCLT or any other authority and to deliver a certified copy of this resolution to any concerned party or authorities and for this purpose, to appear in person and/or represent the Company before the NCLT or any other authority;
- (s) Pay/authorise payments of stamp duties, taxes, charges, fees and such other payments as may be necessary;
- (t) Taking all procedural steps for having the Scheme sanctioned by the NCLT including, without limitation, filing necessary applications, petitions and signing, verifying and affirming all applications, affidavits and petitions as may be necessary; and

Registered Office :

21/1 & 35, A-1, Hosur Main Road, Electronic City, Veerasandra,

Bengaluru - 560 100. Ph.: + 91- 080- 29910709 | Email: sbl@shankarabuildpro.com

CIN:U24311KA2023PTC179791



RESOLVED FURTHER THAT Mr. Sukumar Srinivas (DIN: 01668064), Managing Director, Mr. Dhananjay Mirlay Srinivas (DIN:09108483), Director and Mr. Chengalan Nalagath Agfa (DIN: 10373519), Whole-time Director of the Company, be and is hereby authorized to make and agree to such modifications or alterations or amendments to the Scheme which do not amount to a material change to the substance of the Scheme and which (a) may otherwise be considered necessary, desirable, expedient or appropriate; or (b) may be necessary to comply with any conditions or limitations that any regulatory authorities (including but not limited to the Registrar of Companies, Regional Directors and NCLT) may deem fit to direct or impose; or (c) may finalise, approve and issue the notice of the NCLT convened meeting of shareholders and creditors (if required) along with the explanatory statement thereto as may be directed by the NCLT or (d) may be necessary for solving all difficulties that may arise for carrying out in the Scheme; or (e) do all acts deeds and things necessary for putting the Scheme into effect.

RESOLVED FURTHER THAT of the authorized signatories comprising of Mr. Sukumar Srinivas (DIN: 01668064), Managing Director, Mr. Dhananjay Mirlay Srinivas (DIN:09108483), Director and Mr. Chengalan Nalagath Agfa (DIN: 10373519), Whole-time Director of the Company (collectively referred to as "**Authorized Persons**"), be and are hereby severally authorized to file all such applications, notices, certificates, documents and other instruments as shall appear to be necessary or appropriate with any governmental or regulatory authorities (including but not limited to the Registrar of Companies, Regional Directors and NCLT) in connection with the Scheme (collectively the "**Approvals**") and the Authorized Persons be and are hereby severally authorized to seek such Approvals from, and to give such notices to, any private persons or entities as are necessary, or are reasonably deemed necessary or appropriate in relation to the Scheme and that the Authorized Persons be and are hereby severally authorized to sign the relevant applications with or without amendments, modifications or alterations for Approvals on behalf of the Company and do all such other acts, deeds, matters and things and to finalize and execute all such deeds documents and writings as they consider necessary, desirable or expedient.

RESOLVED FURTHER THAT any of the Authorized Persons be and are hereby severally authorised to take all the necessary steps, for and on behalf of the Board, *inter alia*, in order to;

- (a) Finalise and settle the Scheme including carrying out of any modification(s) thereof;
- (b) Making appropriate applications, filings and (as applicable) to notify, obtain no objection letter or approval from and/or represent before the relevant Registrar of Companies, Ministry of Corporate Affairs, Regional Director, Income Tax authorities or any other regulatory authority(ies), for approval and for the purpose of carrying into effect the Scheme;

Registered Office :

21/1 & 35, A-1, Hosur Main Road, Electronic City, Veerasandra,

Bengaluru - 560 100. Ph.: + 91- 080- 29910709 | Email : sbl.in@shankarabuildpro.com

CIN:U24311KA2023PTC179791



- (u) Doing all further acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to the Scheme and for matters connected therewith or incidental thereto.

RESOLVED FURTHER THAT any of the Board of Directors of the Company be and are hereby severally authorized to sign any copy of this resolution as a certified true copy thereof and furnish the same to whomsoever concerned."

//CERTIFIED TRUE COPY//

FOR SHANKARA BUILDPRO LIMITED



SUKUMAR SRINIVAS
MANAGING DIRECTOR
(DIN: 01668064)



Address: 490, 3rd Block 14TH Main, Koramangala, Bangalore-560034

Registered Office :

21/1 & 35, A-1, Hosur Main Road, Electronic City, Veerasandra,
Bengaluru - 560 100. Ph.: + 91- 080- 29910709 | Email : sbi.info@shankarabuildpro.com
CIN:U24311KA2023PTC179791

THIS ABRIDGED PROSPECTUS CONSISTS OF 11 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES



SHANKARA BUILDPRO LIMITED

CIN: U24311KA2023PLC179791 Date of Incorporation: October 13, 2023

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
No. 21/1 & 35-A-1, Hosur Main Road, Electronic City, Veerasandra, Bengaluru South, Bengaluru, Karnataka, India – 560100	Same as Registered Office	Mr. Sukumar Srinivas, Managing Director	Email: sbl.cs@shankarabuildpro.com ; Tel: +91 8296958467	https://shankarabuildingproductsltd.com/

ABRIDGED PROSPECTUS

This is an abridged prospectus (“**Abridged Prospectus**”) prepared solely in connection with the proposed Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder (collectively the “**Act**”) filed before the National Company Law Tribunal, Bengaluru Bench amongst Shankara Building Products Limited (“**SBPL**” or “**Demerged Company**”) and Shankara Buildpro Limited (“**SBL**” or “**Resulting Company**”) and their respective shareholders and creditors (“**Scheme**”). This Abridged Prospectus has been prepared solely as per the requirement of and in compliance with SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022 (“**SEBI 2022 Circular**”) and SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 to the extent applicable (“**SEBI Master Circular**”).

This Abridged Prospectus is prepared to comply with the requirements of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Para 3(a) of Part I (A) of the SEBI Master Circular, setting out details in relation to the Resulting Company, and in accordance with the disclosures required to be made in the format specified for an abridged prospectus in SEBI 2022 Circular.

This Abridged Prospectus shall not be considered as an invitation or an offer of any securities by or on behalf of SBPL or SBL, on private placement or a public offer.

This Abridged Prospectus should be considered as a part of and shall be read together with the Scheme and the notice and explanatory statement to the shareholders of SBPL/SBL as the case may be, in connection with the Scheme.

You may download the Abridged Prospectus along with the Scheme and other relevant documents from the website of the Demerged Company at <https://shankarabuildpro.com/>, BSE Limited (“**BSE**”) (www.bseindia.com) and the National Stock Exchange of India (“**NSE**”) (www.nseindia.com)

A-538



(hereinafter **BSE** and **NSE** collectively referred as "**Stock Exchanges**") where the equity shares of the Demerged Company are listed.

Pursuant to the Scheme, it is proposed to demerge the Trading Business ("**Demerged Undertaking**") of the Demerged Company into the Resulting Company and cancellation of all the existing issued share capital of the Resulting Company which shall be affected as a part of the Scheme and not in accordance with Section 66 of the Act.

Trading Business of the Demerged Company comprises of retail, supply, distribution and promotion of various home improvement and building products in India including but not limited to steel pipes and tubes, structural steel products, infrastructure materials, PVC products, aluminum and metal products, fabrication, electrical products, tiles and sanitary wares, through multiple sales channel(s).

The Scheme is subject to approvals of relevant regulatory authorities, such as, amongst others, SEBI/ Stock Exchanges and the relevant benches of Hon'ble National Company Law Tribunal ("**NCLT**"). The Demerged Company has received the Observation Letters dated 01st July 2024 and 6th July 2024 from BSE and NSE respectively, including SEBI comments on the Scheme.

This Abridged Prospectus dated 4th January, 2025 should be read together with the Scheme and the notice sent to the shareholders of the Demerged Company.

NAME OF THE PROMOTER: SHANKARA BUILDING PRODUCTS LIMITED

Details of Offer to Public	Not Applicable
Details of Offer for Sale (OFS) by Promoter(s)/Promoter Group/Other Selling Shareholders	Not Applicable
Price Band, Minimum Bid Lot and Indicative Timelines	Not Applicable
Details of Weighted Average Cost of Acquisition (WACA) of all shares transacted over the trailing eighteen months from the date of the Abridged Prospectus	Not Applicable

RISK IN RELATION TO THE FIRST OFFER

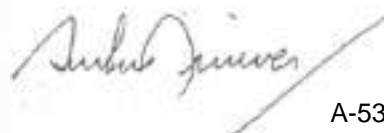
Not Applicable as SBL is an unlisted public company and is not offering any securities/ equity shares through an Initial Public Offer (IPO) to the public, pursuant to the Scheme.

GENERAL RISK

For taking any investment decision, investors must rely on their own examination of SBPL, SBL and the Scheme, including the risks involved. The allotment of equity shares of SBL under the Scheme is limited to the shareholders of SBPL. The equity shares have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Abridged Prospectus. Specific attention of the investors is invited to the section titled "**Internal Risk Factors**" at page 9 of this Abridged Prospectus.

DETAILS OF THE SCHEME

The Scheme of Arrangement is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 amongst Shankara Building Products Limited ("**SBPL**" or "**Demerged Company**") and Shankara Buildpro Limited ("**SBL**" or "**Resulting Company**") and their respective



A-539



shareholders and creditors.

The Scheme inter-alia, provides for:

- a) Demerger of the Demerged Undertaking of SBPL into SBL on a going concern basis and in consideration, the consequent issuance of Equity Shares by the Resulting Company to all the shareholders of the Demerged Company as per the Share Entitlement Ratio and in accordance with the provisions of Section 2(19AA) read with other relevant provisions of the IT Act.
- b) Reduction by way of cancellation of the entire pre-scheme share capital of the Resulting Company as an integral part of the Scheme.
- c) This Scheme also provides for various other matters consequential, supplemental or otherwise integrally connected therewith and incidental thereto.

Consideration under the Scheme: Upon the Scheme becoming effective and in consideration of the transfer of the Demerged Undertaking to the Resulting Company in accordance with the terms of the Scheme, the Resulting Company shall issue and allot:

"For every 1 (One) fully paid Equity Share of face value of INR 10/- (Indian Rupees Ten Only) each, held in Demerged Company as on the Record Date, the equity shareholders of the Demerged Company shall be issued 1 (One) fully paid Equity Share of face value of INR 10/- (Indian Rupees Ten Only) each in the Resulting Company". ("Share Entitlement Ratio")

Listing of equity shares of the Resulting Company: All shares of the Resulting Company will be listed and/or admitted to trading on the BSE and NSE, which have nation-wide trading terminals. The Resulting Company shall apply for listing of its shares on the BSE and NSE and enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Law for the Resulting Company, including for seeking exemption from Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957.

Appointed Date: Appointed Date means the opening of business hours of 1st April 2024 or such other date as the National Company Law Tribunal may allow or direct and which is acceptable to the Board of the Companies.

For further details, please refer to the Scheme.

PROCEDURE

The procedure with respect to public issue/ offer would not be applicable as the allotment of equity shares by SBL is only limited to the shareholders of SBPL pursuant to the Scheme. Hence, the procedure with respect to the Bid-cum-application Form, RHP and General Information Document are not applicable.

PRICE INFORMATION OF BOOK RUNNING LEAD MANAGERS (BRLM)

Not Applicable

DETAILS OF STATUTORY AUDITORS

Name: M/s. ASA & Associates LLP, Chartered Accountants



A-540



Firm registration no.: 009571N/N500006

Registered office: Unit No. 709 & 710, Raheja Towers, 7th Floor No. 177, Anna Salai Chennai - 600002

Phone: (+91) +91 44 4904 8200

PROMOTER OF THE RESULTING COMPANY

Sr. No.	Name	Individual/ Corporate	Details of the Corporate Promoter
1.	Shankara Building Products Limited	Corporate	<p>SBPL is a public listed company incorporated on 13th October 1995 and having its registered office at G-2 Farah Winsford, No.133, Infantry Road, Bangalore, Karnataka, India - 560001 and bearing CIN: L26922KA1995PLC018990.</p> <p>The equity shares of SBPL are listed and traded on BSE Limited and National Stock Exchange of India Limited.</p> <p>SBPL is an organized retailers of home improvement and building products in India. It caters to a large customer base spread across various end-user segment in urban and semi-urban markets through a retail led, multi-channel sales approach complemented by processing facilities, supply chain and logistics. It deals with a number of product categories including structural steel, cement, TMT bars, hollow blocks, pipes and tubes, roofing solutions, welding accessories, primers, solar heaters, plumbing materials, tiles, sanitary ware, water tanks, plywood, kitchen sinks, lighting and other allied products.</p> <p>SBPL along with 6 nominee shareholders acting on its behalf holds 100% equity shares of SBL.</p> <p>SBPL comprised of below two businesses:</p> <p>Trading Business: Trading Business comprises of retail, supply, distribution and promotion of various home improvement and building products in India including but not limited to steel pipes and tubes, structural steel products, infrastructure materials, PVC products, aluminum and metal products, fabrication, electrical products, tiles and sanitary wares, through multiple sales channel(s).</p> <p>Manufacturing Business: Manufacturing Business comprises of manufacturing of products</p>

Subodh Kumar

A-541



inter alia cold rolled strips, precision tubes & pipes, roofing sheets and allied accessories complemented by the processing facilities, supply chain and logistics, undertaken by the Demerged Company and/or its subsidiaries.

BUSINESS OVERVIEW AND STRATEGY

Company overview: SBL is an unlisted public limited company incorporated on 13th October 2023 and having its registered office at 21/1 & 35-A-1 Hosur Road, Electronic City, Bengaluru South, Bengaluru, Karnataka, India – 560100.

SBL is a wholly owned subsidiary of SBPL. Currently, the shares of SBL are not listed on any stock exchanges.

The main object of SBL is inter alia to carry on the business with primary focus on engaging in retailing, trading, warehousing, wholesale distribution and e-commerce activities related to all building materials as per the Memorandum of Association.

Product/Service offering: SBL is yet to commence its business operations.

Revenue segmentation by product/service offering: Nil

Geographies served: Not applicable, since SBL does not have any active business operations as on the date of this Abridged Prospectus.

Revenue segmentation by geographies: Nil

Key performance indicators: Not applicable, since SBL does not have any active business operations as on the date of this Abridged Prospectus.

Client profile or Industries served: Not applicable, since SBL does not have any active business operations as on the date of this Abridged Prospectus.

Revenue segmentation in terms of top 5/10 clients or industries: Not applicable, since SBL does not have any active business operations as on the date of this Abridged Prospectus.

Intellectual property, if any: Nil

Market share: Nil, since SBL does not have any active business operations as on the date of this Abridged Prospectus.

Manufacturing plant, if any: Nil

Employee strength: Nil

Upon the Scheme becoming effective, all the employees of SBPL engaged in relation to the Demerged Undertaking shall become employees of SBL.

BOARD OF DIRECTORS OF THE RESULTING COMPANY*

Sr. No.	Name	Designation (Independent/Whole-time/Executive/Nominee)	Experience and Educational qualification	Other Directorships
1	Sukumar Srinivas DIN: 01668064	Managing Director	Experience: Mr. Sukumar has 41 years of experience	Indian Companies • Taurus Value Steel & Pipes Private Limited

Sukumar Srinivas



			<p>in building products industry, strategy, finance and general management.</p> <p>Qualification:</p> <p>Graduate from Loyola College, Chennai and a Post-graduate from IIM, Ahmedabad.</p>	<ul style="list-style-type: none"> • Centurywells Roofing India Private Limited • Shankara Building Products Limited • Vishal Precision Steel Tubes And Strips Private Limited • Shankara Holdings Private Limited <p>Foreign Companies</p> <ul style="list-style-type: none"> • NIL
2	<p>Dhananjay Mirlay Srinivas</p> <p>DIN: 09108483</p>	Director	<p>Experience:</p> <p>Mr. Dhananjay has 4 years of experience in products, purchase, man-management, social media marketing, E-commerce set up, brand building, customer and supplier management, P&L analysis, accounts and investors relations.</p> <p>Qualification:</p> <p>Graduation-Legal Studies Major</p>	<p>Indian Companies</p> <ul style="list-style-type: none"> • Taurus Value Steel & Pipes Private Limited • Cafe At Saanchi LLP <p>Foreign Companies</p> <ul style="list-style-type: none"> • NIL
3	<p>Chengalan Nalagath Agfa</p> <p>DIN: 10373519</p>	Whole-time Director	<p>Experience:</p> <p>Mr. Chengalan has 29 years of experience in sales and marketing, distribution, channel sales, project sales and export sales.</p> <p>Qualification:</p> <p>Masters in Commerce</p>	<p>Indian Companies</p> <ul style="list-style-type: none"> • NIL <p>Foreign Companies</p> <ul style="list-style-type: none"> • NIL

**As on the date of this Abridged Prospectus.*

Suresh Srinivas

A-543



OBJECTS/RATIONALE OF THE SCHEME

The Scheme for demerger, transfer and vesting of the Demerged Undertaking of the Demerged Company into the Resulting Company shall have the following specific benefits:

- a) Demerger shall enable both Demerged Company and the Resulting Company to enhance business operations by streamlining operations, more efficient management control and outlining independent growth strategies such as expansion of product categories and geographical presence.
- b) Creation of dedicated vertical for the growth of Trading Business with focused attention.
- c) Attracting new set of investors with specific knowledge, expertise and risk appetite corresponding to their own businesses, thus, both the Demerged Company and the Resulting Company will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of Trading Business and Manufacturing Business.
- d) Pursuant to the Scheme, Equity Shares issued by the Resulting Company would be listed on the stock exchanges and thus will unlock the value of the Trading Business for the shareholders of the Demerged Company.
 - Existing shareholders of the Demerged Company would hold the shares of two listed companies once the scheme becomes effective, giving them flexibility in managing their investments in two businesses having differential dynamics.
- e) Demerger to be in the interest of shareholders, creditors and there is no likelihood that any shareholder or creditor would be prejudiced as a result of Scheme. It will not impose any additional burden on the shareholders of the Demerged Company considering the Scheme would merely involve transfer and vesting of Trading Business by way of an arrangement from the Demerged Company to Resulting Company.
- f) Demerger is expected to improve corporate governance within the separated entities, ensuring that the board and management are aligned with the specific interests and goals of their businesses.

Thus, the Scheme is beneficial, advantageous and not prejudicial to the interests of shareholders, creditors, and other stakeholders of the of the Demerged Company and Resulting Company.

For further details, please refer to the Scheme.

Unless otherwise defined, capitalized terms used but not defined in this section shall have the same meaning assigned to such terms in the Scheme.

Details of means of finance	Not Applicable
Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years.	Not Applicable
Name of monitoring agency if any	Not Applicable
Terms of issuance of convertible security if any	Not Applicable



PRE-SCHEME SHAREHOLDING PATTERN OF THE RESULTING COMPANY			
Sr. No.	Particulars	No. of Shares having face value @ INR 10/- each	% of shareholding
1	Promoter and Promoter Group	10,000*	100
2	Public	0	0
	Total	10,000	100

*Includes 6 nominee shareholders who hold 6 equity shares on behalf of SBPL i.e., the holding company.

Note: Upon the Scheme becoming effective, shareholders of SBPL will be allotted equity shares of SBL in accordance with Clause 14 of the Scheme and therefore will become equity shareholders of SBL. The Promoter and Promoter Group of SBPL shall be the Promoter and Promoter group of SBL in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Further, pursuant to the Scheme all the existing issued share capital of the SBL held by SBPL shall be cancelled.

Number/amount of equity shares proposed to be sold by selling shareholders, if any: **Not Applicable**

AUDITED FINANCIALS					
The audited financial information (Ind-AS) of SBL is provided below:					
<i>(INR in Lakhs, unless stated otherwise)</i>					
Sr. No.	Particulars (Note 1)	6 months ended September 2024 (Unaudited Management Accounts)	FY 23-24	FY 22-23 (Note 2)	FY 21-22 (Note 2)
1	Total income from operations (net)	0.00	0.00	-	-
2	Net Profit / (Loss) before tax and extraordinary items	(1.93)	(2.79)	-	-
3	Net Profit / (Loss) after tax and extraordinary items	(1.44)	(2.09)	-	-
4	Equity Share Capital	1.00	1.00	-	-
5	Reserves and Surplus	(3.53)	(2.09)	-	-
6	Net worth (Note 3)	(2.53)	(1.09)	-	-
7	Basic earnings per share (in INR)	(14.40)	(20.90)	-	-
8	Diluted earnings per share (in INR)	(14.40)	(20.90)	-	-
9	Return on net worth (%) (Note 4)	56.92	191.74	-	-
10	Net asset value per share (in INR) (Note 5)	(25.30)	(10.90)	-	-

Subodh Kumar



Notes:

1. SBL is not required to prepare any consolidated financial statements as it does not have any subsidiary.
2. The Resulting Company was incorporated on October 13, 2023, therefore the audited financial statements for FY 21-22 and 22-23 are not applicable.
3. Net worth comprises of equity share capital and reserve & surplus.
4. $\text{Return on net-worth} = \text{Net Profit} / (\text{Loss}) \text{ after tax and extraordinary items} / \text{Net worth} * 100$
5. $\text{Net asset value per share} = \text{Net worth} / \text{Total number of equity shares outstanding}$

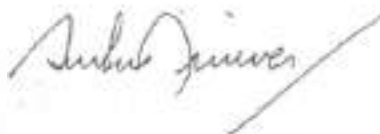
INTERNAL RISK FACTORS

SBL has been recently incorporated inter alia with the objective to carry on the business with primary focus on engaging in retailing, trading, warehousing, wholesale distribution and ecommerce activities related to all building materials. Once operational, SBL may be exposed to the following risks:

- 1) The completion of implementation of the Scheme is subject to receipt of necessary approvals, including approval from shareholders and creditors of SBPL and SBL, regulatory authorities and the NCLT. In case the Scheme does not get effected due to any approval or otherwise, this would impact the SBL's ability to commence its business operations.
- 2) In accordance with Indian law, permission for listing and trading of equity shares shall be granted only after completion of issue and the allotment of the equity shares pursuant to the Scheme. The timelines for listing of equity shares may vary according to the completion of the actions as listed in the Scheme. Listing of the equity shares does not guarantee that a trading market for the equity shares would develop. Accordingly, prospective shareholders should be prepared to hold their equity shares for an indeterminate period of time.
- 3) Non-compliance with and changes in safety, health, environmental and labour laws and other applicable regulations, may adversely affect business operations of SBL.

The company shall face immense competition from both domestic as well as multinational corporations and inability to compete effectively may have adverse impact on the business operations of SBL.

- 4) Recession, economic slow-down, down-grade in credit ratings, health pandemics, natural calamities would adversely affect the business of SBL.
- 5) The inability to effectively manage credit, market and liquidity risk may have an adverse effect on its earnings, capitalization, credit ratings and cost of funds.
- 6) The business operations would include usage of IT systems, networks, and communications infrastructure. Any interruptions or breakdowns in such systems could impact the effectiveness of delivering services and updates to the customers.
- 7) Any inability to attract and retain skilled personnel and other talented professionals or any loss of senior management or other talented professionals may adversely impact SBL's business.



SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTIONS

A. Total number of outstanding litigations as on 30th September 2024 by and against the Resulting Company, its directors, promoters and subsidiaries and the total amount involved:

Sr. No.	Name of entity	Criminal proceeding	Tax proceeding	Statutory or regulatory proceeding	Disciplinary actions by SEBI or Stock Exchange against our promoters	Material civil litigation	Aggregate amount involved (INR in Lakhs .)
1.	Company (SBL)						
	By the company	-	-	-	-	-	-
	Against the company	-	-	-	-	-	-
2.	Directors						
	By our directors	-	-	-	-	-	-
	Against our directors	-	-	-	-	-	-
3.	Promoters (SBPL)						
	By Promoters	82**	-	-	-	-	1,518.47*
	Against Promoters	2**	4	-	-	6	318.54*
4.	Subsidiaries[^]						
	By Subsidiaries	Not applicable					
	Against Subsidiaries	Not applicable					

*To the extent quantifiable.

**Proceedings u/s 138 of the Negotiable Instrument Act, 1881.

[^]Resulting Company does not have subsidiaries.

B. Brief details of top 5 material outstanding litigations against the Resulting Company and amount involved as on 30th September 2024

Sr. No.	Particulars	Litigations filed by	Current status	Amount Involved
Nil				

C. Regulatory action, if any - disciplinary action taken by SEBI or Stock Exchanges against the promoters in last 5 financial years including outstanding action, if any: Nil

D. Brief details of outstanding criminal proceedings against promoters:

- a. M/s Shankara Building Products Ltd (SBPL) had supplied material to Sunbio Organics India Private Limited (SOIPL) against which the customer released a cheque of Rs. 19 lakhs. On presentation of cheque, the same was dishonored for which SBPL filed a suit under sec 138 of

Subodh Kumar

A-547



the Negotiable Instrument Act, 1881. One of the directors of Sunbio Organics India Pvt. Ltd, Mr. Gajanan Gaonkar, has gone for an appeal in High Court of Karnataka against the suit filed by SBPL on the merits that he is not liable in this case as he has not signed on the cheque issued by SOIPL and he is not concerned for the day-to-day activities of SOIPL.

- b. M/s Shankara Building Products Ltd (SBPL) had supplied construction materials to M/s. J K Developers (JK Developers). Against the total outstanding amount of Rs.18,97,608/-, JK Developers issued cheques of Rs.15,00,000/-, which was dishonored on presentation. SBPL then had to file a legal case under section 138 of the Negotiable Instrument Act, 1881 for the recovery of the dishonored cheques. The Court ruled in favor of SBPL. Challenging the judgement, the petitioner JK Developers had filed an appeal case at session court under CRL.A No. 25199/2023, which was dismissed by the Hon'ble Session Court Judge. The petitioner has now filled an appeal at High Court of Karnataka and the same is pending as on date.

ANY OTHER IMPORATANT INFORMATION AS PER BRLM/RESULTING COMPANY

NIL

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Abridged Prospectus are true and correct.

For and on behalf of **Shankara Buildpro Limited**



Mr. Sukumar Srinivas
Managing Director
DIN: 01668064



Date: 4th January, 2025

Place: Bengaluru