

**Auditor's Report on Annual Consolidated Ind AS Financial Results of the Company  
Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015**

**To  
The Board of Directors  
Shankara Building Products Limited,  
Bangalore**

1. We have audited the accompanying Statement of Annual Consolidated Ind AS Financial Results of Shankara Building Products Limited, (hereinafter referred to as 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') for the year then ended ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. This Statement has been prepared on the basis of the annual consolidated Ind AS financial statements. Our responsibility is to express an opinion on this Statement based on our audit of such annual consolidated Ind AS financial statements, which have been prepared in accordance with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Account) Rules, 2014 and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by management.



3. We believe that the audit evidences obtained by us and obtained by the other auditors in terms of their report referred to in paragraph 5 below, is sufficient and appropriate to provide a reasonable basis for our opinion on the Statement.

4. In our opinion and to the best of our information and according to the explanations given to us, and on consideration of the reports of the other auditors, the Statement:

(i) includes the annual Ind AS financial results of the following entities:

Sr. No.	Name of the Entity	Relationship
1	Vishal Precision Steel Tubes & Strips Private Limited	Subsidiary
2	Taurus Value Steel & Pipes Private Limited	Subsidiary
3	Steel Networks Holdings Pte Limited	Subsidiary
4	Centurywells Roofing India Private Limited	Step-down Subsidiary

(ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

(iii) gives a true and fair view of the consolidated net profit (including other comprehensive income) and other financial information of the Group for the year ended March 31, 2018.

5. We did not audit the Ind AS financial statements of 3 subsidiaries included in the Statement, whose Ind AS financial statements reflects total assets of Rs. 19,640.71 Lacs as at March 31, 2018, total revenues of Rs. 71,517.05 Lacs and total profit (including other comprehensive income) after tax of Rs.1,753.97 Lacs for the year ended on that date, as considered in the Statement. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion 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 reports of the other auditors.

Our opinion on the statement is not modified in respect of the above matter.



6. The Statement includes the results for the Quarters ended March 31, 2018 and Quarter ended March 31, 2017, being the balancing figure between audited figures in respect of full financial year and the published year-to-date figures up to the third quarter of the respective financial year which were subject to limited review.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No. 103523W/W100048



S. Sundararaman  
Partner  
Membership No.: 028423



Bangalore  
May 10, 2018

## Shankara Building Products Limited

CIN: L26922KA1995PLC018990

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

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

## Consolidated financial results for the Quarter and Year ended 31 March 2018

(Rs. In Lacs unless other wise stated)

Particulars	For the quarter ended			For the year ended	
	31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
	Unaudited	Unaudited	Unaudited	Audited	Audited
I Revenue from operations	76,080.98	62,461.61	60,038.91	2,54,866.56	2,31,014.06
II Other Income	13.73	23.32	21.93	64.43	67.97
III Total Income (I+II)	76,094.71	62,484.93	60,060.84	2,54,930.99	2,31,082.03
IV Expenses					
Cost of Materials Consumed	38,041.59	28,595.99	26,613.23	1,25,166.08	1,03,493.14
Purchase of Stock-in-Trade	33,414.02	25,206.55	23,144.22	1,01,041.33	96,244.15
Changes in inventories of finished goods & stock in trade	(6,311.11)	(162.02)	1,027.63	(8,828.25)	(1,798.89)
Employee benefits expense	1,541.82	1,605.82	1,242.50	5,923.43	4,918.74
Finance costs	1,373.81	1,099.91	1,276.12	4,634.69	5,061.66
Depreciation and amortization expenses	431.27	329.85	290.51	1,359.07	1,140.62
Other expenses	3,986.16	3,131.85	3,518.39	14,044.97	13,001.24
Total expenses (IV)	72,477.56	59,807.95	57,112.60	2,43,341.32	2,22,060.66
V Profit before tax (III-IV)	3,617.15	2,676.98	2,948.24	11,589.67	9,021.37
VI Tax expense:					
Current tax	1,199.90	833.40	957.30	3,814.80	2,893.80
for earlier years	140.61	(30.76)	60.89	109.85	22.61
Deferred tax	115.63	108.93	70.91	284.62	226.67
	1,456.14	911.57	1,089.10	4,209.27	3,143.08
VII Profit for the period	2,161.01	1,765.41	1,859.14	7,380.40	5,878.29
VIII Other Comprehensive Income					
A (i) Items that will not be reclassified to Profit or loss	13.10	-	(21.64)	13.10	(21.64)
(ii) Income tax relating to items will not be reclassified to Profit or loss	(4.53)	-	7.49	(4.53)	7.49
Total A	8.57	-	(14.15)	8.57	(14.15)
B (i) Items that will be reclassified to Profit or loss	1.90	0.26	1.41	1.59	0.84
(ii) Income tax relating to items will be reclassified to Profit or loss	-	-	-	-	-
Total B	1.90	0.26	1.41	1.59	0.84
Total Other Comprehensive Income/(loss) (A+B)	10.47	0.26	(12.74)	10.16	(13.31)
IX Total Comprehensive Income	2,171.48	1,765.67	1,846.40	7,390.56	5,864.98
Total comprehensive income for the year attributable to:					
- Owners of the Company	2,171.00	1,765.36	1,846.09	7,389.11	5,863.71
- Non-controlling interest	0.47	0.31	0.31	1.44	1.27
	2,171.47	1,765.67	1,846.40	7,390.55	5,864.98
X Paid Equity share capital	2,284.93	2,284.93	2,284.93	2,284.93	2,284.93
Face Value per share (in Rs.)	10.00	10.00	10.00	10.00	10.00
XI Earning per equity share:					
Basic & Diluted (in Rs.)	9.49	7.73	8.44	32.34	26.81

See accompanying notes



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## Consolidated statement of assets and liabilities as at 31st March 2018

(Rs. In Lacs unless other wise stated)

Particulars		31.03.2018	31.03.2017	01.04.2016
<b>I. ASSETS</b>				
<b>1 Non-current assets</b>				
Tangible assets				
Property, plant and equipment		27,257.57	24,483.69	21,914.41
Investment property		13.66	13.86	14.07
Intangible assets		1,035.18	-	-
Goodwill on Consolidation		1,404.03	1,404.03	1,404.03
Financial Assets				
Trade receivables		306.02	229.92	137.24
Loans		1,795.59	1,034.79	724.26
Other non-current assets		252.08	226.63	296.38
<b>Total Non current assets</b>		<b>32,064.13</b>	<b>27,392.92</b>	<b>24,490.39</b>
<b>2 Current Assets</b>				
Inventories		41,570.90	27,945.35	25,587.71
Financial Assets				
Trade receivables		42,413.80	30,839.95	27,861.16
Cash and cash equivalents		123.41	183.55	138.51
Bank balances other than above		476.89	6,437.73	98.77
Other financial assets		116.30	138.74	108.61
Other current assets		4,509.92	1,262.94	1,119.85
<b>Total current assets</b>		<b>89,211.22</b>	<b>66,808.26</b>	<b>54,914.61</b>
<b>Total Assets</b>		<b>1,21,275.35</b>	<b>94,201.18</b>	<b>79,405.00</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
Equity Share capital		2,284.93	2,284.93	2,187.10
Other equity		43,285.34	36,693.89	26,697.72
Non-Controlling Interest		6.12	4.67	3.39
<b>Total Equity</b>		<b>45,576.39</b>	<b>38,983.49</b>	<b>28,888.21</b>
<b>2 Non-Current Liabilities</b>				
Financial liabilities				
Borrowings		85.12	580.05	526.40
Other financial liabilities		1.50	1.50	1.50
Provisions		59.34	81.00	64.54
Deferred tax liabilities (Net)		1,694.32	1,405.17	1,185.99
<b>Total Non-current liabilities</b>		<b>1,840.28</b>	<b>2,067.72</b>	<b>1,778.44</b>
<b>3 Current liabilities</b>				
Financial liabilities				
Borrowings		24,196.95	21,010.41	20,827.42
Trade payables		46,122.00	26,100.79	23,381.06
Other financial liabilities		1,814.82	2,286.76	1,853.44
Provisions		66.86	44.68	16.57
Current tax liabilities(Net)		808.96	1,817.54	1,256.68
Other current liabilities		849.09	1,889.79	1,403.18
<b>Total current liabilities</b>		<b>73,858.68</b>	<b>53,149.97</b>	<b>48,738.35</b>
<b>Total Equity and Liabilities</b>		<b>1,21,275.35</b>	<b>94,201.18</b>	<b>79,405.00</b>

Previous year figures have been regrouped wherever considered necessary.

By order of the Board

SUKUMAR SRINIVAS

BANGALORE

Managing Director

Place : Bangalore

Date : 10th May 2018

Shankara Building Products Limited

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Consolidated Segment information for the quarter and year ended 31 March 2018

(Rs. In Lacs unless other wise stated)

Particulars	For the quarter ended			For the year ended	
	31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
	Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1. Segment Revenue</b>					
- Retail	37,784.40	29,893.57	26,501.91	1,21,969.68	98,072.86
- Channel & Enterprise	38,296.57	32,568.04	33,536.90	1,32,896.87	1,32,941.20
Revenue from operation	76,080.97	62,461.61	60,038.81	2,54,866.55	2,31,014.06
<b>2. Segment Results</b>					
- Retail	4,061.63	3,095.64	2,690.37	13,031.46	9,620.40
- Channel & Enterprise	2,304.89	1,765.81	2,488.29	7,547.19	8,337.87
Total Segment Profit before Interest and Tax and unallocable expenses/income	6,366.52	4,861.45	5,178.66	20,578.65	17,958.27
Finance Cost	1,373.81	1,099.91	1,276.12	4,634.69	5,061.66
Unallocable Corporate Expenses (Net)	1,375.55	1,084.56	954.00	4,354.28	3,875.23
Profit before Tax	3,617.16	2,676.98	2,948.54	11,589.68	9,021.38
<b>3. Segment Assets</b>					
- Retail	29,603.41	23,922.41	17,452.25	29,603.41	17,452.25
- Channel & Enterprise	56,375.82	47,895.00	49,335.03	56,375.82	49,335.03
- Unallocated	35,296.12	34,294.40	27,413.91	35,296.12	27,413.91
Total Assets	1,21,275.35	1,06,111.81	94,201.19	1,21,275.35	94,201.19
<b>4. Segment Liabilities</b>					
- Retail	7,592.90	4,876.79	4,110.27	7,592.90	4,110.27
- Channel & Enterprise	38,529.10	21,536.02	22,402.30	38,529.10	22,402.30
- Unallocated	29,576.96	36,238.40	28,705.13	29,576.96	28,705.13
Total Liabilities	75,698.96	62,651.21	55,217.70	75,698.96	55,217.70

