



SHANKARA BUILDING PRODUCTS LIMITED

Our 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, our Company was converted to a public limited company and a fresh certificate of incorporation consequent upon conversion to a public limited company was issued by the Registrar of Companies, Bangalore, Karnataka ("RoC") on August 28, 2007 in the name of Shankara Pipes India Limited. The name of our Company was subsequently changed to Shankara Infrastructure Materials Limited and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on March 25, 2011. Thereafter, the name of our 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. For details of change in the name and Registered Office of our Company, see "History and Certain Corporate Matters" on page 109 of the Red Herring Prospectus dated March 13, 2017 (the "RHP").

Registered and Corporate Office: G2, Farah Winsford, No. 133, Infantry Road, Bengaluru 560 001, Karnataka, India. **Contact Person:** Ereena Vikram, Company Secretary and Compliance Officer; **Tel:** +91 80 4011 7777; **Fax:** +91 80 4111 9317
E-mail: info@shankarabuildpro.com; **Website:** www.shankarabuildpro.com; **Corporate Identity Number:** U26922KA1995PLC018990

OUR PROMOTER: SUKUMAR SRINIVAS

PUBLIC OFFER OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF SHANKARA BUILDING PRODUCTS LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹[•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[•] PER EQUITY SHARE) AGGREGATING UP TO ₹[•] MILLION ("OFFER") COMPRISING A FRESH ISSUE OF UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹450 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 816,252 EQUITY SHARES BY OUR PROMOTER, SUKUMAR SRINIVAS AND UP TO 5,705,488 EQUITY SHARES BY FAIRWINDS TRUSTEES SERVICES PRIVATE LIMITED ACTING IN THE CAPACITY OF TRUSTEE OF RELIANCE ALTERNATIVE INVESTMENTS FUND – PRIVATE EQUITY SCHEME I (COLLECTIVELY THE "SELLING SHAREHOLDERS") AGGREGATING UP TO ₹[•] MILLION ("OFFER FOR SALE"). THE OFFER WILL CONSTITUTE AT LEAST 25% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

Price Band: ₹ 440 to ₹ 460 per Equity Share of Face Value of ₹ 10 each.

The Floor Price is 44.0 times the face value and the Cap Price is 46.0 times the face value.

Bids can be made for a minimum of 32 Equity Shares and in multiples of 32 Equity Shares thereafter.

Risks to Investors:

- The three (3) BRLMs associated with the Offer have handled four (4) public issues in the past three years out of which two (2) issues closed below the issue price on listing date.
- The average cost of acquisition of Equity Shares for our Promoter, Sukumar Srinivas and Reliance Alternative Investments Fund – Private Equity Scheme I, is ₹ 3.22 and ₹ 92.56, per Equity Share, respectively, and the Offer Price at the higher end of the Price Band is ₹ 460.
- There are no listed peers engaged in the Company's line of business.
- The Price/Earnings ratio based on Diluted Earnings Per Share for the Financial Year 2016, at the higher end of the Price Band, is as high as 24.34 on consolidated basis and 91.63 on standalone basis, as compared to Price/Earnings ratio of the CNX Nifty 50 Index of 23.20 and BSE SENSEX Index of 22.06 (as on March 10, 2017).

BID/OFFER PROGRAMME

OPENS TODAY

CLOSES ON FRIDAY, MARCH 24, 2017

ASBA*

Simple, Safe, Smart way of Application

*Application supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For further details, check section on ASBA below.

Mandatory in public issues from January 1, 2016. No cheque will be accepted.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), this is an Offer for at least 25% of the post-Offer paid-up equity share capital of our Company. The Offer is being made through the Book Building Process in accordance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations"), wherein 50% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("QIB Portion"), provided that our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion") at the Anchor Investor Allocation Price, out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential investors, other than Anchor Investors, are required to mandatorily use the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank accounts which will be blocked by the Self Certified Syndicate Banks ("SCSBs"). For details, see "Offer Procedure" on page 198 of the RHP. In accordance with the FEMA Regulations, participation by Non-Resident investors in the Offer is restricted to (i) FPIs (investing under the portfolio investment scheme in accordance with Schedule 2A of the FEMA Regulations); (ii) FIIs (investing under the portfolio investment scheme in accordance with Schedule 2 of the FEMA Regulations); and (iii) Eligible NRIs (investing on a non-repatriation basis in accordance with Schedule 4 of the FEMA Regulations).

Bidder/Applicant should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidder/Applicant are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidder/Applicant sole risk. Bidder/Applicant should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidder/Applicant should ensure that the beneficiary account provided in the Bid cum Application form is active.

CONTENTS OF THE MEMORANDUM OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects of the Company, see "History and Certain Corporate Matters" on page 109 of the RHP and Clause III of the Memorandum of Association of the Company. The Memorandum of Association of the Company is a material document for inspection in relation to the Offer. For details, see "Material Contracts and Documents for Inspection" on page 321 of the RHP.

LIABILITY OF THE MEMBERS OF THE COMPANY: Limited by shares

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The authorised, issued, subscribed and paid up share capital of the Company as on the date of the RHP is as follows: The authorised capital of the Company is ₹ 250,000,000 divided into 25,000,000 Equity Shares of ₹ 10 each. The issued, subscribed and paid-up share capital of the Company is ₹ 218,710,370 divided into 21,871,037 Equity Shares of ₹ 10 each. For details, see "Capital Structure" beginning on page 59 of the RHP.

NAMES OF SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: Given below are the names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed by them at the time of signing of the Memorandum of Association of the Company: Sukumar Srinivas, Lalitha Neelakantan and Ammani Ammal, 100 Equity Shares each, aggregating to 300 Equity Shares of ₹ 10 each.

LISTING : The Equity Shares to be offered through the RHP are proposed to be listed on the BSE and the NSE. Our Company has received an 'in-principle' approval from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated October 25, 2016 and November 11, 2016, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A copy of the RHP and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents which will be available for inspection from the date of the RHP, up to the Bid/Offer Closing Date, see "Material Contracts and Document for Inspection" on page 321 of the RHP.

DISCLAIMER CLAUSE OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): SEBI only gives its observations on the Offer documents and this does not constitute approval of either the Offer or the specified securities or the Offer document. The investors are advised to refer to page 180 of the RHP for the full text of the Disclaimer Clause of SEBI.

DISCLAIMER CLAUSE OF BSE (THE DESIGNATED STOCK EXCHANGE): It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the Red Herring Prospectus has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the Red Herring Prospectus. The investors are advised to refer to page 184 of the Red Herring Prospectus for the full text of the Disclaimer Clause of BSE Limited.

DISCLAIMER CLAUSE OF NSE: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the offer document. The investors are advised to refer to page 184 of the RHP for the full text of the Disclaimer Clause of NSE.

GENERAL RISKS: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the RHP. Specific attention of the investors is invited to "Risk Factors" beginning on page 15 of the RHP.

RISK IN RELATION TO THE FIRST OFFER: This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 and the Floor Price is 44.0 times the face value and the Cap Price is 46.0 times the face value. The Offer Price (determined and justified by our Company and the Selling Shareholders, in consultation with the BRLMs, as stated under "Basis for Offer Price" on page 73 of the RHP) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY: Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that the RHP contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in the RHP is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed therein are honestly held and that there are no other facts, the omission or inclusion of which makes the RHP as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Selling Shareholders severally accept responsibility that the RHP contains all information about them as Selling Shareholders in the context of the Offer for Sale and further severally assume responsibility for statements in relation to them included in the RHP and the Equity Shares offered by them in the Offer and that such statements are true and correct in all material respects and not misleading in any material respect.

| BOOK RUNNING LEAD MANAGERS (BRLMs) TO THE OFFER | | | REGISTRAR TO THE OFFER | COMPANY SECRETARY AND COMPLIANCE OFFICER |
|--|--|---|---|---|
|  IDFC BANK |  Equirus |  We understand your world |  Computershare | Ereena Vikram G2, Farah Winsford, No. 133, Infantry Road Bengaluru 560 001, Karnataka, India Tel: +91 80 4011 7777; Fax: +91 80 4111 9317 E-mail: cs@shankarabuildpro.com |
| IDFC Bank Limited Naman Chambers, C-32, G Block Bandra Kurla Complex, Bandra (East) Mumbai 400 051 Tel: +91 22 6622 2600 Fax: +91 22 6622 2501 E-mail: shankara.ipo@idfcbank.com Investor Grievance E-mail: mb.ig@idfcbank.com Website: www.idfcbank.com Contact Person: Mangesh Ghogle / Mohit Baser SEBI Registration No.: MB/INM000012250 | Equirus Capital Private Limited 12 th Floor, C Wing, Marathon Futurex N.M. Joshi Marg, Lower Parel, Mumbai 400 013 Tel: +91 22 4332 0600 Fax: +91 22 4332 0601 E-mail: shankara.ipo@equirus.com Investor Grievance E-mail: investorsgrievance@equirus.com Website: www.equirus.com Contact Person: Swati Chirania/ Gaurav Phadke SEBI Registration No: INM000011286 | HDFC Bank Limited Investment Banking Group, Unit No 401& 402, 4 th floor, Tower B, Peninsula Business Park, Lower Parel, Mumbai 400 013 Tel: +91 22 3395 8015 Fax: +91 22 3078 8584 E-mail: shankara.ipo@hdfcbank.com Investor Grievance E-mail: investor.redressal@hdfcbank.com Website: www.hdfcbank.com Contact Person: Keyur Desai/ Rishi Tiwari SEBI Registration No: INM000011252 | Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032 Tel: +91 40 6716 2222 Fax: +91 40 2343 1551 E-mail: einward.ris@karvy.com Investor Grievance E-mail: shankara.ipo@karvy.com Website: https://karisma.karvy.com Contact Person: M Murali Krishna SEBI Registration No.: INR0000000221 | Investors can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode etc. For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs. |

AVAILABILITY OF RHP: Investors are advised to refer to the RHP and the Risk Factors, contained therein before applying in the Offer. Full copy of the RHP is available at websites of SEBI at www.sebi.gov.in, BSE at www.bseindia.com, NSE at www.nseindia.com and at the websites of the BRLMs, i.e. www.idfcbank.com, www.equirus.com and www.hdfcbank.com, respectively.

AVAILABILITY OF BID CUM APPLICATION FORMS: Bid-cum-Application Forms can be obtained from the Registered Office of **SHANKARA BUILDING PRODUCTS LIMITED**, BRLMs: **IDFC Bank Limited**, **Tel:** +91 22 6622 2600, **Fax:** +91 22 6622 2501; **Equirus Capital Private Limited**, **Tel:** +91 22 4332 0600, **Fax:** +91 22 4332 0601; **HDFC Bank Limited**, **Tel:** +91 22 3395 8015, **Fax:** +91 22 3078 8584 and Syndicate Members: **HDFC Securities Limited**, **Tel:** +91 22 3075 0269, **Fax:** +91 22 3075 3435; **Sharekhan Limited**, **Tel:** +91 22 6115 0000, **Fax:** +91 22 6748 1899; **Equirus Securities Private Limited**, **Tel:** +91 79 6190 9595, **Fax:** +91 79 6190 9560 and at the select locations of the Sub-syndicate Members, SCSBs, Registered Brokers, RTAs and CDPs participating in the Offer. Bid-cum-Application Forms will also be available on the websites of BSE and NSE and the Designated Branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI.

APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (ASBA): Investors have to apply through the ASBA process. ASBA has to be availed by all the investors except Anchor Investors. For details on the ASBA process, please refer to the details given in ASBA Form and Abridged Prospectus and also please refer to the section "Offer Procedure" beginning on page 198 of the RHP. ASBA Forms can also be downloaded from the websites of BSE and NSE. ASBA form can be obtained from the list of banks that is available on the website of SEBI at www.sebi.gov.in. ASBA Form can be obtained from Members of the Syndicate, SCSBs, Registered Brokers, RTAs and CDPs, the list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognised-Intermediaries.

ESCROW COLLECTION BANK, REFUND BANK AND PUBLIC ISSUE ACCOUNT BANK: HDFC Bank Limited

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

CORRIGENDUM – NOTICE TO INVESTORS

In the section "Our Management – Brief biographies of Directors" on page 122 of the RHP, in the biography of the Managing Director of the Company, Sukumar Srinivas, the sentence "He currently holds the position of the President of The Karnataka Pipe Dealer's Association." stands modified to "He was the immediate past President of The Karnataka Pipe Dealer's Association and continues to be an office bearer."

The RHP stands amended to the extent of the modification stated above. The aforesaid changes shall be reflected in the Prospectus to be filed with the RoC.

Further on page 5 of the Bid cum Application Form, in the "Memorandum Containing Salient Features of the Red Herring Prospectus" under the head "Promoter of our Company", the sentence "He currently holds the position of the President of The Karnataka Pipe Dealer's Association." stands modified to "He was the immediate past President of The Karnataka Pipe Dealer's Association and continues to be an office bearer."

Note: Capitalised terms used and not defined herein shall have the respective meanings assigned to them in the RHP.

For **SHANKARA BUILDING PRODUCTS LIMITED**
On behalf of the Board of Directors

Sd/-

Ereena Vikram

Company Secretary and Compliance Officer

Place : Bengaluru
Date : March 21, 2017

SHANKARA BUILDING PRODUCTS LIMITED is proposing, subject to applicable statutory and regulatory requirement, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and has filed the RHP with the RoC. The RHP is available on the website of SEBI at www.sebi.gov.in, as well as on the websites of the BRLMs, IDFC Bank Limited at www.idfcbank.com, Equirus Capital Private Limited at www.equirus.com and HDFC Bank Limited at www.hdfcbank.com and the websites of the Stock Exchanges at BSE at www.bseindia.com and NSE at www.nseindia.com. Potential investors should note that investment in Equity Shares involves a high degree of risk, and for details relating to such risks, potential investors should refer to the section titled "Risk Factors" beginning on page 15 of the RHP.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or any state securities laws in the United States, and unless so registered, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. state securities laws. The Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdiction where such offers and sales occur.