

Date: 10<sup>th</sup> June, 2026

To  
Department of Corporate services  
**BSE Limited**  
1st Floor, New Trading Ring,  
Rotunda Building, Phiroze Jeejeebhoy  
Towers, Dalal Street  
Mumbai - 400 001

To  
Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, Plot No. C-1,  
Block G,  
Bandra Kurla Complex, Bandra (E)  
Mumbai - 400 051

**Symbol: 544517**

**Scrip Code: BUILDPRO**

Dear Sir/ Madam

**Subject: Submission of Annual Report for the year 2025-26 under Regulation 34 of SEBI (LODR) Regulations, 2015.**

In compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith submitting the Annual Report for 2025-26 along with the Notice calling 3<sup>rd</sup> Annual General Meeting of the Company.

This is for your information and record.

Thanking You

Yours faithfully  
**For Shankara Buildpro Limited**

ereena  
vikram

 Digitally signed by ereena vikram  
Date: 2026.06.10 14:39:50 +05'30'

Ereena Vikram  
**Company Secretary & Compliance Officer**

Encl: As above

**Corporate Office:**  
G2, Farah Winsford, 133 Infantry Road,  
Bengaluru-560001. Karnataka  
Ph.: +91-080-40117777

**Registered Office:**  
No.21/1 & 35-A-1, Hosur Main Road,  
Electronic City, Veerasandra, Bengaluru-560100  
Ph.: +91-080-29910702 | 080-29910709

The background features a dark, futuristic aesthetic with a grid of white lines and glowing particles. On the left, there is a white bar chart with several vertical bars of varying heights. In the center, a prominent red 3D bar chart with a stepped top is visible. The logo for Shankara Buildpro Limited is positioned in the upper center, with 'SHANKARA' in a smaller font above 'Buildpro' in a large, bold font, and 'LIMITED' in a smaller font below it. The word 'Buildpro' has a stylized building icon integrated into the letter 'i'.

SHANKARA  
**Buildpro**  
LIMITED

ANNUAL REPORT 2025 - 2026

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Mr. B. Jayaraman**  
Chairman, Independent Director

**Mr. Sukumar Srinivas**  
Managing Director

**Mr. N. Muthuraman**  
Independent Director

**Ms. Jayashri Murali**  
Independent Director

**Mr. Dhananjay Mirlay Srinivas**  
Whole-time Director

**Mr. C. Ravikumar**  
Whole-time Director

## KEY MANAGERIAL PERSONNEL

### Company Secretary and Compliance Officer

**Ms. Ereena Vikram**

### Chief Financial Officer

**Mr. Alex Varghese**

## STATUTORY AUDITORS

**ASA & Associates LLP**  
Chartered Accountants  
Unit No. 709 & 710, 7th Floor  
'BETA Wing', Raheja Towers  
New Number 177, Anna Salai  
Chennai - 600002

## INTERNAL AUDITORS

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

## SECRETARIAL AUDITOR

**K. Jayachandran**  
Company Secretary  
No. 1181, 6th Main, 'A' Block  
2nd Stage (Next to Cafe Coffee Day)  
Rajajinagar, Bengaluru - 560 010

## REGISTERED OFFICE

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

## CORPORATE OFFICE

G2, Farah Winsford, 133  
Infantry Road, Bengaluru - 560001

## WEBSITE

[www.shankarabuildpro.com](http://www.shankarabuildpro.com)

## REGISTRAR AND SHARE TRANSFER AGENT (RTA)

### M/s KFin Technologies Limited

Selenium Tower B Plot No 31 & 32  
Financial District. Nanakramguda  
Serilingampally Rangareddi  
Hyderabad- 500032, Telangana  
Email ID: einward.ris@kfintech.com  
Toll Free / Ph: 1800 309 4001  
WhatsApp: (91) 910 009 4099

## BANKERS

Citi Bank N.A  
Kotak Mahindra Bank Ltd  
Standard Chartered Bank  
Yes Bank Ltd  
IDFC First Bank Ltd  
IndusInd Bank Ltd  
HDFC Bank Ltd  
CSB Bank Ltd  
South Indian Bank Ltd  
The Federal Bank Ltd  
ICICI Bank Ltd



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## Notice of 3rd Annual General Meeting

Notice is hereby given that the Third Annual General Meeting of the members of Shankara Buildpro Limited will be held on Thursday, July 2, 2026 at 11.30 A.M (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

### ORDINARY BUSINESS:

**Item No.1- To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026 together with the Reports of the Directors and Auditors thereon and the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026 together with Report of Auditors thereon.**

To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company and to pass the following resolution as an **Ordinary resolution**:

**"RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026 together with reports of the Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

**"RESOLVED FURTHER THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026 together with the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

### Item No. 2- Declaration of Final Dividend

To declare a final dividend on equity shares for the financial year ended March 31, 2026 and to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** a final dividend at the rate of ₹5/- (Rupees 5 Only) per equity share of ₹10/- (Rupees Ten only) each fully paid up of the

Company be and is hereby declared for the financial year ended March 31, 2026 and that the same be paid as recommended by the Board of Directors of the Company for the financial year ended March 31, 2026.

**"RESOLVED FURTHER THAT** the Managing Director/Company Secretary of the Company be and are hereby authorized severally to complete necessary formalities as per the applicable provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015."

**Item No. 3- To re-appoint Mr. C. Ravikumar (DIN : 01247347), as a Director of the Company who retires by rotation.**

To re-appoint Mr. C. Ravikumar (DIN : 01247347), who retires by rotation and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary resolution**:

**"RESOLVED THAT** pursuant to Section 152 of the Companies Act, 2013, Mr. C. Ravikumar (DIN : 01247347), who retires by rotation being eligible, offered himself for re-appointment, be and is hereby re-appointed as a Whole-time Director of the Company, liable to retire by rotation."

**"RESOLVED FURTHER THAT** the Managing Director/Company Secretary of the Company be and are hereby authorized severally to complete necessary formalities as per the applicable provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015."

### Item No. 4-Appointment of Secretarial Auditor

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 [including any



statutory modification(s) or re-enactment(s) thereof for the time being in force] Mr. K. Jayachandran, Practicing Company Secretary (M. No. 11309, C.P No. 4031), be and is hereby appointed as Secretarial Auditor of the Company for conducting Secretarial Audit and issue the Secretarial Compliance Report for the term of 5 (five) years from Financial Year April 1, 2026 to March 31, 2031 at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditor.”

**“RESOLVED FURTHER THAT** the Managing Director/Company Secretary of the Company be and are hereby authorized severally to complete necessary formalities as per the applicable provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.”

#### **Special Business**

##### **Item No. 5-To approve increase in remuneration of Mr. Sukumar Srinivas (DIN:01668064), Managing Director of the Company.**

To consider and if thought fit, to pass, the following as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and rules thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) or any statutory modification(s) or re-enactment(s) thereof and subject to the provisions of the Article of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the members be and is hereby accorded to the revision in remuneration of Mr. Sukumar Srinivas (DIN:01668064), Managing Director of the Company on the terms & conditions as set out in the explanatory statement annexed to the Notice convening this Meeting”.

**“RESOLVED FURTHER THAT** notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/ re-enactment thereof, in the event of

any loss or inadequacy of the profits during the financial year, the remuneration mentioned in the explanatory statement annexed to the Notice shall be paid as minimum remuneration”.

**“RESOLVED FURTHER THAT** the Managing Director/Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient or desirable in order to give effect to foregoing resolution.”

##### **Item No. 6-To approve increase in remuneration of Mr. C. Ravikumar (DIN: 01247347), Whole-time Director of the Company.**

To consider and if thought fit, to pass, the following as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and rules thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) or any statutory modification(s) or re-enactment(s) thereof and subject to the provisions of the Article of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the members be and is hereby accorded to the revision in remuneration of Mr. C. Ravikumar (DIN: 01247347), Whole-time Director of the Company on the terms & conditions as set out in the explanatory statement annexed to the Notice convening this Meeting”.

**“RESOLVED FURTHER THAT** notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/ re-enactment thereof, in the event of any loss or inadequacy of the profits during the financial year, the remuneration mentioned in the explanatory statement annexed to the Notice shall be paid as minimum remuneration”.

**RESOLVED FURTHER THAT** the Managing Director/Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things as the Board may, in its absolute



discretion, consider necessary, expedient or desirable in order to give effect to foregoing resolution.”

**Item No. 7-To approve increase in remuneration of Mr. Dhananjay Mirlay Srinivas (DIN: 09108483), Whole-time Director of the Company.**

To consider and if thought fit, to pass, the following as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and rules thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) or any statutory modification(s) or re-enactment(s) thereof and subject to the provisions of the Article of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of

Directors of the Company, approval of the members be and is hereby accorded to the revision in remuneration of Mr. Dhananjay Mirlay Srinivas (DIN: 09108483), Whole-time Director of the Company on the terms & conditions as set out in the explanatory statement annexed to the Notice convening this Meeting”.

“**RESOLVED FURTHER THAT** notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/ re-enactment thereof, in the event of any loss or inadequacy of the profits during the financial year, the remuneration mentioned in the explanatory statement annexed to the Notice shall be paid as minimum remuneration”.

“**RESOLVED FURTHER THAT** the Managing Director/Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient or desirable in order to give effect to foregoing resolution.”

**By Order of the Board  
For Shankara Buildpro Limited**

**Ereena Vikram  
Company Secretary & Compliance Officer  
Membership No: A33459**

**Place: Bengaluru  
Date: May 19, 2026**



## Notes:

1. The 3rd Annual General Meeting (“AGM”) of the Company is being held through VC/OAVM without the physical presence of the Members at a common venue, pursuant to the provisions of the Companies Act, 2013 (“Act”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), and the Ministry of Corporate Affairs, Government of India (“MCA”) General Circular No. 09/2024 dated 19 September 2024, read with General Circular Nos. 20/2020 dated 5 May 2020, 14/2020 dated 8 April 2020, 17/2020 dated 13 April 2020, 02/2021 dated 13 January 2021, 02/2022 dated 5 May 2022 and 10/2022 dated 28 December 2022 (collectively referred to as “MCA Circulars”), and Securities and Exchange Board of India (“SEBI”) Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7 October 2023 (“SEBI Circular”).

2. The Company has availed the services of KFin Technologies Limited (“KFin”) for conducting the AGM through VC/OAVM and enabling participation of shareholders at the meeting thereto and for providing services of remote e-voting and e-voting during the AGM (Insta Poll).

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, as this AGM is being held through VC/OAVM, and physical attendance of Members has been dispensed with, the facility for appointment of proxies by the Members will not be available for the AGM and therefore the Proxy Form and Attendance Slip is not annexed to this Notice. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

4. The statement pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts in respect of the business under Item Nos. 3 to 7 set out in this Notice and the details under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of

India, in respect of the persons seeking appointment / re-appointment as Director at the AGM, is annexed hereto.

5. Pursuant to above MCA and SEBI Circulars, Notice of the AGM along with the Annual Report for F.Y. 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2025-26 will also be available on the Company’s website i.e.

[www.shankarabuildpro.com](http://www.shankarabuildpro.com), websites of the Stock Exchanges i.e., BSE Limited, and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of Kfin, i.e. <http://evoting.kfintech.com>.

6. Shareholders whose email address is not registered with the Company/RTA or with their respective Depository Participants are requested to register their e-mail address in the following manner:

- Shareholders holding shares in physical form can register their email id with the RTA by sending an email along with the KYC forms with supporting documents at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
- Shareholders holding shares in demat mode may update the e-mail address through their Depository Participant(s).

Shareholders may note that registration of email address and mobile number is mandatory while voting electronically and joining virtual meeting.

7. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, June 25, 2026 to Thursday, July 2, 2026 (both days inclusive) for the purpose of determining entitlement of members for the payment of Dividend for the financial year ended March 31, 2026, if declared at the Meeting and for the AGM.

8. Members holding shares in dematerialized mode are requested to register/update their KYC details including email address with the relevant Depository Participants. Members holding shares in physical form are requested to register/ update their KYC details including email address by submitting duly filled and signed Form ISR-1 at



einward.ris@kfintech.com along with the copy of the share certificate (front and back), self-attested copy of the PAN card and such other documents as prescribed in the Form. Form ISR-1

is available on the website of the Company at [www.shankarabuildpro.com](http://www.shankarabuildpro.com) and on the website of KFin at <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>.

#### Updating of mandate for receiving dividend directly in bank account through Electronic Clearing system:

Physical Holding	Send hard copies of the following details/ documents to the Registrar at, KFin Technologies Limited, Selenium Tower, B Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally Rangareddi, Hyderabad- 500032.
	a) Form ISR-1 and ISR -2 along with supporting documents. The said forms can be accessed by following the link <a href="http://www.shankarabuildpro.com">www.shankarabuildpro.com</a> or and on the website of the RTA at <a href="https://ris.kfintech.com/clientservices/isc/isrforms.aspx">https://ris.kfintech.com/clientservices/isc/isrforms.aspx</a>
	b) Cancelled cheque in original, bearing the name of the Member or first holder, in case shares are held jointly. In case name of the holder is not available on the cheque, kindly submit the following documents: i) Cancelled cheque in original; ii) Bank attested legible copy of the first page of the Bank Passbook / Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch.
	c) Self-attested copy of the PAN Card of all the holders; and
	a) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company.  Alternatively, Shareholders may reach out to RTA through web-portal <a href="https://ris.kfintech.com">https://ris.kfintech.com</a> to refer to the process.
Demat Holding	Members holding shares in electronic form are requested to update their Electronic Bank Mandate with their respective DPs.

- Members are requested to note that, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India.
- Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, the

shares in respect of such unclaimed dividends are also liable to be transferred to the designated Demat account of the Investor Education and Protection Fund (IEPF) Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).



- We urge members to support environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective DP, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, KFin Technologies Limited at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com), to receive copies of the Annual Report 2025-26 in electronic mode. Members may follow the KYC process for registration of email ID to obtain the report and update of bank account details for the receipt of dividend. Shareholders may follow KYC steps as mentioned above for the registration of their email ID.
- In terms of the amended Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, except in case of transmission or transposition, transfer of securities of listed companies shall not be processed unless the securities are held in dematerialized form with a Depository. In view of the above, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
- As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.shankarabuildpro.com](http://www.shankarabuildpro.com) (under 'Investors' section). Members are requested to submit the said details to their depository participants ("DPs") in case the shares are held by them in electronic form and to KFin Technologies Limited in case the shares are held by them in physical form.
- With effect from 1 April 2020, the erstwhile dividend distribution tax (DDT) has been abolished and the dividend income is now taxable in the hands of shareholders and the Company is required to deduct tax at source (TDS) from dividend paid to shareholders at the prescribed rates. Shareholders are requested to refer to the applicable Finance Act, and amendments thereof for the prescribed rates for

various categories.

- Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company at an early date through email on [sbl.cs@shankarabuildpro.com](mailto:sbl.cs@shankarabuildpro.com). The same will be replied by the Company in due course.
- The recorded transcript of the AGM will be hosted on the website of the Company.
- SEBI vide Circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023 (subsequently amended as on December 20, 2023 and August 4, 2023) has specified that a shareholder shall first take up his/her/their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/she/they can initiate dispute resolution through the Online Dispute Resolution ("ODR") Portal. Shareholders are requested to take note of the same.

### **Online Application for Investor Query, Service Request & Grievance**

Members are hereby notified that our RTA , KFin Technologies Limited (Formerly known as KFin Technologies Private Limited), basis the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72) dated Jun 08, 2023, have launched an online application which can be accessed at <https://ris.kfintech.com> > Investor Services > Investor Support.

Members are requested to register / sign up, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend , Interest , Redemptions, e-Meeting and e-Voting details.

Quick link to access the signup page: <https://kprism.kfintech.com/signup>



## Senior Citizens - Investor Support

As part of the initiative, our RTA, in order to enhance investor experience for Senior Citizens, a Senior Citizens investor cell has been newly formed to assist exclusively the Senior Citizens in redressing their grievances, complaints and queries. The special cell closely monitors the complaints coming from Senior Citizens through this channel and handholds them at every stage of the service request till closure of the grievance.

Senior Citizens wishing to avail this service can send the communication with the below details to the email id, [senior.citizen@kfintech.com](mailto:senior.citizen@kfintech.com). Senior Citizens (above 60 years of age) must provide the following details:

1. ID proof showing Date of Birth
2. Folio Number
3. Company Name
4. Nature of Grievance

A dedicated Toll-free number for Senior Citizens can also be accessed at 1-800-309-4006 for any queries or information.

## KPRISM Mobile App (Android & iOS)

Mobile applications for all users to review their portfolio being managed by KFINTECH is available in Play store and App Store. Users are requested to download the application and register with the PAN number. Post verification, user can use functionalities like – Check portfolio / holding, check IPO status / Demat / Remat , Track general meeting schedules, download ISR forms, view the live streaming of AGM and contact the RTA with service request, grievance, and query.

## Instructions for remote e-voting:

- a) Any person, whose name is recorded in the Register of Members or in the Register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on Wednesday, June 24, 2026 only shall be entitled to avail the facility of remote e-voting. The remote e-voting period commences on Monday, June 29, 2026 at 9:00 a.m. IST and ends on Wednesday, July 1, 2026 at 5:00 p.m. IST. The remote e-voting module shall be disabled by Kfin for voting thereafter. Once the vote on a resolution is cast by the shareholder, he/she/it shall not be allowed to change it subsequently.
- b) The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

c) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Kfin for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a shareholder using remote e-voting as well as the e-voting system on the date of the AGM will be provided by Kfin.

d) In order to increase the efficiency of the voting process, and pursuant to the SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated 9 December 2020, the demat account holders, are provided a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders will now be able to cast their vote without having to register again with the E-voting Service Providers (“ESPs”), thereby facilitating seamless authentication and convenience of participating in e-voting process.

## The details of the process and manner for e-voting are explained hereinbelow:

### A. Login method for e-voting for Individual shareholders holding securities in demat mode.





Pursuant to SEBI circular - SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020 on “e-voting facility provided by Listed Companies”, e-voting process has been enabled for all the individual demat account holders, by way of single login credential, through their demat accounts/website of Depository(ies)/Depository Participants (“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 e-mail ID with their DPS in order to access e-voting facility. Login method for Individual shareholders holding securities in demat mode is given below:



Type of shareholders	Login method
Individual shareholders holding securities in demat mode with NSDL	<p><b>A. Users registered for NSDL IDeAS facility</b></p> <ol style="list-style-type: none"><li>1. Open web browser and type the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under “<b>IDeAS</b>” section.</li><li>2. A new screen will open. Enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page.</li><li>3. Click on options available against Company name or e-voting service provider - <b>KFintech</b> and you will be re-directed to e-voting service provider website for casting your vote during the e-voting period.</li></ol>
	<p><b>B. Users not registered for IDeAS e-Services:</b></p> <p>Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Select “Register Online for <b>IDeAS</b>” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a> and proceed with completing the required fields. After successful registration, please follow the steps given above to cast your vote.</p>
	<p><b>C. By visiting the e-voting website of NSDL:</b></p> <ol style="list-style-type: none"><li>1. Visit the e-voting website of NSDL. Open web browser and type the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the “Login” icon, available under the ‘Shareholder/Member’ section.</li><li>2. A new screen will open. Enter your User ID (i.e., your 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page.</li><li>3. Click on options available against Company name or e-voting service provider - <b>KFintech</b> and you will be re-directed to e-voting service provider website for casting your vote during the e-voting period.</li></ol>



	<p><b>D. NSDL Speede</b> Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSD Mobile App is available on</b></p> <p> App Store       Google play</p> <p>      </p>
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Type of shareholders	Login method
Individual Shareholders holding securities in demat mode with CDSL	<p><b>A. Existing users who have opted for Easi/Easiest:</b></p> <ol style="list-style-type: none"><li>1. Open web browser and type: <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon and select New System Myeasi.</li><li>2. Shareholders can login through their existing user ID and password. Option will be made available to reach e-voting page without any further authentication.</li><li>3. After successful login on Easi/Easiest, the user will also be able to see the e-voting Menu. The menu will have links of ESPs. Click on <b>KFintech</b> to cast your vote.</li></ol>
	<p><b>B. Users who have not opted for Easi/Easiest:</b></p> <p>Option to register for Easi/Easiest is available at <a href="http://www.cdslindia.com">www.cdslindia.com</a>. Proceed with completing the required fields. After successful registration, please follow the steps given above to cast your vote.</p>
	<p><b>C. By visiting the e-voting website of CDSL:</b></p> <ol style="list-style-type: none"><li>1. The user can directly access e-voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; e-mail ID as recorded in the demat Account.</li><li>2. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and will also be able to directly access the system of e-Voting Service Provider, i.e., KFintech.</li></ol>



Type of shareholders	Login method
Individual Shareholders (holding securities in demat mode) logging through their depository participant(s)	<ol style="list-style-type: none"><li>1. Shareholders can also login using the login credentials of their demat account through their Depository Participant registered with NSDL/CDSL for e-voting facility. Once logged-in, you will be able to see e-voting option.</li><li>2. Once you click on e-voting option, you will be redirected to NSDL/CDSL website after successful authentication, wherein you can see e-voting feature.</li><li>3. Click on option available against Company name or e-voting service provider - <b>KFintech</b> and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.</li></ol>
<b>Important Note:</b> Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at respective websites.	
<b>Helpdesk for Individual Shareholders holding securities in demat mode who need assistance for any technical issues related to login through Depository i.e., NSDL and CDSL:</b>	
<b>Members facing any technical issue - NSDL</b>	<b>Members facing any technical issue – CDSL</b>
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call on toll free No.: 022 - 4886 7000 and 022 - 2499 7000	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact on 1800 22 55 33



## Login method for e-voting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode

1. Initial password is provided in the body of the e-mail.
2. Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
3. Enter the login credentials i.e., User ID and password mentioned in your e-mail. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.
4. After entering the details, click on LOGIN.
5. You will reach the password change menu wherein, you are required to mandatorily change your password. The new password shall 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.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
6. You need to login again with the new credentials.
7. On successful login, the system will prompt you to select the EVENT, i.e., 9786.
8. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/ 'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN', in which case, the shares held will not be counted under either head.
9. Members holding multiple folios/demat accounts may choose to vote separately for each folio/demat account.
10. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. 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 subsequently. During the voting

period, you can login multiple times till you have confirmed that you have voted on all the resolutions.

11. Corporate/institutional Members (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who is/are authorized to vote, to the Scrutinizer through email at [cs.skannan@gmail.com](mailto:cs.skannan@gmail.com) and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'SBL\_EVENT No.'

In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com> or call KFin on 1-800-309-4001 (toll free).

### Information and instructions for Insta Poll:

- The facility for voting through electronic voting system will also be made available at the Meeting ("Insta Poll") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll. This facility will be made available on the Meeting page (after you log into the Meeting) and will be activated once the Insta Poll is announced at the Meeting. A "Vote" icon, will be available at the bottom left on the Meeting Screen. Once the voting at the Meeting is announced by the Chairman, Members who have not cast their vote will be able to cast their vote by clicking on this icon.
- Members who would like to express their views or ask questions during the AGM may register themselves as a speaker at <https://emeetings.kfintech.com> from Monday, June 29, 2026 (9.00 a.m. IST) to Wednesday, July 1, 2026 (5.00 p.m. IST). Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Please note that, members' questions will be answered only if the shareholder continues to hold shares of the Company as of the cut-off date.
- Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned certified copy (PDF/JPG Format) of



their Board or governing body's Resolution / Authorisation, authorising their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting, to the Scrutiniser through e-mail at [cs.skannan@gmail.com](mailto:cs.skannan@gmail.com) with a copy marked to KFin Technologies Limited at [ramdas.g@kfintech.com](mailto:ramdas.g@kfintech.com).

- Only those Members / shareholders, who will be present in the AGM through Video Conference OAVM / facility and have not cast their vote through remote e-Voting are eligible to vote in the AGM. However, members who have voted through Remote e-Voting will be eligible to attend the AGM.
- In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

#### **Other Instructions:**

- Mr. S. Kannan, Practicing Company Secretary, (Membership No. FCS 6261; C. P No. 13016) has been appointed as the Scrutinizer to scrutinize the remote e-voting and e-voting during the meeting in a fair and transparent manner.
- The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and submit, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.shankarabuildpro.com](http://www.shankarabuildpro.com) and also communicated to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed, within two working days of the conclusion of the AGM.
- The resolutions proposed will be deemed to have been passed on the date of the AGM subject to receipt of the requisite number of votes in favour of the resolutions.
- The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in

which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection during the meeting in electronic mode and same may be accessed upon login to <https://evoting.kfintech.com>.

- The recorded transcript of the forthcoming AGM on Thursday, July 2, 2026, shall be maintained by the Company and also be made available on the website of the Company i.e. [www.shankarabuildpro.com](http://www.shankarabuildpro.com)
- Since the AGM will be held through VC / OAVM, Route Map is not annexed to this Notice.

#### **Statement setting out Material Facts under Section 102 of the Companies Act, 2013**

#### **Item No. 3**

Mr. C. Ravikumar (DIN: 01247347) is a science graduate from Bangalore University with over 39 years' experience in the steel pipes and building products industry.

#### **Committee Chairmanship & Membership:**

He is a member in Risk Management Committee.

#### **Shareholding in the Company:**

As on the date of notice, Mr. C. Ravikumar holds 72,500 equity shares in the Company.

He is not related to any director or key managerial personnel of the Company. None of the directors or key managerial personnel of the Company or their relatives, except Mr. C. Ravikumar are, directly or indirectly concerned or interested, financially or otherwise, except to the extent of their shareholding, if any, in the Company.

The Board recommends the Ordinary Resolution set forth in the Item No. 3 of the Notice for approval of the members.

#### **Item No. 4**

After evaluating and considering various factors such as industry experience, competence of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the



Company, at its meeting held on May 19, 2026, proposed the appointment of Mr. K. Jayachandran (M. No. 11309, C.P No. 4031), as the Secretarial Auditor of the Company, for a term of five consecutive years from Financial Year April 1, 2026 to March 31, 2031, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditor.

The fee approved for the financial year 2026-2027 is 3,30,000/- (Rupees Three Lakhs Thirty Thousand only) excluding taxes and reimbursement of out of pocket expenses for carrying out Secretarial Audit and ₹1,00,000 (Rupees One Lakh Only) to issue the Secretarial compliance Report for the financial year 2026-2027.

Mr. K. Jayachandran have consented to his appointment as Secretarial Auditor and has confirmed that his appointment will be in accordance with Section 204 of Companies Act, 2015 read with SEBI (LODR) Regulations, 2015. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

### **Item No. 5**

Mr. Sukumar Srinivas (DIN: 01668064) has been serving as the Managing Director of the Company since its incorporation on October 13, 2023.

Based on the recommendation of Nomination and Remuneration Committee (NRC), the Board of Directors (hereinafter referred to as 'the Board') at its meeting held on May 19, 2026 considered and approved the remuneration as mentioned below, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Companies Act, 2013 or any statutory amendment or relaxation thereof.

#### **a. Fixed Salary:**

Salary of ₹1,24,20,000/- (Rupees One Crore twenty four Lakh twenty Thousand Only) per annum.

#### **b. Perquisites and Allowances:**

- i. Contribution to Provident Fund not exceeding 12% of the salary.
- ii. Gratuity as per the rules of the Company.
- iii. Leave with full pay as per the rules of the Company, with encashment of unavailed leave being allowed.
- iv. Any other terms and conditions as per the employment agreement between the Company and Mr. Sukumar Srinivas.

(The perquisites and allowances are included in the above mentioned salary).

#### **c. Minimum remuneration:**

In the event of any loss or inadequacy of the profits during the financial year, the remuneration mentioned above shall be paid as minimum remuneration.

d. The remuneration package is well within the overall limit prescribed under Schedule V to the Companies Act, 2013, which permits the company to pay overall managerial remuneration upto 10% of net profit to Managing Director/ Whole Time Director/Manager in any financial year with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said remuneration as it may deem fit and as may be acceptable to Mr. Sukumar Srinivas, subject to the same not exceeding the limits specified under Section 197, Schedule V to the Companies Act, 2013 or such other limits as may be prescribed from time to time or any statutory modification(s) or re-enactment thereof;

In view of the provisions of Section 196, 197 and Section 203 and any other applicable provisions of the Companies Act, 2013, the Board of Directors recommends the Special Resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members.

Except Mr. Dhananjay Miralay Srinivas, immediate relative of Mr. Sukumar Srinivas, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.



## Item No.6

Mr. C. Ravikumar (DIN: 01247347), was appointed as Whole-time Director of the Company by the Board at its Meeting held on March 21, 2025 for a period of five years. The same was subsequently approved by the members at the Extra-Ordinary General Meeting on March 21, 2025.

Based on the recommendation of Nomination and Remuneration Committee (NRC), the Board of Directors (hereinafter referred to as 'the Board') at its meeting held on May 19, 2026 considered and approved the remuneration as mentioned below, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Companies Act, 2013 or any statutory amendment or relaxation thereof.

### a. Fixed Salary:

Salary of ₹78,00,000/- (Rupees Seventy Eight Lakh Only) per annum.

### b. Perquisites and Allowances:

- i. Contribution to Provident Fund not exceeding 12% of the salary.
- ii. Gratuity as per the rules of the Company.
- iii. Leave with full pay as per the rules of the Company, with encashment of unavailed leave being allowed.
- iv. Any other terms and conditions as per the employment agreement between the Company and Mr. C. Ravikumar.

(The perquisites and allowances are included in the above mentioned salary).

### c. Minimum remuneration:

In the event of any loss or inadequacy of the profits during the financial year, the remuneration mentioned above shall be paid as minimum remuneration.

d. The remuneration package is well within the overall limit prescribed under Schedule V to the Companies Act, 2013, which permits the company to pay overall managerial remuneration upto 10% of net profit to Managing Director/ Whole Time Director/Manager in any financial year with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and

conditions of the said remuneration as it may deem fit and as may be acceptable to Mr. C. Ravikumar, subject to the same not exceeding the limits specified under Section 197, Schedule V to the Companies Act, 2013 or such other limits as may be prescribed from time to time or any statutory modification(s) or re-enactment thereof;

In view of the provisions of Section 196, 197 and Section 203 and any other applicable provisions of the Companies Act, 2013, the Board of Directors recommends the Special Resolution set out at Item No. 6 of the accompanying Notice for the approval of the Members.

Except Mr. C. Ravikumar, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

## Item No. 7

Mr. Dhananjay Miraly Srinivas (DIN: 09108483), was appointed as Director of the Company by the Board at its Meeting held on October 13, 2023. Further on October 9, 2025, Mr. Dhananjay Miraly Srinivas was appointed as Whole-time Director of the Company for a period of five years w.e.f October 9, 2025 liable to retire by rotation.

Based on the recommendation of Nomination and Remuneration Committee (NRC), the Board of Directors (hereinafter referred to as 'the Board') at its meeting held on May 19, 2026 considered and approved the remuneration as mentioned below, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Companies Act, 2013 or any statutory amendment or relaxation thereof.

### a. Fixed Salary:

Salary of ₹40,20,000/- (Rupees Forty Lakh and Twenty Thousand Only) per annum.

### b. Perquisites and Allowances:

- i. Contribution to Provident Fund not exceeding 12% of the salary.
- ii. Gratuity as per the rules of the Company.
- iii. Leave with full pay as per the rules of the Company, with encashment of unavailed leave being allowed.
- iv. Any other terms and conditions as per the employment agreement between the Company and Mr. Dhananjay Miraly Srinivas.



(The perquisites and allowances are included in the above mentioned salary).

**c. Minimum remuneration:**

In the event of any loss or inadequacy of the profits during the financial year, the remuneration mentioned above shall be paid as minimum remuneration.

**d.** The remuneration package is well within the overall limit prescribed under Schedule V to the Companies Act, 2013, which permits the company to pay overall managerial remuneration upto 10% of net profit to Managing Director/ Whole Time Director/Manager in any financial year with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and

conditions of the said remuneration as it may deem fit and as may be acceptable to Mr. Dhananjay Mirlay Srinivas, subject to the same not exceeding the limits specified under Section 197, Schedule V to the Companies Act, 2013 or such other limits as may be prescribed from time to time or any statutory modification(s) or re-enactment thereof;

In view of the provisions of Section 196, 197 and Section 203 and any other applicable provisions of the Companies Act, 2013, the Board of Directors recommends the Special Resolution set out at Item No. 7 of the accompanying Notice for the approval of the Members.

Except Mr. Sukumar Srinivas, immediate relative of Mr. Dhananjay Mirlay Srinivas, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

**By Order of the Board  
For Shankara Buildpro Limited**

**Ereena Vikram  
Company Secretary & Compliance Officer  
Membership No: A33459**

**Place: Bengaluru  
Date: May 19, 2026**



## Annexure to the Notice

### DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India)

Name of Director	Mr. C. Ravikumar
Date of Birth	01/05/1966
Date of first appointment on Board	21/03/2025
Brief Profile/Experience/Expertise/Skills in specific functional area	Mr. C. Ravikumar is a key figure in the Company and brings over 39 years of experience in the steel pipes and building products industry. His extensive industry knowledge and professional network serve as valuable assets in navigating the evolving industry landscape.
Qualifications	Mr. C. Ravikumar is a science graduate from Bangalore University.
Terms and conditions of appointment/re-appointment	As per appointment letter.
Details of remuneration sought to be paid	₹78,00,000 per annum
Remuneration last drawn by such person, if applicable	₹70,84,205 per annum
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not inter se related to any other Director or Key Managerial Personnel.
Number of Meetings of the Board attended during the year	11
Directorship held in other companies	Vishal Precision Steel Tubes & Strips Private Limited Centurywells Roofing India Private Limited Shankara Holdings Private Limited Shankara Building Products Limited
Membership/ Chairmanship of committees of other companies*	Membership – 1 Risk Management Committee
Shareholding in the Company	72,500

\* The Companies in which the Director holds position of Director as on the date of meeting and is a member of that Company's Audit Committee/Stakeholders committee and Other Committee is taken into consideration. Companies include listed as well as unlisted entities.



## Statement containing additional information as required in Schedule V of the Companies Act, 2013:

### I. Mr. Sukumar Srinivas, Managing Director

#### a. General Information

##### 1. Nature of industry:

Shankara Buildpro Limited is one of India's leading omni-channel marketplaces for building and construction products, serving a diverse customer base comprising individual homeowners, contractors, fabricators, institutions, and industrial consumers. The Company has established a strong market presence through its extensive distribution network, wide product portfolio, and customer-centric approach, positioning itself as a trusted one-stop destination for construction and infrastructure-related requirements.

##### 2. Date or expected date or of commencement of Commercial production:

The Company has commenced its commercial operations in the year 2023.

##### 3. Financial performance based on given indicators:

###### As per Audited Standalone Financial results:

(₹ in Crores)

Particulars	2025-26	2024-25
Total Income	6,826.14	5,268.64
Total Expenses	6,650.32	5,167.57
Profit before tax	173.21	101.07
Profit after tax	127.56	78.16

##### 4. Foreign investments or Collaborations:

There are no foreign investments or collaborations in existence as on March 31, 2026.

#### b. Information about the appointee:

##### 1. Background details:

Mr. Sukumar Srinivas (DIN: 01668064) holds Bachelor's degree in Commerce from Loyola College, Chennai, affiliated with the University of

Madras, and a Post Graduate Diploma in Business Management from the prestigious Indian Institute of Management, Ahmedabad (IIMA)

##### 2. Past remuneration:

The remuneration of Mr. Sukumar Srinivas as Managing Director of the Company was ₹1,17,81,000/- (Rupees One Crore Seventeen Lakh Eighty One Thousand Only). Per annum

##### 3. Recognition or awards:

Nil

##### 4. Job profile and his suitability:

Mr. Sukumar Srinivas (DIN: 01668064) has nurtured the Company since its inception. With a career spanning 40+ years in the building products industry, his vision and leadership have been the driving forces behind our success.

##### 5. Remuneration proposed:

As stated in the Explanatory Statement at Item No. 5 of this Notice.

##### 6. Comparative remuneration:

The proposed remuneration payable to Mr. Sukumar Srinivas is in line with the prevailing industry standards and has been determined after considering various factors such as his qualifications, extensive experience, leadership capabilities, responsibilities entrusted to him, and his significant contribution to the growth and operations of the Company. The remuneration is also commensurate with the size, scale, and nature of the Company's business, as well as the complexity of its operations. Further, the Nomination and Remuneration Committee and the Board of Directors believe that the proposed remuneration is reasonable, appropriate, and in the best interests of the Company and its stakeholders.

##### 7. Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any:

Apart from the remuneration paid as stated above and their respective shareholding held directly or indirectly in the Company, Mr. Sukumar Srinivas is an immediate relative of Mr. Dhananjay Mirlay Srinivas, Whole-time Director of the Company.



## 8. Other Information:

### Reasons for loss or inadequate profits, steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

The Management is confident to achieve financial performance in the forthcoming years.

## II. Mr. C. Ravikumar, Whole-time Director

### a. General Information

#### 1. Nature of industry:

Shankara Buildpro Limited is one of India's leading omni-channel marketplaces for building and construction products, serving a diverse customer base comprising individual homeowners, contractors, fabricators, institutions, and industrial consumers. The Company has established a strong market presence through its extensive distribution network, wide product portfolio, and customer-centric approach, positioning itself as a trusted one-stop destination for construction and infrastructure-related requirements.

#### 2. Date or expected date or of commencement of Commercial production:

The Company has commenced its commercial operations in the year 2023.

#### 3. Financial performance based on given indicators:

##### As per Audited Standalone Financial results:

(₹ in Crores)

Particulars	2025-26	2024-25
Total Income	6,826.14	5,268.64
Total Expenses	6,650.32	5,167.57
Profit before tax	173.21	101.07
Profit after tax	127.56	78.16

#### 4. Foreign investments or Collaborations:

There are no foreign investments or collaborations in existence as on March 31, 2026.

### b. Information about the appointee:

#### 1. Background details:

Mr. C. Ravikumar is 60 years of age and is a science graduate from Bangalore University.

#### 2. Past remuneration:

The remuneration of Mr. C. Ravikumar as Whole-time Director of the Company was ₹70,84,205/- (Rupees Seventy Lakh Eighty four Thousand and Two Hundred and five Only). Per annum

#### 3. Recognition or awards:

Nil

#### 4. Job profile and his suitability:

Mr. C. Ravikumar is the Whole-time Director of our Company and possesses rich industry experience of approximately 39 years in the steel pipes and building products industry. Over the course of his distinguished career, he has acquired extensive knowledge and expertise in business operations, industry practices, strategic planning, marketing, and customer relationship management.

#### 5. Remuneration proposed:

As stated in the Explanatory Statement at Item No. 6 of this Notice.

#### 6. Comparative remuneration:

The proposed remuneration payable to Mr. C. Ravikumar is in line with the prevailing industry standards and has been determined after taking into consideration his extensive experience, expertise, and significant contribution to the Company's operations and growth.

#### 7. Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any:

Apart from the remuneration paid to the Whole-time Director as stated above and their respective shareholding held directly or indirectly in the Company, Mr. C. Ravikumar do not have any pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel.

#### 8. Other Information:

### Reasons for loss or inadequate profits, steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

The Management is confident to achieve financial performance in the forthcoming years.



### III. Mr. Dhananjay Mirlay Srinivas, Whole-time Director

#### a. General Information

##### 1. Nature of industry:

Shankara Buildpro Limited is one of India's leading omni-channel marketplaces for building and construction products, serving a diverse customer base comprising individual homeowners, contractors, fabricators, institutions, and industrial consumers. The Company has established a strong market presence through its extensive distribution network, wide product portfolio, and customer-centric approach, positioning itself as a trusted one-stop destination for construction and infrastructure-related requirements.

##### 2. Date or expected date of commencement of Commercial production:

The Company has commenced its commercial operations in the year 2023.

##### 3. Financial performance based on given indicators:

###### As per Audited Standalone Financial results:

(₹ in Crores)

Particulars	2025-26	2024-25
Total Income	6,826.14	5,268.64
Total Expenses	6,650.32	5,167.57
Profit before tax	173.21	101.07
Profit after tax	127.56	78.16

##### 4. Foreign investments or Collaborations:

There are no foreign investments or collaborations in existence as on March 31, 2026.

#### b. Information about the appointee:

##### 1. Background details:

Mr. Dhananjay Mirlay Srinivas (DIN: 09108483) is a Bachelor of Arts, legal studies from University of Massachusetts, Amherst and eMDP from Indian Institute of Management, Kozhikode.

##### 2. Past remuneration:

The remuneration of Mr. Dhananjay Mirlay Srinivas as Whole-time Director of the Company was ₹28,21,668/- (Rupees Twenty Eight Lakh Twenty One Thousand Six Hundred and Sixty Eight Only)

##### 3. Recognition or awards:

Nil

##### 4. Job profile and his suitability:

Mr. Dhananjay Mirlay Srinivas has been associated with the Company since its incorporation and has played a pivotal role in shaping its strategic direction and early-stage growth trajectory. During this period, he has been actively involved in formulating and driving key business strategies aimed at strengthening the Company's operational foundation and long-term sustainability.

He has contributed significantly to identifying and pursuing growth opportunities, building and nurturing strong business relationships with customers, suppliers, and other stakeholders, and enhancing the Company's market presence across relevant segments. His strategic insights and business acumen have supported the Company in establishing a strong foothold in a competitive industry environment.

##### 5. Remuneration proposed:

As stated in the Explanatory Statement at Item No. 7 of this Notice.

##### 6. Comparative remuneration:

The proposed remuneration payable to Mr. Dhananjay Mirlay Srinivas is in line with prevailing industry standards and has been appropriately structured after considering his enhanced role, increased responsibilities, and sustained contribution to the Company's growth and strategic direction.

##### 7. Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any:

Apart from the remuneration paid as stated above and their respective shareholding held directly or indirectly in the Company, Mr. Dhananjay Mirlay Srinivas is an immediate relative of Mr. Sukumar Srinivas, Managing Director of the Company.



#### 8. Other Information:

**Reasons for loss or inadequate profits, steps taken or proposed to be taken for improvement**

**and expected increase in productivity and profits in measurable terms:**

The Management is confident to achieve financial performance in the forthcoming years.

**By Order of the Board  
For Shankara Buildpro Limited**

**Ereena Vikram  
Company Secretary & Compliance Officer  
Membership No: A33459**

**Place: Bengaluru  
Date: May 19, 2026**



# DIRECTORS' REPORT

2025 - 2026

SHANKARA  
**Buidpro**  
LIMITED



## BOARD'S REPORT

i. The Board's report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and the Companies Act, 2013 (the "Act") and forms part of the Annual Report for the year ended March 31, 2026.

ii. Unless otherwise stated, the disclosure made in this report is for the year ended March 31, 2026.

iii. The term "Company" or "Buildpro" shall mean and include "Shankara Buildpro Limited".

## Dear Shareholders,

Your Directors have pleasure in presenting the 3rd Annual Report on the business and operations of Shankara Buildpro Limited ("the Company"), together with the audited financial statements for the year ended March 31, 2026. The consolidated performance of the Company and its subsidiary have been referred to wherever required.

### 1. Financial Performance

A summary of the Company's financial performance for the year ended March 31, 2026, is presented below.

Key highlights of financial performance of your Company for the financial year 2025-26 are provided below:

(₹in crores)

Particulars	Consolidated		Standalone	
	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025
Revenue from Operations	6,825.71	5,267.38	6,824.65	5,267.38
Other Income	1.40	1.26	1.49	1.26
<b>Total Income</b>	<b>6,827.11</b>	<b>5,268.64</b>	<b>6,826.14</b>	<b>5,268.64</b>
Other Expenditure	6,598.78	5,117.28	6,598.41	5,117.28
<b>Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)</b>	<b>228.33</b>	<b>151.36</b>	<b>227.73</b>	<b>151.36</b>
Depreciation and Amortization Expenses	9.72	8.02	9.72	8.02
Finance Cost	42.24	42.27	42.19	42.27
Profit Before exceptional items and tax	176.37	101.07	175.82	101.07
Exceptional Items	(2.61)	-	(2.61)	-
<b>Profit before Tax (PBT)</b>	<b>173.76</b>	<b>101.07</b>	<b>173.21</b>	<b>101.07</b>
Tax expense:				
Current Year	45.23	23.93	45.08	23.93
Earlier Year	2.57	(0.10)	2.57	(0.10)
Deferred Tax	(2.00)	(0.92)	(2.00)	(0.92)
<b>Profit after Tax (PAT)</b>	<b>127.96</b>	<b>78.16</b>	<b>127.56</b>	<b>78.16</b>
Profit from discontinued operation	-	-	-	-



(₹ in crores)

Particulars	Consolidated		Standalone	
	Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025
Add: Other Comprehensive Income	0.81	0.10	0.81	0.10
<b>Total Comprehensive Income</b>	<b>128.77</b>	<b>78.26</b>	<b>128.37</b>	<b>78.26</b>
EARNING PER EQUITY SHARE (Face Value of ₹10 each)				
i) Basic	52.77	32.23	52.60	32.23
ii) Diluted	52.77	32.23	52.60	32.23

## 2. Dividend

Based on the Company's good performance and a strong cash flow, your Directors are pleased to propose a final dividend at the rate of ₹5.00 (Rupees Five only) on the face value of ₹10/- each fully paid up for the financial year 2026.

Dividend pay-out has been determined in accordance with the Company's dividend distribution policy. Dividend will be payable subject to approval of members at the ensuing Annual General Meeting and deduction of tax at source, if applicable, to those Shareholders whose names appear in the Register of Members as on the Record Date.

## 3. Dividend Distribution Policy

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), the Board has approved and adopted a Dividend Distribution Policy. The policy details various considerations based on which the Board may recommend or declare Dividend. The Dividend Distribution policy is available on the Company's website at <https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Dividend-Distribution-Policy.pdf>.

## 4. Transfer to Reserves

The Board of Directors have decided not to transfer any amount to the General Reserve for the year under review. The total profit of ₹205.88 crores available with the Company on a

consolidated basis is proposed to be retained in the profit and loss account.

## 5. Share Capital

### (i) Authorised Capital

The authorised share capital of the Company as on March 31, 2026 is ₹30,00,00,000 comprising of 3,00,00,000 equity shares of ₹10 each.

### (ii) Paid-Up Capital

The paid-up equity share capital stands at ₹24,24,93,260/- comprising of 2,42,49,326 equity shares of ₹10/- per share fully paid up, as on March 31, 2026.

### (iii) Issue of equity shares with differential rights

Your Company has not issued any equity shares with differential rights during the year under review.

### (iv) Issue of sweat equity shares

Your Company has not issued any sweat equity shares during the year under review.

### (v) Issue of employee stock options

Your Company has not issued any employee stock options during the year under review.

### (vi) Provision by the Company for purchase of its own shares by employees or by trustees for the benefit of employees



Your Company has not made any provision for purchase of its own shares by employees or by trustees for the benefit of employees during the year under review.

#### **(vii) Buy Back of Securities**

The Company has not bought back any of its securities during the year under review.

#### **(viii) Bonus Shares**

No Bonus Shares were issued during the year under review.

### **6. Performance and State of the Company's Affairs:**

The consolidated revenue from operations of your Company was ₹6,825.71 crores during FY26 as against ₹5,267.38 crores during the previous financial year. EBITDA (excluding other income) was at ₹226.93 crores as compared to ₹150.10 crores during the previous financial year. The Net Profit for the year under review was ₹127.96 crores, as against ₹78.16 crores in the previous financial year.

This year, on a standalone basis, the Company incurred a capital expenditure of ₹8.17 crores (Gross) for FY 2026 as against ₹8.49 crores (Gross) in the previous year. On a consolidated basis, the capital expenditure stood at ₹8.25 crores (Gross) for FY 2026 as against ₹8.49 crores (Gross) for the previous year.

Your Company has prepared the Financial Statements for the financial year ended March 31, 2026, in terms of section 133 and Schedule III to the Companies Act, 2013 (as amended) (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

### **7. Management Discussion and Analysis Report**

The Management Discussion and Analysis (MD&A) of your Company's performance, including an overview of operational results, financial highlights, key developments, industry outlook, and risk factors, has been comprehensively discussed in the Management Discussion and Analysis Report. This report provides a detailed assessment of the Company's performance during the year under review and the management's perspective on the factors influencing its business. The MD&A Report forms an integral part of this Annual Report.

### **8. Material changes and commitment, between the end of the financial year and date of the Report**

No material changes and commitments have occurred after the closure of the Financial Year 2026 till the date of this Report, which would affect the financial position of your Company.

### **9. Subsidiaries, Joint ventures and Associate companies:**

As on March 31, 2026, your Company had one subsidiary in the name Purple Splash Materials Private Limited.

Other requirements of Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Corporate Governance for Subsidiary Company have been complied with.

(i) Purple Splash Materials Private Limited was incorporated on April 20, 2025 as a private limited company under the Companies Act, 2013 with the corporate identity number U24311KA2025PTC201613. It has its registered office at 2nd Floor, G2, Farah Winsford, 133 Infantry Road, Bengaluru-560001.

During the year under review, no other company has become or ceased to be subsidiaries, joint ventures or associate companies.

### **10. Consolidated Financial Statement**

As stipulated by Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards. The audited Consolidated Financial Statements, together with Auditors' Report, form part of the Annual Report.

In accordance with the provisions of the Act and the amendments thereto, read with the Listing Regulations the audited financial statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary companies are available on our website at <https://shankarabuildpro.com/wp-content/uploads/2026/05/Purple-Splash-Signed-Financials-FY-2526.pdf>



In compliance with section 136 of the Companies Act, 2013, the Financial Statements of the Subsidiaries are available on the website of the Company and will be made available upon the request by any member of the Company at [sbl.cs@shankarabuildpro.com](mailto:sbl.cs@shankarabuildpro.com).

As per the provisions of Section 129 of the Companies Act, 2013, the Consolidated Financial Statements of the Company, its Subsidiary is attached in the Annual Report. The annual accounts of Subsidiary will be made available to shareholders on request and will also be kept for inspection by any shareholder at the Registered Office and Corporate Office of your Company.

A statement in Form AOC-1 is annexed as **Annexure I** containing the salient features of the financial statements of the Company's Subsidiaries, Associates and Joint Venture for the year ended March 31, 2026 is also attached with financial statements.

The policy determining 'material subsidiaries is disclosed in <https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Policy-for-Material-Subsidiaries.pdf>

During the financial year under review, the provisions relating to Secretarial Audit under Section 204 of the Companies Act, 2013 are not applicable to the Subsidiary Company, as the Subsidiary Company does not fall within the prescribed criteria requiring Secretarial Audit.

## 11. Board and Committee Meetings

The Board of Directors plays a central role in guiding the Company's overall direction and ensuring that its operations are conducted in a sound, transparent, and accountable manner. It meets at regular intervals to review and deliberate on a wide spectrum of matters, including the formulation and evaluation of corporate policies, long-term and short-term business strategies, financial and operational performance, risk management practices, and other key issues that require strategic direction and formal approval. These meetings serve as an essential governance mechanism, offering a structured and disciplined platform for meaningful discussions, collective decision-making, and effective oversight of the Company's affairs.

The Board also remains responsive and agile in addressing time-sensitive matters. In circumstances where urgent decisions are required in the best interest of the Company, approvals may be obtained through resolutions passed by circulation in accordance with applicable provisions of law. Additionally, Board or Committee meetings may be convened at shorter notice to address critical issues, ensuring that the Company's decision-making process remains efficient and uninterrupted while still adhering to statutory and regulatory requirements.

To facilitate the smooth and effective functioning of the Board and its Committees, meetings are planned well in advance. This forward planning enables Directors to align their schedules, ensuring maximum participation and meaningful contribution during meetings. Further, detailed agenda notes are circulated in advance, along with comprehensive background materials, relevant data, and supporting documents. This ensures that Directors are adequately informed and well-prepared, thereby enabling thoughtful deliberations and high-quality decision-making.

In compliance with the provisions of the Companies Act, 2013 and the applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Company has maintained a robust meeting framework during the year under review. A total of eleven Board Meetings were held. In addition, the various Committees of the Board convened meetings as follows: three meetings of the Audit Committee, one meetings of the Risk Management Committee, one meeting of the Nomination and Remuneration Committee. All these meetings were conducted in strict adherence to the applicable legal, statutory, and regulatory guidelines issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI).

The Company has also ensured compliance with the prescribed time gap between two consecutive Board or Committee meetings. The interval between any two meetings did not exceed the maximum duration stipulated under the Companies Act, 2013 and the Listing Regulations, thereby demonstrating the Company's commitment to maintaining continuous oversight and governance.

Comprehensive details regarding the composition of the Board and its Committees, the number of



meetings held, attendance records of each Director, and proceedings of the 2nd Annual General Meeting are provided in the Corporate Governance Report. This report forms an integral part of the Annual Report and reflects the Company's strong emphasis on transparency, accountability, and adherence to best corporate governance practices.

## 12. Directors & Key Managerial Personnel

### Composition and size of the Board and Committee

The Board has an optimum combination of Executive and Independent Directors. The total strength of the Board as on the date of reporting is six Directors, of which three are Independent Directors and three are Executive Directors. The composition of the Board of Directors is in due compliance of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Succession Planning

The Company recognizes the importance of succession planning in ensuring long-term stability and sustained growth. The Board, through the Nomination and Remuneration Committee (NRC), regularly engages with the Managing Director on leadership continuity, with succession discussions forming an integral part of NRC meetings. The NRC focuses on succession planning for Key Managerial Personnel, including the Managing Director, Executive Director, Chief Financial Officer, and Company Secretary. A structured approach is in place for the Managing Director's role, with a potential successor identified and being groomed for a smooth transition.

For other KMP positions, the Company is in the process of formalizing a comprehensive succession plan, while also maintaining a strong internal talent pool with identified individuals capable of stepping into these roles on an interim basis, ensuring continuity of operations.

The Company remains committed to strengthening its succession planning framework by building internal capabilities, nurturing leadership talent, and preparing for both planned and unforeseen transitions.

### Board Diversity

The Company recognizes that a well-qualified and

diverse Board is essential for strong corporate governance. The Board strives to maintain a balanced composition with varied skills, industry expertise, and professional backgrounds aligned with the Company's strategic objectives. It believes that diversity in terms of gender, experience, knowledge, and perspectives enhances the quality of discussions and leads to more balanced and effective decision-making, supporting innovation, risk management, and long-term growth.

The Board Diversity Policy, which forms an integral part of the Company's governance framework, is available on the Company's website.

### Retirement by Rotation

As per Section 152 of the Companies Act, 2013, at least two third of the Directors shall be subject to retire by rotation. One-third of such Directors must retire from office at each Annual General Meeting "AGM" of the shareholders and a retiring Director is eligible for re-election.

Accordingly Mr. C. Ravikumar (DIN : 01247347), is liable to retire by rotation in terms of provisions of the Companies Act, 2013 at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment. The Board recommends his re-appointment for the approval of the Members.

### Appointments and Re-appointments

#### Appointment to the Board

During the year under review, the following appointments and resignations in the Board of Directors.

1. Resignation of Mr. Agfa Chengalan Nalagath (DIN: 10373519) as Whole-time Director of the Company w.e.f August 11, 2025.

#### Reappointment to the Board

There were no reappointments to the Board during the year.

The brief particulars and expertise of Director seeking re-appointment together with their other directorships and committee memberships have been given in the annexure to the Notice of the AGM in accordance with the requirements of the Listing Regulations and Secretarial Standards.

**Cessation from the Board**

There were no cessations of directors during the year.

**Key Managerial Personnel**

In terms of Section 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The key managerial personnel of the Company are

- Mr. Sukumar Srinivas, Managing Director
- Mr. C. Ravikumar, Whole-time Director
- Mr. Dhananjay Mirlay Srinivas, Whole-time Director
- Mr. Alex Varghese, Chief Financial Officer
- Ms. Ereena Vikram, Company Secretary and Compliance Officer

Mr. Alex Varghese, Chief Financial Officer, and Ms. Ereena Vikram, Company Secretary and Compliance Officer (collectively, the 'Key Managerial Personnel'), were appointed with effect from October 9, 2025.

Executive and Independent Directors are familiarized with the Company through structured orientation and induction programmes designed to provide a comprehensive understanding of its operations, industry dynamics, regulatory environment, and strategic objectives. These programmes also emphasize the Company's vision, mission, governance framework, and core values, enabling Directors to effectively discharge their roles and responsibilities.

As part of the familiarization process, Directors are provided with key documents and reference materials, including the Annual Report, investor presentations, press releases, the Code of Conduct, policies, and the Company's constitutional documents. They are also briefed on the organizational structure, risk management framework, internal control systems, and key business segments.

To ensure continuous engagement and up-to-date knowledge, the Company regularly apprises Directors of developments relating to business performance, financial results, industry trends, and regulatory changes through detailed presentations at Board and Committee meetings. Site visits,

interactions with senior management, and periodic strategy sessions are also organized, where necessary, to deepen their understanding of the Company's operations and emerging opportunities and risks. This ongoing familiarization process enables Directors to remain well-informed and actively contribute to the Company's decision-making and governance processes.

The details regarding the familiarization program for Independent Directors is available on the website of the Company under the link <https://shankarbuildpro.com/wp-content/uploads/2026/05/SBL-Familiarisation-Programme-for-Independent-Directors.pdf>

**13. Particulars of Loans, Advances, Guarantees and Investments made by the Company**

The Company makes investments and, where required, extends loans or provides guarantees to its subsidiaries to support their business operations and meet emergent business requirements. The details of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013, along with the purposes for which such loans or guarantees were utilized, form part of the Notes to the standalone financial statements attached to this Annual Report.

During the year under review, however, the Company did not grant any loans or provide any guarantees falling within the purview of Section 186 of the Companies Act, 2013.

**14. Unclaimed Dividend**

As the Company was incorporated on October 13, 2023, no dividend was declared during the year. Accordingly, there is no unclaimed dividend or unclaimed shares.

**15. Reporting of Frauds, Audit and Auditors**

During the year under review, no instances of fraud were reported by the statutory auditors under sub-section (12) of Section 143 of the Companies Act, 2013, that are required to be reported to the Central Government. The auditors have not reported any matter involving fraud against the Company's employees or management which would warrant reporting under the said provision. Accordingly, there were no such reportable frauds during the year.



**(i) Statutory Auditors: M/s ASA & Associates LLP, Chartered Accountants (Firms Registration No. 009571N/N500006).**

Pursuant to provisions of Section 139 of the Act read with the Companies (Audit and Auditors) rules, 2014, M/s ASA & Associates LLP, Chartered Accountants (Firms Registration No. 009571N/N500006) were appointed as the Statutory Auditors of the Company for a first tenure of 5 (five) years in the financial year 2024-25 until the conclusion of 6th Annual General Meeting of the Company to be held in the financial year 2029-30.

The Auditor's Report for the financial year 2026 does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the Financial Statements in this Annual Report.

In accordance with the amendment to the provisions of Section 139 by the Companies Amendment Act 2017, notified on May 7, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified by the Members at every Annual General Meeting. During the year under review, the Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

The remuneration in the form of fees (excluding GST and out of pocket expenses) for the year ended March 31, 2026 to M/s ASA & Associates LLP, Chartered Accountants as the Statutory Auditor of the Company are as follows:

₹ in Lakhs

Engagement	Amount
Statutory Audit	20.00
Limited Review	9.00
Consolidation	2.00
Tax Audit	4.50
<b>Total</b>	<b>35.50</b>

*Note: The above fees exclude GST and out of pocket expenses*

**(ii) Internal Auditors: M/s GRSM & Associates**

M/s. GRSM & Associates, Chartered Accountants were appointed as Internal Auditor of the Company to carry out the internal audit function for FY 2025-26. M/s. GRSM & Associates have confirmed that they are free from any disqualifications and also their independence and arm's length

relationship with the Company and are a peer-reviewed audit firm including its partners.

The remuneration in the form of fees (excluding GST) for the year ended March 31, 2026 to M/s GRSM & Associates, Chartered Accountants as Internal Auditor of the Company are as follows:

₹ in Lakhs

Engagement	Amount
Audit Fees	4.50
Other audit related services	-
<b>Total</b>	<b>4.50</b>

*Note: The above fees are exclusive of applicable GST and out-of-pocket expenses for a period of six months pursuant to the Scheme of Arrangement.*



**(iii) Secretarial Auditors: K. Jayachandran, Practicing Company Secretary (ACS No. 11039 and Certificate of Practice No. 4031)**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014, the Board of Directors had appointed Mr. K. Jayachandran, Practicing Company Secretary (ACS No. 11309 and Certificate of Practice No. 4031) as the Secretarial Auditor of the Company

on terms and conditions as mutually agreed upon between K. Jayachandran, Practicing Company Secretary and the Company to conduct Secretarial Audit for FY 2026.

The remuneration in the form of fees (excluding GST) for the year ended March 31, 2026 to K. Jayachandran, Practicing Company Secretary as the Secretarial Auditor of the Company are as follows:

₹ in Lakhs

Engagement	Amount
Audit Fees	3.30
<b>Total</b>	<b>3.30</b>

*Note: The above fees exclude GST and out of pocket expenses.*

The Secretarial Audit Report for FY 2025-26 of the Company is appended as **Annexure II** to the Directors' Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Company has undertaken an audit for the Financial Year ended March 31, 2026 for all applicable compliances as per Listing Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report of the Company for FY 2025-26 signed by Mr. K. Jayachandran, Practicing Company Secretary is appended as **Annexure III** to the Directors' Report

Further, as per Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and SEBI (LODR) read with SEBI (LODR) (Third Amendment) Regulations, 2024 the Board has recommended to appoint Mr. K. Jayachandran (ACS No. 11309 and Certificate of Practice No. 4031) as the Secretarial Auditor of the Company for the term of 5 (five) years i.e. from Financial Year April 1, 2026 to March 31, 2031.

**16. Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made**

**(i) Statutory Auditor's Report**

The Auditors Report to the shareholders for the year under review does not contain any reservation, qualification, or adverse remark. The comments in the Auditors' Report to the shareholders for the year under review are self-explanatory and does

not need further explanation. The Statutory Auditors of the Company have issued an Audit Report with an unmodified opinion on the Audited Financial Statements of the Company (Standalone and Consolidated) for the year ended March 31, 2026.

**(ii) Secretarial Auditor's Report**

The Secretarial Audit Report does not contain any reservation, qualification or adverse remark, which calls for any further explanation.

**17. Particulars of Remuneration to Directors and Key Managerial Personnel**

The Board of Directors has duly approved and adopted the Nomination and Remuneration Policy in accordance with the applicable provisions of the Companies Act, 2013, and the rules made thereunder, as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy provides a comprehensive framework governing the appointment, qualification, remuneration, performance evaluation, and removal of Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP), and other employees of the Company, ensuring transparency, fairness, and alignment with the Company's long-term strategic objectives.

The details of the Nomination and Remuneration Policy, including the principles governing remuneration and other related matters concerning Directors, KMP, SMP, and other employees, are provided in the Corporate Governance Report forming part of this Annual Report. The Policy is also



available on the Company's website and can be accessed at the following weblink <https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Nomination-and-Remuneration-Policy.pdf>.

It is further affirmed that the appointment and remuneration of Directors, Key Managerial Personnel, and all other employees during the year ended March 31, 2026, have been made in accordance with the said Nomination and Remuneration Policy of the Company and applicable statutory provisions.

The Company has also instituted a structured and robust Board Evaluation framework aimed at assessing the performance and effectiveness of the Board of Directors as a whole, its Committees, and individual Directors. The evaluation is conducted on an annual basis in compliance with the applicable provisions and is designed to strengthen corporate governance and enhance the overall functioning of the Board.

The evaluation process incorporates both self-assessment and peer-review mechanisms, wherein Directors evaluate their own performance as well as that of fellow Board members. The evaluation criteria include, inter alia, the composition and diversity of the Board, level of engagement and participation in meetings, quality and timeliness of decision-making, understanding of the Company's business and industry environment, contribution to strategic direction, adherence to governance standards, and effectiveness of Board Committees in discharging their respective responsibilities.

In addition, separate evaluations are carried out for the Chairman and Independent Directors, considering their respective roles and responsibilities. The Independent Directors also conduct a separate meeting to review the performance of Non-Independent Directors, the Chairman, and the overall functioning of the Board, without the presence of Non-Independent Directors or management, in accordance with applicable regulatory requirements.

The statements required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, form part of this Report as **Annexure IV** and shall be made available to any Member upon request.

## 18. Corporate Social Responsibility

In pursuance of the Corporate Social Responsibility (CSR) Policy of the Company and in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the applicable rules made thereunder, every eligible company is required to spend at least 2% of its average net profits of the preceding three financial years towards CSR activities as specified under the Act. The Company is committed to contributing towards sustainable development and social welfare initiatives in line with its CSR framework and statutory obligations.

Based on the computation of average net profits as prescribed under Section 135 of the Companies Act, 2013, the Company was required to allocate and spend an amount towards CSR activities for the year ended March 31, 2026. Accordingly, the Company was required to spend ₹101.02 lakhs towards Corporate Social Responsibility (CSR) activities during the said financial year.

Out of the above, the Company has spent ₹24.28 lakhs towards eligible CSR activities during the year under review. Accordingly, an unspent CSR amount of ₹76.74 lakhs remained as on March 31, 2026. The aforesaid unspent amount does not pertain to any ongoing project and has therefore been transferred by the Company to the Prime Minister's National Relief Fund (PMNRF) / PM CARES Fund, being a fund specified under Schedule VII of the Companies Act, 2013, within the prescribed timelines.

The CSR activities undertaken by the Company during the year are aligned with its approved CSR Policy and focus on areas such as education, healthcare, community development, environmental sustainability, and other social welfare initiatives, thereby contributing to inclusive and sustainable growth.

A detailed overview of the CSR initiatives undertaken by the Company is provided in the Report on Corporate Social Responsibility, which forms an integral part of this Annual Report. The CSR Policy of the Company is available on its website and can be accessed at [chrome-https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Corporate-Social-Responsibility-Policy.pdf](https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Corporate-Social-Responsibility-Policy.pdf)

Further, the Annual Report on CSR activities as required under Section 135 of the Companies Act, 2013, is annexed as **Annexure V** to this Report.



**19. Particulars of Employees**

The particulars of employee remuneration as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, form part of this Directors' Report as **Annexure VI**.

The statement containing details of the top 10 employees and employees drawing remuneration in excess of the limits prescribed under the said provisions is provided as a separate annexure to this Report. In terms of the proviso to Section 136(1) of the Act, this annexure is not being sent to the Members along with the Annual Report but is available for inspection through electronic mode. The same shall also be made available to any Member upon request.

**20. Business Responsibility and Sustainability Report**

In accordance with SEBI circular dated July 12, 2023, the Company has prepared the Business Responsibility and Sustainability Report for the year ended March 31, 2026, in the prescribed format which forms part of this Annual Report and can be accessed at

<https://shankarabuildpro.com/investors/>

The mandatory assurance of the Business Responsibility and Sustainability Report Core is not applicable for the year ended March 31, 2026 in view of the fact that the Company is not in the top 250 listed companies based on the market capitalisation as on March 31, 2026.

**21. Extract of Annual Return**

In accordance with the Act, a copy of the Annual Return as on March 31, 2026 in the prescribed format is available on the Company's website at <https://shankarabuildpro.com/investors/>

**22. Change in the nature of Business**

There was no change in the nature of business of the Company during the year under review.

**23. Credit Rating**

CRISIL has assigned the Long Term Rating A- stable and Short Term Rating 'CRISIL A2+' on the bank loan facilities of the Company.

**24. Board Governance**

The Company's governance framework is based on

the principles of transparency, integrity, and accountability and follows a three-tier structure comprising Shareholders, the Board of Directors, and Executive Management. Board governance defines the framework governing the composition, roles, and functioning of the Board, and the Company's governance guidelines set out provisions relating to the role of the Chairman and Directors, Board diversity, independence criteria, tenure, remuneration, retirement age, and the constitution of Board Committees.

Details of the Board and its Committees, including their composition and terms of reference, are provided in the Corporate Governance Report forming part of this Annual Report. The Company has constituted various Committees with a majority of Independent Directors, while the Audit and Risk Management Committees comprise both Executive and Independent Directors. During the year under review, eleven Board meetings and three Audit Committee meetings were held. Details of meetings, attendance of Directors, and their skill sets are provided in the Corporate Governance Report.

The Nomination and Remuneration Committee identifies and recommends suitable candidates based on required skills and expertise, ensuring a diverse and competent Board. The Company's Nomination and Remuneration Policy is available on its website at

<https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Nomination-and-Remuneration-Policy.pdf>

**25. Board and Committee Constitution**

The Company maintains a balanced mix of Executive and Independent Directors to ensure Board independence and a clear separation of governance and management. As on March 31, 2026, the Board comprises six members, including three Executive Directors and three Independent Directors (one being a woman). Further details on Board and Committee composition and meetings are provided in the Corporate Governance Report forming part of this Annual Report.

**26. Board Policies**

The Company has adopted comprehensive charters for its key Board Committees, namely the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee, and Stakeholders' Relationship Committee, along with various policies



and codes as required under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These charters, policies, and codes establish the framework for the effective functioning, roles, responsibilities, and governance standards of the respective Committees and are designed to ensure robust oversight, regulatory compliance, and alignment with best corporate governance practices.

All such charters, policies, and codes are periodically reviewed and updated by the Board to ensure their continued relevance and compliance with applicable statutory and regulatory requirements. The details of the charters, policies, and codes as adopted by the Board are provided in **Annexure VII** forming part of this Board's Report."

### **27. Independent Directors**

All Independent Directors of the Company have furnished declarations under Section 149(7) of the Companies Act, 2013, confirming that they meet the criteria of independence prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board confirms that there has been no change in circumstances affecting their independence during the year under review. Further, the Company had no pecuniary relationship or transactions with its Directors, other than payment of remuneration to Executive Directors, sitting fees and commission to Non-executive Directors, and reimbursement of expenses incurred for attending Board and Committee meetings.

The Board also confirms that the Independent Directors possess the requisite expertise, experience, integrity, and proficiency in terms of Rule 8 of the Companies (Accounts) Rules, 2014, as amended.

In accordance with Section 150 of the Act and applicable rules, the Independent Directors have registered with the Indian Institute of Corporate Affairs (IICA) and are exempt from the online proficiency self-assessment test. They have also duly renewed their registrations for the applicable tenure.

### **28. Directors Responsibility Statements under Section 134 of the Companies Act, 2013**

The financial statements are prepared in

accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments, which are measured at fair values, the provisions of the Companies Act, 2013 (to the extent notified) and guidelines issued by SEBI. The Ind AS are prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Further, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge, belief and ability confirms that:

- The accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- In the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable accounting standards had been followed and there are no material departures.
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors had prepared the annual accounts on a going concern basis.
- The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- The financial statements have been audited by M/s ASA & Associates LLP, Chartered Accountants (Firms Registration No. 009571N/N500006), the



Company's Statutory Auditor and have given unmodified opinion on the financial statements for the year ended March 31, 2026.

### **29. Audit Committee**

The Board of Directors of the Company has duly constituted an Audit Committee in compliance with the provisions of Section 177 of the Companies Act, 2013, the rules framed thereunder, and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee functions as a key mechanism of the Board for ensuring the integrity of financial reporting, effectiveness of internal controls, and compliance with applicable laws and regulations. The Committee also reviews financial statements, audit findings, risk management processes, and related party transactions, among other matters within its terms of reference.

As on March 31, 2026, the Audit Committee comprised four Directors, with an Independent Director serving as its Chairman. The Committee meets at regular intervals to effectively discharge its responsibilities and ensure robust financial oversight and governance practices within the Company.

The recommendations made by the Audit Committee are placed before the Board for its consideration and approval, and during the year under review, there were no instances where such recommendations were not accepted by the Board. This reflects the alignment and effectiveness of the Committee's deliberations with the Board's decision-making process.

A detailed note on the composition, roles, responsibilities, and functions of the Audit Committee is provided in the Report on Corporate Governance, which forms an integral part of this Annual Report. The charter, policies, and codes adopted by the Board in relation to the Audit Committee and other governance matters are available on the Company's website at <https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Audit-Committee.pdf>.

### **30. Related Party Transactions**

During the year under review, all related party transactions, including ratification of transactions entered into by the Company, were approved by the Audit Committee comprising Independent Directors. All such transactions were undertaken in

the ordinary course of business and on an arm's length basis. Prior approval of the Audit Committee is obtained for all related party transactions, and details of actual transactions are periodically placed before the Committee for review.

The Company confirms that no materially significant related party transactions were entered into with Directors, Key Managerial Personnel, Senior Management, or their relatives that may have a potential conflict with the interests of the Company. Appropriate disclosures have been received from Key Managerial Personnel and Senior Management in this regard.

Details of related party transactions are disclosed in Note No. 45 to the Standalone Financial Statements in accordance with Ind AS 24 and applicable provisions of the Companies Act, 2013. The Policy on Related Party Transactions is available on the Company's website at

<https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Dividend-Distribution-Policy.pdf>

The Company is not classified as a Micro, Small and Medium Enterprise (MSME) under the MSME Development Act, 2006. However, it is registered on the MSME facilitation platform for enabling electronic discounting of MSME receivables on a without recourse basis at competitive financing terms.

### **31. Human Resource**

The Human Resources function continued to focus on strengthening organizational capability through several key initiatives during the financial year, with talent acquisition remaining a primary priority. The Company has been actively engaged in attracting, developing, and retaining skilled talent across key functions to support its strategic growth objectives and enhance operational efficiency. Various HR initiatives were undertaken during the year to build a performance-driven and employee-centric work environment.

As on March 31, 2026, the Company had a total of 925 employees on its payroll.

### **32. Information Technology & Cyber Security**

The Company is in the process of implementing an integrated ERP system to facilitate real-time management of resources and streamline core business processes across its operations. This integrated system will enable seamless coordination between various functions, enhances



operational efficiency, and supports data-driven and informed decision-making. It also aids in effective demand tracking, inventory optimisation, and improved visibility across the supply chain, thereby contributing to better planning and control. The ERP platform will be supported and maintained by a dedicated in-house Information Technology team, ensuring its continuous functioning, upgrades, and alignment with evolving business requirements.

Recognising cyber security as a critical aspect of business continuity and risk management, the Company has adopted a robust security framework designed to safeguard its information systems, data integrity, and digital infrastructure. The Company undertakes regular cyber security assessments, including email vulnerability testing and system audits, to identify and mitigate potential risks proactively.

### **33. Board Evaluation**

The Company conducts an annual evaluation of the Board of Directors, individual Directors, and Board Committees in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The process is aimed at assessing the effectiveness, composition, and functioning of the Board and identifying areas for improvement in governance and decision-making.

The performance of the Board is evaluated based on inputs from all Directors, considering parameters such as composition, decision-making effectiveness, quality of information flow, and overall functioning. Similarly, the performance of Committees is assessed by the Board, taking into account inputs from Committee members and factors such as composition, effectiveness of meetings, and achievement of objectives, in line with SEBI's Guidance Note on Board Evaluation.

A separate meeting of Independent Directors is held to evaluate the performance of Non-Independent Directors, the Board as a whole, and the Chairman. In addition, the Nomination and Remuneration Committee reviews the performance of individual Directors based on their participation, preparedness, and contribution to deliberations. The outcomes of the evaluation are discussed at the subsequent Board meeting, enabling constructive feedback and continuous improvement in governance, accountability, and Board effectiveness.

### **34. Corporate Governance and Shareholders' Information**

In accordance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Report on Corporate Governance forms part of this Annual Report. A certificate from a Practicing Company Secretary confirming compliance with the mandatory corporate governance requirements is also annexed to the said report. Further, the Managing Director and Chief Financial Officer certificate included in the Corporate Governance Report confirms the adequacy and effectiveness of internal controls and their responsibility to report and address any deficiencies through appropriate governance mechanisms.

### **35. Risk Management**

The Company has adopted an enterprise-wide Risk Management Framework to enable a structured approach for identification, assessment, mitigation, monitoring, and governance of key risks. The framework ensures timely management of strategic risks through appropriate mitigation plans. The Company has constituted a Risk Management Committee of the Board and has in place a Board-approved Risk Management Policy covering risk appetite, risk tolerance, risk assessment, and mitigation strategies. The Committee reviews key risks on a quarterly basis, monitors implementation of the framework, and recommends changes to the Policy, if required.

The Chief Risk Officer (CRO) oversees the implementation of the Risk Management Framework, while the Audit Committee provides additional oversight of financial risks and internal controls, ensuring comprehensive risk governance.

A detailed disclosure on Risk Management is provided in the Management Discussion and Analysis Report forming part of this Annual Report. The Risk Management Charter and Policy are available on the Company's website at <https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Risk-Management-Policy.pdf>

### **36. Internal Control Systems and their Adequacy**

In accordance with Section 134(5)(e) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Company has established a robust internal control system commensurate with



the scale and nature of its operations. The Audit Committee regularly reviews the adequacy and effectiveness of these controls, and the Board believes that the internal financial controls operated effectively during FY 2025–26.

The Company has also implemented systems to ensure compliance with all applicable laws as required under Section 134(5)(f) of the Act. The Internal Audit function operates under a defined Audit Charter, with the Independent Internal Auditor reporting directly to the Audit Committee Chairman to ensure independence. The annual audit plan, based on the Company's risk profile, is approved and monitored by the Audit Committee. Audit observations are shared with management for corrective action and periodically reviewed by the

Committee, which also interacts independently with the Statutory Auditor and management to assess the effectiveness of internal controls.

**37. Whistle Blower/Vigil Mechanism**

The Company has implemented a Vigil Mechanism through its Whistle-Blower Policy in line with applicable laws and Listing Regulations. It enables employees to report concerns without fear of retaliation, including anonymously, and provides direct access to the Chairman of the Audit Committee. Quarterly updates on complaints are reviewed by the Audit Committee.

The details of complaints received / disposed / pending during the year ended March 31, 2026.

Particulars	Details
No. of Complaints received in the year	Nil
No. of Complaints disposed off during year	Nil
No. of cases pending as on March 31, 2026	Nil

The Vigil Mechanism/Whistleblower Policy is available on the Company's website at <https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Terms-Conditions-of-Appointment-of-Independent-director.pdf>

**38. Code of Conduct**

The Company has established a robust framework to monitor compliance with applicable laws and provide periodic updates to Senior Management and the Board. The Audit Committee and the Board regularly review compliance status. A declaration on compliance with the Code of Conduct, signed by the Managing Director, is included in the Corporate Governance Report forming part of this Annual Report.

The Company promotes high standards of professionalism, integrity, and ethical conduct, and fosters a safe, inclusive, and respectful workplace as an equal opportunity employer. It has a zero-tolerance policy on sexual harassment and has implemented measures in line with the POSH Act, 2013, supported by regular training and awareness programmes to ensure compliance and confidentiality. An Internal Committee has been constituted in accordance with the Act to address and resolve complaints effectively.

**39. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The following are the summary of the complaints received and disposed off during FY 2026:

Particulars	Details
No of Complaints of sexual harassment received in the year	Nil
No of Complaints disposed off during the year	Not Applicable
No of cases pending for more than ninety day	Not Applicable



#### 40. Deposits from the Public

Your Company has not accepted any deposits from the public during the year and there are no deposits which are remaining unclaimed or unpaid as at the end of the year and, as such, no amount of principal or interest was outstanding as on the date of the Balance sheet.

#### 41. Secretarial compliance and standards.

The Company's structured compliance framework is regularly monitored and updated in line with evolving legal and regulatory requirements. The Audit Committee and the Board of Directors periodically review the status of compliance with applicable laws.

During the year under review, the Company has complied with the applicable provisions of the revised Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

#### 42. Disclosure requirements

As per SEBI Listing Regulations, Corporate Governance Report with Auditors' Certificate thereon and Management Discussion and Analysis are attached, which form part of this report.

#### 43. Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and outgo

The particulars relating to conservation of energy, technology absorption, research and development, foreign exchange earnings and outgo as required to be disclosed under Section 134 (3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given as **Annexure VIII** in the Board's Report.

#### 44. Reporting of frauds

There were no instances of frauds during the year under review, which required the Statutory Auditors to report to the Audit Committee and/ or Board under Section 143 (12) of the Act and the rules made thereunder.

#### 45. Significant and Material Orders passed by the Courts/Regulators

The National Company Law Tribunal, Bengaluru Bench, passed an order on August 21, 2025, approving the Scheme of Arrangement between

Shankara Building Products Limited ("Demerged Company") and Shankara Buildpro Limited ("Resulting Company"). A certified copy of the order was received on September 1, 2025.

#### 46. Other disclosures

(i) The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof : The Company has not made any one-time settlement for loans taken from the Banks or Financial institution.

(ii) There are no applications made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

(iii) Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3)(c) of the Act).

(iv) The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

(v) There was not revision of financial statements and Board Reports.

#### 47. Reconciliation of Share Capital

The Share capital audit was carried out by a Practising Company Secretary to reconcile the total equity share capital with NSDL and CDSL and the total issued and listed equity share capital issued by the Company for the year ended March 31, 2026.

#### 48. Listing with Stock Exchanges

The equity shares of the Company are listed in the BSE Limited (scrip code: 544517) and in the National Stock Exchange of India Limited (scrip code: BUILDPRO) and for the purpose of dematerialization of shares established a connectivity with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the International Securities Identification Number (ISIN) allotted under the Depository System is INE24OJ01011 through Kfin technologies Limited, our Registrar and Share Transfer Agent.



The Company has paid the Annual Listing Fees for the year 2025-26 and 2026-27 to the Exchanges where the Company shares are listed i. e, the National Stock Exchange of India Ltd ('NSE') and BSE Ltd ('BSE').

#### **49. Compliance with the Maternity Benefit Act**

During the year under review the Company has complied with the provisions of the Maternity Benefit Act, 1961.

#### **50. Green Initiatives**

The electronic copies of the Annual Report for FY 2025-26 and the Notice of the 3rd Annual General Meeting is being sent to all Shareholders whose email addresses are registered with the Company / Depository Participants (DP).

For Members who have not registered their email addresses, a separate letter together with the link of the Annual Report will be sent, separately.

To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with their DP in case the shares are held by them in electronic form and with Registrar and Transfer Agent, in case the shares are held by them in physical form.

### **Acknowledgement**

The Board places on record its thanks to the customers, vendors, investors, bankers, financial institutions, and all other stakeholders for their continued support during the year. The Board places on record its appreciation of the contribution made by the employees at all levels as the Company's consistent growth.

**For and on behalf of the Board of Directors**

**Place : Bengaluru  
Date : May 19, 2026**

**Sukumar Srinivas  
Managing Director  
DIN: 01668064**

**Dhananjay Mirlay Srinivas  
Whole-time Director  
DIN: 09108483**

**Annexure-I to the Directors' Report**

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Sl. No	Name of the Subsidiary	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	% of Holding	Sales & Other Income	Profit before Taxation	Provision for taxation	Profit after Tax	Proposed Dividend
1	Purple Splash Materials Private Limited	Rupees (lakhs)	1.00	44.03	733.76	688.73	-	51%	321.11	59.09	15.06	44.03	-

**For Shankara Buildpro Limited**

**Place : Bengaluru  
Date : May 19, 2026**

**Sukumar Srinivas  
Managing Director  
DIN: 01668064**





**Annexure-II to the Directors' Report**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**SHANKARA BUILDPRO LIMITED**  
No 21/1 & 35-A-1, Hosur Main Road,  
Electronic City, Veerasandra, Bangalore,  
Bangalore South, Karnataka - 560100

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHANKARA BUILDPRO LIMITED** having CIN: **L24311KA2023PLC179791** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts and statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the Audit Period covering the Financial Year ended on March 31, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company for the Financial Year ended on March 31, 2026 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and there were no External Commercial Borrowings during the period under review;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Listed Entity during the Review Period);
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Listed Entity during the Review Period);
  - (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Listed Entity during the Review Period);
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;
  - (f) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (g) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Listed Entity during the Review Period); and
  - (i) The Securities and Exchange Board of India (Buyback of Securities), Regulations, 2018 (Not applicable to the Listed Entity during the Review Period).



(vi) There were no other specific laws, norms, or directions exclusively applicable to the Company, apart from the relevant labour laws and the general laws applicable to all companies.

I have also examined compliance with the applicable clauses of the following:

- (i) The Listing Agreements entered into by the Company with BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”);
- (ii) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India (“ICSI”).

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above:

#### **I further report that:**

Based on the information provided by the Company, its Officers and Authorized Representatives, during the conduct of the Audit and also on the review of the Details, Records, Documents and Papers provided, in my opinion, adequate systems and processes and control mechanism exists in the Company to monitor and to ensure compliance with applicable General Laws like Labour Laws, Competition Law and Environmental Law.

The compliance with applicable financial laws, including direct and indirect tax laws, has not been reviewed as part of this audit, since the same are subject to review by the statutory auditors and other designated professionals.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act read with Rules made there under, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Adequate notices were given to all the Directors to schedule the Board Meetings, Agenda and detailed

Notes on Agenda were sent at least Seven Days in advance and at least one Independent Director was present wherein the Board meetings were held at a shorter notice to transact urgent matters and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions were carried out with requisite majority and the dissenting members’ views are captured and recorded as part of the minutes.

There were adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

#### **I further report that during the audit period:**

1. The Company has entered into related party transactions during the Financial Year and has considered that all the related party transactions were on arm’s length basis in the ordinary course of business and the Company has obtained necessary approvals from the Audit Committee, Board of Directors and members wherever required for those related party transactions which were not in the Ordinary Course of Business.

2. The Company (“Resulting Company”), along with Shankara Building Products Limited (CIN: L26922KA1995PLC018990) (“Demerged Company”), filed a first motion application (C.A.(CAA) No. 38/BB/2024) before the Hon’ble National Company Law Tribunal (“NCLT”), Bengaluru Bench on August 19, 2024, under Sections 230 to 232 of the Companies Act, 2013, seeking approval of the Scheme of Arrangement for the demerger of the Trading Business of the Demerged Company into the Company. Pursuant to the directions of the Hon’ble NCLT, the requisite approvals of the shareholders and creditors were obtained. Thereafter, the second motion application (C.P.(CAA) No. 12/BB/2025) was filed on February 14, 2025. The Hon’ble NCLT, vide its order dated August 21, 2025, sanctioned the Scheme of Arrangement between the Demerged Company and the Company. The Scheme became effective on September 9, 2025, with the appointed date



being April 1, 2024. Pursuant to the Scheme, the Trading Business of the Demerged Company, together with all related assets and liabilities, stood transferred to and vested in the Company on a going concern basis.

3. Pursuant to the Scheme of Arrangement sanctioned by the Hon'ble National Company Law Tribunal, Bengaluru Bench, the Company issued and allotted 2,42,49,326 (Two Crore Forty-Two Lakh Forty-Nine Thousand Three Hundred and Twenty-Six) fully paid-up equity shares of face value INR 10/- (Indian Rupees Ten only) each to the equity shareholders of Shankara Building Products Limited whose names appeared as on the Record Date, i.e., September 24, 2025, in the share exchange ratio of 1:1 and further, pursuant to the Scheme of Arrangement, the 10,000 (Ten Thousand) equity shares of face value of INR 10/- each held by Shankara Building Products Limited in Shankara Buildpro Limited stood cancelled in accordance with the terms of the Scheme.

4. The equity shares of the Company were listed and admitted to dealings on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") with effect from January 09, 2026 under the "T" Group of Securities. The listing was effected pursuant to the Scheme of Arrangement between Shankara Building Products Limited ("Demerged Company") and the Company ("Resulting Company"), sanctioned by the Hon'ble National Company Law Tribunal, Bengaluru Bench ("NCLT"), pursuant to which all the equity shares allotted by the Company to the shareholders of the Demerged Company in accordance with the Scheme were listed and admitted to trading on NSE and BSE.

5. The Company had obtained the approval of the members by way of a Special Resolution passed pursuant to Section 180(1)(c) of the Companies Act, 2013, authorizing the Board of Directors of the Company to borrow monies from time to time,

notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (excluding temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided that the total amount so borrowed and outstanding at any point of time shall not exceed INR 350 Crores.

6. The Company had obtained the approval of the members by way of a Special Resolution passed pursuant to Section 180(1)(a) of the Companies Act, 2013, authorizing the Board of Directors of the Company to create mortgage, pledge, hypothecation, charge or other encumbrance over all or any of the movable and/or immovable properties and assets of the Company, whether present or future, in favour of banks, financial institutions, non-banking financial companies or other lenders, for securing the borrowings of the Company together with interest, costs, charges and other obligations thereon, provided that the aggregate amount so secured shall not exceed INR 350 Crores.

7. The Company incorporated a subsidiary company in the name of Purple Splash Materials Private Limited (CIN: U24311KA2025PTC201613), having its registered office at 2nd Floor, Farah Winsford, 133/8, Infantry Road, Vidhana Soudha, Bangalore, Bangalore North, Karnataka - 560001, on April 20, 2025.

8. The members of the Company approved the increase in the authorized share capital of the Company from INR 1,00,000/- divided into 10,000 equity shares of INR 10/- each to INR 30,00,00,000/- divided into 3,00,00,000 equity shares of INR 10/- each, pursuant to the provisions of Sections 13, 61 and 64 of the Companies Act, 2013. Consequent to the said increase, Clause V of the Memorandum of Association of the Company relating to share capital was altered accordingly.



This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

**Date : May 19,2026**  
**Place : Bengaluru**

**K. Jayachandran**  
**Company Secretary**  
**ACS No.: 11309/CP No.: 4031**  
**UDIN: A011309H000404042**  
**Peer Review No: 6411/2025**





**Annexure A**

To,  
**The Members,**  
**SHANKARA BUILDPRO LIMITED**  
**No 21/1 & 35-A-1, Hosur Main Road,**  
**Electronic City, Veerasandra, Bangalore,**  
**Bangalore South, Karnataka - 560100**

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test - check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Date : May 19, 2026**  
**Place : Bengaluru**

**K. Jayachandran**  
**Company Secretary**  
**ACS No.: 11309/CP No.: 4031**  
**UDIN: A011309H000404042**  
**Peer Review No: 6411/2025**

**Annexure-III to the Directors' Report**

**SECRETARIAL COMPLIANCE REPORT**  
**of**  
**SHANKARA BUILDPRO LIMITED**

**For the year ended March 31, 2026**

*(Pursuant Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

I have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by SHANKARA BUILDPRO LIMITED (CIN: L24311KA2023PLC179791) (hereinafter referred as "the listed entity"/"the Company"), having its Registered Office at No 21/1 & 35-A-1, Hosur Main Road, Electronic City, Veerasandra, Bangalore, Bangalore South, Karnataka, India, 560100, Secretarial Review was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide my observations thereon.

Based on my verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, I hereby report that the listed entity has, during the review period covering the financial year ended on March 31, 2026 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter:

I, K. Jayachandran, Company Secretary in Practice have examined:

- (a) all the documents and records made available to me and explanation provided by SHANKARA BUILDPRO LIMITED (CIN: L24311KA2023PLC179791),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) the website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended March 31, 2026 ("Review Period")



in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), Rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include: -

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to listed entity during the review period);

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to listed entity during the review period);

(d) The Securities and Exchange Board of India

(Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to listed entity during the review period);

(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

(f) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(g) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the listed entity during the review period); and

(i) The Securities and Exchange Board of India (Buyback of Securities), Regulations, 2018 (Not applicable to the listed entity during the review period).

and circulars/guidelines issued thereunder; and based on the above examination, I hereby report that, during the Review Period:



(a) The listed entity has complied with the provisions of the above Regulations and circulars, guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/Circular No	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1										Nil

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations/ Remarks of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended ..... (the years are to be mentioned)	Compliance Requirement (Regulations/circulars /guidelines including specific clause)	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
1						Nil





(c) I hereby report, that, during the review period the compliances status of the listed entity with the following requirements:-

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
1	<p><b>Secretarial Standard:</b></p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).</p>	Yes	
2	<p><b>Adoption and timely updation of the Policies:</b></p> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entity.</li> <li>• All the policies are in conformity with SEBI Regulations and has been reviewed &amp; timely updated as per the regulations/circulars /guidelines issued by SEBI.</li> </ul>	<p>Yes</p> <p>Yes</p>	
3	<p><b>Maintenance and disclosures on Website:</b></p> <ul style="list-style-type: none"> <li>• The Listed entity is maintaining a functional website.</li> <li>• Timely dissemination of the documents/ information under a separate section on the website.</li> <li>• Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website.</li> </ul>	<p>Yes</p> <p>Yes</p> <p>NA</p>	<p>The equity shares of the Company were listed and admitted to dealings on National Stock Exchange of India Limited and BSE Limited with effect from January 09, 2026 pursuant to the Scheme of Arrangement/Demerger and were placed under the 'T' Group of Securities. Accordingly, the Company was not required to submit the Annual Corporate Governance Report during the period under review in terms of Regulation 27(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p>



Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
4	<b>Disqualification of Director:</b> None of the Directors of the listed entity/the Company are disqualified under Section 164 of Companies Act, 2013.	Yes	
5	<b>Details related to Subsidiaries of listed entity:</b> (a) Identification of material subsidiary companies. (b) Requirements with respect to disclosure of material as well as other subsidiaries.	N.A.  Yes	There were no material subsidiary companies during the Review Period.
6	<b>Preservation of Documents:</b> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	
7	<b>Performance Evaluation:</b> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	N.A.	The listed entity was not required to conducted performance evaluation of the Board, Independent Directors and the Committees during the financial year as per the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 since the equity shares of the Company were listed and admitted to dealings on National Stock Exchange of India Limited and BSE Limited with effect from January 09, 2026 pursuant to the Scheme of Arrangement/Demerger and were placed under the 'T' Group of Securities.



Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
8	<p><b>Related Party Transactions:</b></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions.</p> <p>(b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/rejected by the Audit committee.</p>	<p>Yes</p> <p>Yes</p>	
9	<p><b>Disclosure of events or information:</b></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	<p>Yes</p>	
10	<p><b>Prohibition of Insider Trading:</b></p> <p>The listed entity is in compliance with Regulation 3(5) &amp; 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>	<p>Yes</p>	
11	<p><b>Actions taken by SEBI or Stock Exchange(s), if any:</b></p> <p>No Actions taken against the listed entity/ its promoters/ directors/subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.</p> <p><b>(or)</b></p> <p><del>The actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges are specified in the last column.</del></p>	<p>Yes</p>	
12	<p><b>Resignation of statutory auditors from the listed entity or its material subsidiaries:</b></p> <p>In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.</p>	<p>N.A.</p>	<p>There was no resignation of Statutory Auditors during the financial year in the listed entity or its material subsidiaries.</p>
13	<p><b>No additional non-compliances observed:</b></p> <p>No additional non-compliance observed for any of the SEBI regulation/circular/guidance note etc. except as reported above.</p>	<p>Yes</p>	



**Assumptions and Limitation of Scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.

2. My responsibility is to report based upon my examination of relevant documents and information. This is neither an audit nor an expression of opinion.

3. I have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.

4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**Date : May 19,2026**

**Place : Bengaluru**

**K. Jayachandran**

**Company Secretary**

**ACS No.: 11309/CP No.: 4031**

**UDIN: A011309H000404185**

**Peer Review No: 6411/2025**



**Annexure-IV to the Directors' Report**

**STATEMENT OF DISCLOSURE OF REMUNERATION**

(Information pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

**1. Ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the Financial Year 2026, the percentage increase in remuneration of Managing Director, Whole time Directors , Chief Financial Officer and Company Secretary during the Financial Year 2026.**

Sl. No	Name of Executive Director/ Key Managerial Personnel	Designation	Ratio to Median	% increase in Remuneration
1.	Mr. Sukumar Srinivas	Managing Director	33.56	27
2.	Mr. Dhananjay Mirlay Srinivas	Whole-time Director	11.89	65
3.	Mr. C. Ravikumar	Whole-time Director	20.18	11
4.	Mr. Alex Varghese	Chief Financial Officer	11.89	11
5.	Ms. Ereena Vikram	Company Secretary and Compliance Officer	7.12	49

**2. Percentage increase in remuneration of Non-Executive Directors:**

Sl. No	Non-Executive Directors	Ratio to Median	% of increase
1.	Mr. B. Jayaraman	Non-executive Directors and Independent Directors were paid only sitting fees for attending meetings of the Board and Committees of the Board. Hence, Ratio to Median is not applicable.	Not Applicable
2.	Ms. Jayashri Murali		
3.	Mr. N. Muthuraman		

**3. Percentage increase in the median remuneration of employees for the financial year 2025-26: 25.26%**

**4. Number of permanent employees on rolls of the Company as on March 31, 2026: 925**

**5. Average percentile increase already made in the Salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: -**

**6. Affirmation that the remuneration is as per remuneration policy of the Company:**

It is hereby affirmed that the remuneration to Directors and Key Managerial Personnel for the year 2025-26 was as per the terms of the appointment and remuneration policy of the Company.

Place : Bengaluru  
Date : May 19, 2026

**For Shankara Buildpro Limited**

Sukumar Srinivas  
Managing Director  
DIN: 01668064



## Annexure-V to the Directors' Report

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE YEAR 2025-26

#### 1. Brief outline on CSR Policy of the Company.

Shankara Buildpro Limited remains firmly committed to creating a meaningful and lasting impact on society through its diverse Corporate Social Responsibility (CSR) initiatives focused on sustainable and inclusive development. The Company's CSR philosophy is driven by the objective of addressing key social and environmental concerns while contributing positively to the well-being of communities. With emphasis on education, environmental sustainability, healthcare, and social welfare, the Company continues to implement initiatives that demonstrate its dedication to community empowerment and long-term societal development.

Education remains one of the key pillars of Company's CSR initiatives. The Company actively supports programs that promote access to quality education for underprivileged and economically weaker sections of society. Through its initiatives, the Company seeks to bridge educational gaps by supporting schools, improving educational infrastructure, providing learning materials and resources, and encouraging skill development and vocational training programs. The Company believes that education is a powerful tool for social transformation and economic empowerment, particularly for children and youth from marginalized communities. By investing in educational opportunities, the Company aims to nurture talent, enhance employability, and contribute to the overall development of future generations.

Environmental sustainability is another area of significant focus for the Company. The Company recognizes the importance of protecting natural resources and promoting environmentally responsible practices to ensure a sustainable future. The Company undertakes various initiatives aimed at water conservation, and the promotion of sustainable practices across its operations and communities. Efforts are also directed towards

creating awareness about environmental protection and encouraging responsible environmental behaviour among stakeholders. Through these initiatives, the Company seeks to contribute towards ecological balance, reduction of environmental impact, and the development of greener and more sustainable communities.

The Company also remains committed to the rehabilitation, care, and empowerment of abandoned women and children by supporting programs that promote dignity, livelihood opportunities, safety, and social inclusion.

The Company's CSR initiatives are implemented in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. All CSR activities are carried out within the framework prescribed under Schedule VII of the Companies Act, 2013, ensuring compliance with statutory requirements while aligning with the Company's core values of responsibility, integrity, sustainability, and community engagement.

Detailed information relating to CSR Policy, including comprehensive details of the CSR projects and programs undertaken during the year, is available through the links provided below.

#### CSR policy:

<https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Corporate-Social-Responsibility-Policy.pdf>

CSR projects: <https://shankarabuildpro.com/>

#### Key Focus Areas of Corporate Social Responsibility Initiatives:

##### i. Support for Education and Child Welfare:

The Company continues to prioritize education and child welfare as an integral part of its Corporate Social Responsibility initiatives, recognizing that access to quality education and a safe learning environment are essential for sustainable community development. The Company is committed to supporting initiatives that enhance educational opportunities for children from underprivileged and economically weaker sections of society while promoting their overall well-being and development.



The Company's initiatives also focus on improving sanitation, hygiene, and access to basic amenities to create a more conducive and inclusive learning environment. By supporting child welfare and educational development, the Company aims to encourage higher school enrollment and retention, promote holistic growth, and empower children with opportunities to build a brighter and more self-reliant future.

**ii. Empowerment of Differently Abled Individuals:**

The Company is committed to supporting differently abled individuals through initiatives focused on education, healthcare, rehabilitation, and overall well-being. These efforts are aimed at promoting independence, dignity, inclusion, and equal participation in society.

As part of its healthcare initiatives, the Company supports access to essential medical services, therapies, corrective treatments, and assistive

devices such as mobility and hearing aids to improve the quality of life of beneficiaries.

Shankara Buildpro Limited ("SBL") on a standalone basis was expected to spend ₹ 101.02 lakhs towards Corporate Social Responsibility in the year 2025-26. It has identified and disbursed ₹24.48 lakhs.

During the financial year, the Company was in the process of identifying and evaluating suitable CSR projects. However, due to the time required for assessment, planning, and ensuring effective implementation and monitoring of the proposed initiatives, the unspent CSR amount could not be fully utilized within the financial year. Accordingly, in compliance with the provisions of Section 135 of the Companies Act, 2013 and the applicable CSR Rules, the unspent CSR amount relating to non-ongoing projects to be transferred to the Prime Minister's National Relief Fund within the prescribed timelines.

**2. Composition of the CSR Committee:**

Name	Category	Designation	Number of Meetings	
			Held	Attended
Ms. Jayashri Murali	Independent Director	Chairman	-	-
Mr. Sukumar Srinivas	Executive Director	Member	-	-
Mr. N. Muthuraman	Independent Director	Member	-	-

*\*The CSR Committee was constituted on September 25, 2025, and the Company was listed on January 9, 2026. Accordingly, the Company held its first CSR Committee meeting on May 18, 2026.*

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

Composition of the CSR committee shared above and is available on the Company's website on <https://shankarabuildpro.com/investors/>

The Company's CSR Policy is available on the website at <https://shankarabuildpro.com/wp-content/uploads/2026/05/S->

[BL-Corporate-Social-Responsibility-Policy.pdf](#)

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):** Not Applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**



Sl. No	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
Not Applicable			

6. Average net profit of the Company as per Section 135(5): ₹5,050.77 Lakhs

(c) Amount required to be set off for the financial year, if any: Nil

7. (a) Two percent of average net profit of the company as per section 135(5): ₹101.02 Lakhs

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹101.02 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in lakhs)	Amount Unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
24.48	-	-	Prime Minister's National Relief Fund	76.54	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (₹ in Lakh)	Amount spent in the current financial Year (₹ in lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (₹ in Lakh)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State	District						
Not Applicable											



c) Details of CSR amount spent against other than ongoing projects for the financial year:

₹ in Lakhs

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (₹ in Lakh)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Sponsorship for spinal cord & medical check-up	ii	No	Ayikudy	Tamil Nadu	13.20	Yes	Amar Seva Sangh	CSR00000229
2.	A Program for Girls-mainly focused on the girl's education, health, hygiene, life skills, and Personality Development Class.	ii	No	Chennai	Tamil Nadu	11.28	Yes	V-Excel Education Trust	CSR00000017
	<b>Total</b>				<b>24.48</b>				

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹24.48 Lakhs

(g) Excess amount for set off, if any: Nil

Sl. No	Particular	Amount (₹ in Lakhs)
1.	Two percent of average net profit of the Company as per Section 135(5)	101.02
2.	Total amount spent for the Financial Year	24.48
3.	Excess amount spent for the financial year [(ii)-(i)]	-
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	-



9. (a) Details of Unspent CSR amount for the preceding three financial years

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (₹ in Lakh)	Amount spent in the reporting Financial Year (₹ in Lakh)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ in Lakh)
				Name of the Fund	Amount (₹ in Lakh)	Date of transfer	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in Lakh)	Amount spent on the project in the reporting Financial Year (₹ in Lakh)	Cumulative amount spent at the end of reporting Financial Year (₹ in Lakh)	Status of the project - Completed / Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

(a) Date of creation or acquisition of the capital asset(s): None

(b) Amount of CSR spent for creation or acquisition of capital asset: NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): Not Applicable

For Shankara Buildpro Limited

Sukumar Srinivas  
Managing Director  
DIN: 01668064

Jayashri Murali  
Chairman, Corporate Social Responsibility  
DIN: 00317201

Place: Bengaluru  
Date: May 19, 2026



**Annexure-V to the Directors' Report**  
**Information pursuant to Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Name	Qualification	Designation	Percentage of Equity Shares held by them (%)	Date of Commencement of Employment	Experience (Yrs.)	Gross Remuneration (₹)	Last Employment
Mr. Sukumar Srinivas	Bachelor's degree in Commerce from Loyola College, Chennai and a Post Graduate Diploma in Business Management from the prestigious Indian Institute of Management, Ahmedabad (IIMA).	Managing Director	38.72%	13.10.1995	40	1,17,81,000	-
Mr. C. Ravikumar	B.Sc.	Whole-time Director	0.30%	13.10.1995	39	70,84,209	-
Mr. Dhananjay Mirlay Srinivas	Bachelor of Arts, legal studies University of Massachusetts, Amherst and eMDP from Indian Institute of Management, Kozhikode.	Whole-time Director	0.33%	14.03.2020	6	28,21,668	
Mr. Alex Varghese	B.Com	Chief Financial Officer	0.09%	13.10.1995	31	41,73,912	-
Ms. Ereena Vikram	CS, M.A (PMIR), LLB, B.Com	Company Secretary & Compliance Officer	-	08.09.2016	12	25,00,000	Corpus Software Private Limited
Mr. Tamilalagan Natesan	B.Com	General Manager	0.08%	01.04.2000	26	28,41,000	-
Mr. Panchappa jyothis	M.A (Economics)	Deputy General Manager	-	02.04.2021	35	23,52,000	LA TIM Sourcing (India) Pvt./ Ltd



Name	Qualification	Designation	Percentage of Equity Shares held by them (%)	Date of Commencement of Employment	Experience (Yrs.)	Gross Remuneration (₹)	Last Employment
Mr. Sachin Kumar	BCA	General Manager	0.03%	01.10.2008	18	23,35,000	-
Mr. Mahantesh Mahajonker	B.E	Manager Sales	0.0041%	11.10.2009	17	21,00,000	Vishal Precision Steel Tubes & Pipes Private Limited
Mr. Ratheesh V	B.Com	Regional Manager	0.026%	04.02.2008	18	21,00,000	IBM India Private Limited

**For Shankara Buildpro Limited**

**Place : Bengaluru  
Date : May 19, 2026**

**Sukumar Srinivas  
Managing Director  
DIN:01668064**



## Annexure-VII to the Directors' Report

### Board Governance Policies

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires adoption of certain Policies /Codes/ Charters for all listed companies. These Policies /Codes/Charters are reviewed periodically by the Board based on the requirements. The policies that were adopted by the Board are as follows:

Name of the Policy /Codes/ Charters	Brief Description	Web link
Risk Management Policy	The Policy encompasses policies and procedures relating to the risk management mechanism of the Company.	<a href="https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Risk-Management-Policy.pdf">https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Risk-Management-Policy.pdf</a>
Policy on Material Subsidiaries	The policy is used to determine the material Subsidiaries and material non-listed Indian Subsidiaries of the Company and to provide the governance framework for them.	<a href="https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Policy-for-Material-Subsidiaries.pdf">https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Policy-for-Material-Subsidiaries.pdf</a>
Policy on Archival and Preservation of Documents	The policy deals with the retention and archival of records of the Company.	<a href="https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Archival-Policy.pdf">https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Archival-Policy.pdf</a>
Corporate Social Responsibility Policy	The policy outlines the Company's strategy to contribute to the sustainable development of the society and environment and to make our planet a better place for future generations.	<a href="https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Corporate-Social-Responsibility-Policy.pdf">https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Corporate-Social-Responsibility-Policy.pdf</a>
Whistle Blower Policy and Vigil Mechanism	The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for Directors and employees to report concerns about unethical behavior.	<a href="https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Whistleblower-Policy.pdf">https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Whistleblower-Policy.pdf</a>
Nomination and Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a Director (Executive / Non-Executive) and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other employees.	<a href="https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Nomination-and-Remuneration-Policy.pdf">https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Nomination-and-Remuneration-Policy.pdf</a>
Policy on Board Diversity	The policy sets out a framework to promote diversity on Company's Board of Directors.	<a href="https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Board-Diversity-Policy.pdf">https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Board-Diversity-Policy.pdf</a>
Policy for Determining Material Related Party Transaction	The Policy is to determine the 'materiality' of Related Party Transaction and to provide a governance framework thereof.	<a href="https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Policy-on-criteria-for-determining-Related-Party-Transactions.pdf">https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Policy-on-criteria-for-determining-Related-Party-Transactions.pdf</a>



Dividend Distribution Policy	This policy sets out the parameters and circumstances including external and internal factors and financial parameters that will be taken into account by the Board of Directors of the Company in determining the distribution of Dividend and also the circumstances under which the Shareholders of the Company may or may not expect Dividend and how the retained earnings shall be utilized. During the year under review, the Dividend Distribution Policy has been amended to provide for declaration of Dividend in years of exceptional gains or other events	<a href="https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Dividend-Distribution-Policy.pdf">https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Dividend-Distribution-Policy.pdf</a>
Policy for determining Material events	The Policy is to determine the materiality of events / information of the Company for the purpose of disclosure to the stock exchanges on which the Company's shares are listed and to provide frame work relating to disclosure of such information.	<a href="https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Policy-for-determining-material-events.pdf">https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Policy-for-determining-material-events.pdf</a>
Code of Conduct for Insider Trading	The policy provides the framework in dealing with securities of the Company.	<a href="https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Code-for-Prohibition-of-Insider-Trading.pdf">https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Code-for-Prohibition-of-Insider-Trading.pdf</a>
Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information	The Code ensures timely and adequate disclosure of Unpublished Price Sensitive Information as defined in Regulation 2(n) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	<a href="https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Code-for-Fair-disclosure-of-UPSI.pdf">https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Code-for-Fair-disclosure-of-UPSI.pdf</a>

**Annexure-VIII to the Directors' Report****ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, R&D CELL AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

*(Pursuant to Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014)*

**Subsidiary Company:**

Purple Splash Materials Private Limited	Units	Amount in ₹	Rate/Unit
Total Energy purchased	2195	8,999	4.10

**For Shankara Buildpro Limited**

Place : Bengaluru  
Date : May 19, 2026

Sukumar Srinivas  
Managing Director  
DIN: 01668064



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## MANAGEMENT DISCUSSION AND ANALYSIS

### I. Overview

Shankara Buildpro Limited (hereinafter referred to as “Buildpro”, “SBL”, or “the Company”) is one of India’s leading omni-channel marketplaces for building and construction products, serving a diverse customer base comprising individual homeowners, contractors, fabricators, institutions, and industrial consumers. The Company has established a strong market presence through its extensive distribution network, wide product portfolio, and customer-centric approach, positioning itself as a trusted one-stop destination for construction and infrastructure-related requirements.

SBL offers a comprehensive range of products across multiple categories, including steel products, construction materials, plumbing and sanitaryware solutions, flooring products, electrical items, roofing products, paints, hardware, and various allied building materials. By partnering with reputed brands and manufacturers, the Company ensures the availability of quality products that cater to both retail and institutional demand across residential, commercial, and industrial segments.

The Company operates a robust and integrated supply chain infrastructure consisting of 130 fulfilment centres across India. This network includes 95 retail stores operating under the brand name “Shankara Buildpro”. The widespread network enables the Company to ensure seamless product availability, timely deliveries, operational efficiency, and superior customer service across its operating regions.

Shankara Buildpro has a particularly strong footprint across South India, with operations spread across Karnataka, Tamil Nadu, Kerala, Andhra Pradesh, Telangana, Goa, and Puducherry. In addition, the Company has expanded its operations into western and central India, including Maharashtra, Madhya Pradesh, Gujarat, and Odisha, thereby strengthening its pan-India presence and long-term growth strategy. In line with changing consumer preferences and increasing digital adoption, SBL has also developed a strong online and omni-channel presence. The Company operates its dedicated e-commerce platform, Buildpro Store, through which customers can conveniently browse

and purchase a wide variety of products online. Additionally, the Company actively sells its products through leading e-commerce marketplaces such as Amazon India and Flipkart, enabling broader customer reach and enhanced accessibility across geographies.

The Company has established strong partnerships with several leading national brands across its product categories, enabling it to provide customers with high-quality and reliable building solutions under one roof. In the steel segment, the Company is associated with some of the most reputed manufacturers in India, including JSW Steel, JSOL, SAIL, AM/NS India and APL Apollo, amongst others. These partnerships strengthen the Company’s ability to cater to a wide range of structural and industrial steel requirements across multiple customer segments. For paints, waterproofing solutions, and construction chemicals, the Company has partnered with renowned brands such as Nippon Paint India, enabling it to offer comprehensive surface protection and finishing solutions. In the plumbing, sanitaryware, and bathroom solutions segment, Shankara Buildpro sources its requirements with leading brands including Jaquar, Kohler India, and Parryware, thereby providing customers with premium and aesthetically advanced products for residential and commercial applications.

In the tiles and surface solutions category, the Company has tie-ups with prominent brands such as Kajaria Ceramics, Somany Ceramics, Simpolo, Nitco, RAK Ceramics, along with several other manufacturers. This enables customers to access a broad range of tiling, flooring, and decorative surface solutions. Additionally, Shankara has established relationships with companies such as Grindwell Norton Limited, HP Landmark, and Aqua Star for roofing products, fabrication accessories, and allied industrial applications.

As part of its strategic corporate restructuring initiative, Shankara Buildpro Limited emerged as the resulting entity pursuant to the demerger of the trading business of Shankara Building Products Limited. The Scheme of Arrangement was sanctioned by the National Company Law Tribunal (NCLT), Bengaluru Bench, with the objective of creating focused business verticals, improving operational efficiency, and unlocking shareholder value. Under the approved scheme, the trading



business undertaking of Shankara Building Products Limited was transferred and vested into Shankara Buildpro Limited with effect from the appointed date of April 1, 2024.

The Company strongly believes that deep market penetration and localized customer engagement are critical to achieving long-term growth, stability, and sustainability. In line with this strategy, the Company continues to focus its expansion efforts on smaller cities and emerging towns within its operating regions, rather than limiting itself only to metropolitan markets. By building a large and diversified customer base across multiple geographies and customer profiles, the Company seeks to create a resilient and scalable business model capable of sustaining long-term demand across economic cycles.

**Key Developments in FY26**

FY26 marked a transformational year for Shankara Buildpro Limited (“SBL”), driven by the successful demerger distribution and retail business, strong operational growth, geographical expansion, and continued strengthening of its omni-channel building materials platform.

**Demerger and Independent Listing**

One of the most significant milestones during FY26 was the successful demerger of the Omni Channel business from Shankara Building Products Limited into Shankara Buildpro Limited. The Scheme of Arrangement was approved by the Hon’ble National Company Law Tribunal (NCLT), Bengaluru Bench, enabling the creation of a focused and independent retail and distribution platform for building materials and home improvement products.

Following the demerger, Shankara Buildpro Limited was listed separately on the stock exchanges during FY26, thereby unlocking shareholder value and enabling sharper business focus, improved capital allocation, and greater operational flexibility. The restructuring also created a clearer distinction between the retail/omni channel business and the manufacturing/processing operations of the parent entity.

**Strong Volume Growth and Operational Performance**

During FY26, the Company achieved a major operational milestone by surpassing its annual volume target of 1 million tonnes. Shankara Buildpro delivered approximately 10.2 lakh tonnes during FY26, representing a robust year-on-year growth of around 32% compared to FY25 volumes of approximately 7.7 lakh tonnes.

**II. Industry Structure and Developments**

The Indian building materials and construction products industry continued to demonstrate strong structural growth in FY26, supported by sustained government capital expenditure, infrastructure expansion, urbanization, and rising demand from both residential and industrial segments.

**Industry Structure**

India remains one of the fastest-growing construction markets globally, driven by large-scale public infrastructure programs and increasing private sector participation in real estate and industrial development. The building materials industry in India is highly fragmented, comprising a mix of large organized manufacturers, branded distributors, and a wide network of unorganized regional traders. The sector spans multiple product categories including steel, cement, tiles, sanitaryware, plumbing products, electricals, paints, roofing materials, and construction chemicals.

Within this ecosystem, the retail building materials business plays a critical role in connecting manufacturers with end users such as homeowners, contractors, fabricators, builders, and small to mid-sized enterprises. Traditionally dominated by unorganized trade counters and local dealers. This segment is witnessing a very slow transformation towards organised retail formats. Organized retail of building materials means that the business owners have to understand the customer requirements across multiple regions and quite often vary significantly from one area to the other. India is a complex market and micro-managing myriad consumer behavioral patterns is an art and businesses have to constantly adapt and change and it is very difficult to have a cookie cutter approach to plan and forecast business model. Buildpro has over the years understood these



requirements and has a robust model in place. Modern retailing requires backend warehousing, logistics apart from the physical stores at appropriate locations across multiple geographies. All this calls for significant investments, hands-on micro management and flexibility to cope with constant change.

### **Growth of Retail Building Materials Business**

The retail building materials segment continued to expand during FY26, supported by:

- Rising demand for home construction and renovation activities
- Growth in Tier-2 and Tier-3 cities
- Increasing preference for branded and quality-assured products
- Expansion of contractor-led and project-based purchasing
- Shift from fragmented local procurement to integrated supply solutions

The retail model is also benefiting from greater digital adoption, where customers use online platforms for product discovery, comparison, and ordering, while relying on physical stores and warehouses for fulfilment and technical support. This hybrid model is accelerating the evolution of the industry towards a true omni-channel ecosystem.

**“Make in India Initiative”** continues to support domestic manufacturing and strengthen the organised ecosystem in construction-related industries. The industry is well supported by a structured supply chain involving manufacturers, distributors, contractors and influencers like architects, structural engineers and interior decorators. This ensures efficient movement of materials to end users such as homeowners, builders, infrastructure developers, and industrial customers.

A gradual transition from excessively fragmented and unorganised trade to organised retail and omni-channel distribution models is being observed. Customers increasingly prefer integrated procurement platforms offering multiple brands, assured availability, technical support, and efficient logistics. The sector is also evolving with growing

emphasis on sustainability, energy efficiency, and technology-enabled construction materials, along with increased adoption of digital procurement and supply chain systems.

The construction sector remains a key driver of economic growth and employment, strongly supported by sustained public infrastructure investment and urban development initiatives.

### **Key Recent Government Initiatives**

- PM Gati Shakti National Master Plan – Integrated multimodal infrastructure planning across transport and logistics networks.
- National Infrastructure Pipeline (NIP) – Continued multi-year infrastructure investment across core sectors.
- Smart Cities Mission – Urban infrastructure modernization and redevelopment of cities.
- PM Awas Yojana (Urban & Rural) – Affordable housing development driving demand for building materials.
- Har Ghar Jal (Jal Jeevan Mission) – Rural water infrastructure expansion boosting demand for pipes and construction materials.
- The Government has target that India should produce 300 million tonnes of steel by 2030.

These programmes collectively continue to generate sustained demand across steel, cement, plumbing, roofing, and allied construction material segments, with strong participation across both urban and rural markets due to decentralised project execution. Steel demand has been growing at between 8 to 10% year on year. The industry outlook remains positive, supported by infrastructure growth, housing demand, industrial expansion, and the steady shift toward organised, technology-enabled retail and distribution channels.

## **III. Opportunities and Threats**

### **Opportunities**

The Indian construction and infrastructure sectors continue to demonstrate strong and sustained growth, supported by rapid urbanisation and significant government-led infrastructure investment. According to the Government of India’s long-term infrastructure framework, the National



Infrastructure Pipeline (NIP) outlines large-scale capital expenditure across transport, energy, urban infrastructure, and logistics, creating a strong multi-year demand outlook for building materials. In addition, integrated infrastructure development under the PM Gati Shakti National Master Plan is expected to improve execution efficiency and accelerate infrastructure creation across roadways, railways, ports, and logistics networks, thereby supporting sustained demand for construction inputs.

The continued implementation of PM Awas Yojana (Urban & Rural) is driving growth in affordable housing and urban redevelopment, thereby strengthening demand for core building materials such as steel, cement, pipes, tiles, and sanitaryware. Furthermore, the Jal Jeevan Mission, focused on providing tap water connections to rural households, continues to generate sustained demand for pipes, fittings, and allied construction materials, particularly in semi-urban and rural markets.

Shankara Buildpro Limited is well positioned to benefit from these structural drivers due to its strong geographic presence, diversified product portfolio, and integrated omni-channel distribution network across India.

#### Threats

The building materials industry remains cyclical and closely linked to macroeconomic conditions, particularly housing demand, residential construction activity, and infrastructure investment cycles. Any slowdown in these segments may impact demand for construction materials. The industry is also highly competitive and margin-sensitive, with pricing pressures arising from both organised and unorganised players. Additionally, changes in interest rates, inflationary pressures, and delays in infrastructure execution can adversely affect demand conditions in the short term. The industry is also closely linked to broader demand trends in housing, real estate, and infrastructure investment. In particular, the Company's exposure to steel a largely commoditised product category results in periodic price volatility, which may impact both demand patterns and margin performance.

The building materials sector remains highly competitive and margin-sensitive, where operational efficiency, supply chain strength, and customer service are key differentiators. Despite these challenges, Shankara Buildpro Limited

benefits from over five decades of industry experience, strong supplier partnerships, and an established and diversified customer base across retail, contractor, and institutional segments.

The global scenario of disruptions of energy resources to India due to the prolonged U.S- Iran conflict could affect some industries in this sector. Rising fuel prices could stoke inflation. This scenario could also dampen customers sentiments.

## IV. Segment wise/Product wise performance

### I. Steel Segment

Our business is structured across two key revenue streams – steel and non-steel. Our steel segment includes steel pipes, tmt bars, angles channel and heavy structural. We also offer wide range of steel flat products like Hot rolled (HR) sheets Plates and Coils, Cold Rolled (CR) sheets and coils, Color Coated (CC) Coils and Profiles, GP/GC sheets and coils. We represent most of the leading manufacturers of steel in India like JSW, AM/NS, SAIL, NMDC, JSOL and APL Apollo etc.,

About 90% of our Company turnover comes from this segment. Buildpro crossed a milestone in FY 2025-26 by selling over 1 million tonnes for the financial year which represents a volume metric growth of over 32% as compared to the previous FY 2024-25. The Company is undoubtedly one of the largest steel retailers and distributors in the Country.

### II. Non-Steel Segment

Our Non-Steel segment includes (i) plumbing products which includes CP fittings, Sanitaryware, PVC pipes and fittings etc. We represent leading manufactures like Jaquar, Kohler, Parryware, Grohe, Geberit, Viega, Aashirvad Pipes and Supreme etc (ii) Flooring which includes ceramic tiles, laminates etc and we represent Kajaria, Somany, Simpolo, RAK and we have our private label Fotia. (iii) Electrical cables and fittings representing Polycab, Havells and Finolex etc. (iv) Paints, Adhesives and sealants representing Nippon paints, MYK Laticrete and Asian Paints. We have numerous other products to complete the building material basket.

We have an entire range of roofing materials (steel profiles, puff panels, UPVC sheets etc) and accessories. We represent HP Landmark, Grindwell Norton and Aqua Star etc.



The revenue for this segment was ₹605.55 for FY 2025-26.

Buildpro operates through an omni channel which includes retail stores, distribution and e-commerce. We have 95 stores in our areas of operation. Our retail division did a revenue of Rs. 3,627.32 crores.

Our distribution division including channel and enterprise did a revenue of Rs. 3,198.39 crores.

Our e-commerce division which sells through Amazon, Flipkart and our own e-commerce portal. We are seeing significant traction in this segment, though very small as yet. We did a turnover of ₹22.18 crores which is a 322% growth over the previous year FY 25.

### Supply chain management

Supply chain is an integral part of our business. We have a warehousing network spread over ~8 lakhs sq.ft across our area of operations. Warehousing is very critical in ensuring storage of the required range of material and timely delivery to our customers.

### V. Outlook

The Indian economy is expected to remain one of the fastest growing large economies globally, supported by sustained domestic demand, infrastructure investment, and capex spending by the government. According to recent RBI projections and by other global analysts, India is expected to grow in the range of around 6.5- 7% in FY27, despite global uncertainties.

However, global headwinds such as geopolitical tensions triggered by the U.S- Iran war which has affected energy supplies to the whole world could affect economic growth. India imports around 80% of its fossil energy needs. About 40% of this comes from the Middle-East which is currently blockaded due to the ongoing standoff between the U.S and Iran. Petroleum prices have rise sharply over the last few months which will have an adverse impact on any economy. The rupee has depreciated substantially. The current situation could stoke inflation. The Government of India is taking substantial measures to mitigate the adverse effects on the economy.

Despite these challenges, we believe that Shankara Buildpro will sustain its growth momentum. The Company's products are highly diversified catering to infrastructure, housing, industrial and general engineering. And all these areas are the backbone of any economy. Buildpro has a widespread geographic presence in South, West, Central and parts of Eastern India. Our well established supply chain and omni channel distribution will hold the Company in good stead.

### VI. Risks and Concerns

As our investor, you already understand that risks are part of any business. It is not possible to detail every risk to the business. For our business, we have identified key risks:

- **Market Risks:** The retail building materials industry operates in a highly competitive and fragmented environment, with significant participation from both organised and unorganised players. Intense competition, particularly from small and owner-driven trading businesses, often leads to aggressive pricing strategies, limited pricing discipline, and heightened pressure on margins across key product categories. Such competitive intensity can constrain the Company's ability to maintain pricing power, protect profitability, and sustain consistent margin performance, especially in commoditised segments such as steel and basic construction materials. The expansion of informal trade channels further intensifies competition through flexible credit terms, localised relationships, and non-standardised operating practices.

In addition, the presence of certain market participants engaging in non-standard or less structured business practices may create an uneven competitive environment, impacting fair pricing dynamics and increasing operational challenges for organised players adhering to compliant and structured business processes. Prolonged pricing pressure and margin compression arising from such market conditions may adversely affect the Company's profitability, market positioning, and overall business performance.



- **Credit Risk:** The retail building materials business is significantly exposed to credit risk due to the nature of its customer base, which includes contractors, builders, fabricators, wholesalers, and other trade intermediaries. The industry typically operates on extended credit cycles, and delays or defaults in customer payments can adversely impact the Company's cash flows and working capital cycle.

The Company's ability to effectively manage credit risk depends on continuous monitoring of customer exposure, disciplined credit assessment, and efficient collection processes. Failure to adequately control credit exposure may adversely affect cash flows, working capital requirements, and overall financial performance.

- **Inventory and Breakage Risk:** The retail building materials business involves a large and diverse SKU base across categories such as steel, tiles, sanitaryware, plumbing, electricals, and allied products. Inefficient inventory planning may lead to accumulation of slow-moving or obsolete stock, particularly in non-steel categories. Products such as tiles and sanitaryware are also exposed to higher obsolescence risk due to frequent changes in designs, models, and colours, which may result in unsold inventory or price adjustments impacting margins. Additionally, breakage risk during storage, handling, and transportation of fragile products can lead to inventory losses and higher logistics costs. Overall, poor inventory management, product obsolescence, and handling-related damages may adversely impact profitability and working capital efficiency.

**VII. Internal control systems and their adequacy**

In accordance with Section 134(5)(e) of the Companies Act, 2013 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a comprehensive internal control system commensurate with the size and complexity of its operations.

The management has assessed the effectiveness of the Company's internal controls over financial reporting as at March 31, 2026, as defined under Regulation 17 of the SEBI LODR Regulations, 2015. The financial statements for the year have been audited by the statutory auditors, ASA & Associates LLP, Chartered Accountants, who have expressed their opinion thereon.

The internal control framework forms an integral part of the Company's corporate governance structure and plays a key role in managing operational, financial, and compliance risks. The Company has in place a structured Risk Management Policy applicable across all business verticals, which facilitates systematic identification, assessment, and mitigation of risks that may impact business performance and achievement of strategic objectives.

A Risk Management Committee, comprising Independent and Executive Directors, oversees the risk management framework. The Committee periodically reviews key existing risks as well as emerging risks on a quarterly basis and evaluates the adequacy and effectiveness of mitigation measures implemented by the management.

The Company has adopted accounting policies in line with Indian Accounting Standards (Ind AS) and continues to ensure compliance with all applicable statutory and regulatory requirements. The compliance systems are reviewed regularly and are considered to be adequate and operating effectively. Any deviations or matters requiring attention are promptly addressed by the management.

The Internal Auditors independently monitor and evaluate the adequacy and effectiveness of internal controls, compliance with established policies and procedures, and adherence to operating and accounting systems across all locations, including subsidiaries. Their observations are periodically reviewed by the Audit Committee, and corrective actions are taken wherever required to strengthen the control environment.



## VIII. Discussion on financial performance with respect to operational performance.

₹ in Crores

Financial Highlights/ Year Ending 31st March	2025 -26		2024-25	
	Consolidated	Standalone	Consolidated	Standalone
Revenue from operations	6,825.71	6,824.65	5,267.38	5,267.38
Total Income	6,827.11	6,826.14	5,268.64	5,268.64
Earnings Before Interest, Exceptional Items & Taxes (EBIT)	218.61	218.01	143.34	143.34
Profit/(Loss) before Exceptional items & tax	176.37	175.82	101.07	101.07
Exceptional Items	(2.61)	(2.61)	-	-
Profit/(Loss) before tax	173.76	173.21	101.07	101.07
Tax expenses	45.80	45.65	22.91	22.91
Profit/ (Loss) after tax	127.96	127.56	78.16	78.16
Other comprehensive income	0.81	0.81	0.10	0.10
Share Capital	24.25	24.25	24.25	24.25
Other Equity	521.39	521.21	432.76	432.76
Net worth	545.64	545.46	457.01	457.01

### Share Capital

During the year under review, there was no increase in paid-up equity share capital of the Company.

As a result of the above, the paid-up equity share capital stands at ₹24,24,93,260 comprising of 2,42,49,326 equity shares of ₹10 per share fully paid up, as on March 31, 2026.

### Reserve & Surplus

On standalone and consolidated basis, the balance of security premium as at March 31, 2026 amounted is NIL.

### Goodwill

On a consolidated basis, carrying value of goodwill as at March 31, 2026 is NIL.

### Trade Receivables

On a consolidated basis trade receivable amounted to ₹942.48 crores (previous year ₹769.94 crores) net of provision for doubtful debts of ₹ 4.32 crores (previous year ₹3.53 crores).

### Loans and Advances

On a consolidated basis loans and advances amounting to ₹54.58 crores.

### Borrowings

On a consolidated basis, borrowing current as at March 31, 2026 is ₹60.81 crores and non-current borrowing is NIL.

### Other Income

Please refer note no 31 in consolidated financials.

### Expenditure

The employee benefits expenses increased to ₹53.54 crores compared to previous year at ₹50.44 crores on consolidated basis.

### Profit before Tax

Our profit before tax and exceptional items increased by ₹176.37crores from a profit before tax of ₹101.07 crores for FY 2025.

### Tax Expense

For the year ended March 31, 2026, there was a tax expense of ₹45.65 crores (Previous year: tax expense of ₹22.91 crores) on a standalone basis. On a consolidated basis, tax expense was ₹45.80 crores (previous year ₹22.91 crores).

### Net Profit

On consolidated basis, the net profit of the Company amounted to ₹127.96 crores as against ₹78.16 crores during the previous year. Total



Comprehensive profit for the year is ₹128.77 crores as compared to ₹78.26 crores during previous year.

On standalone basis, the net profit of the Company amounted to ₹127.56 crores as against of ₹78.16 crores during the previous year.

**Earnings per Share**

On a standalone basis, basic earnings per share computed based on number of common stock outstanding, as on the Balance Sheet date is ₹52.60 per share (Previous year: ₹32.23 per share. On a consolidated basis, earning per share is ₹52.77 (Previous year: ₹32.23per share).

**IX. Material developments in Human Resources/Industrial Relations front, including number of people employed**

In a dynamic and increasingly competitive business environment, the Company acknowledges that its long-term competitive strength is anchored in the capability, experience, and commitment of its people. Human resource development therefore remains a core strategic focus, and the Company continuously strives to align its people practices with organisational goals to drive sustained growth and operational excellence. The Company upholds the highest standards of corporate governance, ethical conduct, and social responsibility, which together have helped build a collaborative, inclusive, and performance-driven workplace

culture. The HR systems and policies are structured to improve employee engagement, foster continuous upskilling, and support career development, thereby enhancing both individual growth and organisational productivity.

A strong framework of policies and processes has been established to safeguard employee health, safety, and well-being across all operating locations, including retail outlets, warehouses, and processing units. The Company follows a systematic safety management approach supported by regular inspections, training programmes, and strict compliance with safety norms to ensure a secure working environment.

During the year, the Company also undertook several employee welfare initiatives, including preventive health check-ups, reinforcing its commitment to employee wellness and proactive healthcare. These measures reflect the Company's continued emphasis on building a healthy, motivated, and resilient workforce.

The Company has continued to enjoy cordial and stable industrial relations throughout the year. It adopts an open, participative, and consultative approach in engaging with employees and workforce representatives. Effective communication channels and collaborative practices have helped strengthen trust, improve employee relations, and maintain a stable and productive workplace culture across the organisation.

**X. Key financial ratios:**

The comparison of key financial ratios for FY 26 and FY 25 is detailed below:

Particulars	2025-26	2024- 25
	<b>Consolidated</b>	
Debtor Turnover in Days (on gross sales)	43	45
Inventory Turnover in Days	26	26
Interest Coverage Ratio	5.18	3.39
Current Ratio	1.46	1.51
Net Debt Equity Ratio	1.94	1.74
Operating Profit Margin (%)	3.35%	2.87%
Net Profit Margin (%)	1.87%	1.48%
Return on Net Worth (%)	36.04%	28.12%



In FY26, Profit after Tax was ₹127.96 crores as against ₹78.16 crores in the previous year. Therefore, Return on net worth improved in FY26.

**Detailed explanation of significant changes (i.e 25% or more as compared to the immediately previous financial year).- Refer Note No. 62 of Consolidated Financials**





## Report on Corporate Governance

[In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Companies Act, 2013 (the "Act") and forms part of the Annual Report for the year ended March 31, 2026.]

Corporate governance is the system of rules, processes, and controls that directs and manages a company while protecting stakeholder interests. It promotes transparency, accountability, and ethical conduct by defining the roles of the Board, management, shareholders, and other stakeholders. Beyond legal compliance, it ensures responsible business practices and sustainable value creation for investors, employees, customers, suppliers, and the community.

### Buildpro Philosophy on Corporate Governance

The Company's approach to corporate governance is firmly grounded in ethical business practices, transparency, accountability, and integrity. As a values-driven organization, the Company is committed to fostering long-term trust and confidence among its shareholders, employees, customers, suppliers, business partners, regulators, and the wider community. This commitment is reflected in the adoption of governance practices that emphasize fairness, equity, openness, responsibility, and adherence to the highest standards of professional conduct. The Company believes that sound corporate governance is essential not only for regulatory compliance but also for sustainable growth, enhanced stakeholder value, and long-term business success.

To strengthen its governance framework, the Company has established comprehensive systems, policies, and internal control mechanisms that enable the Board of Directors to function effectively and independently. These processes ensure that the Board receives timely, accurate, and relevant information necessary for informed decision-making and effective oversight of the Company's operations and strategic direction. The governance framework also empowers the Board to guide and supervise management in a manner that aligns with the Company's vision, objectives, and stakeholder interests, thereby promoting sustainable value creation for shareholders.

The Board of Directors acknowledges that corporate governance standards and stakeholder expectations continue to evolve in a dynamic business environment. Accordingly, the Company remains committed to continuously reviewing and strengthening its governance practices to ensure compliance not only with the letter of the law but also with the spirit of ethical and responsible business conduct. The Board actively oversees management functions, monitors organizational performance, ensures effective risk management, and safeguards the long-term interests of all stakeholders. The Company's governance framework further emphasizes transparency through timely disclosures and accurate dissemination of information relating to financial performance, operational developments, leadership practices, and governance matters.

In line with its commitment to maintaining high standards of corporate governance, the Company complies with the applicable provisions of the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR" or "Listing Regulations"), and the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI). The Company complies with the requirements prescribed under Regulations 17 to 27 and Regulation 46 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI LODR Regulations, as applicable.

To ensure effective governance and specialized oversight, the Board has constituted various statutory committees, including the Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee, and Corporate Social Responsibility Committee. These committees comprise a majority of Independent Directors and operate within clearly defined terms of reference in accordance with applicable laws and governance best practices. Through these committees, the Board ensures focused attention on critical areas such as financial reporting and controls, board composition and remuneration, stakeholder grievances, enterprise risk management, and social responsibility initiatives, thereby enhancing accountability, transparency, and overall governance effectiveness across the organization.



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## The Board of Directors

The Board of Directors (“the Board”) comprises an appropriate combination of executive and non-executive directors possessing extensive experience, expertise, and knowledge across diverse fields such as finance, strategy, operations, governance, risk management, legal compliance, industry practices, and business administration. This balanced composition enables the Board to provide effective leadership, strategic guidance, and independent judgment in the management and affairs of the Company. The collective expertise and varied perspectives of the Directors contribute significantly toward informed decision-making and the achievement of the Company’s long-term strategic objectives.

The Board is primarily responsible for overseeing the overall performance and direction of the Company and ensuring that management functions in a transparent, accountable, and ethical manner. It plays a vital role in setting the Company’s strategic priorities, reviewing business plans, monitoring operational and financial performance, ensuring effective risk management practices, and safeguarding the interests of shareholders and other stakeholders.

The operations and management of the Company are carried out under the supervision and guidance of the Board within the framework of the Companies Act, 2013 and the Rules made thereunder (“the Act”), the Articles of Association of the Company, applicable Securities and Exchange Board of India (“SEBI”) regulations and guidelines, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). The Board ensures compliance with all statutory and regulatory requirements while maintaining transparency, integrity, and fairness in all business dealings and decision-making processes.

To facilitate focused supervision and improve governance efficiency, the Board has constituted various Committees in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations. These Committees comprise a majority of Independent Directors and operate under clearly defined charters, terms of reference, and authority delegated by the Board. The Committees assist the Board in effectively

discharging its responsibilities in specialized areas requiring detailed review, expertise, and closer monitoring.

The Committees constituted by the Board include, among others, the Audit Committee, Nomination and Remuneration Committee, Stakeholders’ Relationship Committee, Risk Management Committee, and Corporate Social Responsibility Committee. Each Committee functions in line with its approved charter and applicable regulatory requirements, while also undertaking such additional tasks, responsibilities, and assignments as may be entrusted to it by the Board from time to time. The recommendations and decisions of these Committees are regularly placed before the Board for consideration and guidance, thereby ensuring transparency, accountability, and effective governance throughout the organization.

### The Chairman

The Chairman of the Board, being a Non-Executive Independent Director, provides strategic guidance and leadership to the Board to ensure effective decision-making and achievement of the Company’s business objectives. The Chairman promotes high standards of corporate governance, transparency, and accountability while facilitating constructive discussions and balanced deliberations among Directors.

The Chairman presides over the meetings of the Board and shareholders, ensuring smooth conduct of proceedings, effective participation, and compliance with applicable statutory and regulatory requirements.

### The Managing Director

The Managing Director provides strategic vision and leadership to drive the Company’s growth and business objectives. The Managing Director guides the senior leadership team in effective decision-making and operational excellence, while assuming overall responsibility for business performance, strategic management, corporate governance, and organizational effectiveness.

### The Independent Directors

The Independent Directors play a vital role in strengthening the governance framework of the Company by bringing objectivity, independence, and



balanced judgment to the Board’s deliberations and decision-making process. They provide unbiased views and constructive guidance on strategic, operational, financial, and governance matters discussed at Board meetings. Their independent oversight helps ensure that the interests of shareholders and other stakeholders are adequately protected while promoting transparency, accountability, and ethical business practices.

Independent Directors also contribute significantly to maintain effective checks and balances in the functioning of the Board and enhancing overall corporate governance standards within the Company.

**The Executive Director and the Senior Management Personnel**

The Executive Director and Senior Management Personnel comprise the leaders from different functions of the Company. They assume overall responsibility for business and corporate functions and look into the management of the day-to-day affairs of the Company.

A report on compliance with corporate governance principles as prescribed under SEBI LODR is given below.

**Date of Report**

The information provided in this Report on Corporate Governance is as on March 31, 2026.

**1. Board of Directors**

The Board of Directors (“the Board”) is ultimately responsible for the management, overall affairs, strategic direction, performance, and long-term success of the Company’s business.

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Company has an optimum combination of Executive and Non-Executive Directors, and the Board is chaired by an Independent Director. As on March 31, 2026, the Board comprises six (6) Directors, including three (3) Executive Directors and three (3) Non-Executive Independent Directors, one of whom is a Woman Director. The composition of the Board is provided below.

The profiles of the Directors are available on the Company’s website at <https://shankarabuildpro.com/investors/>

Category	No. of Directors	Percentage of total strength of the Board (rounded-off)
Executive Directors	3	50
Independent Directors	3	50

None of the Directors on the Board holds directorships exceeding the limits prescribed under applicable laws and regulations. Further, no Director serves as a member of more than ten committees or as Chairman of more than five committees across all public companies in which they hold directorships. The Directors have made the necessary disclosures regarding their committee positions in other public companies as on March 31, 2026. Additionally, none of the Directors is related to any other Director on the Board.

The Independent Directors of the Company are Non-Executive Directors and satisfy the criteria of independence as prescribed under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) read with Section 149(6) of the Companies Act, 2013. They possess the required qualifications, experience, expertise, and integrity to provide independent judgment and objective guidance on matters relating to strategy, performance, governance, risk management, and business operations of the Company.



The tenure of the Independent Directors is in accordance with the provisions of the Companies Act, 2013 and applicable regulations governing appointment and continuation of Independent Directors. All the Independent Directors have submitted the necessary declarations and confirmations stating that they meet the criteria of independence as specified under Regulation 16(1)(b) of the SEBI LODR Regulations read with Section 149(6) of the Companies Act, 2013 and that they remain independent of the management.

Further, none of the Directors of the Company has been restrained, disqualified, or debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India (SEBI) or any other statutory or regulatory authority. The Company has also obtained the

necessary confirmations from all Directors in this regard.

#### **a. Composition of the Board**

The Board of Directors of the Company is well comprised of Executive and Non-Executive Directors with more than half of the Board of the Company comprising Independent Directors. During the year 2025-2026, the Board consisted of six directors comprising three Executive Directors, three Independent Directors.

The composition of the Board is in conformity with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013.





**b. Category of Directors and Directorships and Committee Memberships**

The details of Directorships and Committee Memberships of the Directors as on March 31, 2026 are given below:

Name of the Director	Age	Category	Position	Directorships in other listed companies	All Companies*	Committee memberships**	Chairman of Committee**	No. of Shares held
****Mr. B Jayaraman (DIN: 00022567)	72	Non-Executive	Independent Director/Chairman	Shankara Building Products Limited	2	4	2	-
Mr. Sukumar Srinivas (DIN: 01668064)	66	Executive	Managing Director	Shankara Building Products Limited	6	2	-	93,88,787
****Ms. Jayashri Murali (DIN: 00317201)	67	Non-Executive	Independent Director	-	4	5	-	-
****Mr. N Muthuraman (DIN: 02375046)	55	Non-Executive	Independent Director	Shankara Building Products Limited	11	7	5	-
Mr. Dhananjay Miralay Srinivas (DIN: 09108483)	31	Executive	Whole-time Director	Shankara Building Products Limited	3	-	-	81,050

Name of the Director	Age	Category	Position	Directorships in other listed companies	All Companies*	Committee memberships**	Chairman of Committee**	No. of Shares held
Mr. C. Ravikumar (DIN: 01247347)	60	Executive	Whole-time Director	Shankara Building Products Limited	5	1	-	72,500
***Mr. Agfa Chengalan Nalagath (DIN: 10373519)	52	Executive	Whole-time Director	-	-	-	-	-

\*Directorships in companies (listed, unlisted and private limited companies) including Shankara Buildpro Limited and its Subsidiary.

\*\*The disclosure includes Membership/Chairman of the Audit Committee and Stakeholders' Relationship Committee in Indian public companies (listed and unlisted).

\*\*\* Mr. Agfa Chengalan Nalagath (DIN: 10373519) resigned with effect from August 11, 2025.

\*\*\*\*Mr. B. Jayaraman (DIN: 00022567), Mr. N. Muthuraman (DIN: 02375046) and Ms. Jayashri Murali (DIN: 0037201) were appointed as an Independent Director of the Company with effect from September 25, 2025.





**c. Appointment and Tenure of the Board**

The process for appointment and reappointment of Directors is structured, deliberative, and designed to ensure that the Board maintains an optimal mix of skills, independence, and experience aligned with the Company's strategic needs. The Board relies on the recommendations of the Nomination and Remuneration Committee (NRC), which plays a central role in identifying, evaluating, and recommending suitable candidates for Board positions, subject to final approval by the shareholders.

The NRC continuously reviews the composition and effectiveness of the Board. When considering appointments or reappointments, it evaluates multiple factors, including:

- The existing composition of the Board and whether it reflects an appropriate balance of executive, non-executive, and independent directors.
- The tenure and retirement timelines of current directors to ensure continuity and orderly succession planning.
- The evolving business environment of the Company and the need for fresh perspectives or specialized expertise in emerging or strategic areas such as technology, finance, regulatory compliance, or global operations.
- The overall skill matrix of the Board to identify gaps and recommend candidates who can strengthen collective capability.

Based on this assessment, the NRC recommends suitable individuals for appointment. These individuals are often first inducted as Additional Directors, allowing the Board to evaluate their contribution and suitability before formal shareholder approval is sought at the next general meeting.

**i. Executive Directors** - Executive Directors are appointed in accordance with the provisions of the Act and serve under the terms of their employment or service contracts with the Company. They are also subject to retirement by rotation as per applicable requirements.

**ii. Independent Directors** - Independent Directors are appointed in accordance with the Act and the Listing Regulations and serve for a tenure as

permitted under these provisions. They may hold office for up to two terms of five years each, subject to shareholder approval through a special resolution, and are not liable to retire by rotation.

Details of appointments/ re-appointments:

i. The members at the Extra-Ordinary General Meeting approved the appointment of Mr. B. Jayaraman (DIN: 00022567); Mr. N. Muthuraman (DIN: 02375046) and Ms. Jayashri Murali (DIN: 00317201) as an Independent Director of the Company for the period of 5 (five) years with effect from September 25, 2025.

ii. The members at the 2nd AGM approved the re-appointment of Mr. Dhananjay Mirlay Srinivas (DIN: 09108483) as a Director of the Company who retires by rotation.

iii. Each Director provides the Company with annual disclosures of their shareholding in the Company and their directorships in other companies in the prescribed format, along with prompt updates of any subsequent changes, if applicable.

iv. None of the Directors serve as members of more than ten committees or as Chairpersons of more than five committees across all listed entities in which they are directors, including this Company, in accordance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Directors are also in compliance with the limits on directorships prescribed under the Listing Regulations and the Companies Act, 2013, as amended.

v. The Independent Directors of the Company have declared that they meet the criteria for "independence" and / or "eligibility" as prescribed under amended Regulation 16(1)(b) of the Listing Regulations and Section 149 of the Act and have given necessary confirmations in terms of Regulation 25(8) of the Listing Regulations. Based on the said declarations and confirmations received from the Independent Directors, the Board confirms the same.

vi. None of the Directors of the Company are related to each other. The Company is in compliance with the provisions regarding Board, its composition and committees under the Act and the Listing Regulations including Regulation 17 (1) thereof.



#### d. Board Process and Meeting

The Board of Directors of the Company meets at regular intervals, at least once every quarter, to review the performance of the Company and to deliberate upon and take decisions on key business policies, strategies, and other important matters concerning the operations and governance of the Company. In addition to the scheduled quarterly meetings, the Board also meets as and when required to address specific business needs and emergent matters.

Board and Committee meetings are pre-scheduled at the beginning of the financial year and are communicated to the Directors well in advance, enabling them to plan their schedules and ensure meaningful participation and contribution. In the event of urgent or time-sensitive matters requiring immediate attention, approvals of the Board are obtained through resolutions passed by circulation, in accordance with applicable statutory provisions. Such circular resolutions are subsequently placed before and noted by the Board at its next meeting for ratification and record.

Notices of all Board and Committee meetings are issued in advance, and the meetings are generally held at Bengaluru. The agenda for each Board and Committee meeting is prepared by the Company Secretary in consultation with the Managing Director of the Company. The finalized agenda is circulated to all Directors typically one week prior to the date of the meeting to facilitate adequate preparation and informed discussion.

The agenda items are accompanied by detailed notes and supporting information, except in cases

of price-sensitive information, which is either tabled at the meeting or circulated immediately prior to the meeting in accordance with applicable regulations. The preparation and circulation of agenda and related documents are carried out in compliance with Secretarial Standard-1 on Meetings of the Board of Directors, read with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board also considers additional items under the head "Other Business" with the prior approval of the Chairman and with the consent of the majority of the Independent Directors present at the meeting, as applicable.

Further, the Company ensures timely disclosure of the proceedings and outcomes of each Board meeting to the Stock Exchanges, namely BSE Limited and National Stock Exchange of India Limited, in accordance with regulatory requirements.

To facilitate effective discharge of its responsibilities, the Managing Director provides a comprehensive update to the Board at every meeting on the overall performance and key developments of the Company. This is followed by detailed presentations by the Chief Financial Officer covering financial performance, operational highlights, and other relevant aspects to enable informed decision-making by the Board.

The maximum gap between any two Board meetings did not exceed 120 days during the year. There were eleven Board Meeting held for the year 2025-2026, the details of which are as follows:

Sl. No	Meeting No.	Date of the meeting
1.	No. 1/2025-26	May 8, 2025
2.	No. 2/2025-26	July 16, 2025
3.	No. 3/2025-26	September 2, 2025
4.	No. 4/2025-26	September 3, 2025
5.	No. 5/2025-26	September 12, 2025
6.	No. 6/2025-26	September 25, 2025
7.	No. 7/2025-26	September 26, 2025
8.	No. 8/2025-26	October 4, 2025
9.	No. 9/2025-26	October 27, 2025
10.	No. 10/2025-26	January 29, 2026
11.	No. 11/2025-26	February 11, 2026



**Details of attendance of Board of Directors and other directorship/ committee positions, etc. as on March 31, 2026, and at the 2nd Annual General Meeting held on September 16, 2025 are as under:**

Director	Position & Category	Whether attended last AGM	Held during tenure(A)	Attended (B)	% of attendance(B/A)
Mr. B. Jayaraman	Chairman, Independent Director	No	5	4	75%
Mr. Sukumar Srinivas	Managing Director, Executive	Yes	11	11	100%
Mr. Dhananjay Mirlay Srinivas	Whole-time Director	Yes	11	11	100%
Mr. N. Muthuraman	Independent Director	No	5	3	60%
Ms. Jayashri Murali	Independent Director	No	5	4	75%
Mr. C. Ravikumar	Whole-time Director	Yes	11	11	100%

*Note: Mr. B. Jayaraman (DIN: 00022567), Mr. N. Muthuraman (DIN: 02375046) and Ms. Jayashri Murali (DIN: 00317201) were appointed as an Independent Director of the Company with effect from September 25, 2025.*

**e. Core Competencies of the Board**

The Board of Directors is composed of highly respected professionals from various fields, each bringing a wealth of skills and experience. Their diverse expertise enriches the decision-making process, enhancing the overall quality of the Board's deliberations. The Directors are appointed,

basis the recommendation of Nomination & Remuneration Committee, are drawn from diverse backgrounds and possess special skills with regard to the industries/fields from where they come.

The following are the core skills, expertise and competencies for effective functioning of the Company.

S. No	Name of the Director(s)	Existing Skills/expertise/competence
1.	Mr. B. Jayaraman	Finance, Business Strategy, Corporate Law, Taxation, Mergers & Acquisitions, Internal Control, ERP system implementation.
2.	Mr. Sukumar Srinivas	Strategy, Finance, General Management.
3.	Mr. Dhananjay Mirlay Srinivas	Market Development, Strategic Planning, and Risk Oversight.
4.	Mr. N. Muthuraman	Finance, Private equity and venture capital, Strategy & Investor Relations
5.	Ms. Jayashri Murali	Legal, Regulatory Framework, Corporate Governance.
6.	Mr. C. Ravikumar	Business and Marketing Strategy, Risk Management, Production Planning and Execution, Retail Management.



## f. Board Evaluation

Board Evaluation forms an integral part of the Company's corporate governance framework. In accordance with the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, and Governance Guidelines, the Board conducts an annual evaluation of its own performance, that of its Committees, and Individual Directors. The Company believes that an effective evaluation process enhances the Board's overall effectiveness and contributes to long-term value creation for stakeholders.

The evaluation framework, including criteria, process, and questionnaires, is developed by the Board in consultation with the Nomination and Remuneration Committee and is aligned with applicable regulatory requirements and best governance practices.

During the year, the Company carried out an internal evaluation of the Board, its Committees, and Individual Directors. The evaluation covered various aspects such as composition, effectiveness, participation, expertise, contribution to strategic decision-making, and quality of information flow between management and the Board. The performance of Directors and Committees was assessed based on feedback received from Board members, excluding the Director being evaluated.

The Independent Directors, in a separate meeting, reviewed the performance of the Non-Independent Directors, the Chairman, and the Board as a whole. The Board expressed satisfaction with its overall functioning and effectiveness and noted that the professional and transparent conduct of Board and Committee meetings facilitates constructive discussions and informed decision-making.

## 2. Independent Directors and Declarations of Independence

The Independent Directors of the Company are professionals of high integrity and expertise who fulfill the criteria of independence as prescribed under the Companies Act, 2013, read with the relevant Rules and Schedules thereto, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with other applicable statutory provisions.

As on March 31, 2026, the Board comprised three Independent Directors, including one Woman Director. The Company has received necessary declarations from all Independent Directors confirming that they meet the criteria of

independence as laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Board is of the opinion that all the Independent Directors possess the requisite integrity, expertise, and experience and continue to satisfy the conditions of independence applicable to them.

## Changes in the constitution of the Independent Directors

During the year under review, there was no change in the composition of the Independent Directors on the Board.

In terms of Regulation 25(8) of Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. All Independent Directors have given declarations that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (LODR) Regulations, 2015.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1) (b) of the SEBI (LODR) Regulations, 2015 and Section 149(6) of the Act and that they are independent of the management.

## a. Composition of the Independent Directors

The composition of the Independent Directors as on March 31, 2026 is in accordance with the Act and the Listing Regulations and consist of:

Sl. No	Name of the Independent Director
1.	Mr. B. Jayaraman
2.	Ms. Jayashri Murali
3.	Mr. N. Muthuraman

## b. Appointment

The following is the policy adopted by the Board in the appointment of Independent Director:

i. The appointment and tenure of Independent Directors are governed by the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, such Directors should not be disqualified from appointment as Directors



under the applicable provisions of the Act and the Listing Regulations.

ii. The Independent Directors may hold office for a maximum of two consecutive terms of five years each, in accordance with the provisions of the Companies Act, 2013. Further, an Independent Director shall not serve on the Boards of more than seven listed companies. In case an Independent Director is serving as a Whole-time Director in any listed company, the number of listed company directorships held by such Director shall be restricted to three.

iii. At the time of appointment and thereafter at the beginning of each financial year, the Independent Directors submit a self-declaration, confirming their independence and compliance with various eligibility criteria laid down by the Act, Listing Regulations and by the Company, among other disclosures to the Board.

**c. Meeting of Independent Directors**

The Independent Directors play a vital role in strengthening the Company's corporate governance framework and ensuring balanced and objective decision-making in the best interests of all stakeholders. With their diverse expertise, professional experience, and independent judgment, they provide valuable guidance on matters relating to strategy, business performance, risk management, internal controls, succession planning, governance standards, and regulatory compliance.

During the financial year ended March 31, 2026, all the Independent Directors met on February 11, 2026. The following items were considered and reviewed by the Independent Directors:

- i. Review of performance of Executive Director and Non- Executive/ Non-Independent Directors and the Board as a whole;
- ii. Review of performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii. The performance of the Company, Corporate Strategy, risks, competition, succession planning of the Board and the management;
- iv. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**d. Formal letter of appointment to the Independent Directors**

The Company issues formal letters of appointment to all Independent Directors at the time of their

appointment to the Board. These letters set out the terms and conditions of appointment, including their roles, responsibilities, duties, functions, and obligations as Independent Directors, in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**e. Familiarization Programme for Independent Directors**

Pursuant to Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Familiarisation Programme is designed to provide Independent Directors with an understanding of the industry landscape, the socio-economic environment in which the Company operates, its business model, and its operational and financial performance. The programme also covers significant developments within the Company to enable the Directors to take informed and timely decisions. In addition, the programme familiarises the Independent Directors with their roles, responsibilities, rights, and duties under the Companies Act, 2013 and other applicable laws and regulations. The details of the Familiarisation Programme for Independent Directors are available on the Company's website at <https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Familiarisation-Programme-for-Independent-Directors.pdf>

**3. The Committees of the Board**

The Committees of the Board are the fulcrum for ensuring fair practices and transparency which is conducive for various Stakeholders by enabling fair and transparent disclosure practices. In compliance with the statutory requirements, the Board has constituted various Committees with specific terms of reference and scope.

The Board currently has six Committees:

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Stakeholders' Relationship Committee
- iv. Corporate Social Responsibility Committee
- v. Risk Management Committee
- vi. Whistle-blower Committee

The terms of reference of the Board Committees are in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and are periodically reviewed by the Board. The Committees are provided with requisite information, detailed agenda notes, and supporting documents well in advance to enable informed deliberations.



The committee meetings are convened by the Company Secretary in consultation with the respective Chairperson of each Committee. The role, composition, number of meetings held during the financial year, and attendance details of each Committee are provided separately in this Report.

The quorum for Committee meetings shall be the higher of two members or one-third of the total strength of the Committee. The Chairperson of each Committee briefs the Board on the key discussions and outcomes of the respective Committee meetings. All recommendations and decisions of the Committees are placed before the Board for its consideration and approval. During the year under review, all recommendations made by the

Committees were duly accepted by the Board.

The Committees may invite special invitees to attend meetings, as deemed necessary. The minutes of all Committee meetings are placed before the Board for its information and review.

### Composition of the Committee

The Committees are constituted in accordance with the Act and the Listing Regulations consisting of majority of Independent Directors to deal with specific areas / activities as mandated by applicable regulations and by the Charter.

The composition of committees as on March 31, 2026:

Name of Director	Category	Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee	Whistle Blower Committee
Mr. B. Jayaraman	Chairman, Independent Director	Member	Member	Chairman	-	Chairman	Member
Mr. Sukumar Srinivas	Managing Director, Executive	Member	-	-	Member	-	-
Mr. N. Muthuraman	Independent Director	Chairman	Chairman	Member	Member	Member	Chairman
Mr. Dhananjay Mirlay Srinivas	Whole-time Director	-	-	-	-	-	-
Ms. Jayashri Murali	Independent Director	Member	Member	Member	Chairman	Member	Member
Mr. C. Ravikumar	Whole-time Director	-	-	-	-	Member	-

The brief description of terms of reference, composition, meetings and attendance of the Committees during the financial year 2025-26 are provided below.

#### I. Audit Committee

In accordance with the Listing Regulations and requirements of the Act, the Audit Committee of the Company is constituted with four Directors with three members of the Committee being Independent Directors including the Chairman who is a Non-Executive Independent Director. The majority of the members of the Committee are financially literate and have adequate accounting and financial management expertise. The Committee reports to the Board with the Company Secretary acting as Secretary to the Committee in addition to being the Compliance Officer of the Committee.

The Charter of the Audit Committee is available on

the Company's website

<https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Audit-Committee.pdf>

#### A. Terms of Reference of Audit Committee

The Company has an Audit Committee, which has been functioning in accordance with the provisions of Company Law. The Audit Committee of the Board consists of four members.

In compliance with Section 177 and any other applicable provisions of the Companies Act, 2013, and the rules and regulations made thereunder, each as amended the ("Companies Act"), Regulation 18 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the listing agreements to be entered into between the Company and the respective stock exchanges on which its equity shares are proposed to be listed,



time being in force, the Board of Directors hereby adopt the terms of reference of the audit committee, constituted by the Board of Directors by resolution dated September 25, 2025 which shall include the following:

a. Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b. Recommending to the Board, the appointment, re-appointment, and replacement, remuneration, and terms of appointment of the statutory auditor and the fixation of audit fee;

c. Review and monitor the auditor's independence and performance and the effectiveness of audit process;

d. Approval of payments to the statutory auditors for any other services rendered by statutory auditors;

e. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

i. Matters required to be stated in the Director's responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;

ii. Changes, if any, in accounting policies and practices and reasons for the same;

iii. Major accounting entries involving estimates based on the exercise of judgment by management;

iv. Significant adjustments made in the financial statements arising out of audit findings;

v. Compliance with listing and other legal requirements relating to financial statements;

vi. Disclosure of any related party transactions; and

vii. Qualifications and modified opinions in the draft audit report.

f. Reviewing with the management, the quarterly, half-yearly and annual financial statements before

submission to the Board for approval;

g. Scrutiny of inter-corporate loans and investments;

h. Valuation of undertakings or assets of our Company, wherever it is necessary;

i. Evaluation of internal financial controls and risk management systems;

j. Approval or any subsequent modification of transactions of our Company with related parties;

k. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

l. Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;

m. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

n. Discussion with internal auditors on any significant findings and follow up thereon;

o. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

p. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

q. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;



r. Approval of appointment of the chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

s. Reviewing the functioning of the whistle blower mechanism, in case the same is existing;

t. Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws; and

u. To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time.”

v. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

w. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The powers of the Audit Committee will include the following:

- a. To investigate activity within its terms of reference;
- b. To seek information from any employees;
- c. To obtain outside legal or other professional advice; and
- d. To secure attendance of outsiders with relevant expertise, if it considers necessary.”

**The Audit Committee shall mandatorily review the following information:**

- a. Management discussion and analysis of financial condition and result of operations;
- b. Management letters/letters of internal control

weaknesses issued by the statutory auditors;

c. Internal audit reports relating to internal control weaknesses;

d. The appointment, removal and terms of remuneration of the chief internal auditor; and

e. Statement of deviations:

i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

ii. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations

The Audit Committee shall have authority to investigate into any matter in relation to the items as set out above or referred to it by the Board and for this purpose shall have the power to obtain professional advice from external sources and have full access to information contained in the records of the Company.

## **B. Composition, Meetings and Attendance**

The Audit Committee of the Company is constituted in accordance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. The Statutory Auditors and Internal Auditor are amongst the permanent invitees to the Audit Committee meetings. The meeting of the Committee is also attended by the Chief Financial Officer. The Company Secretary of the Company acts as Secretary to the Audit Committee. The minutes of the Audit Committee meetings were circulated by the Board, discussed and taken note of. All the recommendations made by the Audit Committee during the year were accepted by the Board.

The composition of the Audit Committee and particulars of meeting attended by the members of the Audit Committee during the financial year ended March 31, 2026 are given below:



Name	Category	Designation	Number of Meetings	
			Held	Attended
Mr. N. Muthuraman	Independent Director	Chairman	3	3
Mr. B. Jayaraman	Independent Director	Member	3	3
Mr. Sukumar Srinivas	Executive Director	Member	3	3
Ms. Jayashri Murali	Independent Director	Member	3	3

During the year under review, there were no changes in the composition of the Committee. As on March 31, 2026, the composition of the Audit Committee is in conformity with Section 177 of the Act and Regulation 18 of the Listing Regulations.

During FY 2026, three meetings were held on:

Sl. No	Meeting No.	Date of the meeting
1.	No. 1/2025-26	October 27, 2025*
2.	No. 2/2025-26	January 29, 2026*
3.	No. 3/2025-26	February 11, 2026*

\*dates on which the Quarterly/Half Yearly/Year ended results for the financial year 2025-26 were considered.

## II. Nomination & Remuneration Committee

In accordance with the Listing regulations and requirement of the Act, the Nomination & Remuneration Committee of the Company is constituted comprising two-thirds of Independent Directors as the Members of the Committee including the Chairman who is an Independent Director. The Committee reports to the Board with the Company Secretary acting as Secretary to the Committee in addition to being the Compliance Officer of the Committee.

The detailed terms of reference of the Nomination and Remuneration Committee is available on the Company's website at

<https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Nomination-Remuneration-Committee.pdf>

### A. Terms of Reference of the Nomination and Remuneration Committee

In compliance with Section 178 and any other applicable provisions of the Companies Act, Regulation 19 and any other applicable provisions of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and the listing agreements to be

entered into between the Company and the respective stock exchanges on which its equity shares are proposed to be listed, and any other applicable law or enactment for the time being in force, the Board of Directors hereby adopt the terms of reference of the nomination and remuneration committee, constituted by the Board of Directors by resolution dated September 25, 2025 by a meeting of the Board of Directors which shall include the following:

a. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:



- i. use the services of an external agencies, if required;
- ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- iii. consider the time commitments of the candidates.

c. Formulation of criteria for evaluation of independent directors and the Board;

d. Devising a policy on Board diversity;

e. Identify persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. Our Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

f. Analysing, monitoring and reviewing various human resource and compensation matters;

g. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

h. Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

i. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

j. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

k. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or

ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

l. Determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and

m. If a Director slot/Senior Management position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Committee shall convene a special meeting as early as possible to implement the process described herein.

n. Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee."

## **B. Composition, Meetings and Attendance**

The composition of the Nomination and Remuneration Committee and particulars of meetings attended by the members of the Committee during the financial year ended March 31, 2026 are given below:

Name	Category	Designation	Number of Meetings	
			Held	Attended
Mr. N. Muthuraman	Independent Director	Chairman	1	-
Mr. B. Jayaraman	Independent Director	Member	1	1
Ms. Jayashri Murali	Independent Director	Member	1	1



During the year under review, there were no change in the Committee. As on March 31, 2026, the composition of the Nomination and Remuneration Committee is in conformity with Section 178 of the Act and Regulation 19 of the SEBI (LODR) Regulations, 2015.

During FY 2026, one meeting was held on:

Sl. No	Meeting No.	Date of the meeting
1.	No. 1/2025-26	October 4, 2025

### C. Remuneration Policy

The Company has a policy relating to the remuneration for the Directors, Key Managerial Personnel and Senior Management Personnel. The Company follows a compensation mix of fixed pay and benefits. The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and performance incentives (variable component) to its Executive Directors and Key Managerial Personnel.

The Remuneration policy is devised in accordance with Section 178(3) and 178(4) of the Companies Act, 2013 and is available on the website of the Company at

<https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Nomination-and-Remuneration-Policy.pdf>

### D. Remuneration of Directors

#### Pecuniary relationships or transaction

During the year under review, there was no pecuniary relationship or transactions between the Company and any of its Non-Executive Directors apart from sitting fees.

#### i. Non-Executive Directors' compensation and disclosures

The Independent Directors are entitled to receive within the ceiling prescribed by the Act, the sitting fees and reimbursement of expenses incurred by them for the purpose of attending Meetings of the Board.

The Non-Executive Directors are paid sitting fees for attending the meetings of the Board. The sitting fees paid to the Non-Executive Independent Directors are within the limits prescribed by the Act.

The details of sitting fees paid to the Independent Directors along with their shareholding during the financial year ended March 31, 2026 are as follows:

#### Independent Director(s):

Name	Sitting Fees (₹)	No. of Shares held as on 31.03.2026
Mr. B. Jayaraman	5,50,000	Nil
Ms. Jayashri Murali	5,50,000	Nil
Mr. N. Muthuraman	4,50,000	Nil

#### ii. Remuneration of Executive Directors

The remuneration policy for Executive Directors is designed to ensure that their compensation remains fair, performance-driven, and aligned with both shareholder interests and statutory requirements. The total remuneration paid to Executive Directors is kept within the limits approved by the shareholders and in compliance with the provisions of the Companies Act, 2013. The

Nomination & Remuneration Committee (NRC) plays a central role in determining the structure and quantum of remuneration, ensuring transparency, accountability, and alignment with corporate governance standards.

The compensation package of Executive Directors generally consists of multiple components, including fixed salary, allowances, benefits, and perquisites. The fixed pay component provides



financial stability and reflects the individual's responsibilities, experience, and role within the organization. In addition to the fixed pay, Executive Directors are entitled to various benefits and perquisites such as retirement benefits, medical facilities, leave entitlements, insurance coverage, company-maintained assets, and other allowances as permitted under applicable laws and company policies.

The NRC periodically reviews the remuneration structure to ensure competitiveness with industry standards and to retain qualified leadership talent. Annual increments and revisions in compensation are determined after evaluating both the overall financial and operational performance of the Company and the individual performance of each Executive Director. Such evaluation is based on the achievement of pre-determined annual objectives, strategic targets, leadership effectiveness, and contribution toward organizational growth and long-term sustainability.

Executive Directors are not entitled to sitting fees for attending meetings of the Board of Directors or its Committees. This is because their remuneration package already compensates them for their

executive responsibilities and participation in governance activities. Therefore, unlike Non-Executive or Independent Directors who may receive sitting fees for attending meetings, Executive Directors do not receive any additional payment for such attendance.

The appointment of Executive Directors is generally made for a term of five years, subject to the approval of shareholders. In accordance with the provisions of the Companies Act, 2013, they are liable to retire by rotation, ensuring periodic accountability to shareholders. Upon completion of their term, their appointment may be renewed for similar periods based on performance evaluation, organizational requirements, and the recommendation of the Board and the NRC.

While the standard tenure is typically five years, the Board of Directors retains the authority to modify the duration of appointment by increasing or decreasing the term as it may consider appropriate in the best interests of the Company. Such flexibility enables the Company to adapt its leadership structure to evolving business needs, succession planning considerations, and strategic priorities.

**Details of Remuneration of Executive Directors during the year are given below:**

(Amount in ₹)

Particulars of Remuneration	Mr. Sukumar Srinivas	Mr. C. Ravikumar	Mr. Dhananjay Mirlay Srinivas
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1,17,81,000	70,84,205	28,21,668
Contribution to Provident Fund	14,13,720	3,99,588	97,272
Bonus	-	3,32,988	81,060
<b>Total</b>	<b>1,31,94,720</b>	<b>78,16,780</b>	<b>30,00,000</b>
No. of Shares held as on March 31, 2026	93,88,787	72,500	81,050
Term of Service Contract	Appointed w.e.f October 13, 2023	Five years w.e.f March 21, 2025	Five years w.e.f October 9, 2025

**Notes:**

- i) Salary includes fixed pay and benefits.
- ii) In view of no profits/ inadequate profits as computed in accordance with Section 198 of the Act, the Managing Director and Whole-time Director have been paid remuneration in accordance with Part II of Section II of Schedule V of the Act for the year ended March 31, 2026.
- iii) The retirement benefit shall include benefit such as provident fund and gratuity.



**iii. Remuneration for Key Managerial Personnel (KMP) and Senior Management Personnel (SMP)**

The Company's total compensation for KMP and SMP comprises fixed compensation and benefits/work-related facilities. Fixed

compensation is determined based on the size and scope of the role, market trends, and the employee's skills, experience, and performance, and includes Basic Salary, Housing Allowance, and other allowances. Benefits include health, accident and life insurance, provident fund contributions, gratuity, and other applicable benefits.

Particulars of remuneration (₹)	Mr. Alex Varghese Chief Financial Officer	Ms. Ereena Vikram Company Secretary & Compliance Officer
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	41,73,912	25,00,008
Provident Fund	2,14,668	82,080
Bonus	1,78,886	68,400
<b>Total</b>	<b>45,67,466</b>	<b>26,50,488</b>
No. of Shares held	20,720	-

**iv. Remuneration for other Employees**

The remuneration of other employees comprises fixed pay and performance-linked variable pay, reviewed annually based on individual performance, Company performance, and market benchmarks. Retirement benefits include provident fund, gratuity, and other applicable benefits.

**E. Directors' and Officers' Insurance**

Pursuant to the requirements of Regulation 25(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained Directors and Officers Insurance ("D&O Insurance") for all its Directors, including Independent Directors.

The policy provides coverage against liabilities and risks that may arise in the course of discharging their duties and responsibilities as Directors of the Company. The scope, coverage amount, and nature of risks covered under the policy are determined and reviewed by the Board of Directors from time to time, considering the scale, nature, and complexity of the Company's operations and applicable regulatory requirements. The insurance coverage is intended to safeguard Directors against potential legal and financial liabilities arising from acts performed in good faith while carrying out their

official functions.

**III. Stakeholders' Relationship Committee**

In accordance with the provisions of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has constituted the Stakeholders Relationship Committee ("SRC") to specifically look into and address the grievances of security holders and other stakeholders of the Company. The composition of the Committee is in compliance with the applicable regulatory requirements, with at least two-thirds of its Members being Independent Directors and the Chairperson of the Committee also being an Independent Director. The Company Secretary acts as the Secretary to the Committee and also functions as the Compliance Officer for ensuring timely redressal of investor grievances and compliance with statutory requirements.

The Stakeholders Relationship Committee plays a vital role in strengthening investor relations and ensuring effective communication with shareholders and other stakeholders. The Committee is entrusted with the responsibility of reviewing and resolving complaints and queries received from investors in a timely and efficient manner. Its scope includes matters relating to



transfer and transmission of shares, issue of duplicate share certificates, dematerialization and rematerialization of shares, non-receipt of annual reports, notices, declared dividends, and other corporate benefits. The Committee also oversees grievances relating to general meetings, voting procedures, and other shareholder-related services.

The Committee meets periodically to review the status of investor complaints, monitor the effectiveness of the grievance redressal mechanism, and ensure that all investor-related matters are addressed promptly in compliance with applicable laws and regulatory standards. Through its oversight functions, the Committee aims to safeguard stakeholder interests and enhance transparency, accountability, and investor confidence in the Company's governance framework.

The detailed terms of reference of the Stakeholders Relationship Committee are available on the Company's website at <https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Stakeholder-Relationship-Committee.pdf>

#### **A. Terms of Reference of the Stakeholders' Relationship Committee**

- a. Redressal of grievances of shareholders, debenture holders and other security holders, including complaints related to the transfer of shares;
- b. Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- c. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- d. Non-receipt of declared dividends, balance sheets of our Company, annual report or any other documents or information to be sent by our Company to its shareholders; and
- e. Carrying out any other function as prescribed under the SEBI Listing Regulations, Companies Act, 2013 and the rules and regulations made thereunder, each as amended or other applicable law."

#### **B. Composition, meetings and attendance**

The composition of the Stakeholders' Relationship Committee and particulars of meetings attended by the members of the Committee during the financial year ended March 31, 2026 are given below:

Name	Category	Designation	Number of Meetings	
			Held	Attended
Mr. B. Jayaraman	Independent Director	Chairman	-	-
Mr. N. Muthuraman	Independent Director	Member	-	-
Ms. Jayashri Murali	Independent Director	Member	-	-

*\*Note: The Company got listed on January 9, 2026. Accordingly, no meeting of the Stakeholders Relationship Committee was held during the period under review.*

During the year under review, there were no changes in the composition of the Committee.

As on March 31, 2026, the composition of the Stakeholders' Relationship Committee is in conformity with Section 178 of the Act and Regulation 20 of the SEBI (LODR) Regulations, 2015.

As the Company was listed on the Stock Exchanges on January 9, 2026, the requirement relating to the

presence of the Chairperson of the Stakeholders Relationship Committee at the Annual General Meeting was not applicable during the year under review.

The committee expresses satisfaction with the Company's performance in dealing with investor grievances and its share transfer system. The details of the complaints received and resolved during the financial year ended March 31, 2026 are as follows:



Name of the Non-Executive Director heading the Committee	Mr. B. Jayaraman
Name and designation of the Compliance Officer	Ms. Ereena Vikram
Number of shareholders complaints pending at the beginning of the year	Nil
Number of shareholders complaints received during the year	Nil
Number of shareholders complaints redressed during the year	Nil
Number of shareholders complaints not solved to the satisfaction of the shareholders	Nil
Number of shareholders complaints pending at end of the year	Nil

**Investors Grievance Redressal**

In compliance with SEBI Circular No. CIR/OIAE/2/2011 dated June 3, 2011, the Company has obtained an exclusive User ID and password for processing investor complaints through the centralized web-based SEBI Complaints Redress System (“SCORES”). The system enables investors to view online the actions taken by the Company on their complaints and the current status thereof by logging on to SEBI’s website i.e [www.sebi.gov.in](http://www.sebi.gov.in)

**Compliance Officer**

Ms. Ereena Vikram  
 Company Secretary & Compliance Officer  
 Registered Office: Shankara Buildpro Limited  
 21/1 & 35-A-1, Hosur Main Road  
 Electronic City Post, Veerasandra  
 Bengaluru-560100.  
 Email-sbl.cs@shankarabuildpro.com

**IV. Corporate Social Responsibility Committee**

In accordance with the Listing Regulations and requirements of the Act, the Corporate Social Responsibility Committee of the Company is constituted with two-thirds of the Members of the Committee as Independent and with the Chairman being Independent Director. The Company Secretary acts as Secretary to the Committee with the Chief Financial Officer is invited as special invitees.

The detailed terms of reference and policy of the Corporate Social Responsibility Committee is available on the Company’s website at <https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Corporate-Social-Responsibility-Policy.pdf>

**A. Terms of Reference of the Corporate Social Responsibility Committee**

- a. Formulating and recommending to the Board the corporate social responsibility policy of the Company, including any amendments thereto in accordance with Schedule VII of the Companies Act, 2013 and the rules made thereunder;
- b. Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;
- c. Recommending the amount of corporate social responsibility policy expenditure for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- d. Identifying and appointing the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required;
- e. Delegating responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- f. Reviewing and monitoring the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and
- g. Performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company.

**B. Composition, meeting and attendance**

The composition of the Corporate Social Responsibility Committee and particulars of meetings attended by the members of the Committee during the financial year ended March 31, 2026 are given below:



Name	Category	Designation	Number of Meetings	
			Held	Attended
Ms. Jayashri Murali	Independent Director	Chairman	-	-
Mr. Sukumar Srinivas	Executive Director	Member	-	-
Mr. N. Muthuraman	Independent Director	Member	-	-

*\*Note: The Company got listed on January 9, 2026. Accordingly, no meeting of the Corporate Social Responsibility Committee was held during the period under review.*

During the year under review, there were no changes in the composition of the Committee.

As on March 31, 2026, the composition of the Corporate Social Responsibility Committee was in conformity with Section 135 of the Companies Act, 2013.

#### **V. Risk Management Committee**

The Risk Management Committee is constituted in accordance with the requirements of the Listing Regulations and comprises three Independent Directors and one Executive Director, who performs the role of the Chief Risk Officer.

The Risk Management Committee of the Board of Directors supports the Board in overseeing and approving the Company's overall risk management framework. It is responsible for monitoring risk management processes and ensuring that key strategic and operational risks are appropriately identified, assessed, and mitigated. These risks include, inter alia, strategic, financial, operational, regulatory, human resource-related, and cyber security risks.

The Committee also ensures that suitable risk mitigation strategies are formulated and effectively implemented across the organisation. The Company Secretary acts as the Secretary to the Committee.

The policy is available on Company's website at <https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Risk-Management-Policy.pdf>

#### **A. Terms of Reference of the Risk Management Committee**

a. To ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management.

b. To establish a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, cyber security risks or any other risk as may be determined by the Risk Management Committee ("the Committee") for the company's risk management process and to ensure its implementation.

c. To measure risk mitigation including systems and processes for Internal Control of identified risks.

d. Business Continuity Plan.

e. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.

f. To assure business growth with financial stability.

#### **B. Composition, meeting and attendance**

The composition of the Risk Management Committee and particulars of meetings attended by the members of the Committee during the financial year ended March 31, 2026 are given below:



Name	Category	Designation	Number of Meetings	
			Held	Attended
Mr. B. Jayaraman	Independent Director	Chairman	1	1
Ms. Jayashri Murali	Independent Director	Member	1	1
Mr. N. Muthuraman	Independent Director	Member	1	1
Mr. C. Ravikumar	Whole-time Director	Member	1	1

During the year under review, no changes were made in the composition of the Committee.

As on March 31, 2026, the composition of the Risk Management Committee was in conformity with Regulation 21 of the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013.

During FY 2026, one meeting was held on:

Sl. No	Meeting No.	Date of the meeting
1.	No. 1/2025-26	February 11, 2026

**VI. Whistle Blower Committee**

1.1 The Whistle Blower Committee was constituted by our Board of Directors on September 25, 2025. Shankara Buildpro Limited (“Company”) believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company has formulated Shankara Code of Conduct for Board of Directors and Senior Management (“Code”) which is attached to the policy as Annexure A, for the Company to keep a check on malpractices and unethical behavior by all such persons related with the management, administration and operations of the Company regardless of their designation with the Company (“Senior Personnel”). The role of the employees/stakeholders in pointing out violations by the Company and keep check on the ethical practices are in place cannot be undermined. The Company is committed to developing a culture where it is safe for all employees without fear to raise concerns about any poor or unacceptable practice and any event of misconduct impacting the Company and any of its stakeholders.

1.2 Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 4(2)(d)(iv) and Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 along with revised Clause 49 of the Listing Agreement between the Company and Stock Exchanges, inter alia, requires all listed companies to establish a mechanism called “Vigil Mechanism/Whistleblower Policy” for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation by the Company of any statutory, legal, mandatory and other compliances of whatever nature and also to ensure that no fraudulent act is committed by the Company whether it impacts the stakeholders or not.

1.3 Accordingly, this Whistleblower Policy (“the Policy”) has been formulated to provide a mechanism for directors, employees and other stakeholders of the Company to approach the Whistleblower Committee/Audit Committee of the Company for the purpose of raising genuine concerns relating to any kind of malpractice indulged by the Company and address the same effectively as required. This Policy will come into effect from the date of its adoption by the Board of Directors of the Company.

**2. Objective of the Policy**

2.1 The Company is committed to adhere to the highest standards of ethical, moral and legal parameters in the conduct of its business operations. To maintain these standards, the



Company encourages its employees and others (“Stakeholders”) who have concerns about suspected misconduct by any of the Senior Personnel to come forward and express these concerns without fear of punishment or unfair treatment. This Policy aims to provide an avenue for all the Stakeholders to raise concerns on and bring to the notice of the Whistleblower Committee/Audit Committee about any violations of legal or regulatory or legal requirements, incorrect or misrepresentation of any financial statements and reports, etc. generated by the Company.

2.2 The purpose of this Policy is to provide a framework to promote responsible and secure whistleblowing system. It protects all Stakeholders who bring to the notice of the Whistleblowers Committee/Audit Committee raise any concern

about serious irregularities within the Company and any of its Senior Personnel.

2.3 The Policy neither releases the Stakeholders from their duty of confidentiality in the course of their work/association with the Company nor is it a route for taking up any kind of grievance about a personal situation.

The details of the Whistle Blower Policy is available on the website of the Company i.e., chrome-<https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Whistleblower-Policy.pdf>

The composition of the Whistle Blower Committee and particulars of meetings attended by the members of the Committee during the financial year ended March 31, 2026 are given below:

Name	Category	Designation	Number of Meetings	
			Held	Attended
Mr. N. Muthuraman	Independent Director	Chairman	-	-
Mr. B. Jayaraman	Independent Director	Member	-	-
Ms. Jayshri Murali	Independent Director	Member	-	-
Mr. Sukumar Srinivas	Executive Director	Member	-	-



**General Body Meetings**

**i. Annual General Meeting (“AGM”)**

The date, time and venue of last two Annual General Meetings (AGMs) held are as follow

AGM	Year	Date	Time (IST)	Venue	Special Resolution
1st AGM	2023-2024	July 5, 2024	10.30 A.M	No. 21/1 & 35-A-1 Hosur Main Road Electronic City Veerasandra, Bengaluru, 560100	Nil
2nd AGM	2024-2025	September 15, 2025	10.30 A.M	No. 21/1 & 35-A-1 Hosur Main Road Electronic City Veerasandra, Bengaluru, 560100	Nil





## ii. Extraordinary General Meetings

The date, time and venue of last three Extra-Ordinary General Meetings (EGMs) are as follows

Year	Date	Time (IST)	Venue	Special Resolution
2023-2024	October 28,2023	11.30 A.M	No. 21/1 & 35-A-1, Hosur Main Road, Electronic City, Veerasandra, Bengaluru-560100	Nil
2023-2024	November 16, 2023	4.30 P.M	No. 21/1 & 35-A-1, Hosur Main Road, Electronic City, Veerasandra, Bengaluru-560100	i. Conversion from Private Limited Company to Public Limited Company
2025-2026	April 4, 2025	10.00 A.M	No. 21/1 & 35-A-1, Hosur Main Road, Electronic City, Veerasandra, Bengaluru-560100	Nil
2025-2026	July 16, 2025	4.00 P.M	No. 21/1 & 35-A-1, Hosur Main Road, Electronic City, Veerasandra, Bengaluru-560100	i. Increase in Authorised Share Capital of the Company and consequential amendment in the Memorandum of Association of the Company.
2025-2026	September 2, 2025	4.00 P.M	No. 21/1 & 35-A-1, Hosur Main Road, Electronic City, Veerasandra, Bengaluru-560100	i. Approval for increasing the borrowing limit of the company under section 180(1)(c) of the companies act, 2013. ii.Approval to mortgage/pledge /hypothecate/create charge on the assets of the company under section 180(1)(a) of the companies act, 2013.
2025-2026	September 25, 2025		No. 21/1 & 35-A-1, Hosur Main Road, Electronic City, Veerasandra, Bengaluru-560100	i. Appointment of Mr. B. Jayaraman (DIN: 00022567) as an Independent Director, not liable to retire by rotation. ii. Appointment of Ms. Jayashri Murali (DIN: 00317201) as an Independent Director, not liable to retire by rotation. iii. Appointment of Mr. N. Muthuraman (DIN: 02375046) as an Independent Director, not liable to retire by rotation.



### iii. Postal Ballot during year 2025-2026

There were no other meetings held during the year under review nor were any resolutions passed through postal ballot during the financial year 2025-2026.

#### Means of Communication

The Company places strong emphasis on maintaining continuous, efficient, and meaningful communication with its stakeholders. It actively engages with its members and the public through multiple communication channels, including the annual report, general meetings, newspaper publications, regulatory filings, investor presentations, and disclosures made available on its official website. These channels ensure that stakeholders receive timely, accurate, and comprehensive information regarding the Company's performance, operations, and strategic developments.

Effective communication is a cornerstone of good Corporate Governance, as it facilitates the transparent exchange of information, ideas, opinions, and future plans between the management and stakeholders. The Company is committed to fostering trust and strengthening relationships with its shareholders by ensuring that disclosures are clear, consistent, and made in a timely manner. Regular updates such as financial results, press releases, statutory filings, and other investor communications are promptly disseminated to keep stakeholders well informed.

In accordance with the applicable provisions of the Companies Act, 2013, read with the relevant circulars issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI), the Company has also enabled shareholders to participate in decision-making through electronic means. This includes remote e-voting and other electronic voting facilities, thereby promoting wider shareholder participation without the need for physical presence at meetings. Further, shareholders are provided the facility to attend general meetings through Video Conferencing (VC) or Other Audio-Visual Means (OAVM), ensuring convenience, accessibility, and inclusiveness.

Detailed instructions regarding the process of remote e-voting, electronic participation, and attending the Annual General Meeting through VC/OAVM are provided in the Notes forming part of the Notice of the 3rd Annual General Meeting.

**i. Website:** The Investor Relations section of the Company's website (i.e. <https://shankarabuildpro.com/investors/>) serves as a comprehensive and regularly updated repository of information for shareholders and other stakeholders. It is designed to ensure transparency and provide easy access to all material disclosures and corporate updates in a structured manner. This section includes, inter alia, details of Board Meetings and General Meetings, Quarterly and Annual Financial Results, Annual Reports, Investor Presentations, Transcripts of Earnings Calls, and Shareholding Patterns. In addition, all statutory disclosures made to the stock exchanges, corporate announcements, and other regulatory filings are promptly uploaded for the benefit of investors.

The Company also ensures that relevant information shared with institutional investors and analysts is made available in a timely manner through this platform, thereby enabling equal access to information for all stakeholders. By maintaining a well-organised and continuously updated Investor Relations section, the Company aims to strengthen investor confidence, enhance transparency, and facilitate informed decision-making by its shareholders and the investing public.

**ii. Financial Results and Newspaper Publication:** The Company ensures wide dissemination of its quarterly, half-yearly, and annual financial results through publication in prominent national and regional newspapers, including Business Standard and Kannada Prabha, and by hosting all financial results and disclosures on its official website.

The Company also engages with investors through conferences and analyst interactions, enabling direct communication on business performance and strategic outlook. Further, following each quarterly financial result, the Company conducts earnings conference calls with analysts and investors. During FY 2025-26, one such earnings call were held, and the transcripts were made available on the Company's website for stakeholder reference.



**iii. Annual Report:** The Company's annual report containing, inter alia, the Boards' report, the Corporate Governance Report, the Business Responsibility and Sustainability Report, Management Discussion and Analysis, Audited Standalone and Consolidated Financial Statements, Statutory Reports and other important information is circulated to Shareholders and others so entitled. The annual report is also available on the Company's website at <https://shankarabuildpro.com/investors/>

**iv. Disclosure to Stock Exchanges:** The Company ensures timely and transparent dissemination of information to the stock exchanges in compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). All material information and statutory disclosures are electronically submitted to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") through their respective web-based platforms, namely the BSE Listing Centre and NSE Electronic Application Processing System (NEAPS).

The Company regularly files various periodical and event-based disclosures with the stock exchanges, including but not limited to shareholding patterns, corporate governance reports, financial statements and results, notices of Board Meetings, outcome of Board Meetings, annual reports, investor presentations, disclosures under Regulation 30, and other price-sensitive information that may have a bearing on the Company's performance or investor decision-making. In addition, all such disclosures and filings considered material and relevant to shareholders, and the investment community are promptly uploaded on the Company's website for wider accessibility and transparency.

The Company's dedicated investor relations webpage, available at [www.shankarabuildpro.com](http://www.shankarabuildpro.com), serves as a central repository for financial results, annual reports, stock exchange disclosures, corporate announcements, and other investor-related information. This ensures that shareholders, analysts, and the public have convenient and continuous access to important corporate information.

Further, Members and investors may independently access and verify the disclosures and filings made by the Company on the official websites of the stock

exchanges, namely BSE Limited and National Stock Exchange of India Limited. The Company believes that such proactive disclosure practices strengthen transparency, uphold high standards of corporate governance, and foster greater investor confidence.

**v. Press/News Release:** Official Press Releases including Press Release on Financial Results of the Company are sent to the Stock Exchanges and the same are subsequently hosted on the website of the Company at <https://shankarabuildpro.com/investors/>

**vi. Investor grievance and share transfer system:** The Stakeholders' Relationship Committee oversees and redresses complaints and grievances received from shareholders and investors in a timely manner. The status of investor complaints, share transfers, and related matters is periodically placed before the Board for its review and guidance. The Committee meets as and when required to review investor grievance matters and ensure effective resolution mechanisms are in place.

As the equity shares of the Company are traded in 100% dematerialized form, activities relating to share transfer, transmission, change of address, nomination requests, dematerialization/rematerialization, and other investor servicing functions are handled by the Company's Registrar and Transfer Agent, KFin Technologies Limited. The Company continues to focus on providing efficient investor services and maintaining strong investor relations through prompt redressal of stakeholder concerns.

## Other Disclosures

### (a) Related Party Transactions

During the financial year ended March 31, 2026, all related party transactions entered into by the Company, as defined under the provisions of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), were undertaken in the ordinary course of business and on an arm's length basis. These transactions were conducted in accordance with the Company's established governance framework and applicable regulatory requirements, thereby ensuring transparency, fairness, and protection of stakeholder interests. Consequently, the provisions



of Section 188 of the Companies Act, 2013 were not attracted in respect of such transactions.

During the year under review, the Company did not enter into any materially significant related party transactions that could have had a potential conflict with the interests of the Company or its shareholders at large. All related party transactions were placed before the Audit Committee for its review and approval in accordance with the applicable legal and regulatory framework. The Company has complied with the disclosure requirements prescribed under the applicable Indian Accounting Standards (Ind AS), and the details of related party transactions form part of the notes to the financial statements included in the Annual Report.

The Company places significant emphasis on maintaining the independence of its Independent Directors and ensuring the highest standards of corporate governance. In this regard, none of the Independent Directors of the Company has any material pecuniary relationship or transaction with the Promoters, Directors, Senior Management, or subsidiaries of the Company, other than the remuneration and sitting fees payable to them in accordance with the applicable provisions of law. Such relationships or transactions, if any, are not of a nature that may affect their independence of judgment. The Company has received necessary declarations and confirmations from all Independent Directors affirming compliance with the criteria of independence as prescribed under the Companies Act, 2013 and the SEBI LODR Regulations.

Further, the Company has formulated and adopted a comprehensive Policy on Related Party Transactions, which sets out the framework for identification, approval, review, and reporting of related party transactions, as well as the criteria for determining materiality of such transactions. The Policy aims to ensure proper governance and transparency in dealing with related parties and is aligned with the requirements of the Companies Act, 2013 and the SEBI LODR Regulations. The said Policy is available on the website of the Company at chrome-

<https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Policy-on-criteria-for-determining-Related-Party-Transactions.pdf>

### **(b) Management Discussion and Analysis Report**

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 is presented in the separate section forming part of the Directors' Report.

### **(c) Business Responsibility and Sustainability Report**

Business Responsibility and Sustainability Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is presented in a separate section forming part of the Directors' Report.

### **(d) Compliance with the requirements of SEBI/Stock Exchanges and Statutory Authorities**

No penalty was paid during the year ended March 31, 2026.

### **(e) Subsidiary Companies**

The Company has one subsidiary viz., Purple Splash Materials Private Limited.

The Company has adopted a policy for determining 'Material Subsidiary' in terms of Regulation 16(c) of SEBI (LODR) Regulations, 2015, which can be viewed on the Company's website at

<https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Policy-for-Material-Subsidiaries.pdf>

The Audit Committee periodically reviews the financial statements of the subsidiary company, including the investments made by the subsidiary and the statement containing all significant transactions entered into by them. Minutes of the Board meetings of the subsidiary company are also reviewed periodically by the Company's Board.

### **(f) Whistle Blower Policy and Vigil Mechanism**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the Company has established a robust Vigil Mechanism and adopted a comprehensive Whistle Blower Policy



to promote ethical conduct, transparency, and accountability across the organization. The mechanism provides a formal platform for directors, employees, and other stakeholders, where applicable, to report genuine concerns regarding unethical behaviour, actual or suspected fraud, violation of the Company's code of conduct, misuse of authority, financial irregularities, or any other improper practices that may adversely impact the Company's operations or reputation.

The Whistle Blower Policy aims to create an environment in which employees and directors can raise concerns in a responsible and effective manner without fear of retaliation, discrimination, victimization, or adverse consequences. The policy also provides adequate safeguards against victimization of whistle blowers and ensures that all protected disclosures are addressed in a fair, transparent, and confidential manner. Reported concerns are appropriately investigated, and necessary corrective or preventive actions are taken wherever required.

The Audit Committee of the Board oversees the functioning of the vigil mechanism and periodically reviews the effectiveness of the whistle blower framework to ensure compliance with applicable laws and governance standards. During the financial year under review, no individual was denied access to the Audit Committee in connection with reporting concerns under the vigil mechanism.

The Whistle Blower Policy is available on the Company's website at <https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Whistleblower-Policy.pdf>

#### **(g) Details of Compliance with Mandatory and Discretionary requirements**

##### **Mandatory Requirements**

As on March 31, 2026, the Company is in compliance with all mandatory requirements of corporate governance as prescribed in the Listing Regulations. The Board of Directors periodically reviews the compliance of all applicable laws.

##### **Discretionary Requirements**

###### **i. Certificate of Non-disqualification of Directors**

A Certificate from the Practicing Company Secretary is received by the Company stating that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the board/ministry of corporate affairs or any such statutory authority and the same is annexed to this report.

###### **ii. Certificate by Managing Director and Chief Financial Officer**

The Company has obtained a certificate from Managing Director and Chief Financial Officer of the Company as required by Regulation 17(8) read with Part B of Schedule II of the SEBI (LODR) Regulations, 2015 and same forms a part of this report.

###### **iii. Certificate on Corporate Governance**

The Company has complied with disclosure requirements, wherever applicable, as specified in clauses (b) to (i) of sub regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015 and Regulation 17 to 27 of SEBI (LODR) Regulations, 2015.

###### **iv. Shareholders' rights**

Quarterly and half-yearly results are being displayed on the Company's website <https://shankarabuildpro.com/investors/>. The same are also being submitted to the Stock Exchanges and published in widely circulated newspapers.

The Company has also adopted Policy on Determination of Materiality of Events Information, Policy on Archival of Documents and Policy for Preservation of Documents.

###### **v. Reporting of Internal Auditor**

The Internal Auditors report to the Audit Committee of the Board of Directors and are requested to present their findings and observations at the Audit Committee meetings held every quarter.

###### **vi. Recommendation of the Committees of the Company**

The Board has accepted all recommendations made by the Committees of the Board during the relevant financial year.



**vii. Director seeking appointment/ reappointment**

Particulars of directors seeking appointment/re-appointment at the ensuing Annual General Meeting have been provided in the Notice of the Annual General Meeting.

The re-appointment of Mr. C. Ravi Kumar (DIN: 01247347) as Director liable to retire by rotation, forms part of Notice of the Annual General Meeting.

The Company has complied with the requirement of having separate persons to the post of Chairman and Managing Director.

The Chairman does not maintain any office at the expense of the Company.

**viii. Commodity Price Risk or Foreign Risk and Hedging Activities**

The Company does not deal in commodity and hence disclosure relating to commodity price risks and commodity hedging activities is not applicable.

**ix. Proceeds from Public/Right/Preferential Issue**

The Company had not received any proceeds from Public/Right/Preferential Issue

**x. Disclosure on Accounting Treatment**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standard (Ind AS) notified under Section 133 of the Act, the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

a.	Number of complaints filed during the financial year	Nil
b.	Number of complaints disposed of during the financial year	Nil
c.	Number of complaints pending as at end of the financial year	Nil

**xi. Details of fees paid to the Statutory Auditors**

Fee disclosures as required by Clause 10(k), Part C, Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below. The total fees for all services paid by Shankara Buildpro Limited and its subsidiaries, on a consolidated basis, to M/s. ASA & Associates Statutory Auditors included in the consolidated financial statements of the Company for the year ended March 31, 2026, is as follows:

(In ₹Lakhs)

Engagement	Amount
Statutory Audit	21.50
Limited Review	9.50
Consolidation	2.00
Tax Audit	4.50
<b>Total</b>	<b>37.50</b>

**xii. Disclosure in Demat suspense/unclaimed suspense accounts**

There are no shares lying in the demat suspense account or unclaimed suspense account.

**xiii. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

In terms of the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (as amended) and Rules framed thereunder, the number of complaints received during the financial year 2025-26 are as under:

a.	Number of complaints filed during the financial year	Nil
b.	Number of complaints disposed of during the financial year	Nil
c.	Number of complaints pending as at end of the financial year	Nil



#### **xiv. Unclaimed Dividend of the previous years**

During the financial year under review, the Company did not declare any dividend. Accordingly, there was no unpaid or unclaimed dividend amount required to be transferred to the Unpaid Dividend Account or the Investor Education and Protection Fund (IEPF) in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

#### **xv. Insider Trading Regulations**

Pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”), the Company has formulated and adopted a comprehensive “Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relatives of Designated Persons” along with the “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” (collectively referred to as the “Code”). The Code has been implemented with the objective of promoting ethical conduct, transparency, and compliance with the applicable insider trading regulations while safeguarding unpublished price sensitive information (“UPSI”).

The Code is applicable to all Designated Persons of the Company, including Directors, Key Managerial Personnel, employees, connected persons, their immediate relatives, and, wherever applicable, subsidiaries of the Company. The framework laid down under the Code regulates trading in the securities of the Company and prescribes detailed compliance requirements to prevent insider trading and misuse of UPSI. Designated Persons are required to obtain pre-clearance prior to dealing in the Company’s securities beyond the prescribed thresholds and are prohibited from trading in the Company’s shares when in possession of UPSI.

Further, the Code provides for closure of the Trading Window during specified periods, including prior to the declaration of financial results and occurrence of other material events, during which trading in the Company’s securities is restricted. The Company has established structured digital processes and internal control mechanisms for monitoring trading activities, maintaining confidentiality of UPSI, and ensuring timely disclosures and regulatory compliance under the PIT Regulations.

The Code also sets out detailed procedures and

guidelines relating to disclosures, trading restrictions, contra trade restrictions, reporting obligations, handling and communication of UPSI, and responsibilities of Designated Persons. In addition, the Company has implemented adequate and effective internal controls to ensure compliance with the PIT Regulations, including periodic awareness and sensitization measures for employees and designated persons regarding insider trading laws and ethical standards of conduct.

The aforesaid Code is available on the Company’s website at

<https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Code-for-Fair-disclosure-of-UPSI.pdf>

#### **xvi. Risk Management**

The Company ensures that sound risk management practices, which covers identification of various risks impacting the Company, assessment and evaluation of the same in line with overall business objectives and mitigating actions to systematically address the identified risk on continuing basis.

#### **xvii. Reconciliation of share capital audit**

An audit is conducted on a quarterly basis by Mr. K. Jayachandran, Company Secretary in Practice, in terms of Regulation 76 of SEBI (Depositories and Participants), Regulations, 2018 to reconcile the total admitted equity share capital with the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

#### **xviii. Code of Conduct**

In compliance with Regulation 17(5) of the SEBI (LODR) Regulations, 2015, the Company has adopted a Code of Conduct (the ‘Code’). This Code is applicable to the Members of the Board, Senior Management Personnel and all employees of the Company and its subsidiaries. The Code lays down the standard of conduct which is expected to be followed by the Board of Directors and



the designated employees in their business dealings particularly on matters relating to integrity in the workplace, in business practices and in dealing with stakeholders.

All the members of the Board and the Senior Management Personnel have affirmed compliance to the Code, as at March 31, 2026. A declaration to this effect, signed by the Managing Director & Chief Financial Officer forms part of this report. The Code has been posted on the Company's website at <https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Code-of-Conduct-for-Board-of-Directors-and-Senior-Management.pdf>.

Nature of complaints	Received	Resolved	Closing
Non- Receipt of Share Certificates	Nil	Not applicable	Not applicable
Demat Requisition Form	Nil	Not applicable	Not applicable
SEBI	Nil	Not applicable	Not applicable
Others	Nil	Not applicable	Not applicable

The Company normally attends most of the investor grievances within 7 days from the date of receipt of such grievance and the communication in this regard are sent within 15 days from the date of receipt of such grievance unless constrained by certain impediments. The Shareholders may note that the share transfers and all other investor related activities are handled by Kfin Technologies Limited, our Registrar and Share Transfer Agent.

For any escalations, the Shareholders may write to company at [sbl.cs@shankarabuildpro.com](mailto:sbl.cs@shankarabuildpro.com).

**xxi.** Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount': NIL (Not including Loans and Advances in the nature of Loans, if any, given by the Company to its subsidiary).

**xxii.** All mandatory requirements relating to corporate governance under the Listing Regulations have been appropriately complied with and the status of non-mandatory (discretionary) requirements are given below:

a. The Chairman does not maintain any office at the expense of the Company;

**xix. Credit Rating**

CRISIL has assigned the Long Term Rating A- stable and Short Term Rating 'CRISIL A2+' on the bank loan facilities of the Company.

**xx. Members' / Investors' Complaints**

The Company and the RTA attend to the Members'/ Investors' Complaints within the minimum possible time and steps have been taken to resolve the same within the statutory time limit.

The details of the complaints resolved during the fiscal ended March 31, 2026 are as follows:

b. In view of publication of the Financial Results of the Company in newspapers having wide circulation and dissemination of the same on the website of the Company as well as on the website of the Stock Exchanges, the Company does not consider it prudent to circulate the half-yearly results separately to the Shareholders;

c. The Company's Financial Statements have been accompanied with unmodified audit opinion - both on quarterly and yearly basis and also both on standalone and consolidated basis;

d. Mr. B. Jayaraman, Non-Executive Independent Director, holds the position of the Chairman of the Board and is not related to Mr. Sukumar Srinivas, who holds the position of Managing Director of the Company; and

**Common and Simplified Norms for processing investor's service request by RTA and norms for furnishing PAN, KYC details and Nomination**

The Securities Exchange Board of India vide its Circular SEBI/HO/MIRSD-PoD/P/CIR/2023/37 dated



March 16, 2023 amongst other things has advised the Companies and Registrar and Transfer Agents as follows:

#### **i. Mandatory furnishing of PAN, KYC details and Nomination by the holders of physical securities**

SEBI has mandated that from January 1, 2022 that all holders of Physical securities in listed company shall mandatorily furnish the following documents / details to the Registrar and Share Transfer Agent (RTA) and the RTA shall not process any service requests or complaints received from the holder(s) / claimant(s) till the below documents/ details are furnished to the RTA.

- Permanent Account Number (PAN).
- Nomination – Details of nomination shall be furnished in hard copy or through electronic mode with e-signature.
- Contact – Postal address with PIN, Mobile number, E-mail address.
- Bank account details – Bank name and branch, bank account number, IFS Code.
- Specimen signature.

#### **ii. Compulsory linking of PAN and Aadhaar by all holders of physical securities in listed companies**

SEBI has mandated RTA, in line, with the Central Board of Direct Taxes (CBDT), Circular No.7 of 2022 (Notification F. No3701/14/2022-TPL) dated March 30, 2022 on linking PAN with Aadhaar number and extended the said date to June 30, 2023 to

- accept only valid / operative PANs and
- verify that the PAN in the existing folios are valid and linked to the Aadhaar number of the holder.

#### **Intimation to physical security holders with respect to electronic payment of Dividend/Interest or Redemption**

SEBI, through its circulars, has mandated that security holders holding securities in physical form whose folios do not have PAN, nomination details, contact details, mobile number, bank account details, or specimen signature updated, shall be eligible to receive any payment such as dividend, interest, or redemption only through electronic mode with effect from April 01, 2024. SEBI has also issued FAQs on this requirement for investor awareness, available on its website. Accordingly,

security holders whose folios are incomplete with respect to the above details are advised to update their records at the earliest.

- If any of the required details such as PAN, nomination, contact details, mobile number, bank account details, or specimen signature are not updated in physical folios, dividends, interest, or other payments will be made only through electronic mode with effect from April 01, 2024, once all such details are provided in full.
- If a security holder updates these details after April 01, 2024, any dividends or interest declared during the period from April 01, 2024 until the date of updation will be credited automatically to the updated records.

#### **General shareholder information**

The Company emphasizes continuous, efficient, and transparent communication with its stakeholders through various channels, including the annual report, general meetings, newspaper publications, financial results, press releases, and disclosures on its website. Effective communication is a key element of corporate governance, facilitating the exchange of information, ideas, and plans between management and investors, thereby strengthening stakeholder relationships.

In compliance with MCA and SEBI Circulars, the Company has enabled members to participate and vote through e-voting and other electronic modes in accordance with the provisions of the Companies Act, 2013 and applicable rules, without requiring physical presence at a common venue for the AGM. For detailed procedures relating to remote e-voting and participation in the AGM through VC/OAVM, members are requested to refer to the Notes and Instructions forming part of the Notice of the 3rd AGM.

#### **Investors' Service Portal**

KFin Technologies Limited, the Registrar and Share Transfer Agent have launched an online application which can be accessed at <https://ris.kfintech.com> > Investor Services > Investor Support. Members can register / sign up, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP



and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend , Interest , Redemptions, e-Meeting and e-Voting details.

Quick link to access the signup page:  
<https://kprism.kfintech.com/signup>

### Senior Citizens - Investor Support

As part of the initiative, our RTA, in order to enhance investor experience for Senior Citizens, a Senior Citizens investor cell has been newly formed to assist exclusively the Senior Citizens in redressing their grievances, complaints and queries. The special cell closely monitors the complaints coming from Senior Citizens through this channel and

handholds them at every stage of the service request till closure of the grievance.

Senior Citizens wishing to avail this service can send the communication with the below details to the email id, [senior.citizen@kfintech.com](mailto:senior.citizen@kfintech.com) . Senior Citizens (above 60 years of age) must provide the following details:

1. ID proof showing Date of Birth
2. Folio Number
3. Company Name
4. Nature of Grievance

A dedicated Toll-free number for Senior Citizens can also be accessed at 1-800-309-4006 for any queries or information.

### Annual General Meeting for FY 2025-26

Date : Thursday, July 2, 2026  
Time : 11.30 A.M

Venue : The Company is conducting AGM through VC/OAVM pursuant to the MCA Circulars and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM

Financial Year : April 1, 2025 to March 31, 2026

Book closure dates : Thursday, June 25, 2026 to Thursday, July 2, 2026  
(both days inclusive)

Record Date : Wednesday, June 24, 2026

Dividend Payment : The final dividend, if declared, shall be paid within thirty days to those members whose name stand registered on the Company's Registers of Members



## Financial Year

The Financial Year of the Company is from 1st April to 31st March

Financial Calendar (Current Financial Year 2026-27)	Tentative Dates
Results for the Quarter ending June 30, 2026	Within 45 days from the end of quarter
Results for the Quarter ending September 30, 2026	Within 45 days from the end of quarter
Results for Quarter ending December 31, 2026	Within 45 days from the end of quarter
Results for Quarter ending March, 2027	Within 60 days from March 31, 2027
Annual General Meeting	On or before September 30, 2027

## Listing Details

The name of the Stock Exchanges where the Company's Equity Shares are listed, along with their Scrip Codes, are as follows:

### BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street  
Mumbai – 400 001  
Stock Code/Symbol – 544517

### The National Stock Exchange of India Limited (NSE)

Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051  
Stock Codes/Symbol - BUILDPRO

## Listing Fees and Custody Fees

The Company has paid Annual Listing Fees for the financial year 2025-26 and 2026-27 to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE); and Annual Custody Fees for the financial year 2025-26 and 2026-27 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

## Market Price Data

Monthly high, low quotations and trading volumes of the Company's equity shares during the financial year 2025-26 at BSE and NSE are as given below:

	BSE			NSE			Volume (A+B) Nos
	High(₹)	Low(₹)	Volume A (Nos.)	High(₹)	Low(₹)	Volume B (Nos.)	
January, 2026	898.05	633.40	1,21,745	898.05	636.00	2,97,359	4,19,104
February, 2026	1,056.40	698.05	1,10,421	1,050.20	700.00	27,186	1,38,237
March, 2026	1,030.00	883.00	6,22,960	1,045.00	889.00	39,589	6,62,279

\* The Company was listed on the stock exchanges on January 9, 2026; accordingly, market data is available for a period of three months."



**Performance of the Company's Equity shares (closing share price) in comparison to BSE SENSEX and NSE Nifty during the financial year 2025-26**

Month	Share Price	BSE Sensex
January, 2026	898.05	82,269.78
February, 2026	1,056.40	81,287.19
March, 2026	1,030.00	71,947.55

Source: <https://www.bseindia.com/Indices/IndexArchiveData.html>

Month	Share Price	NSE Nifty
January, 2026	898.05	25,320.65
February, 2026	1,050.20	25,178.65
March, 2026	1,045.00	22679.40

Source: <https://www.nseindia.com/reports-indices-historical-index-data>

**Share Transfer System**

Share transfer and related operations for Shankara Buildpro Limited are conducted by M/s KFin Technologies limited. In compliance with the provisions of Regulation 40(9) of the Listing Regulations, a Practicing Company Secretary conducts Audit of the Share Operations System of the Company maintained at the office of the RTA.

**Distribution of equity shareholding as on March 31, 2026**

S. No	Category (Shares)	No. of Shareholders	Percentage	No. of Shares	Percentage
1	1-5000	25,592	99.03	3,540,844	14.60
2	5001-10000	115	0.44	8,22,283	3.39
3	10001-20000	50	0.19	7,52,020	3.10
4	20001 - 30000	27	0.10	6,88,461	2.84
5	30001 - 40000	7	0.03	2,47,206	1.02
6	40001 - 50000	7	0.03	3,28,483	1.35
7	50001 - 100000	21	0.08	16,55,675	6.83
8	100001 and above	24	0.09	1,62,14,354	66.87
	<b>Total</b>	<b>25,843</b>	<b>100.00</b>	<b>2,42,49,326</b>	<b>100.00</b>



## Shareholding Pattern as on March 31, 2026

Category	No of Holders	Number of equity shares held	Percentage of holding
Promoters Individuals	3	95,69,837	39.46
Promoters Bodies Corporate	1	1,72,700	0.71
Mutual Funds	1	11,30,373	4.66
Alternative Investment Fund	12	18,11,377	7.47
Foreign Portfolio- Corp I	53	24,52,819	10.11
Foreign Portfolio- Corp II	6	2,07,953	0.86
Key Managerial Personnel	3	93,120	0.38
IEPF Authority	1	295	0.00
Resident Individuals	23,894	60,27,036	24.85
Non Resident Indian Non Repatriable	399	1,60,621	0.66
Non Resident Indian Repatriable	425	1,82,133	0.75
Bodies Corporate	350	21,31,688	8.79
HUF	683	2,78,304	1.15
Trusts	11	31,060	0.13
Clearing Members	1	10	0.00
<b>Total</b>	<b>25,843</b>	<b>2,42,49,326</b>	<b>100.00</b>

## Shareholders holding more than 1% of the shares

The details of the Shareholders holding more than 1% of the equity shares as on March 31, 2026 are as follows:

Name of the Shareholder	Number of Shares	%
Sukumar Srinivas	93,88,787	38.72
Franklin India Small Cap Fund	11,30,373	4.66
Marval Guru Fund	8,60,000	3.55
Singularity Equity Fund I	4,60,000	1.90
Ohana India Growth Fund	3,88,915	1.60
Wellington Trust Company, National Association MUL	3,59,907	1.48
Ace Infracity Developers Private Limited	3,24,900	1.34
Arjuna Fund Pte. Ltd.	3,21,148	1.32
Chartered Finance & Leasing Limited	3,00,000	1.24
<b>Total</b>	<b>1,35,34,030</b>	<b>55.81</b>



### Dematerialization of shares and liquidity:

The Listing Regulations 2015 has mandated that transfer of securities would be carried out only when securities are held in dematerialized form with effect from April 1, 2019. In view of this and to facilitate seamless transfer of shares in future, Shareholders holding shares in physical form are requested to dematerialize their securities. The Company shares are tradeable in the electronic form only and has established connectivity with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through Kfin Technologies Limited, our Registrar and Share Transfer Agent.

As on March 31, 2026, 2,42,49,326 equity shares representing 100% of the total equity share capital of the Company were held in dematerialized form with National Securities Depository Limited (82.38%) and Central Depository Services (India) Limited (17.62%). The break-up of equity shares held in Physical and Dematerialized form as on March 31, 2026 is given below:

Mode of Holding	Shares	% of Equity
Demat		
NSDL	1,99,76,194	82.38
CDSL	42,73,132	17.62
<b>Total</b>	<b>2,42,49,326</b>	<b>100</b>

Your Company confirms that the promoters' holdings were converted into electronic form and the same is in line with the circulars issued by SEBI. For queries / clarification/ assistance, shareholders are advised to approach the Company's Registrar and Share Transfer Agents.

### Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity.

The Company has not issued any Global Depository Receipts or American Depository Receipts. There are no warrants or any convertible instruments outstanding as on March 31, 2026.

### Commodity Price Risk or Foreign Risk and Hedging Activities

The operations of the Company do not envisage any Commodity Price Risk or material Foreign Exchange Risk.

**Plant Locations:** Not Applicable

#### Investor Contacts

#### For queries relating to financial statements

Alex Varghese  
Chief Financial Officer  
Tel: +91 80 2991 0702/709;  
Email: alex@shankarabuildpro.com

#### For queries relating to shares/compliance

Ereena Vikram  
Company Secretary & Compliance Officer  
Tel: +91 80 2991 0702/709;  
Email: sbl.cs@shankarabuildpro.com

Investor correspondence  
Email: ir@shankarabuildpro.com

Address for correspondence

i. Shankara Buildpro Limited

#### Registered Office

No. 21/1 & 35-A-1, Hosur Main Road,  
Electronic City Post, Veerasandra,  
Bengaluru-560100  
Telephone No :+91 080 27836955/ 080 27836244

#### Corporate Office

G2, Farah Winsford, 133 Infantry Road,  
Bengaluru-560001  
Telephone No: +91 080 40117777

#### Registrar and Transfer Agents

Address for Correspondence / Operations Centre:  
Selenium Building, Tower-B, Plot No 31 & 32,  
Financial District, Nanakramguda, Serilingampally,  
Hyderabad, Rangareddy, Telangana, India - 500 032.

**Email ID :**

einward.ris@kfintech.com  
Toll Free / Phone Number :  
1800 309 4001

**WhatsApp Number :**

91) 910 009 4099

**Investor Support Centre :**

<https://kprism.kfintech.com/>  
Kfintech Corporate Website :  
<https://www.kfintech.com>

**RTA Website :**

<https://ris.kfintech.com>

**KPRISM (Mobile Application) :**

<https://kprism.kfintech.com/signup>  
RTA Search :  
<https://www.registrarsassociation.com/search>

**Contact**

Ramdas G

Senior Manager – Corporate Registry  
Email: ramdas.g@kfintech.com

**Depository for equity shares in India**

a. National Securities Depository Limited  
Trade World, “A” Wing, 4th Floor Kamala Mills  
Compound, Senapati Bapat Marg, Lower Parel,  
Mumbai: 400013, India  
Tel: +91 22 24994200 Fax: +91 22 24976351

b. Central Depository Services (India) Limited  
Phiroze Jeejeebhoy Towers, 17th Floor,  
Dalal Street, Fort, Mumbai: 400001, India  
Tel. +91 22 23023333 Fax: +91 22 22723199

**Addresses of regulatory authority/ stock exchanges**

a. Securities Exchange Board of India  
Plot No. C 4-A, G Block, Bandra Kurla Complex  
Bandra (East), Mumbai 400051, India  
Tel: +91 22 26449000, +91 22 40459000  
Fax: +91 22 26449019-22, +91 22 40459019-22

b. National Stock Exchange of India Limited  
Exchange Plaza, Plot No. C/1, G Block  
Bandra Kurla Complex, Bandra (East),  
Mumbai 400051, India  
Tel: +91 22 26598100, Fax: +91 22 26598120

c. BSE Limited  
Phiroze Jeejeebhoy Towers, Kala Ghoda  
Mumbai 400001, India  
Tel: +91 22 22721233, Fax: +91 22 22721919



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
**The Members,**  
**SHANKARA BUILDPRO LIMITED**  
**CIN: L24311KA2023PLC179791**  
**No 21/1 & 35-A-1, Hosur Main Road,**  
**Electronic City, Veerasandra, Bangalore,**  
**Bangalore South, Karnataka, India, 560100**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SHANKARA BUILDPRO LIMITED having CIN L24311KA2023PLC179791 and having Registered Office at No 21/1 & 35-A-1, Hosur Main Road, Electronic City, Veerasandra, Bangalore, Bangalore

South, Karnataka, India, 560100 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN (Director Identification Number)	Date of appointment in Company
01.	Mr. Sukumar Srinivas	01668064	13/10/2023
02.	Mr. Dhananjay Mirlay Srinivas	09108483	13/10/2023
03.	Mr. Chowdappa Ravikumar	01247347	21/03/2025
04.	Mr. Bhadrannarasimham Jayaraman	00022567	25/09/2025
05.	Ms. Jayashri Murali	00317201	25/09/2025
06.	Mr. Muthuraman	02375046	25/09/2025

Ensuring the eligibility of, for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place: Bengaluru**  
**Date: 19/05/2026**

**K. Jayachandran**  
**Company Secretary**  
**ACS No.: 11309/C P No.: 4031**  
**UDIN: A011309H000404218**  
**PR No: 6411/2025**



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## **CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

**[Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

**Corporate Identity No.: L24311KA2023PLC179791**

**Nominal Capital: INR 30,00,00,000/-**

**To,**

**The Members of SHANKARA BUILDPRO LIMITED**

**No 21/1 & 35-A-1, Hosur Main Road,**

**Electronic City, Veerasandra, Bangalore,**

**Bangalore South, Karnataka, India, 560100**

I have examined all the relevant records of “SHANKARA BUILDPRO LIMITED” (“the Company”) for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ( “Listing Regulations”) for the financial year ended March 31, 2026. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.

This Certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the aforesaid Listing Regulations during the period under review.

As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with items C, D, E and G.

**Date: 19/05/2026**

**Place: Bengaluru**

**K. Jayachandran**

**Company Secretary**

**ACS No.: 11309/CP. No.: 4031**

**UDIN: A011309H000404273**

**Peer Review No: 6411/2025**



## Managing Director/ Chief Financial Officer Certification

The Board of Directors  
Shankara Buildpro Limited

### Compliance Certificate as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 We hereby certify that:

1. We have reviewed the Balance Sheet as at March 31, 2026, Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information of the Company, and the Board's report for the year ended March 31, 2026.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's Auditors and the Company's Audit Committee of the Board of Directors.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:

- a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is prepared.
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian Accounting Standards (Ind AS).
  - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
  - d. Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect the Company's internal control over financial reporting.
6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the Audit Committee of the Company's Board and persons performing the equivalent functions:
- a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
  - b. Any significant changes in internal controls during the year covered by this report.
  - c. All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements.



d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.

7. We affirm that we have not denied any personnel access to the Audit Committee of the Company in respect of matters involving alleged misconduct and we have provided protection to

Whistleblowers from unfair termination and other unfair or prejudicial employment practices. 8. We further declare that all Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

**Place: Bengaluru**  
**Date: May 19, 2026**

**Sukumar Srinivas**  
**Managing Director**  
**DIN: 01668064**

**Alex Varghese**  
**Chief Financial Officer**



**Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors.

The code is available on the Company's website [www.shankarabuildpro.com](http://www.shankarabuildpro.com). I confirm that the Company has in respect of the year ended March 31, 2026, received from the Senior Management Team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, and the Company Secretary.

**Place: Bengaluru**  
**Date: May 19, 2026**

**Sukumar Srinivas**  
**Managing Director**  
**DIN: 01668064**



## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2026

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L24311KA2023PLC179791
2	Name of the Company	Shankara Buildpro Limited
3	Year of incorporation	2023
4	Registered office address	21/1 & 35-A-1, Hosur Main Road, Electronic City Post, Veerasandra, Bengaluru- 560 100
5	Corporate address	G-2, Farah Winsford, 133 Infantry Road, Bengaluru-560001
6	E-mail	sbl.cs@shankarabuildpro.com
7	Telephone	+91 80-29910702
8	Website	www.shankarabuildpro.com
9	Financial year for which reporting is being done	FY 2025-2026 (April 1, 2025 to March 31, 2026)
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11	Paid-up Capital (Rs.)	24.25 crore
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ereena Vikram Company Secretary & Compliance Officer +91 80-29910702 sbl.cs@shankarabuildpro.com
13	Reporting boundary Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone basis
14.	Name of the Assurance Provider	Not Applicable
15.	Type of Assurance Obtained	Not Applicable



## II Products/ Services

### 16. Details of business activities (accounting for 90% of the turnover)

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity*
1.	Retail and Omni-Channel	Sales of Steel and Building Materials like steel tubes, tmt and other plumbing and sanitaryware, flooring, electrical items and interior-exterior finishing.	100

\* Note: % of turnover on standalone basis.

### 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total contributed	Turnover (amount in crore) *
1.	Steel, Pipes and Tubes	477,466	61.63%	4,206.20
2.	HR, CR, GP, GC, Flat Steel Products	477,466	17.05%	1,163.34
3.	TMT Rebars	477,466	3.31%	226.14
4.	Color Coated Profiles	477,466	4.81%	328.09
5.	Angle, Channel, Rerolled long products	477,466	4.34%	296.37
6.	PVC Pipes and Fittings, Other Accessories	477,466	0.71%	48.34
7.	CP Fittings, Sanitary ware and tiles	477,466	6.11%	416.62
8.	Others (accessories)		2.04%	139.55

\* Note: Turnover on standalone basis

## III Operations

### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Nil	4	4
International	Nil	Nil	Nil

### 19. Markets served by the entity:

#### a. Number of locations

Locations	Number
National (No. of States)	10 States 1 Union Territory
International (No. of Countries)	Nil



b. What is the contribution of exports as a percentage of the total turnover of the entity?

NIL

c. A brief on types of customers:

The Company caters to a wide spectrum of customers in steel consumption which includes multiple industries like auto, general engineering etc and in the retail building materials segment, including individual homeowners, contractors, builders and fabricators.

#### IV. Employees

##### 20. Details as at the end of Financial Year: 2025-2026

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
<b>EMPLOYEES</b>						
1.	Permanent(D)	799	684	86	115	14
2.	Other than Permanent (E)*	126	100	79	26	21
3.	<b>Total Employees (D+E)</b>	<b>925</b>	<b>784</b>	<b>86</b>	<b>141</b>	<b>35</b>
<b>WORKERS</b>						
4.	Permanent(F)	Not Applicable				
5.	Other than Permanent (G)					
6.	Total Employees (F+G)					

*\*Shankara Buildpro Limited categorises its entire workforce as 'Employees'. Employees consist of Permanent Employees across locations who are on the Company's and its subsidiaries' payroll.*



b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
<b>Differently abled Employees</b>						
1.	Permanent(D)		NA			
2.	Other than Permanent (E)					
3.	Total Employees (D+E)					
<b>Differently abled workers</b>						
4.	Permanent(F)	1	1	100	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total Employees (F+G)	1	1	100	-	-

Note: Shankara Buildpro Limited upholds a policy of equal employment opportunity for all individuals. The company strictly prohibits discrimination of any kind, whether based on race, caste, religion, color, ancestry, marital status, gender, sexual orientation, age, nationality and disability.

**21. Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of	
		No. (B)	%(B / A)
Board of Directors	6	1	17%
Key Management Personnel	5	1	20%

Note: At Shankara Buildpro Limited Key Managerial Personnel includes MD, Executive Director & Chief Financial Officer and Company Secretary.

**22. Turnover rate for permanent employees and workers**

(Disclose trends for the past 3 years)

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	4.64	3.54	8.18	-	-	-	-	-	-
<b>Permanent Workers</b>	Not Applicable								

V. Holding Subsidiary and Associate Companies (including Joint ventures)

Yes. The Company has one subsidiary as on March 31, 2026. Refer to Form AOC-1 provided in the Annual Report for information on holding/subsidiary/associated companies.



### 23. (a) Names of holding /subsidiary/associate companies /joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed Entity	Does the entity indicated at column A, participate in the Business Responsibility initiative of the listed entity?
1.	Purple Splash Materials Private Limited	Subsidiary Company	51%	No

## VI. CSR Details

### 24. Corporate Social Responsibility (as per standalone financials)

₹ in Crores

(i)	Whether CSR is applicable as per Section 135 of Companies Act, 2013	Yes
(ii)	Turnover	6,824.65
(iii)	Net worth	545.46



**VII. Transparency and Disclosures Compliances**

25. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (if yes, then provide web-link for grievance redress policy)	FY 2025 -26			FY 2024 -25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes <a href="https://shankarabuild-pro.com/wp-content/uploads/2026/05/S-BL-Whistleblower-Policy.pdf">https://shankarabuild-pro.com/wp-content/uploads/2026/05/S-BL-Whistleblower-Policy.pdf</a>	Nil					
Investors (other than shareholders)	Yes <a href="https://shankarabuild-pro.com/wp-content/uploads/2026/05/S-BL-Whistleblower-Policy.pdf">https://shankarabuild-pro.com/wp-content/uploads/2026/05/S-BL-Whistleblower-Policy.pdf</a>	Nil					
Shareholders	Yes <a href="mailto:ir@shankarabuild-pro.com">ir@shankarabuild-pro.com</a> & <a href="https://scores.gov.in/scores/Welcome.html">https://scores.gov.in/scores/Welcome.html</a>	Nil					
Employees and Workers (includes former employees)	Yes <a href="https://shankarabuild-pro.com/wp-content/uploads/2026/05/S-BL-Whistleblower-Policy.pdf">https://shankarabuild-pro.com/wp-content/uploads/2026/05/S-BL-Whistleblower-Policy.pdf</a>	Nil					



Customers	Yes <a href="https://shankarabuild-pro.com/wp-content/uploads/2026/05/S-BL-Whistleblower-Policy.pdf">https://shankarabuild-pro.com/wp-content/uploads/2026/05/S-BL-Whistleblower-Policy.pdf</a>	Nil
Value Chain Partners	Yes <a href="https://shankarabuild-pro.com/wp-content/uploads/2026/05/S-BL-Whistleblower-Policy.pdf">https://shankarabuild-pro.com/wp-content/uploads/2026/05/S-BL-Whistleblower-Policy.pdf</a>	Nil
Others (Anonymous reporters or others who do not fall under above categories)		Not Applicable

## 26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Water and Waste	R	Guided by the principle of efficient resource utilization, the organization continually strives to reduce overall resource consumption across its operations.	<p>As part of this commitment, it has established focused measures to strengthen water management practices through regular monitoring of usage, reduction of wastage, and implementation of conservation initiatives. We implement Rainwater harvesting wherever possible. These efforts contribute to sustainable operations and promote the responsible and efficient use of natural resources.</p> <p>Further, the organization promotes waste reduction through employee awareness initiatives and responsible disposal practices that encourage recycling and reuse.</p>	Negative implications
2.	Electricity	o	Electricity has been identified as a key opportunity to conserve scarce resources.	The Company has implemented energy-efficient lights to reduce overall power consumption. Conducting regular maintenance of electrical systems. Creating employee awareness regarding energy conservation practices to encourage responsible usage across operations.	Positive implications



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Health & Safety	R	The Company places significant emphasis on maintaining a safe and secure working environment, which may influence operational costs and resource availability. The implementation of stringent safety measures, regulatory compliance requirements, and preventive protocols often involves additional investments, dedicated time, and careful resource planning, which can impact operational scheduling and resource accessibility.	The Company implements a wide range of employee-centric initiatives across its workplaces with the objective of promoting employee well-being, health, and overall workplace satisfaction. These initiatives include regular health awareness programs, wellness campaigns, preventive healthcare sessions, and interactive workshops aimed at encouraging healthy lifestyle practices among employees.	Negative implications
4.	Ethical and Transparent Business Conduct	O	Ethical conduct forms the foundation of an organization's long-term success and sustainability. When ethical standards are not upheld, a company may face serious risks such as damage to its reputation, erosion of trust among stakeholders, legal and regulatory penalties, and disruptions to business operations. Maintaining strong ethical practices is therefore essential to safeguarding the organization's credibility, ensuring compliance, and supporting sustained growth.	Regular internal reviews, audits, and presentations are conducted to keep stakeholders informed about changes introduced by regulatory authorities.	Positive Implications



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	CSR	O	<p>As part of its commitment to social responsibility, the Company actively undertakes a wide range of initiatives aimed at creating meaningful and sustainable impact in society. In the field of education, it supports programs that enhance access to learning opportunities, improve infrastructure, and promote skill development among students and youth. In healthcare, the Company contributes through awareness campaigns, medical support initiatives, and facilitation of basic healthcare services to improve community well-being and promote preventive care. In the area of environmental sustainability, the Company focuses on initiatives such as resource conservation, and promotion of eco-friendly practices to reduce environmental impact. Through these integrated efforts, the Company aims to contribute to inclusive development while reinforcing its commitment to responsible and sustainable business practices.</p>	<p>The company remains committed to sustainable development in both social and environmental spheres</p> <p>Key Projects:</p> <ul style="list-style-type: none"> <li>i. Shankara Boys School &amp; Girls School</li> <li>ii. Water shed management</li> <li>iii. Promotion of Indian Art &amp; Culture</li> </ul>	Positive Implications



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## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines on Responsible Business Conduct (NGRBC) released by the Ministry of Corporate Affairs has updated and adopted nine areas of Business Responsibility. These are briefly as under:

P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect and promote the well-being of all employees, including those in their value chains
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should respect and make efforts to protect and restore the environment
P9	Businesses should engage with and provide value to their consumers in a responsible manner



No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
1.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Has the policy been approved by the board?	Yes*	Yes***	Yes**	Yes**	Yes*	Yes**	No	Yes***	Yes****
3.	Web Link of the Policies, if available	CSR Policy, Whistle Blower Policy <a href="https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Whistleblower-Policy.pdf">https://shankarabuildpro.com/wp-content/uploads/2026/05/SBL-Whistleblower-Policy.pdf</a>								
4.	Whether the entity has translated the policy into procedures (Yes/No)	No	No	No	No	No	No	No	No	No
5.	Do the enlisted policies extend to your value chain partner (Yes/No)	No	No	No	No	No	No	No	No	No
6.	Name of the National and international codes/certifications/labels/standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015								
7.	Specific commitments, goals and targets set by the entity with defined timelines, if any	At the beginning of each financial year, the Company outlines its defined goals, commitments, and targets for review and approval by the Board of Directors, while the Risk Management Committee actively monitors key parameters to track progress and ensure their effective achievement.								
8.	Performance of the entity against the specific commitments' goals and targets along with reasons in case the same are not met.	Performance of each of the principles is reviewed periodically by Risk Management Committee.								
<b>Governance, leadership and oversight</b>										
9.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure):  The Company is committed to upholding the highest standards of ethical conduct and fair business practices, ensuring that the interests of all stakeholders including customers, employees, business partners, investors, and the wider community are consistently respected and protected. The Company places strong emphasis on integrity, transparency, and accountability in all its dealings, thereby fostering trust and long-term relationships with its stakeholders.  In addition, the Company prioritizes the creation of clean, safe, healthy, and equitable working conditions across its operations and value chain. It is dedicated to ensuring that employees and business partners operate in a secure and supportive environment that promotes well-being, dignity, and equal opportunity. Through these efforts, the Company seeks to build a responsible and sustainable business ecosystem that aligns ethical practices with long-term value creation.									
10.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policies.  Mr. C. Ravikumar, Whole-time Director under the guidance of the Board of Directors and its Committees is responsible for implementation and oversight of the Business Responsibility policy.									



11	<p>Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details :-</p> <p>Yes, the Board of Directors has delegated the oversight of the Company's sustainability initiatives to the Risk Management Committee. This Committee comprises three Non-Executive Independent Directors and two Executive Directors, ensuring a balanced mix of independent oversight and operational insight.</p> <p>The Risk Management Committee, chaired by an Independent Director, is responsible for regularly reviewing and guiding the Company's risk management and sustainability framework. It monitors the progress of identified risks and mitigation measures on a quarterly basis, assesses emerging risk areas, and ensures that appropriate strategies are implemented in a timely manner. Through this structured governance mechanism, the Company strengthens its commitment to effective risk oversight, sustainability performance, and long-term value creation.</p>	
Member of the Risk Management Committee	Designation	DIN
Mr. B. Jayaraman	Chairman	00022567
Ms. Jayashri Murali	Member	00317201
Mr. C. Ravikumar	Member	01247347
Mr. N. Muthuraman	Member	02375046

\* Shankara Code of Conduct

\*\* Corporate Social Responsibility Policy

\*\*\*Shankara Vision & Mission

\*\*\*\*Shankara Quality Policy

\*\*\*\*\* The Company has adopted The National Guidelines on Responsible Business Conduct (NGRBC) released by the Ministry of Corporate Affairs.



**10. Details of Review of NGRBCs by the Company:**

Subject for review	Indicate whether review was undertaken by Director/ Committee of the Board/Any Other Committee									Frequency (Annually/ Half yearly/quarterly/ Any other-please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes a. By Internal Management on need basis b. Committee of the Board on quarterly basis									On a need basis								
Compliance with Statutory requirements of relevance to the principles and rectification of any non-compliances	The Company is in compliance with the applicable statutory rules and regulations.									On a need basis								

**11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/ no). If yes, provide name of the agency.**

No

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

The Company's policies undergo periodic review by the Board of Directors, its committees, and senior management to ensure their continued relevance and effectiveness. These reviews help in assessing the adequacy of existing frameworks and in identifying areas that may require improvement or refinement in line with evolving business needs.

All policies and procedures are designed to be in alignment with applicable regulatory requirements and industry standards. They are updated from time to time, as necessary, to reflect changes in laws, regulations, and best practices, thereby ensuring continuous compliance and robust governance across the organization.

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.



**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators**

<b>1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:</b>			
<b>Segment</b>	<b>Total number of training and awareness programmes held</b>	<b>Topics/principles covered under the training and its impact</b>	<b>% age of the persons in the respective category covered by the awareness programmes</b>
Board of Directors		At every Board Meeting, the Board reviews and discusses key regulatory updates and their implications under applicable laws, including SEBI Regulations, the Companies Act, corporate governance norms, and the Income Tax Act, in consultation with the Statutory and Internal Auditors. In addition, the Board and the Audit Committee engage in detailed deliberations on matters relating to business integrity, strategic priorities, financial performance, as well as the Company's CSR and sustainability initiatives, ensuring comprehensive oversight and informed decision-making.	100%
Key Managerial Personnel		Since the Managing Director, Executive Director, Chief Financial Officer, and Company Secretary are regular participants in all Board Meetings, they remain closely involved in discussions on regulatory developments and governance matters. As part of this engagement, they are continuously exposed to updates on various regulatory changes and emerging compliance topics.  This ongoing participation enables them to stay well-informed and effectively aligned with evolving legal, financial, and governance requirements. In addition, it supports continuous learning and capacity building, ensuring that the leadership team is equipped to understand, interpret, and implement regulatory changes in a timely and effective manner across the organization.	100%
Employees other than Board of Directors and KMPs	1	1) Code of Conduct 2) Whistleblower Policy 3) Prevention of Sexual Harassment at the Workplace	100%

*Note: All the principles laid down in this Report are covered in the Company's Code of Conduct, which is mandatorily adhered to by all employees of the Company.*

**2. Details of fines/penalties/punishment/award/-compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions in the financial year:**

There are no fines/penalties/punishment/award/-compounding fees/settlement amount paid in proceedings by the entity or by directors/KMPs with regulators/law enforcement agencies/judicial institutions for the financial year ended March 31, 2026.



**3. Of the instance disclosed in question 2 above, details of Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

**4. Does the entity have an anti-corruption or anti-bribery policy if yes, provide details in brief and if available please provide a web link to the policy.**

The Company has implemented a comprehensive Code of Conduct that includes clear provisions on anti-corruption and anti-bribery practices, reinforcing its commitment to ethical business operations and zero tolerance towards misconduct. This framework is further strengthened by a Whistleblower Policy and a Vigil Mechanism that enable employees, stakeholders, and other concerned parties to report instances of unethical behaviour, fraud, or violations of the Code of Conduct.

The mechanism ensures confidentiality and provides protection against any form of victimization, thereby

encouraging individuals to report concerns without fear. These policies are designed to promote transparency, accountability, and integrity across all levels of the organization. For ease of access and awareness, the Code of Conduct and related policies are made available on the Company's official website.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

There has been no cases involving disciplinary action taken by any law enforcement agency for the charges of bribery/corruption against directors/KMP/employees/workers that have been brought to our attention.

Case Details	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
Directors	-	-
KMPs		
Employees		
Workers		

**6. Details of complains with regard to conflict of interest**

	FY 2025-26 (Current Financial year)		FY 2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	Not Applicable	-	Not Applicable
Number of complaints received in relation to issues of conflict NIL of Interest of the KMPs				

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions on cases of corruption and conflicts of interest:**

Not Applicable



**8. Number of days of accounts payables (Account payable \*365)/ Cost of goods/services procured) in the following format:**

	FY 2025-26	FY 2024-25
Number of days of account payables	54	52

**9. Openness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

	Metric	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	5.85%	6.27%
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	80.75%	84.32%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	26.85%	25.76%
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	17.14%	21.04%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	14.29%	11.39%
	b. Sales (Sales to related parties / Total Sales)	2.21%	6.82%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	6.60%	NA
	d. Investments (Investments in related parties / Total Investments made)	NA	NA

**Leadership Indicators**

**1. Awareness programmes conducted for value chain partners on any principles during the financial year:**

Total number of awareness programmes held	Topics / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil		



In the Company's Code of Conduct and general terms and conditions, the Company has emphasized on all integrity aspects, which are applicable to all suppliers.

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company requires all Directors to furnish an annual declaration under the Code of Conduct. This declaration includes details of their interests in any other companies, bodies corporate, firms, or

associations of individuals, along with their respective shareholdings, if any. These disclosures are essential in ensuring transparency, maintaining accountability, and upholding the trust of shareholders and other stakeholders.

The same principles of disclosure and ethical responsibility are extended to the Senior Management as well. They are required to provide an annual affirmation confirming that they have not been involved in any material financial or commercial transactions that may give rise to a conflict of interest with the Company. This process reinforces the Company's commitment to integrity, good governance, and the avoidance of any potential conflicts that could affect independent decision-making or organizational interests.

**PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.**

**Essential Indicators**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

	Current Financial Year 2025-26	Previous Financial Year 2024-25	Details of improvements in environmental and social impacts
R & D	Nil		
Capex			

2. a. Does the Company have procedures in place for sustainable sourcing? (Yes/No)

Yes

2. b. If yes, what percentage of inputs were sourced sustainably?

Although the Company has not formally quantified the percentage of inputs sourced through sustainable means, Shankara Buildpro Limited is committed to integrating environmental considerations into its procurement practices. It consistently endeavors to source products and services that are environmentally friendly, recyclable, energy-efficient, and locally procured, wherever feasible.

This approach reflects the Company's focus on reducing environmental impact, supporting responsible consumption, and encouraging the use of sustainable materials across its value chain. By prioritizing such sourcing practices to the extent possible, the Company aims to contribute to resource conservation, lower its carbon footprint, and promote sustainability-driven decision-making in its operations.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste

At the Company, environmental responsibility is not viewed as a standalone initiative but as a fundamental principle that guides its operations,



decision-making processes, and long-term strategic vision. The Company recognizes that adopting sustainable business practices is essential not only for environmental protection but also for generating enduring value for all stakeholders.

A significant area of focus within its environmental commitment is the reduction of plastic usage across facilities and operational processes. The Company actively seeks to identify and eliminate unnecessary single-use plastics and replace them with sustainable and reusable alternatives wherever feasible. This includes the adoption of eco-friendly packaging materials, promotion of refillable containers, and incorporation of biodegradable or recyclable options within its supply chain practices.

In addition to operational improvements, the Company is committed to fostering a strong culture of environmental awareness among employees and business partners. Through ongoing engagement initiatives, awareness programs, and internal guidelines, it encourages individuals to adopt environmentally responsible practices in their daily activities, such as minimizing waste generation, ensuring proper waste segregation and disposal,

and making informed choices in favor of sustainable products.

Through these sustained efforts, the Company continues to reinforce its commitment to responsible growth, ensuring that present progress is achieved in a manner that safeguards environmental well-being for the future.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the Company's activities. If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same**

Not Applicable

**Leadership Indicators**

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the format**

NIC Code	Name of the product / Services	Has the entity conducted Life Cycle products (for manufacturing industry) provide details in the following format? Name of Product / Service	% of total Turnover contributed	Perspective / or for its services Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Assessments (LCA) for any of its for service industry)? If yes, Results communicated in public domain (Yes/ No) If yes, provide the web-link.
Not Applicable						



2. If there are any significant social or environmental concerns and /or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same

There are no significant social/environmental concerns and /or risks arising from production.

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)

Indicate input material	Recycled or re-used input material to total material Action Taken	
	FY 2025-2026	FY 2024-2025
	Nil	

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed

Indicate input material	Recycled or re-used input material to total material Action Taken					
	FY 2025-2026			FY 2024-2025		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	



**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees including those in their value chains.**

**Essential Indicators**

**1. a. Details of measures for the well-being of employees:**

Category	% of workers covered by:									
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity benefits availed		Day Care facilities
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	(D) % (D/A)	Number (E)	% (E/A)	
<b>Permanent employees</b>										
Male	580	580	100	580	100	0	0	0	0	0
Female	81	81	100	81	100	81	100	0	0	0
<b>Total</b>	<b>661</b>	<b>661</b>	<b>100</b>	<b>661</b>	<b>100</b>	<b>81</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other than Permanent employees</b>										
Male		Not Applicable								
Female										
<b>Total</b>										

Note: Include employees other than ESI coverage and Probationary employees.  
Health Insurance covers maternity benefits. It is renewed till 13th January, 2027.

**b. Details of measures for the well-being of workers**

Category	% of workers covered by:									
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity benefits availed		Day Care facilities
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	(D) % (D/A)	Number (E)	% (E/A)	
<b>Permanent workers</b>										
Male		Not Applicable								
Female										
<b>Total</b>										
<b>Other than Permanent (workers)</b>										
Male		Not Applicable								
Female										
<b>Total</b>										

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format**

Gender	FY 2025-2026	FY 2024-2025
Cost incurred on wellbeing measures as a % of total revenue of the company	1%	-

Note: The above disclosure regarding well-being measures are benefits provided to permanent employees including employee insurance. The well being is calculated by total well being expenditure/Total Revenue\*100



**2. Details of retirement benefits for Current FY and Previous financial year**

Your Company makes contributions to Provident Fund (PF), Employee State Insurance (ESI), National Pension System (NPS) etc. for eligible employees.

Benefits	FY 2025 - 2026 (Current financial year)			FY 2024 - 2025 (Previous financial year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)
PF	100	Not Applicable	Yes	-	Not Applicable	Yes
Gratuity	86	Not Applicable	Yes	-	Not Applicable	Yes
ESI	17	Not Applicable	Yes	-	Not Applicable	Yes
Others - please specify	Not Applicable					

**3. Accessibility of workplaces- Are the premises/offices of the entity accessible to differently-abled employees and workers as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes. The Company's existing and upcoming infrastructure is developed in accordance with a comprehensive and forward-looking approach aimed at ensuring that workplaces are accessible, inclusive, and responsive to the diverse needs of all individuals. This approach reflects the Company's commitment to creating an environment that supports equal access and usability across its facilities.

For existing infrastructure, the Company conducts periodic assessments to identify and address potential barriers that may restrict ease of movement or limit accessibility. Based on these evaluations, necessary modifications and improvements are undertaken to enhance usability and ensure compliance with applicable accessibility standards. Through these continuous efforts, the Company strives to foster a more inclusive and

user-friendly workplace environment for employees, visitors, and other stakeholders.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the Company is committed to upholding the principle of equal opportunity and ensures that all employees are treated fairly and with respect. It does not engage in or tolerate any form of discrimination on grounds such as race, caste, religion, colour, marital status, gender, age, nationality, disability, or any other characteristic protected under applicable laws.

The Company promotes an inclusive and equitable work environment where employment decisions related to recruitment, training, compensation, promotion, and career development are based solely on merit, qualifications, performance, and business requirements. By fostering a culture of fairness and respect, the Company aims to provide a supportive workplace that enables all employees to contribute and grow without bias.



**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Non-Permanent workers	
	Return to work rate*	Retention Rate	Return to work rate	Retention Rate
Male	100	-	-	-
Female	100	-	-	-
Total	100	-	-	-

\*Return to work rate includes employees who took maternal and illness leave in financial year 2025-26 and returned to work

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker (Permanent Workers/Employees)? If yes, give details of the mechanism in brief.**

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. Employees are encouraged to first raise their concerns with their respective Department Heads or the Head of Human Resources to enable prompt resolution at the appropriate level through direct communication. If issues remain unresolved or require further escalation, employees may approach Senior Management. This structured mechanism ensures that all concerns are addressed fairly, transparently, and in a timely manner, reinforcing a supportive and accountable workplace culture.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

Employees are encouraged to share their concerns with their reporting managers and the HR department. Employees can raise their concerns to POSH Committee Members, the Whistleblower channel, and Grievance Redressal channel.

**7. Membership of employees and worker in association(s) or unions recognized by the listed entity:**

Category	FY 2025-2026			FY 2024-2025		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	Not Applicable					
Male						
Female						
Total Permanent Workers						
Male						
Female						



8. Details of training given to employees and workers

Category	FY 2025-2026					Total (D)	FY 2024-2025			
	Total (A)	On Health and safety measures		On Skill upgradation			On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	784	625	80	625	80	-	-	-	-	-
Female	141	95	67	95	67	-	-	-	-	-
<b>Total</b>	<b>925</b>	<b>720</b>	<b>78</b>	<b>720</b>	<b>78</b>	-	-	-	-	-
<b>Workers</b>										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

9. Details of performance and career development reviews of employees and worker.

Throughout the year there will be informal meeting with the Management of the Company and once in year formal review on performance and career development of employees

Category	FY 2025-2026			FY 2025-2026		
	Total (A)	No. (B)	%(B/A)	Total (C)	No. (D)	%(D/C)
Male	784	784	100	-	-	-
Female	141	141	100	-	-	-
<b>Total</b>	<b>925</b>	<b>925</b>	<b>100</b>	-	-	-
<b>Workers</b>						
Male	Not Applicable					
Female						
Total						

10. Health and safety management system

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system

Yes. The Company is committed to ensuring a safe and healthy workplace environment with the objective of preventing occupational incidents and work-related illnesses. Although a formal Occupational Health and Safety management system has not yet been established, the Company proactively implements a range of measures to safeguard employee well-being.

These initiatives include conducting regular safety awareness and training programs to educate employees on safe work practices, organizing

periodic health check-ups to monitor and support employee health, and systematically tracking safety-related incidents. The Company also undertakes periodic reviews of such incidents to identify root causes and implement corrective and preventive actions. Through these ongoing efforts, the Company continuously strives to strengthen workplace safety standards and enhance the overall health and well-being of its workforce.

b. What are the processes used to identify work related hazards and assess risks on a routine and non-routine basis by the Company?

The Company has established processes to identify and manage workplace hazards, including physical hazards such as slippery floors or inadequate lighting, ergonomic risks such as improper seating



arrangements, and safety-related hazards such as unsafe equipment or insufficient protective measures. It also assesses risks arising from both routine and non-routine activities, enabling early identification of potential safety concerns and timely implementation of preventive actions.

Employees and workers are encouraged to promptly report incidents, accidents, and near-misses, fostering a culture of transparency and proactive risk management. This enables the Company to investigate issues effectively and implement corrective measures to prevent recurrence.

In addition, the Company conducts regular safety walkthroughs across its offices and branches to systematically identify potential risks and strengthen existing safety practices. These ongoing efforts help ensure a safe, secure, and well-managed working environment for all employees.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/ No)**

Yes. Any kind of incidents are recorded. Process and procedures have been established and complied with.

**d. Do the employees/worker of the Company have access to non-occupational medical and healthcare services?**

Yes. All employees are covered under the Company's health insurance policy. The Company also offers employee-friendly work-life balance initiatives, including flexible work arrangements to support those facing challenges with standard working hours. A supportive work culture is actively promoted, and annual health check-up camps are conducted for all employees to encourage preventive healthcare and overall well-being.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2025-2026 (Current financial year)	FY 2024-2025 (Previous financial year)
Lost Time Injury Frequency Rate (LTIFR) (per one million -person hours worked)	Employees	Nil	Nil
	Workers		
Total recordable work-related injuries	Employees	Nil	Nil
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers		

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace**

The Company is committed to maintaining a safe, healthy, and compliant work environment for all employees. The management undertakes regular reviews of company policies, procedures, and operational practices to ensure alignment with all applicable laws, regulations, and internal governance standards.

This continuous oversight enables the Company to ensure that workplace practices remain effective, relevant, and in line with evolving statutory

requirements. Through periodic evaluations, audits, and ongoing monitoring, the Company actively identifies areas that require improvement and implements necessary corrective and preventive measures.

These efforts not only strengthen safety and regulatory compliance but also enhance overall operational efficiency and performance. By maintaining a structured and proactive governance approach, the Company fosters a responsible, well-regulated, and continuously improving work environment.



**13. Number of Complaints on the following made by employees and workers**

	FY 2025-2026			FY 2024-2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil					
Health & Safety						

**14. Assessments for the year: 2025-2026**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

The Company has not reported any safety-related incidents or significant concerns pertaining to health and safety practices or working conditions that necessitate corrective action.

The Company remains strongly committed to maintaining a safe, healthy, and compliant workplace for all employees. It continuously works to uphold and strengthen its health and safety standards through regular monitoring, structured employee training programs, and proactive risk assessments across its operations. The Company's approach is focused on preventing potential risks, addressing emerging issues promptly, and fostering a strong culture of safety and accountability. These efforts are aligned with applicable regulatory requirements and industry best practices, ensuring a secure and well-managed work environment for all.

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?**

Yes. The Company provides a group term life insurance policy that extends coverage to all employees. Additionally, at its discretion, the Company may offer financial assistance to the legal dependents of an employee in the event of death while in service.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company has entered into arrangements with external agencies for the deployment of contract employees, ensuring adherence to all applicable statutory obligations. These include compliance with requirements related to employee dues such as income tax, provident fund, professional tax, ESIC, and other relevant regulations, as amended from time to time. To ensure ongoing compliance, the Company also conducts regular audits and reviews of these arrangements.

**3. Provide the number of employees / workers having suffered high consequence work-related injury / ill health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable**



Particulars	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-2025	FY 2025-26	FY 2024-2025
Employees	Nil			
Workers				

**4. Does the Company provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes

employment laws and regulations. This includes adherence to requirements relating to gender diversity, protection of human rights, prohibition of child labour, fair wages, working hours, and prevention of bribery and corruption.

**5. Details on assessment of value chain partners on health and safety practices and working conditions.**

The Company is committed to continuously strengthening awareness and ensuring strict compliance with all applicable labour and

The Company actively promotes understanding of these legal and ethical standards across its workforce through regular communication, training, and policy reinforcement. By embedding these principles into its operations, the Company seeks to foster a fair, inclusive, and ethical workplace while ensuring full regulatory compliance and promoting responsible business conduct.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	-
Working Conditions	-

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

No areas of concern were raised during the assessment conducted for the value chain partners in FY 2025-2026.

that key stakeholder groups are appropriately recognized and engaged in the Company's decision-making and governance processes.

The primary stakeholders include employees, shareholders and investors, customers, key business partners, regulatory authorities, lenders, and vendors. Employees contribute to operational efficiency and organizational growth, while shareholders and investors provide financial support and confidence in the Company's performance. Customers drive demand and business continuity, and business partners and vendors play a crucial role in ensuring smooth supply chain and operational activities. Regulatory authorities ensure compliance with applicable laws, and lenders support the Company's financial requirements.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive of all its stakeholders**

**Essential Indicators**

**1. Describe the process for identifying key stakeholder groups:**

The Company identifies its stakeholders through an informal yet structured process led by management, based on their relevance to the business and the degree of their impact on its operations and long-term sustainability. This approach helps ensure

Each of these stakeholder groups plays an integral role in the Company's operations, growth, and governance framework, and the Company strives to maintain constructive engagement with them to support sustainable and responsible business practices.



**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual General Meeting, Shareholder meets, email, Stock Exchange intimations, investor/analysts meet/ conference calls, annual report, quarterly results, media releases and Company/SE website	Ongoing	Share price appreciation, dividends, profitability and financial stability, growth prospects
Employees	No	Senior leaders' communication, Employee Communication, goal setting and performance appraisal meetings/ review,	Ongoing	Efficiencies, improvement areas, long- term strategy plans, training and awareness, brand
Customers	No	Website, distributor / direct customer, senior leader-customer meets / visits, Dealer's meet	Ongoing	Product quality and availability, responsiveness to needs, after sales service
Suppliers / Partners	No	Communication and partnership meets, MoU and framework agreements, professional networks, contract management/ review, on site presentations, satisfaction surveys	Ongoing	Quality, timely delivery and payments and digitalization opportunities
Communities	No	CSR projects, CSR Partner's meet	Ongoing	Community development and Education development

**Leadership Indicators**

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated how is feedback from such consultations provided to the Board**

Stakeholder engagement is a key priority for the Company and extends beyond shareholders to include employees, customers, and suppliers. The Company actively seeks to understand their needs and expectations, addresses their concerns, and works towards creating meaningful positive impact. This engagement is an ongoing and continuous process.

**2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes/No) If so,**

**provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity**

No

**3. Provide details of instances of engagement with and actions taken to address the concerns of vulnerable / marginalized stakeholder groups.**

Since there is no vulnerable / marginalized stakeholder groups identified by the Management, so there is no instances of engagement with and actions taken to address the concerns of vulnerable / marginalized stakeholder groups.

**4. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Not Applicable



## PRINCIPLE 5 Businesses should respect and promote Human Rights

### Essential Indicators

#### 1. Employees and workers who have been provide training on human rights issues and policy (ies) of the entity

Category	FY 2025-2026 (Current Financial Year)			FY 2024-2025 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (C/D)
<b>Employees</b>						
Permanent	799	580	73	-	-	-
Other than permanent	126	75	60	-	-	-
<b>Total Employees</b>	<b>925</b>	<b>655</b>	<b>71</b>	-	-	-
<b>Workers</b>						
Permanent	Not Applicable					
Other than permanent						
<b>Total Employees</b>						





2. Details of minimum wages paid to employees and workers

Category	Total (A)	FY 2025-2026 (Current Financial Year)				Total (D)	FY 2024-2025 (Previous Financial Year)			
		Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Permanent	799	-	-	-	-	-	-	-	-	-
Male	684	-	-	684	100	-	-	-	-	-
Female	115	-	-	115	100	-	-	-	-	-
Other than Permanent	126	-	-	-	-	-	-	-	-	-
Male	100	-	-	100	100	-	-	-	-	-
Female	26	-	-	26	100	-	-	-	-	-
<b>Workers</b>										
Permanent	Not Applicable									
Male										
Female										
Other than Permanent										
Male										
Female										

3. (a) Details of remuneration /salary/wages in the following format:

	Number	Male		Number	Female	
		Median remuneration/ salary/ wages of respective category			Median remuneration/ salary/ wages of respective category	
Board of Directors (BoD)*	3	65.64				
Key Managerial Personnel	1	11.89		1	7.12	
Employees other than BoD and KMP	920	-		-	-	
Workers	-	-		-	-	

\* Only Executive Directors are considered for median calculation.



**(b) Gross wages paid to Female as % of total wages paid by the entity, in the following format.**

	FY 2025-2026	FY 2024-2025
Gross wages paid to Females as % of total wages	15	11

**4. Do you have a focal point (Individual/Committee) responsible for addressing Human Rights impacts issues caused or contributed to by the business? (Yes/No)**

Yes, the Company has assigned the responsibility of addressing human rights issues or impact to the Human Resource Department.

In furtherance of this commitment, the Company has constituted a Prevention of Sexual Harassment (POSH) Committee to address, investigate, and redress complaints related to workplace harassment in a fair, transparent, and timely manner. The Committee operates with a strong emphasis on confidentiality, sensitivity, and impartiality, ensuring that all matters are handled with due care and seriousness.

**5. Describe the internal mechanism in place to redress grievances related to Human Rights issues.**

The Company is committed to maintaining a safe, secure, and harmonious business environment for all employees and stakeholders. It firmly upholds the principle that every individual has the right to work in an atmosphere that is free from harassment, discrimination, and any form of conduct that may compromise dignity, respect, or well-being.

In addition to grievance redressal, the Committee also plays a proactive role in creating awareness among employees through training sessions and sensitization programs. These initiatives aim to prevent incidents of harassment and promote a culture of respect, inclusivity, and safe workplace practices across the organization.

**6. Number of complaints on the following made by employees and workers:**

Category	FY 2025-2026 Current Financial year			FY 2024-2025 Previous Financial Year		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment						
Discrimination at workplace (discriminations based on caste, age, gender, ethnic backgrounds, or other factors etc.)						
Child labour						
Forced labor / Involuntary Labor						
Wages						
Other human rights related issues						



**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, in the following format.**

	FY 2025-2026	FY 2024-2025
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013(POSH)	-	-
Complaints on POSH as a % of female employees/ workers	-	-
Complaints on POSH upheld	-	-

**8. Mechanisms to prevent adverse consequences to the complaints in discrimination and harassment cases.**

The Company has established clear policies and conducts regular awareness training to ensure a safe and respectful workplace for all employees. These policies reinforce its commitment to a work environment free from harassment, including sexual harassment, while promoting dignity and mutual respect. The Company follows a strict zero-tolerance approach toward any form of harassment or inappropriate behaviour. Employees are encouraged to report incidents of misconduct

without fear of retaliation, and all complaints are addressed promptly and thoroughly investigated. To ensure accountability and transparency, the Company has constituted dedicated Whistle Blower and Sexual Harassment Committees responsible for receiving, reviewing, and appropriately acting on complaints.

**9. Do Human Rights requirements form a part of your business agreements and contacts? (Yes/No)**

Yes

**10. Assessments for the year: 2025-2026**

Category	% of your Plants and Offices that were Assessed (by Entity or Statutory Authorities or Third Parties)
Child Labour	Not Applicable
Child Labour 100% Forced/Involuntary Labour	
Sexual Harassment	
Discrimination at Workplace	
Wages	
Others- please specify	

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Not Applicable

**Leadership Indicators**

**1. Details of a business process being modified/introduced as a result of addressing Human Rights grievances/ complaints**

Not Applicable

**2. Details of the scope and coverage of human rights due diligence conducted**

None

**3. Is the premise/office of the entity accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, most of our locations are accessible to differently abled visitors.



#### 4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NIL
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

#### 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessment at Question 4 above:

Not Applicable

### **PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

#### **Essential Indicators**

##### 1. Details of total energy consumption (in MWh) and energy intensity, in the following format:

Parameter	FY 2025-2026 Current Financial year	FY 2024-2025 Previous Financial Year
Total electricity consumption (A)	Units	Units
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	12,00,228	-
Total energy consumption (A+B+C)	Units	Units
Energy intensity per Rupee of turnover (Total energy consumption turnover in Rupees) (MWh/INR crore)	11.53	-
Energy intensity (optional)- the relevant metric may be selected by the entity	-	-

*Note: Total electricity consumption excludes total fuel consumption. The Company has not made independent assessment/evaluation has not carried out by the external agencies.*



2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any.

Not Applicable

3. Provide details of the following disclosures related to water in the following format:

Parameter	FY 2025-2026 (Current Financial year)	FY 2024-2025 (Previous Financial Year)
Water withdrawal by source (in KL)	-	-
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
Seawater/desalinated water	-	-
(iv) Others (Rainwater use)	-	-
Total volume of water withdrawal (in KL) (I + ii + iii+ iv + v)	-	-
Water intensity per rupee of turnover (Water consumed/turnover) (KL/₹ - Crore)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-



**4. Provide the following details related to water discharged:**

Parameter	FY 2025-2026	FY 2024-2025
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water - No treatment - With treatment – please specify level of treatment	Not Applicable	Not Applicable
(ii) To Groundwater - No treatment - With treatment – please specify level of treatment		
(iii) To Seawater - No treatment - With treatment – please specify level of treatment	Not Applicable	Not Applicable
(iv) Sent to third-parties - No treatment - With treatment – please specify level of treatment	Not Applicable	Not Applicable
(v) Others - No treatment - With treatment – please specify level of treatment		

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:**

Not Applicable

**6. Please provide details of air emissions (other than GHG emission) by the entity, in the following format:**

Parameter	Please specify unit	FY 2025 - 2026 Current Financial year	FY 2024 - 2025 Previous Financial year
NOx	-	0	0
Sox	-	0	0
Particulate Matter (PM)	-	0	0
Persistent organic pollutants (POP)	-	0	0
Volatile organic compounds (VOC)	-	0	0
Hazardous air pollutants (HAP)	-	0	0
Others-please specify	-	0	0



**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2025-2026 Current Financial year	FY 2024-2025 Previous Financial year
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	-	0	0
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	-	0	0
Total Scope 1 and Scope 2 emissions per rupee of turnover	-	0	0
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	0	0

**8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

No



9. Provide details related to waste management by the entity:

Parameter	FY 2025-2026	FY 2024-2025
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	Nil	Not Applicable
E-waste (B)	NIL	
Bio-medical waste (C)	NIL	
Construction and demolition waste (D)	NIL	
Battery waste (E)	NIL	
Radioactive waste (F)	NIL	
Other Hazardous waste. Please specify, if any. (G)	NIL	
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	NIL	
<b>Total (A+B + C + D + E + F + G + H)</b>	NIL	
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)</b>		
Category of waste	Not Applicable	
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
<b>Total</b>		
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)</b>		
Category of waste	Not Applicable	
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
<b>Total</b>		



**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxics chemicals in your products and processes and the practices adopted to manage such wastes:**

All solid waste generated by the Company is collected, segregated, and handed over to authorized municipal waste agencies for further processing, including recycling, treatment, or safe disposal in line with applicable regulations. This approach

supports sustainable waste management, minimizes environmental impact, and ensures compliance with local waste disposal norms, reflecting the Company's commitment to responsible environmental practices.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspot, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, specify details in the following format.**

S. No	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken if any
Not Applicable			

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws in the current financial year:**

Name and brief details of projects	EIA Notifications No	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant Weblink
Not Applicable					

**13. Is the entity compliant with the applicable environmental law/regulations/ guidelines in India; Such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection at and rules thereunder (Y/N). If not, provide details of all such non-compliances:**

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				



## Leadership Indicators

### 1. Water withdrawal consumption and discharge in the areas of water stress (in KL):

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area : Not Applicable

(ii) Nature of operations : Not Applicable

(iii) Water withdrawal consumption and discharge in the following format:

Parameter	FY 2025-2026 Current Financial year	FY 2024-2025 Previous Financial year
Water withdrawal by source (in KL)	Not Applicable	Not Applicable
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater /desalinated water		
(v) Others (rain water)		
Total volume of water withdrawal (in KL)		
Total volume of water consumption (in KL)		
Water intensity (optional) - the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in KL)		
(i) Into Surface water		
No treatment - please specify level of treatment		
With treatment		
(ii) Into Groundwater		
No treatment		
With treatment - please specify level of treatment		
(iii) Into Seawater		
No treatment		
With treatment - please specify level of treatment		
(iv) Sent to third parties		
No treatment		
With treatment - please specify level of treatment		
(v) Others (To municipal sewerage)		
No treatment		
With treatment & complying with discharge Quality & Quantity limit based on Consent to Operate		
Total water discharged ( in KL)		



2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-2026 (Current Financial year)	FY 2024-2025 (Previous Financial year)
Total Scope 3 emissions (Break-up of the GHG into CO2 , CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emissions per Rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

3. With respect to the ecologically sensitive areas reported at Question 10 of essential Indicators above, provide details of significant direct and indirect impact of the entity on bio-diversity in such areas along with prevention and remediation activities:

Not Applicable

S. No	Initiative undertaken	Details of the initiatives (Web-link, if any, may be provided along with summary)	Outcome of the initiative
Not Applicable			

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, all business segments within the Company have established Business Continuity Plans (BCPs), which are periodically reviewed by senior management and the respective department heads across various functions. These plans are designed to ensure operational resilience and preparedness to effectively manage and respond to unexpected disruptions.

The BCP framework enables the Company to identify critical business processes, assess potential risks, and implement appropriate response and recovery strategies to minimize operational impact. Through regular reviews and updates, the Company ensures that these plans

remain relevant, effective, and aligned with evolving business needs and risk scenarios, thereby strengthening overall business continuity and stability.

6. Disclosure any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No such incidents has happened which affected the business.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:

Not Applicable



**PRINCIPLE 7: Businesses, when engaging in influencing public regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations:

Five (5)

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of /affiliated to as provide below:

S. No	Name of the trade and Industry chambers/associations	Reach of trade and industry chambers /associations (State/ National)
1.	FKCCI, Karnataka Chambers of Commerce & Industry	National
2.	FEI (Federation of Engineering Industry)	National
3.	Karnataka Pipes Dealer Association	State
4.	Bangalore Iron & Steel Merchant Association	State
5.	Telangana State Tube Manufacturers Association	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

Not applicable, since the Company has not received any issues related to anti-competitive conduct.

The Company is not involved in influencing directly any Government schemes or its policy. Whenever a policy is made or Government wants to come up with some scheme to support the domestic OEM, the inputs are sought from the associations generally. The Company being part of this association actively give its inputs in various forums, Committee or Taskforce meetings.

**Leadership Indicators**

1. Details of public policy positions advocated by the entity

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of review by Board (Annually Half yearly/ Quarterly/Others please specify)	Web Link, if available
Nil					



**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

projects undertaken by the entity based on applicable laws, in the current financial year.

The Company shall make CSR contributions to projects or programs of Healthcare and Education and other areas in accordance with the CSR Policy of the Company.

**1. Details of Social Impact Assessments (SIA) of**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

**3. Describe the mechanisms to receive and redress grievances of the community**

The Company has established a Stakeholders' Relationship Committee and a Sexual Harassment Committee to address and resolve grievances in a structured and timely manner. These committees ensure that concerns raised by stakeholders and employees are reviewed appropriately and handled in accordance with defined policies and procedures.

In addition to these formal mechanisms, employees and workers may also approach the Human

Resources Department for the redressal of any grievances, ensuring ease of access and prompt internal resolution. For external stakeholders, the Company provides dedicated contact details and email addresses on its official website to address enquiries related to services, sales, and other business-related matters. This multi-channel approach reflects the Company's commitment to effective communication, responsiveness, and transparent grievance handling.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers**

Category	FY 2025-2026	FY 2024-2025
Directly sourced from MSMEs/ small producers	Nil	Nil
Sourced directly from within the district and neighboring districts	Nil	Nil

**5. Job creation in smaller towns – Disclose wage paid to person to person employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following as % of total wages**

S. No.	FY 2025-2026	FY 2024-2025
Rural	12	-
Semi-Urban	8	-
Urban	22	-
Metropolitan	57	-

Place to be categorized as per RBI classification system –rural/semi-urban/urban/metropolitan



## Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by Government bodies:

S. No.State	Aspirational District	Amount spent (In INR)
Not Applicable		

The Company is committed to contributing to societal development through its focused efforts in corporate social responsibility initiatives. It extends support to projects aimed at promoting education, strengthening healthcare infrastructure, enhancing access to quality primary education, and advancing environmental sustainability practices.

In addition, the Company actively supports rehabilitation and welfare programs for abandoned women and children, helping them lead dignified and secure lives. Through these diverse initiatives, the Company strives to create meaningful social impact and contribute to inclusive and sustainable community development.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from supplies comprising marginalized / vulnerable groups? (Yes/No):

No

(b) From which marginalized /vulnerable groups do you procure?

If such a vendor is available, the Company prefers the vendor, if competitive.

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes / No)	Benefits Shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		



6. Details of beneficiaries of key CSR Projects

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Not Applicable			

Please refer Corporate Social Responsibility Annual Report.

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

To ensure the prompt and effective resolution of customer queries, concerns, and complaints, the Company has established dedicated communication channels. A separate customer support email address and contact number have been made available, enabling customers to directly connect with the support team for timely assistance.

These structured channels facilitate efficient handling of customer issues by ensuring that requests are appropriately logged, tracked, and addressed within defined timelines. The system is designed to enhance responsiveness, improve customer satisfaction, and ensure that all concerns are resolved in a systematic and transparent manner.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage of total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	Not Applicable

**3. Number of consumer complaints in respect of the following**

Sl. No	FY 2025-2026 (Previous Financial year)		Remarks	FY 2024-2025 (Previous Financial year)		Remarks
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at the end of year	
Not Applicable						

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls		



**5. Does the entity have a framework /policy on cyber security and risks related to data privacy? (Yes/No) If available provide a web-link of the policy:**

Yes, the Company is committed to protecting the privacy of individuals whose personal data it holds.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services cyber security and data privacy of customers re-occurrence of instances of product recalls penalty action taken by regulatory authorities on safety of products/services :-**

No issue were reported as on March 31, 2026.

**7. Provide the following information relating to data breaches:**

a. Number of instances of data breaches along-with impact.

There were no data breaches as on March 31, 2026.

b. Percentage of data breaches involving personally identifiable information of customers

Not applicable

c. Impacts, if any, of the data breaches

Not applicable

### **Leadership Indicators**

**1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available):**

Information relating to all products of the Company

are available on the website at <https://shankarabuildpro.com/investors/>

An agency has been appointed for monitoring the website, coordinating digital marketing, which includes SEO and related efforts.

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:**

The Company conducts meetings to educate its customers on responsible usage of our products.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:**

Not Applicable

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

No, the Company discloses information in accordance with applicable regulatory requirements and ensures timely and accurate statutory reporting. In addition, it conducts an annual customer satisfaction survey covering its key products to understand customer feedback, assess service quality, and identify areas for improvement. The insights gathered through these surveys are used to enhance product offerings and strengthen overall customer experience.



CONSOLIDATED  
Audit Report and Financials

2025 - 2026

SHANKARA  
**Buildpro**  
LIMITED



**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Shankara Buildpro Limited**

**Report on the Audit of Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of **Shankara Buildpro Limited** ("the Company"/"the Holding Company"), its subsidiary viz. Purple Splash Materials Private Limited (the holding company and its subsidiary together referred to as "the Group") comprising of the consolidated balance sheet as at March 31, 2026, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity, the consolidated statement of cash flows for the period from April 20, 2025 to March 31, 2026 for the year then ended and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information.

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, as amended (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 state of affairs of the Company as at March 31, 2026, and its Consolidated profit and

other comprehensive income, changes in equity and its cash flows for the period from April 20, 2025 to March 31, 2026 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 Standards 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 Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements

**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 financial consolidated statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key audit matter	How our audit addressed the key audit matter
1.	<p><b>Recognition of Revenue:</b> For the year ended March 31, 2026 the Company has recognized revenue from operations of ₹ 6,824.65 Crores.</p> <p>Revenue of the Company mainly arises from trading of structural steel, cement, TMT bars, pipes and tubes, roofing solutions, welding accessories, primers, plumbing materials, tiles, sanitaryware, water tanks, kitchen sinks, lighting and other allied products to its customers.</p>	<ul style="list-style-type: none"> <li>• We assessed the Company's accounting policy for revenue recognition by comparing with the applicable accounting standard.</li> <li>• Testing the design, implementation and operating effectiveness of key internal controls over timing of recognition of revenue from sale of goods.</li> </ul>



Sl. No.	Key audit matter	How our audit addressed the key audit matter
	<p>We have considered recognition of revenue as a key audit matter as there is an inherent risk and presumed fraud risk around accuracy and existence of revenue recognised.</p>	<ul style="list-style-type: none"><li>• Verification of selected samples of customer contracts / Purchase Orders to confirm the terms of delivery.</li><li>• Our test of details includes specific procedures focused on cut-off to verify only revenue pertaining to current year is recognized based on terms and conditions set out in sales contracts.</li></ul>
2.	<p><b>Inventories:</b></p> <p>The Company has inventory with the carrying value of ₹ 475.30 Crores as at the year end.</p> <p>The inventory is valued at the lower of cost and net realizable value.</p> <p>We considered the value of the inventory as key audit matter given the relative size of the balance in the financial statements and significant judgement involved in determining the appropriate valuation of inventory based upon a detailed analysis of net realisable value below cost.</p>	<ul style="list-style-type: none"><li>• We understood and tested the design, implementation and operating effectiveness of controls as established by the management in determination of cost and net realizable value of inventory.</li><li>• We have verified the closing stock valuation as at the year end. We considered various factors including the actual selling price prevailing around and subsequent to the year-end. Compared the cost of the traded goods with the estimated net realizable value and checked if the goods were recorded at net realizable value where the cost was higher than the net realizable value.</li><li>• Further, we have verified the physical verification working papers of the Company and performed physical verification independently on a sample basis.</li></ul>

#### Other Information other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Report on Corporate Governance, Shareholder's information and Business Responsibility and Sustainability Report, but does not include the consolidated financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

Our report on the consolidated 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 consolidated financial statement, 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 during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions.



## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors is responsible for assessing the ability of each company 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.

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

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Holding 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 Group'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 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 auditor's 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.

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 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 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 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 Group so far as it appears from our examination of those books;

(c) The Consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Other Comprehensive Income, the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;

(e) On the basis of the written representations received from the respective directors of the companies in the group as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 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 consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Company.

Internal financial controls over financial reporting is not applicable to the subsidiary. Hence, we have not reported on the adequacy of operating effectiveness of internal financial controls over financial reporting as per the requirements of section 143(3)(i) of the Act;

(g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanation given to us, the remuneration paid by the Holding Company and its subsidiaries to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act; and

(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:



i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated Ind AS financial statements – Refer Note No.38 to the Consolidated Financial Statements;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

iv. (a) The respective managements of the Company and its subsidiaries whose financial statements have been audited under the Act, have represented to us 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 or any such subsidiaries to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or any of such subsidiaries, or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective managements of the Company and its subsidiaries whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, no funds have been received by the Company or any of such subsidiaries from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any such subsidiaries shall, 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 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 under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination which included test checks, the group 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. Additionally, the audit trail has been preserved by the group as per the statutory requirements for record retention.

2. With respect to the matters specified in paragraph 3 (xxi) 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 for the Company and its subsidiary included in the Consolidated Financial Statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports except the following:



Sl. No.	Name of the entities	CIN	Holding Company/ Subsidiary Company	Clause number of the CARO report which is qualified or adverse
1	Purple Splash Materials Private Limited	U24311KA2025PTC201613	Subsidiary	Clause 3 (ii) (a)

**For ASA & Associates LLP**  
Chartered Accountants  
Firm Registration No. 009571N/N500006

**G N Ramaswami**  
Partner  
Membership No. 202363  
UDIN: 26202363WMHJHT8852

Place : Bengaluru  
Date : May 19, 2026

**Annexure A - Report on the Internal Financial Controls with reference to the Consolidated 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 over financial reporting of **Shankara Buildpro Limited** ("the Company"/ "the Holding Company") as of March 31, 2026, in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The respective Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls 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 Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the consolidated 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 the Consolidated Financial Statements. 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 the Consolidated 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 the consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the consolidated financial statements included obtaining an understanding of internal financial controls with reference to the consolidated 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 judgment, including the assessment of the risks of material misstatement of the Consolidated 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 the Consolidated Financial Statements.



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### **Meaning of Internal Financial Controls with reference to the Consolidated Financial Statements**

A Company's internal financial control with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to the consolidated 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; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Financial Statements.

### **Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to the consolidated 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 with reference to the consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to the consolidated 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, to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, an adequate internal financial controls system with reference to the consolidated financial statements and such internal financial controls with reference to the consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control with reference to the consolidated financial statements criteria established by the Company 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

### **For ASA & Associates LLP**

Chartered Accountants

Firm Registration No. 009571N/N500006

### **G N Ramaswami**

Partner

Membership No. 202363

UDIN: 26202363WMHJHT8852

Place : Bengaluru

Date : May 19, 2026



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2026

(Rupees in Crores)

Particulars	Note No	As at 31-03-2026	As at 31-03-2025
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	4	40.10	39.35
(b) Capital work-in-progress	5	0.78	0.07
(c) Right-of-use Asset	4	-	1.65
(d) Intangible assets	6	5.77	-
(e) Intangible assets under development	7	-	4.57
(f) Financial Assets			
i) Loans	8	0.05	0.05
ii) Other financial assets	9	9.60	7.94
(g) Deferred tax Assets	23(c)	6.13	4.41
(h) Other non-current assets	10	0.40	0.33
<b>Total Non-current assets</b>		<b>62.83</b>	<b>58.37</b>
<b>(2) Current Assets</b>			
(a) Inventories	11	480.97	381.85
(b) Financial Assets			
i) Trade receivables	12	942.48	769.94
ii) Cash and cash equivalents	13	62.83	22.03
iii) Bank balances other than (ii) above	14	1.51	1.34
iv) Other financial assets	15	0.93	1.18
(c) Other current assets	16	53.65	19.01
<b>Total current assets</b>		<b>1,542.37</b>	<b>1,195.35</b>
<b>Total Assets</b>		<b>1,605.20</b>	<b>1,253.72</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	17	24.25	0.01
(b) Share capital pending allotment		-	24.25
(c) Other Equity	18	521.39	432.75
Equity attributable to owners of the Company		545.64	457.01
Non-Controlling Interest	19	0.23	-
<b>Total Equity</b>		<b>545.87</b>	<b>457.01</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
i) Borrowings	20	-	2.40
(ia) Lease Liabilities	21	-	1.34
ii) Other financial liabilities	22	0.02	0.01
<b>Total Non-current liabilities</b>		<b>0.02</b>	<b>3.75</b>

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2026 Contd.**

(Rupees in Crores)

Particulars	Note No	As at 31-03-2026	As at 31-03-2025
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
i) Borrowings	24	60.81	52.70
(ii) Lease Liabilities	25	-	0.44
ii) Trade payables	26		
A) Total outstanding dues of Micro Enterprises and Small Enterprises, and		4.61	24.34
B) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		948.27	686.03
iii) Other financial liabilities	27	13.12	10.49
(b) Other current liabilities	28	23.69	16.35
(c) Provisions	29	3.58	0.84
(d) Current Tax Liabilities(Net)	23(b)	5.23	1.77
<b>Total current liabilities</b>		<b>1,059.31</b>	<b>792.96</b>
<b>Total liabilities</b>		<b>1,059.33</b>	<b>796.71</b>
<b>Total Equity and Liabilities</b>		<b>1,605.20</b>	<b>1,253.72</b>

The accompanying notes form an integral part of Consolidated financial statements.

As per our report of even date attached

**For ASA & Associates LLP**

Chartered Accountants

ICAI Firm Reg.No:009571N/N500006

**For and on behalf of the Board of Directors of**

**Shankara Buildpro Limited**

**(formerly known as Shankara Buildpro Private Limited)**

**GN Ramaswami**

Partner

Membership No: 202363

**Sukumar Srinivas**

Managing Director

DIN: 01668064

**Dhananjay Mirlay Srinivas**

Director

DIN: 09108483

**Alex Varghese**

Chief Financial Officer

**Ereena Vikram**

Company Secretary

ACS Membership No:33459

Place: Bengaluru

Date: 19th May, 2026

Place: Bengaluru

Date: 19th May, 2026



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

(Rupees in Crores)

Particulars		Note No	For the year ended 31-03-2026	For the year ended 31-03-2025
I	Revenue From Operations	30	6,825.71	5,267.38
II	Other Income	31	1.40	1.26
III	<b>Total Income (I+II)</b>		<b>6,827.11</b>	<b>5,268.64</b>
IV	<b>Expenses</b>			
	Purchases of Stock-in-Trade		6,551.95	5,038.38
	Changes in inventories of Finished Goods & Stock-in-Trade	32	(98.69)	(35.29)
	Employee benefits expense	33	53.54	50.44
	Finance costs	34	42.24	42.27
	Depreciation and amortization expense	35	9.72	8.02
	Other expenses	36	91.98	63.75
	<b>Total expenses (IV)</b>		<b>6,650.74</b>	<b>5,167.57</b>
V	<b>Profit before exceptional items and tax (III-IV)</b>		<b>176.37</b>	<b>101.07</b>
VI	<b>Exceptional items</b>	49	<b>(2.61)</b>	-
VII	<b>Profit before tax [V+VI]</b>		<b>173.76</b>	<b>101.07</b>
VIII	<b>Tax expense:</b>	23(a)		
	(1) Current tax		45.23	23.93
	(2) Tax - earlier years		2.57	(0.10)
	(3) Deferred tax		(2.00)	(0.92)
	<b>Total Tax Expenses</b>		<b>45.80</b>	<b>22.91</b>
IX	<b>Profit for the year (VII-VIII)</b>		<b>127.96</b>	<b>78.16</b>
X	<b>Other Comprehensive Income</b>			
A	<b>Items that will not be reclassified to profit or loss</b>			
	(i) Re-measurements of defined benefit plans		1.09	0.14
	(ii) Income tax relating to items that will not be reclassified to Profit or loss		(0.28)	(0.04)
	<b>Total A</b>		<b>0.81</b>	<b>0.10</b>
B	<b>Items that will be reclassified to profit or loss</b>			
	<b>Total B</b>		-	-
	<b>Total Other Comprehensive Income (A+B)</b>		<b>0.81</b>	<b>0.10</b>
XI	<b>Total Comprehensive Income for the year (IX+X)</b>		<b>128.77</b>	<b>78.26</b>
XII	<b>Total Profit for the year attributable to:</b>			
	- Owners of the parent		127.74	78.16
	- Non-controlling interest		0.22	-
			<b>127.96</b>	<b>78.16</b>

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2026 Contd.**

(Rupees in Crores)

Particulars	Note No	For the year ended 31-03-2026	For the year ended 31-03-2025
<b>XIII Other comprehensive income for the year attributable to:</b>			
- Owners of the parent		0.81	0.10
- Non-controlling interest		-	-
		<b>0.81</b>	<b>0.10</b>
<b>XIV Total comprehensive income for the year attributable to:</b>			
- Owners of the parent		128.55	78.26
- Non-controlling interest		0.22	-
		<b>128.77</b>	<b>78.26</b>
<b>XV Earning per equity share [Face value ₹10 per share]</b>	37		
Basic (in ₹)		52.77	32.23
Diluted (in ₹)		52.77	32.23

The accompanying notes form an integral part of Consolidated financial statements.

As per our report of even date attached  
**For ASA & Associates LLP**  
Chartered Accountants  
ICAI Firm Reg.No:009571N/N500006

**For and on behalf of the Board of Directors of  
Shankara Buildpro Limited**  
(formerly known as Shankara Buildpro Private Limited)

**GN Ramaswami**  
Partner  
Membership No: 202363

**Sukumar Srinivas**  
Managing Director  
DIN: 01668064

**Dhananjay Mirlay Srinivas**  
Director  
DIN: 09108483

**Alex Varghese**  
Chief Financial Officer

**Ereena Vikram**  
Company Secretary  
ACS Membership No:33459

Place: Bengaluru  
Date: 19th May, 2026

Place: Bengaluru  
Date: 19th May, 2026



(Rupees in Crores)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2026

**A. Equity Share Capital**

(1) Year ended 31<sup>st</sup> March 2026 (refer note no 17)

Balance at the beginning i.e. 01 <sup>st</sup> April 2025	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. 31 <sup>st</sup> March 2026
0.01	-	0.01	24.24	24.25

(2) Year ended 31<sup>st</sup> March 2025 (refer note no 17)

Balance at the beginning i.e. 01 <sup>st</sup> April 2024	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. 31 <sup>st</sup> March 2025
0.01	-	0.01	-	0.01

**B. Share capital pending allotment** - As at 31<sup>st</sup> March 2026 - ₹ Nil (As at 31<sup>st</sup> March 2025 - ₹ 24.25 Crores)

**Note 1:** Pursuant to the Scheme of Arrangement, the company in its board meeting held on 26<sup>th</sup> September, 2025 have approved the allotment of 2,42,49,326 (Two crores forty two lakhs forty nine thousand three hundred and twenty six) Equity Shares of ₹ 10 each, aggregating to ₹ 24.25 Crores, to the Equity Shareholders of the demerged company, whose name where recorded in the Register of Members of the demerged company as on the record date i.e., 24<sup>th</sup> September, 2025.

**Note 2:** Pursuant to the scheme, 10,000 equity shares of ₹10 each aggregating to ₹ 0.01 Crores, subscribed by the Demerged undertaking viz., Shankara Building Products Limited stand cancelled on 26<sup>th</sup> September 2025.

**C. Other Equity (refer note no 18)**

(1) Year ended 31<sup>st</sup> March 2026

Particulars	Reserves and Surplus			Other items of other comprehensive income	Total	
	Capital Reserve	Retained Earnings				Remeasurements of the net defined benefit plans
		Surplus in Statement of Profit and Loss	Defined benefit plan			
Balance at the beginning i.e. 01 <sup>st</sup> April 2025	354.51	78.14	0.10	-	432.75	
Profit for the year	-	127.74	-	-	127.74	
Other comprehensive income for the year, net of income tax	-	-	-	0.81	0.81	
Transfer to retained earnings Adjustments pursuant to Scheme of Arrangements	-	-	0.81	(0.81)	-	
	(39.91)	-	-	-	(39.91)	
<b>Balance at the end i.e. 31<sup>st</sup> March 2026</b>	<b>314.60</b>	<b>205.88</b>	<b>0.91</b>	<b>-</b>	<b>521.39</b>	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2026 Contd.

(Rupees in Crores)

(2) Year ended 31st March 2025

Particulars	Reserves and Surplus		Defined benefit plan	Other items of other comprehensive income	Total	
	Capital Reserve	Retained Earnings				
		Surplus in Statement of Profit and Loss				Surplus in Statement of Profit and Loss
<b>Balance at the beginning i.e. 01st April 2024</b>	-	(0.02)	-	-	(0.02)	
Profit for the year	-	78.16	-	-	78.16	
Other comprehensive income for the year, net of income tax	-	-	-	0.10	0.10	
Transfer to retained earnings	-	-	0.10	(0.10)	-	
Transfer pursuant to Scheme of Arrangement	371.38	-	-	-	371.38	
Adjustments pursuant to Scheme of Arrangements	(16.87)	-	-	-	(16.87)	
<b>Balance at the end i.e. 31st March 2025</b>	<b>354.51</b>	<b>78.14</b>	<b>0.10</b>	<b>-</b>	<b>432.75</b>	

The accompanying notes form an integral part of Consolidated financial statements.

As per our report of even date attached  
**For ASA & Associates LLP**  
 Chartered Accountants  
 ICAI Firm Reg.No:009571N/N500006

**For and on behalf of the Board of Directors of  
 Shankara Buildpro Limited  
 (formerly known as Shankara Buildpro Private Limited)**

**GN Ramaswami**  
 Partner  
 Membership No: 2023363

**Sukumar Srinivas**  
 Managing Director  
 DIN: 01668064

**Dhananjay Mirilay Srinivas**  
 Director  
 DIN: 09108483

**Alex Varghese**  
 Chief Financial Officer

**Ereena Vikram**  
 Company Secretary  
 ACS Membership No:33459

Place: Bengaluru  
 Date: 19th May, 2026

Place: Bengaluru  
 Date: 19th May, 2026





CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2026

(Rupees in Crores)

Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
<b>Cash flow from operating activities</b>		
Profit before tax	173.76	101.07
<b>Adjustments to reconcile profit before tax to net cash flow:</b>		
Depreciation and amortization expense	9.72	8.02
Profit on sale of property, plant & equipment	(0.01)	(0.03)
Gain on termination of lease	(0.22)	(0.11)
Unwinding of interest income on rental deposits	(0.11)	(0.35)
Adjustment pursuant to scheme of arrangement	(39.91)	(16.87)
Interest income	(0.42)	(0.23)
Write off of property, plant and equipment	-	0.01
Interest expense	42.23	42.27
Bad Debts written off	11.52	2.23
Payables written back	(0.32)	(0.31)
Provision for employee benefits	3.83	0.44
Loss Allowance for doubtful trade receivables	4.32	3.53
Other non cash items	0.03	-
<b>Operating profit before working capital changes</b>	<b>204.42</b>	<b>139.67</b>
Adjustments for :		
(Increase) / Decrease in inventories	(99.12)	(33.69)
(Increase) / Decrease in trade receivable	(188.37)	(142.14)
Decrease/ (Increase) in loans and other financial assets	(1.29)	(0.44)
Decrease/ (Increase) in other current assets	(34.03)	11.77
Decrease/ (Increase) in other non-current assets	(0.15)	0.08
(Decrease)/ Increase in trade payables	242.83	125.34
(Decrease)/ Increase in other financial liabilities	2.23	1.10
(Decrease)/ Increase in other current liabilities	7.34	(6.71)
<b>Cash flow from/(used in) operations</b>	<b>133.86</b>	<b>94.98</b>
Income taxes paid	(44.33)	(26.50)
<b>Net cash flows from/(used in) operating activities (A)</b>	<b>89.53</b>	<b>68.48</b>
<b>Cash flow from investing activities</b>		
Consideration paid for purchase of property, plant & equipment (Including capital work-in-progress and capital advances)	(8.88)	(8.58)
Purchase of software (Including intangible assets under development)	(3.12)	(1.76)
Proceeds from sale of property, plant & equipment	0.03	0.15
(Purchase)/proceeds from maturity of bank deposits/unclaimed dividend	(0.17)	(0.17)
Interest receipt	0.42	0.23
<b>Net cash flows from/(used in) investing activities (B)</b>	<b>(11.72)</b>	<b>(10.13)</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2026 Contd.**

(Rupees in Crores)

Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
<b>Cash flow from financing activities</b>		
Principal element of lease payments	(0.24)	(1.20)
Interest on Lease liability	(0.08)	(0.23)
Repayment of term loans	(14.40)	(10.70)
Current Borrowings availed/ (repaid)	20.11	(9.60)
Interest paid	(42.40)	(42.19)
<b>Net cash flows from/(used in) financing activities (C)</b>	<b>(37.01)</b>	<b>(63.92)</b>
<b>Net increase/(decrease) in cash and cash equivalents(A+B+C)</b>	<b>40.80</b>	<b>(5.57)</b>
<b>Cash and cash equivalents - at the beginning of the year</b>	<b>22.03</b>	<b>0.01</b>
<b>Transferred pursuant to Demerger Scheme</b>	<b>-</b>	<b>27.59</b>
<b>Cash and cash equivalents - at the end of the year</b>	<b>62.83</b>	<b>22.03</b>
Note: Cash and Cash equivalents in the Cash Flow Statement comprise of the following :-		
i) <b>Cash on Hand</b>	0.77	1.01
ii) <b>Balance with Banks :</b>		
- In Current Account and cash credit account	62.06	21.02
	<b>62.83</b>	<b>22.03</b>

The accompanying notes form an integral part of Consolidated 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 of even date attached

**For ASA & Associates LLP**

Chartered Accountants

ICAI Firm Reg.No:009571N/N500006

**For and on behalf of the Board of Directors of  
Shankara Buildpro Limited  
(formerly known as Shankara Buildpro Private  
Limited)**

**GN Ramaswami**

Partner

Membership No: 202363

**Sukumar Srinivas**

Managing Director

DIN: 01668064

**Dhananjay Mirlay Srinivas**

Director

DIN: 09108483

**Alex Varghese**

Chief Financial Officer

**Ereena Vikram**

Company Secretary

ACS Membership No:33459

Place: Bengaluru

Date: 19th May, 2026

Place: Bengaluru

Date: 19th May, 2026



## SHANKARA BUILDPRO LIMITED

(formerly known as Shankara Buildpro Private Limited)

### 1. CORPORATE INFORMATION

Shankara Buildpro Limited ("the Company") (CIN: L24311KA2023PLC179791) was incorporated as a private limited company under the provisions of the Companies Act, 2013 on 13th October 2023. The Company's registered office is situated at No.21/1 & 35-A-1, Hosur Road, Electronic City, Veerasandra, Bengaluru – 560100. The Company was converted into a Public limited company with effect from 30th November 2023, as approved by the Registrar.

The Company was incorporated as a wholly owned subsidiary of Shankara Building Products Limited. The Company has received order of Hon'ble National Company Law Tribunal, Bengaluru Bench ('Hon'ble NCLT') dated 21st August 2025 wherein they have approved the scheme of arrangement (the "Scheme") between the Company and the Shankara Building Products Limited (hereinafter referred as erstwhile 'holding company' / 'demerged company' / 'demerged undertaking') and their respective shareholders and creditors. Accordingly, the Trading Business of the Shankara Building Products Limited as defined in the Scheme has been transferred to and vested in Shankara Buildpro Limited ("Resulting Company" / "Buildpro" / "the Company") w.e.f. 1st April, 2024.

These consolidated financial statements comprise the financial statements of Shankara Buildpro Limited (the 'Company') and its subsidiary viz., Purple Splash Materials Private Limited (together referred to as "the Group").

Shankara Buildpro Limited ("the Company" or "the Parent") is one of the India's leading organised retailers of home improvement and building products in India. The Parent and its subsidiary (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 supply chain and logistics facilities. It deals with a number of product categories including structural steel, cement, TMT bars, pipes and tubes, roofing solutions, welding accessories, primers, plumbing materials, tiles, sanitary ware, water tanks, kitchen sinks, lighting and other allied products.

## 2. BASIS OF PREPARATION, CRITICAL ESTIMATES AND JUDGMENTS, MATERIAL ACCOUNTING POLICIES:

### 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 Consolidated financial statements for the year ended March 31, 2026 were duly reviewed and recommended by the audit committee and has been adopted by the Board of Directors in their meeting held on May 19, 2026 for consideration of approval by the shareholders.

#### 2.1.1 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, except share data and as otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0.00" in the relevant notes in these financial statements.

#### 2.1.2 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 rules made there under, as amended;

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.

#### 2.1.3 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.



Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### **Basis of consolidation**

The Consolidated Balance sheet and the Statement of profit and loss are prepared and presented in the format prescribed in Division II of Schedule III to the Act. The Consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind-AS 7, Statement of Cash Flows. The disclosure requirements with respect to items in the Balance sheet and Statement of profit and loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiary. 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;
- 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.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Holding Company, i.e., the year ended on 31st March.

Non-controlling interests (NCI) in the net assets of consolidated subsidiary are identified and presented in the consolidated Balance Sheet separately within equity. Non-controlling interests represent that part of the total comprehensive income and net assets of subsidiaries attributable to the interests which is not owned, directly or indirectly, by the Holding Company. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions

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.

This being the first year of consolidation, Comparatives of previous year are based on the standalone financial statements and hence not comparable.

## **2.2 Material Accounting Policies**

### **2.2.1 Revenue Recognition**

#### **A) Sale of products**

Revenue from sale of goods is recognised on fulfilment of performance obligation. In other words, revenue is recognised 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 transaction price net of discounts, rebates, returns, taxes and duties as per the terms of the contract with Customer.

#### **B) 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.

#### **C) 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.

### **2.2.2 Property, Plant and Equipment**

#### **A) Recognition and measurement**

The cost of Property, Plant and Equipment comprises of 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.

#### **B) Subsequent expenditure**

Subsequent costs are included in the asset's carrying amount or recognized 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.

Property, Plant and Equipment are stated in the balance sheet at cost less accumulated depreciation / amortization and impairment, if any.

#### **C) 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 disposal are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within other gains / (losses).

#### **D) 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 recognised 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.



Details of Property Plant and Equipment and the estimated useful life are as follows:

S.no	Asset	Useful life estimated by the Management in Years	Useful life as per Schedule II to the Act in Years
1	Plant and Equipment	15	15
2	Furniture and Fixtures	10	10
3	Vehicles	8-10	8-10
4	Office equipment	5	5
5	Computers	3	3

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.

#### E) 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.

#### 2.2.3 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 asset 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.

#### A) 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 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 recognised if:

- i) there is technical feasibility of completing it so that it will be available for use
- ii) the group intends to complete it and use or sell it
- iii) the group has ability to use or sell it
- iv) technical, financial and other resources are available to the group to complete it
- v) the group is able to measure reliably the expenditure attributable to the intangible asset during its 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.

#### 2.2.4 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 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 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.

#### 2.2.5 Leases

##### Where the Group is a lessee

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. 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 where the Group has the right to control the use of an identified assets, the Group assesses whether:

- (1) the contract involves the use of an identified asset,
- (2) the Group has the right to obtain substantially all of the economic benefits from the use of the assets through the period of the lease and
- (3) the Group has the right to direct the use of the asset.

##### A) Right-of-use

The Group recognises right-of-use assets at the commencement date of the lease i.e. the date the underlying asset is available for use. Right-of-use assets are measured at cost less accumulated depreciation. The cost of Right-of-use assets includes the amount of lease liabilities recognized, initial cost incurred and lease payments made at or before the commencement date. The Right-of-use asset is depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the Right-of-use asset or the end of the lease term basis over a lease term. In addition, the Right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The Right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease



term or useful life of Right of-use asset. The estimated useful lives of right of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

### **B) Lease liabilities**

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, including amounts expected to be payable by the Group under residual value guarantee. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

### **C) Short-term leases**

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less from the commencement date and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense over the lease term.

#### **2.2.6 Inventories**

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

Cost comprises of purchase price, freight, other

attributable costs, 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 selling expenses.

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

#### **2.2.7 Employee Benefits**

In respect of defined contribution plan, the Group 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 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.

The Group presents the first two components of



defined benefit costs in profit or loss under the head 'Employee benefits expense'. 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 recognises a liability and an expense for bonus. The Group recognises a provision where contractually obligated or where there is a past practice that has created a constructive obligation.

### 2.2.8 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.

#### A) 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. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to settle

the liability on a net basis or simultaneously.

#### B) 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 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 is 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 recognised 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. Hence the provisions relating to minimum alternate tax (MAT) are not applicable to the Group.

### **2.2.9 Functional currency**

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).

### **2.2.10 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, the receivable is recognised 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 recognised but are disclosed in the notes.

### **2.2.11 Earnings 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 events including 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.

### **2.2.12 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.

### **2.2.13 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 or transaction value wherever appropriate. 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 the transaction price i.e., the amount payable for the goods or services, if the transaction does not contain a significant financing component.

## A) Financial Assets

### (i) Initial recognition and measurement

All financial assets are recognised 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 costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in Statement of Profit and Loss.

### (ii) Subsequent measurement

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

- Debt instruments at amortised 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 amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The Contractual terms of the financial 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 amortised cost using the effective interest rate (EIR) method.

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 amortisation is included under the head finance income in the profit or loss. The losses arising from impairment are recognised 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 recognised 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 categorisation as amortised cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised 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 risks 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 risks 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 recognised initially at fair value giving effect to 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 recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation 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 amortisation is included under 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 and financial institutions are subsequently repaid by the Group at a later date. These are normally settled up to 90 days. These arrangements for raw materials are recognised as Acceptances i.e. trade payables and are included in total outstanding dues of creditors other than micro enterprises and small enterprises.

#### **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 recognised 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 recognised 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **D) Impairment of Financial assets:**

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment



methodology applied depends on whether there has been significant increase in credit risk. Note 47(C)(2) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires Expected Credit Losses (ECL) to be recognised from initial recognition of the receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its 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 best economic 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements

are categorised 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 recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (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 period under audit, the Group has not designated any forward currency contracts as hedging instruments.

**2.2.14 Cash and Cash Equivalents and Cashflow 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 cash 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.

#### **2.2.15 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. The amount so authorised is recognised directly in equity.

Final dividend proposed and distributed to equity shareholders is recognized only in the financial year in which it is approved by the members of the Company in the Annual General Meeting. Interim dividends are recognized when approved by the Board of Directors at the Board Meeting. Dividend distributed is recognized in the Statement of Changes in Equity.

#### **2.2.16 Segment reporting**

1. The company is primarily engaged in the business of Trading and retailing of home improvement and building products which is a single business segment.
2. The operation of the company are fully within India and hence, there are no reportable geographical segments.
3. The chief operating decision maker reviews the entity as a single reportable segment as mentioned above.

#### **2.2.17 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 Group 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 recognised 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.

#### **A) 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.

#### **B) Provisions and liabilities**

Provisions and liabilities are recognised 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.

#### **C) 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 recognised.

### **3. Recent Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.



In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1 - Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or noncurrent and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group has no impact of these amendments in its

classification criteria of current and non-current liabilities.

2. Ind AS 7 - Statement of Cash Flows and Ind AS 107 - Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Group has no impact of these amendments in its financial statements.

3. Ind AS 12 - International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. The Group has no impact of these amendments in its financial statements.





(Rupees in Crores)

Notes to the Consolidated Financial Statements

4 PROPERTY, PLANT AND EQUIPMENT

Particulars	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers	Total	Right of use Assets - Building
<b>Cost</b>							
<b>Gross carrying amount As at 01-04-2024</b>	-	-	-	-	-	-	-
Pursuant to Scheme of Arrangement (Refer Note.4(a))	0.98	48.58	14.09	5.13	3.16	71.93	6.71
Additions during the year	0.11	4.94	2.53	0.63	0.28	8.49	1.58
Disposals / Adjustments	-	0.18	0.22	0.17	-	0.57	5.20
<b>Gross carrying amount As at 31-03-2025</b>	<b>1.09</b>	<b>53.34</b>	<b>16.40</b>	<b>5.59</b>	<b>3.44</b>	<b>79.85</b>	<b>3.09</b>
Additions	0.54	4.56	2.06	0.52	0.57	8.25	-
Disposals / Writeoff	-	-	0.15	0.03	-	0.18	3.09
<b>Gross carrying amount As at 31-03-2026</b>	<b>1.63</b>	<b>57.90</b>	<b>18.31</b>	<b>6.08</b>	<b>4.01</b>	<b>87.92</b>	<b>-</b>
<b>Accumulated depreciation and impairment</b>							
<b>Balance as at 01-04-2024</b>	-	-	-	-	-	-	-
Pursuant to Scheme of Arrangement (Refer Note.4(a))	0.26	21.22	7.29	2.93	2.34	34.04	4.30
Depreciation / Amortization for the year	0.06	4.41	1.47	0.60	0.36	6.90	1.12
Disposals / Adjustments	-	0.10	0.19	0.15	-	0.44	3.98
<b>Balance as at 31-03-2025</b>	<b>0.32</b>	<b>25.53</b>	<b>8.57</b>	<b>3.38</b>	<b>2.70</b>	<b>40.50</b>	<b>1.44</b>
Depreciation / Amortization for the year	0.08	4.63	1.67	0.66	0.44	7.48	0.32
Disposals / Adjustments	-	-	0.13	0.03	-	0.16	1.76
<b>Balance as at 31-03-2026</b>	<b>0.40</b>	<b>30.16</b>	<b>10.11</b>	<b>4.01</b>	<b>3.14</b>	<b>47.82</b>	<b>-</b>
<b>Net Carrying amount</b>							
<b>As at 31-03-2026</b>	<b>1.23</b>	<b>27.73</b>	<b>8.20</b>	<b>2.07</b>	<b>0.87</b>	<b>40.10</b>	<b>-</b>
<b>As at 31-03-2025</b>	<b>0.77</b>	<b>27.81</b>	<b>7.83</b>	<b>2.21</b>	<b>0.74</b>	<b>39.35</b>	<b>1.65</b>



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### Note:

- a) The assets relating to the trading business of Shankara Building Products Limited (Demerged undertaking) stand transferred to Shankara Buildpro Limited (Resulting company) with effect from 01st April, 2024 pursuant to Scheme of Arrangement. Accordingly, said assets were recorded at the values as certified by the auditors of the Demerged Undertaking as per the Special Purpose Financial Statements for the year 1st April 2024 to 31st March 2025.
- b) During the year, the company has not revalued its Property, Plant and Equipment.

### 5 CAPITAL WORK-IN-PROGRESS

Particulars	Amount
<b>Gross carrying amount As at 01-04-2024</b>	-
Additions during the year	0.23
<b>Sub Total</b>	<b>0.23</b>
Less: Capitalised during the year	0.16
<b>Gross carrying amount As at 31-03-2025</b>	<b>0.07</b>
Additions during the period	1.08
<b>Sub Total</b>	<b>1.15</b>
Less: Capitalised during the year	0.37
<b>Gross carrying amount As at 31-03-2026</b>	<b>0.78</b>

#### Capital Work-in-Progress (CWIP) ageing schedule as at 31-03-2026

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	0.78	-	-	-	<b>0.78</b>

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

#### Capital Work-in-Progress (CWIP) ageing schedule as at 31-3-2025

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	0.07	-	-	-	<b>0.07</b>

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



**6 INTANGIBLE ASSETS**

Particulars	Brand	Software	Total
<b>Cost</b>			
<b>Gross carrying amount as at 01-04-2024</b>	-	-	-
Pursuant to Scheme of Arrangement (Refer Note.6(a))	<b>10.78</b>	<b>0.69</b>	<b>11.47</b>
Additions during the year	-	-	-
Disposals / Adjustments	-	-	-
<b>Gross carrying amount as at 31-03-2025</b>	<b>10.78</b>	<b>0.69</b>	<b>11.47</b>
Additions during the year	-	7.69	<b>7.69</b>
Disposals / Adjustments	-	-	-
<b>Gross carrying amount as at 31-03-2026</b>	<b>10.78</b>	<b>8.38</b>	<b>19.16</b>
<b>Accumulated amortization and impairment</b>			
<b>Balance as at 01-04-2024</b>	-	-	-
Pursuant to Scheme of Arrangement (Refer Note.6(a))	<b>10.78</b>	<b>0.69</b>	<b>11.47</b>
Amortization for the year	-	-	-
Amortization on disposals	-	-	-
<b>Balance as at 31-03-2025</b>	<b>10.78</b>	<b>0.69</b>	<b>11.47</b>
Amortization for the year	-	1.92	<b>1.92</b>
Amortization on disposals	-	-	-
<b>Balance as at 31-03-2026</b>	<b>10.78</b>	<b>2.61</b>	<b>13.39</b>
<b>Net Carrying amount</b>			
<b>As at 31-03-2026</b>	-	<b>5.77</b>	<b>5.77</b>
<b>As at 31-03-2025</b>	-	-	-
Useful Life of the asset (In Years)	3 Years	3 Years	
Method of amortization	Straight Line Method		

(a) The assets relating to the trading business of Shankara Building Products Limited (Demerged undertaking) stand transferred to Shankara Buildpro Limited (Resulting company) with effect from 01st April, 2024 pursuant to Scheme of Arrangement. Accordingly, said assets were recorded at the values as certified by the auditors of the Demerged Undertaking as per the Special Purpose Financial Statements for the year 1st April 2024 to 31st March 2025.

(b) During the year, the company has not revalued any Intangible Assets.



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### 7 INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Amount
<b>Gross carrying amount as at 01-04-2024</b>	-
Pursuant to Scheme of Arrangement (Refer Note.7(a))	2.89
Additions during the year	1.68
<b>Sub-total</b>	<b>4.57</b>
Less: Capitalised during the year	-
<b>Gross carrying amount as at 31-03-2025</b>	<b>4.57</b>
Additions during the year	3.12
<b>Sub-total</b>	<b>7.69</b>
Less: Capitalised during the year	7.69
<b>Gross carrying amount as at 31-03-2026</b>	-

(a) The assets relating to the trading business of Shankara Building Products Limited (Demerged undertaking) stand transferred to Shankara Buildpro Limited (Resulting company) with effect from 01st April, 2024 pursuant to Scheme of Arrangement. Accordingly, said assets were recorded at the values as certified by the auditors of the Demerged Undertaking as per the Special Purpose Financial Statements for the year 1st April 2024 to 31st March 2025.

#### Intangible assets under development ageing schedule as at 31-03-2025

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	1.68	1.56	1.33	-	4.57

#### Intangible assets under development completion schedule as at 31-03-2025

Intangible assets under development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	4.57	-	-	-	4.57



Notes to the Consolidated Financial Statements

(Rupees in Crores)

**8 LOANS (NON-CURRENT)**

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Other Loans</b>		
<b>Unsecured:</b>		
<b>Considered good:</b>		
(a) Employee advances	0.05	0.05
<b>Total</b>	<b>0.05</b>	<b>0.05</b>

**9 OTHER FINANCIAL ASSETS (NON-CURRENT)**

Particulars	As at 31-03-2026	As at 31-03-2025
(a) Security Deposits	8.00	6.39
(b) Deposit with Suppliers	1.42	1.34
(c) Others		
(i) Tender deposit	0.04	0.06
(ii) Utility deposit	0.14	0.15
<b>Total</b>	<b>9.60</b>	<b>7.94</b>

**10 OTHER NON-CURRENT ASSETS**

Particulars	As at 31-03-2026	As at 31-03-2025
(a) Capital Advances (refer note below)	-	0.08
(b) Advances other than capital advances		
(i) Deposits with Government authorities	0.40	-
(c) Prepaid expenses	-	0.25
<b>Total</b>	<b>0.40</b>	<b>0.33</b>

Capital advances represents advances made for Intangible assets under development in the previous year.

**11 INVENTORIES**

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Inventories:(at lower of cost or net realisable value)</b>		
(a) Stock-in-trade*	480.97	381.85
<b>Total</b>	<b>480.97</b>	<b>381.85</b>

\* Includes goods-in-transit amounting to Rs 0.91 crores (PY ₹ 0.48 crores) .

Inventories have been hypothecated as security against certain bank borrowings of the Group (refer note no 20 & 24)





Notes to the Consolidated Financial Statements

(Rupees in Crores)

12 TRADE RECEIVABLES (CURRENT)

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Unsecured:</b>		
(A) Trade receivables Considered Good*	900.69	738.86
Less: Allowance for doubtful debts (Expected credit loss allowance)	(0.12)	(0.14)
<b>Total A</b>	900.57	738.72
(B) Trade receivables with significant increase in credit risk	55.96	40.93
Less: Allowance for doubtful debts (Expected credit loss allowance)	(14.05)	(9.71)
<b>Total B</b>	41.91	31.22
<b>Total (A+B)</b>	<b>942.48</b>	<b>769.94</b>
Debts due by directors or other officers of the Group 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	-	-

\*Includes amount receivable from related party (Refer note no 45 C)

**Note:** Trade Receivables as on 01-04-2024 taken over from demerged company

Particulars	Amount
A) Trade receivables - Considered Good	617.05
Less: Allowance for doubtful debts (Expected credit loss allowance)	(0.10)
<b>Total A</b>	<b>616.95</b>
(B) Trade receivables with significant increase in credit risk	22.83
Less: Allowance for doubtful debts (Expected credit loss allowance)	(6.22)
<b>Total B</b>	<b>16.61</b>
<b>Total (A+B)</b>	<b>633.56</b>

Movement in loss allowance of trade receivables

Particulars	As at 31-03-2026	As at 31-03-2025
Opening balance	9.85	-
Pursuant to Scheme of Arrangement (Refer not above)	-	6.32
Credit loss allowance for The Year	4.32	3.53
<b>Closing balance</b>	<b>14.17</b>	<b>9.85</b>

Notes to the Consolidated Financial Statements

Trade Receivables (Current) ageing schedule as at 31-03-2026

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	486.50	389.65	24.54	-	-	-	900.69
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	43.52	10.81	1.63	55.96
(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	-	-	-	-	-	-	-
<b>Total</b>	<b>486.50</b>	<b>389.65</b>	<b>24.54</b>	<b>43.52</b>	<b>10.81</b>	<b>1.63</b>	<b>956.65</b>
Less: Allowance for Expected credit Loss	-	-	-	-	-	-	(14.17)
<b>Total</b>							<b>942.48</b>

(Rupees in Crores)





Notes to the Consolidated Financial Statements

(Rupees in Crores)

(Rupees in Crores)

Notes to the Consolidated Financial Statements

Trade Receivables (Current) ageing schedule as at 31-03-2025

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	397.94	313.51	27.41	-	-	-	738.86
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	25.48	10.38	5.08	40.93
(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	-	-	-	-	-	-	-
<b>Total</b>	<b>397.94</b>	<b>313.51</b>	<b>27.41</b>	<b>25.48</b>	<b>10.38</b>	<b>5.08</b>	<b>779.79</b>
Less: Allowance for Expected credit Loss	-	-	-	-	-	-	(9.85)
<b>Total</b>							<b>769.94</b>



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

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 and 24 ).

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.

### 13 CASH AND CASH EQUIVALENTS

Particulars	As at 31-03-2026	As at 31-03-2025
(a) Balances with banks : In current account and cash credit account	62.06	21.02
(b) Cash on hand	0.77	1.01
<b>Total</b>	<b>62.83</b>	<b>22.03</b>

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.

### 14 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Earmarked balances:</b> (a) Fixed Deposits held as margin money	1.51	1.34
<b>Total</b>	<b>1.51</b>	<b>1.34</b>





## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### 15 OTHER FINANCIAL ASSETS (CURRENT)

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Unsecured, considered good</b>		
<b>(i) Financial assets at amortised cost</b>		
(a) Rent receivable	-	0.01
(b) Employee advances*	0.93	0.93
(c) Other receivables	-	0.23
(d) Interest receivable	-	0.01
<b>Total</b>	<b>0.93</b>	<b>1.18</b>

\*Includes transaction(s) with related parties - refer note no 45(B) and 45(C).

### 16 OTHER CURRENT ASSETS

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Advances other than capital advances:</b>		
(a) Advances for purchases	46.09	12.10
(b) Prepaid Expenses	4.11	5.25
(c) Balances with Government authorities- (Goods and Services Tax)	2.83	1.12
(d) Demerger Expenses pending final write off*	-	0.54
( e ) Right to recover	0.62	-
<b>Total</b>	<b>53.65</b>	<b>19.01</b>

\* Expenditure on demerger will be shared 50% each by Demerged company and Resulting company.  
(Refer note no 58)

### 17 EQUITY SHARE CAPITAL

Particulars	As at 31-03-2026		As at 31-03-2025	
	No.of Shares	Amount	No.of Shares	Amount
<b>Authorised:</b>				
Equity shares of ₹10/- each	3,00,00,000	30.00	10,000	0.01
Issued, subscribed and fully paid:	2,42,49,326	24.25	10,000	0.01



Notes to the Consolidated Financial Statements

(Rupees in Crores)

- i) **Increase in authorised share capital:** The shareholders of the Company in the Extraordinary General Meeting (EGM) held on 16th July 2025, have approved by passing a special resolution for increase in the authorised share capital to 3,00,00,000. equity shares of face value of INR 10/- (Rupees Ten) each, amounting to ₹ 30,00,00,000.
- ii) Pursuant to the Scheme of Arrangement, the Company in its board meeting held on 26th September, 2025 has approved the allotment of 2,42,49,326 (Two crores forty two lakhs forty nine thousand three hundred and twenty six) Equity Shares of ₹ 10 each, aggregating to ₹ 24.25 Crores, to the Equity Shareholders of the demerged company, whose name where recorded in the Register of Members of the demerged company as on the record date i.e., 24th September, 2025.
- iii) Pursuant to the scheme, 10,000 equity shares of ₹10 each aggregating to ₹ 0.01 Crores, subscribed by the Demerged undertaking viz., Shankara Building Products Limited stand cancelled on 26th September 2025.

**a) Reconciliation of number of equity shares outstanding and equity share capital**

Particulars	As at 31-03-2026		As at 31-03-2025	
	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning of the year	10,000	0.01	10,000	0.01
Issued during the year	2,42,49,326	24.25	-	-
Cancelled during the year	10,000	0.01	-	-
Balance as at the end of the year	2,42,49,326	24.25	10,000	0.01

**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 ₹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 31-03-2026		As at 31-03-2025	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Shankara Building Products Limited	-	-	10,000	100.00%
Mr. Sukumar Srinivas	93,88,787	38.72%	-	-



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### d) Shares held by promoters at the end of the year 31-03-2026

S. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Shankara Building Products Limited	-	-	(100.00%)
2	Mr. Sukumar Srinivas	93,88,787	38.72%	100.00%
<b>Total</b>		<b>93,88,787</b>		

### Shares held by promoters at the end of the year 31-03-2025

S. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Shankara Building Products Limited	10,000	100.00%	-
<b>Total</b>		<b>10,000</b>	<b>100.00%</b>	<b>-</b>

### e) From the Date of Incorporation till 31-03-2026:

i) The Company has allotted 2,42,49,326 equity shares of ₹ 10 Each as fully paid-up without payment being received in cash.(Refer note 17(ii))

ii) The Company has not allotted any equity shares by way of bonus issue.

iii) The Company has not bought back any equity shares.

iv) There are no shares reserved for issue under Options and Contracts/ Commitments for the sale of shares/ Dis-investment.

v) The Board of directors of the holding company have recommended payment of final dividend ₹5/- (Rupees five only) per equity share of the face value of ₹10 each for the financial year ended 31-03-2026.

### 18 OTHER EQUITY

Particulars	As at 31-03-2026	As at 31-03-2025
Capital Reserve	314.60	354.51
Retained earnings	205.88	78.14
Other Comprehensive Income (Refer Statement of changes in Equity for additions and deductions from the last year Balance sheet)	0.91	0.10
<b>Total</b>	<b>521.39</b>	<b>432.75</b>



Notes to the Consolidated Financial Statements

(Rupees in Crores)

**Capital Reserve**

Reserve is created on demerger as per the Scheme of Arrangement

**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.

**19 NON-CONTROLLING INTEREST**

Particulars	As at 31-03-2026	As at 31-03-2025
Opening Balance	-	-
Add: Current year profits	0.23	-
Less: Other Comprehensive loss	-	-
<b>Total</b>	<b>0.23</b>	<b>-</b>

**20. BORROWINGS (NON - CURRENT)**

Particulars	As at 31-3-2026	As at 31-03-2025
<b>Term Loans - secured*</b>		
(a) Term loan from banks*	-	2.40
<b>Total</b>	<b>-</b>	<b>2.40</b>

**As at 31st March, 2026\***

There are no Borrowings outstanding as at 31-03-2026.



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### As at 31st March, 2025

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 9.20% pa - repayable in 48 equated monthly instalments post moratorium period.	4.94	-	4.94
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.	3.88	-	3.88
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.	2.17	2.40	4.57
Term Loan 4 - 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 7.29% to 9.25% pa - repayable in 48 equated monthly instalments post moratorium period.	0.79	-	0.79
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.	0.01	-	0.01
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.	0.02	-	0.02
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.	0.02	-	0.02
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.	0.02	-	0.02
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.	0.04	-	0.04
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
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	-	0.06
<b>Total</b>	<b>12.00</b>	<b>2.40</b>	<b>14.40</b>



Notes to the Consolidated Financial Statements

(Rupees in Crores)

21. LEASE LIABILITY (NON-CURRENT)

Particulars	As at 31-3-2026	As at 31-3-2025
Lease liability	-	1.34
<b>Total</b>	<b>-</b>	<b>1.34</b>

22. OTHER FINANCIAL LIABILITIES (NON-CURRENT)

Particulars	As at 31-3-2026	As at 31-3-2025
Rent deposit received	0.02	0.01
<b>Total</b>	<b>0.02</b>	<b>0.01</b>

23. INCOME TAXES

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	
	31-3-2026	31-3-2025
<b>Current tax:</b>		
Current tax	45.23	23.93
Tax pertaining to earlier years	2.57	(0.10)
	<b>47.80</b>	<b>23.83</b>
<b>Deferred tax</b>	<b>(2.00)</b>	<b>(0.92)</b>
<b>Total</b>	<b>45.80</b>	<b>22.91</b>



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

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 31-03-2026	For the year ended 31-03-2025
	Amount	Amount
<b>Profit / (loss) before tax:</b>	173.76	101.07
Enacted tax rate in India	25.168%	25.168%
Expected income tax expense at statutory tax rate	43.73	25.44
<b>Tax impact on account of</b>		
Expenses not deductible in determining taxable profits	0.41	0.06
Deductions allowable under tax laws	(0.91)	(0.66)
Others	-	(1.83)
<b>Total</b>	<b>43.23</b>	<b>23.01</b>
<b>Effective income tax rate</b>	<b>24.88%</b>	<b>24.68%</b>

Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
	Amount	Amount
Tax expenses		
- Current tax	45.23	23.93
- Deferred tax	(2.00)	(0.92)
Total tax	<b>43.23</b>	<b>23.01</b>
Add: Tax for earlier years	2.57	(0.10)
<b>Total tax expenses reported for the year</b>	<b>45.80</b>	<b>22.91</b>



**b) Current Tax Liabilities**

Particulars	As at 31-03-2026	As at 31-03-2025
Current tax liabilities(Net)	5.23	1.77

**c) Deferred Tax Liabilities(Assets)**

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 31-03-2026	As at 31-03-2025
<b>Deferred Tax Asset:</b>		
Depreciation under income tax act	(2.11)	(1.86)
Allowance for doubtful receivables and advances	(3.57)	(2.48)
Ind AS Adjustments	-	(0.07)
Demerger Expenses	(0.45)	-
<b>Deferred Tax (Asset) /Liabilities (Net)</b>	<b>(6.13)</b>	<b>(4.41)</b>

Deferred tax balance (Asset) / Liability in relation to	Balance as at 01-04-2025	Recognised/ (reversed) through profit and loss	Recognised in/ reclassified from other comprehensive income	Balance as at 31-12-2026
Depreciation under Income Tax Act	(1.86)	(0.25)	-	(2.11)
Provision for employee benefit	-	(0.28)	0.28	-
Allowance for doubtful receivables and advances	(2.48)	(1.09)	-	(3.57)
Ind AS Adjustments	(0.07)	0.07	-	-
Demerger Expenses	-	(0.45)	-	(0.45)
<b>Total</b>	<b>(4.41)</b>	<b>(2.00)</b>	<b>0.28</b>	<b>(6.13)</b>

Notes to the Consolidated Financial Statements

(Rupees in Crores)

Deferred tax balance (Asset) / Liability in relation to	Balance as at 01-04-2024	Transferred pursuant to Scheme of Arrangements	Recognised/ (reversed) through profit and loss	Recognised in/ reclassified from other comprehensive income	Balance as at 31-03-2025
Depreciation under Income Tax Act	-	(1.71)	(0.15)	-	(1.86)
Provision for employee benefit	-	-	(0.04)	0.04	-
Allowance for doubtful receivables and advances	-	(1.59)	(0.89)	-	(2.48)
Ind AS Adjustments	-	(0.09)	0.02	-	(0.07)
On account of business loss	(0.01)	-	0.01	-	-
Provision for damaged goods	-	(0.13)	0.13	-	-
<b>Total</b>	<b>(0.01)</b>	<b>(3.52)</b>	<b>(0.92)</b>	<b>0.04</b>	<b>(4.41)</b>

Unrecognised deferred tax assets- Nil (PY- Nil)

Deferred tax balance (Asset) / Liability in relation to	Balance as at 1-04-2025	Recognised/ (reversed) through profit and loss	Recognised in/ reclassified from other comprehensive income	Balance as at 31-03-2026
Provision for employee benefit	-	(0.28)	0.28	-
<b>Total</b>	<b>-</b>	<b>(0.28)</b>	<b>0.28</b>	<b>-</b>

Deferred tax balance (Asset) / Liability in relation to	Balance as at 1-04-2024	Recognised/ (reversed) through profit and loss	Recognised in/ reclassified from other comprehensive income	Balance as at 31-03-2025
Provision for employee benefit	-	(0.04)	0.04	-
<b>Total</b>	<b>-</b>	<b>(0.04)</b>	<b>0.04</b>	<b>-</b>





**24. BORROWINGS (CURRENT)**

Particulars	As at 31-3-2026	As at 31-3-2025
<b>SECURED</b>		
(a) Loans repayable on demand (from banks)	60.37	32.18
(b) Current maturities of long term debt ( from banks) (refer note no 20)	-	12.00
<b>UNSECURED</b>		
Other loans- Purchase bills discounting and financing	0.44	8.52
<b>Total Borrowings</b>	<b>60.81</b>	<b>52.70</b>

**Terms and Security:**

- 1) Working capital loans are repayable on demand and carries interest @ 7.9% to 12.95% and secured by:
  - a) First charge on the existing and future current assets and certain fixed assets belonging to the Group.
  - b) Guarantee by the Managing Director
- 2) Other Loans- Purchase bills discounting and financing includes loan of ₹ 0.44 crores (PY ₹ 8.52 crores) 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 group with banks are in agreement with the books of accounts.
- (ii) The Group has adhered to the debt repayment and interest service obligations on time. None of the Companies in the Group have 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 31-03-2026
- (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 31-03-2026	As at 31-03-2025
Cash and cash equivalents	62.83	22.03
Current borrowings	(60.81)	(40.70)
Non-current borrowings*	-	(14.41)
<b>Net Debt</b>	<b>2.02</b>	<b>(33.07)</b>

\*Including current maturities of long-term debt





Notes to the Consolidated Financial Statements

(Rupees in Crores)

Particulars	Other Assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Current borrowings	Non-current borrowings	
<b>Net debt as at 01-04-2024</b>	<b>0.01</b>	-	-	<b>0.01</b>
Transferred pursuant to Demerger Scheme	27.59	(50.30)	(25.10)	(47.81)
Cash flows	(5.57)	-	-	(5.57)
Repayment of borrowings	-	9.60	10.70	20.30
<b>Net debt as at 31-03-2025</b>	<b>22.03</b>	<b>(40.70)</b>	<b>(14.40)</b>	<b>(33.07)</b>

Particulars	Other Assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Current borrowings	Non-current borrowings	
<b>Net debt as at 01-04-2025</b>	<b>22.03</b>	<b>(40.70)</b>	<b>(14.40)</b>	<b>(33.07)</b>
Cash flows	40.80	-	-	40.80
Proceeds from borrowings	-	(20.11)	-	(20.11)
Repayment of borrowings	-	-	14.40	14.40
<b>Net debt as at 31-03-2026</b>	<b>62.83</b>	<b>(60.81)</b>	-	<b>2.02</b>

Note:

Assets are presented in positive numbers

Liabilities are presented in negative numbers

25. LEASE LIABILITY- (CURRENT)

Particulars	As at 31-3-2026	As at 31-03-2025
Lease liability	-	0.44
<b>Total</b>	<b>-</b>	<b>0.44</b>

26. TRADE PAYABLES

Particulars	As at 31-3-2026	As at 31-03-2025
(a) Total outstanding dues of micro enterprises and small enterprises (MSME) [refer note no 41]	4.61	24.34
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	948.27	686.03
<b>Total</b>	<b>952.88</b>	<b>710.37</b>



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### Trade Payables ageing schedule as at 31-03-2026

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	4.61	-	-	-	-	4.61
(ii) Others	946.13	2.14	-	-	-	948.27
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>950.74</b>	<b>2.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>952.88</b>

### Trade Payables ageing schedule as at 31-03-2025

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	21.38	2.96	-	-	-	24.34
(ii) Others	682.40	3.63	-	-	-	686.03
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>703.78</b>	<b>6.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>710.37</b>

### Supplier finance arrangements

Particulars	Carrying amount As at 31-03-2026	Carrying amount As at 31-03-2025
Letter of credits, M1xchange and Receivables Exchange of India Limited .	698.83	551.80

### 27. OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	As at 31-3-2026	As at 31-03-2025
(a) Interest accrued but not due	0.17	0.41
(b) Employee Benefits payable*	5.45	6.52
(c) Other expense payable	4.47	3.53
( d) Refund liability	0.65	0.03
( e) Other payables	2.38	-
<b>Total</b>	<b>13.12</b>	<b>10.49</b>

\*Includes related party transactions. (Refer note no 45(B) and 45(C))

### 28. OTHER CURRENT LIABILITIES

Particulars	As at 31-3-2026	As at 31-03-2025
(a) Advances from customers (refer note no 44(C))	17.49	12.23
(b) Statutory dues	6.20	4.12
<b>Total</b>	<b>23.69</b>	<b>16.35</b>



**29. PROVISIONS (CURRENT)**

Particulars	As at 31-3-2026	As at 31-03-2025
Provision for employee benefits		
(a) Gratuity (refer note no 43(b))	3.28	0.63
(b) Compensated absences	0.30	0.21
<b>Total</b>	<b>3.58</b>	<b>0.84</b>

**Movement in provision for employee benefits - Gratuity**

Particulars	As at 31-3-2026	As at 31-03-2025
Balance at the beginning of the year	0.63	-
Transferred pursuant to Scheme of Arrangements	-	0.36
Add: Provision made during the year	3.28	0.63
Less: Provision utilised/ reversed during the year	0.63	0.36
<b>Balance at the end of the year</b>	<b>3.28</b>	<b>0.63</b>

**Movement in provision for compensated absences**

Particulars	As at 31-3-2026	As at 31-03-2025
Balance at the beginning of the year	0.21	-
Transferred pursuant to Scheme of Arrangements	-	0.18
Add: Provision made during the year	0.76	0.56
Less: Provision utilised/ reversed during the year	0.67	0.53
<b>Balance at the end of the year</b>	<b>0.30</b>	<b>0.21</b>

**30. REVENUE FROM OPERATIONS**

Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
(a) Sale of traded goods	6,823.71	5,266.56
(b) Other Operating Revenues - Sale of scrap	2.00	0.82
<b>Total</b>	<b>6,825.71</b>	<b>5,267.38</b>



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### 31. OTHER INCOME

Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
(a) Interest Income	0.42	0.23
(b) Rent received	0.09	0.13
(c) Profit on sale of property, plant and equipment	0.01	0.03
(d) Gain on termination of lease	0.22	0.11
(e) Unwinding of interest income on rental deposits	0.11	0.35
(f) Payables written back	0.32	0.31
(g) Other non-operating income	0.23	0.10
<b>Total</b>	<b>1.40</b>	<b>1.26</b>

### 32. CHANGES IN INVENTORIES OF STOCK-IN-TRADE

Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
Opening stock of Stock-in-Trade*	381.37	-
Add: Transferred pursuant to Demerger Scheme	-	346.08
Less: Closing stock of Stock-in-Trade*	480.06	381.37
<b>Net (Increase) / Decrease</b>	<b>(98.69)</b>	<b>(35.29)</b>

\*Excludes Goods in Transit

### 33. EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
(a) Salaries and Wages	47.71	45.66
(b) Contribution to Provident fund and Other funds:		
(i) Provident fund (refer note no 43(a))	2.69	2.69
(ii) Employees' State Insurance (refer note no 43(a))	0.14	0.20
(iii) Gratuity (refer note no 43 (b))	1.76	0.79
(c) Staff welfare expenses	1.24	1.10
<b>Total</b>	<b>53.54</b>	<b>50.44</b>



Notes to the Consolidated Financial Statements

(Rupees in Crores)

34. FINANCE COSTS

Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
(a) Interest on borrowings	36.25	38.55
(b) Interest on income tax	1.30	0.24
(c) Interest on lease liability	0.08	0.23
(d) Other borrowing costs	4.61	3.25
<b>Total</b>	<b>42.24</b>	<b>42.27</b>

35. DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
Depreciation and Amortisation		
- Property, plant and equipment	7.48	6.90
- Intangible Assets	1.92	-
- Right-of-use Asset	0.32	1.12
<b>Total</b>	<b>9.72</b>	<b>8.02</b>



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### 36. OTHER EXPENSES

Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
(a) Power, Fuel & Water	1.67	1.64
(b) Rent	20.42	13.80
(c) Repairs and Maintenance		
(i) Buildings	0.12	0.05
(ii) Others	7.71	6.11
(d) Insurance	0.81	0.83
(e) Rates & Taxes	0.84	0.52
(f) Travelling and Conveyance	6.39	3.39
(g) Payments to the Auditors (refer note below)	0.55	0.02
(h) Legal and Professional fees	4.49	2.30
(i) Directors sitting fees	0.15	-
(j) Communication Expenses	1.06	1.01
(k) Advertisement & Publicity Expenses	1.29	2.62
(l) Loss Allowance for doubtful trade receivables	4.32	3.53
(m) Material handling charges	15.05	13.41
(n) Freight Outwards	5.18	5.56
(o) Commission Charges	2.93	2.36
(p) Bad Debts written off	11.52	2.23
(q) Demerger Expenses	2.24	-
(r) Sub Contracting	1.01	0.75
(s) Corporate Social Responsibility expenditure (Refer note no 48)	0.24	-
(t) Write off of property, plant and equipment	-	0.01
(u) Miscellaneous Expenses	3.99	3.61
<b>Total</b>	<b>91.98</b>	<b>63.75</b>

Note : Breakup for payments to the auditors is as under (excluding GST):

Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
(a) As auditors	0.47	0.02
(b) For taxation matters	0.05	-
(c) For other services	0.01	-
(d) For reimbursement of expenses	0.02	-
<b>Total</b>	<b>0.55</b>	<b>0.02</b>





## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### 37. Earnings Per Share (EPS)

Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
<b>Basic &amp; Diluted</b>		
A. Profit attributable to equity shareholders (in crores)	127.96	78.16
B. Weighted average number of equity shares (in crores)	2.42	2.42
C. Basic and Diluted EPS (₹) [A/B]	52.77	32.23
Face value per share (₹)	10	10

The Group does not have any potential equity shares. Accordingly, basic and diluted earnings per share will remain the same.

### 38. Contingent liabilities:

Particulars	As at 31-03-2026	As at 31-03-2025
<b>(a) Claims against the company not acknowledged as debt</b>		
(i) Income tax*	0.15	0.15
(ii) Goods and Services tax*	3.40	0.22
<b>Total</b>	<b>3.55</b>	<b>0.37</b>

\* 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 31-03-2026	As at 31-03-2025
(i) Income tax	0.03	-
(ii) Goods and Services tax	0.37	0.07

### 39. Commitments

Particulars	As at 31-03-2026	As at 31-03-2025
Estimated value of capital commitments towards Intangible assets under development (FY 24-25-Net of advances made - ₹ 0.10 crores)	-	0.26
<b>Total</b>	<b>-</b>	<b>0.26</b>



Notes to the Consolidated Financial Statements

(Rupees in Crores)

40. Operating lease

As lessee:

Various Buildings have been taken on 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.

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 31-03-2026	As at / For the Year ended 31-03-2025
Opening Gross carrying amount of right of use assets	3.09	-
Transferred pursuant to Demerger Scheme	-	6.71
Depreciation charged for the Right-of-use assets	0.32	1.12
Interest expense on lease liability	0.08	0.23
The rental expense relating to short-term leases for which Ind AS 116 has not been applied	20.32	13.51
Additions to Right-of-use assets during the current year	-	1.58
Deletions from Right-of-use assets during the current year	3.09	5.20
Closing Gross carrying amount of right of use assets	-	3.09
Total cash outflow for leases for the year	0.31	1.43

Lease liabilities

Particulars	As at 31-03-2026	As at 31-03-2025
Maturity analysis - contractual undiscounted cash flows		
Not later than one year	-	0.58
Later than one year and not more than five years	-	1.55
Total undiscounted liabilities	-	2.13

Lease liabilities	As at 31-03-2026	As at 31-03-2025
Current	-	0.44
Non-current	-	1.34



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### 41. Additional Information

Disclosure required under Section 22 of Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006 (as per information available with the Group):

Particulars	As at 31-03-2026	As at 31-03-2025
(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 (CY ₹10,387, PY ₹10,387)	4.61 0.00	24.34 0.00
(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 Enterprises Development Act, 2006.	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of accounting year and (CY ₹10,387, PY ₹10,387)	0.00	0.00
(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.	-	-

### 42. SEGMENT REPORTING

(i) The Group is primarily engaged in the business of Trading and retailing of home improvement and building products which is a single business segment.

(ii) The operation of the Group are fully within India and hence, there are no reportable geographical segments.

(iii) The chief operating decision maker review the entity as a single reportable segment as mentioned above.

### 43. 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 31-03-2026	For the year ended 31-03-2025
Employer's Contribution to Provident Fund (includes pension fund)	2.69	2.69
Employer's Contribution to Employees' State Insurance	0.14	0.20



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

## 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 ₹ 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 31-03-2026. 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.



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### Gratuity (Funded)

Particulars	As at / For the Year ended 31-03-2026	As at / For the Year ended 31-03-2025
<b>Liability recognized in the Balance Sheet</b>		
Present value of defined benefit obligation		
Opening Balance	8.02	-
Transferred pursuant to Demerger Scheme	-	7.29
Current Service Cost	1.37	0.75
Past Service Cost	2.61	-
Interest Cost	0.44	0.51
Actuarial Loss/(Gain) on obligation	(1.08)	(0.09)
Transfer In/(Out)	0.04	0.01
Benefits paid	(0.02)	(0.45)
<b>Closing Balance</b>	<b>11.38</b>	<b>8.02</b>
<b>Less: Fair Value of Plan Assets</b>		
Opening Balance	7.37	-
Transferred pursuant to Demerger Scheme	-	6.93
Expected Return on Plan assets less loss on investments	0.09	0.48
Actuarial (Loss)/Gain on Plan Assets	0.01	0.05
Employers' Contribution	-	-
Benefits paid	0.65	0.36
Transfer In/(Out)	(0.02)	(0.45)
<b>Closing Balance</b>	<b>8.10</b>	<b>7.37</b>
Less: Retained by the Demerged Undertaking	-	0.02
<b>Amount recognized in Balance Sheet (refer note no 29 (a))</b>	<b>3.28</b>	<b>0.63</b>



Notes to the Consolidated Financial Statements

(Rupees in Crores)

Particulars	As at / For the Year ended 31-03-2026	As at / For the Year ended 31-03-2025
<b>Expenses during the year</b>		
Current Service cost	1.41	0.75
Interest cost	0.44	0.51
Expected Return on Plan assets	(0.09)	(0.48)
	<b>1.76</b>	<b>0.79</b>
Past Service cost (Exceptional item)	2.61	-
<b>Component of defined benefit cost recognized in statement of Profit &amp; Loss (refer note no 33(b)(iii))</b>	<b>4.37</b>	<b>0.79</b>
Remeasurement of net defined benefit liability		
- Actuarial Loss/(Gain) on defined benefit obligation	(1.08)	(0.09)
- Actuarial Loss/(Gain) on Plan Assets	(0.01)	(0.05)
<b>Component of defined benefit cost recognized in other comprehensive income</b>	<b>(1.09)</b>	<b>(0.14)</b>
<b>Actual Return on plan assets</b>	0.10	0.53
<b>Break up of Plan Assets:</b>		
i) Investment Funds with Insurance Company	100%	100%
Of which, Unit Linked	0%	0%
Of which, Traditional/ Non-Unit Linked	100%	100%

Note: None of the assets carry a quoted market price in an active market or represent the Group's own transferable financial instruments or are property occupied by the Group.

Principal actuarial assumptions

Particulars	As at 31-3-2026	As at 31-03-2025
Discount Rate	6.70%	6.40%
Expected rate(s) of salary increase	7.00%	7.00%
Expected return on plan assets	6.40%	7.00%
Attrition rate	10.00%	10.00%
Mortality rate during employment	Indian assured lives mortality 2012-2014 Ult.	



### Experience adjustments

Particulars	31-3-2026	31-3-2025
Defined Benefit Obligation	11.38	8.02
Plan Assets	8.10	7.37
Surplus / (Deficit)	(3.28)	(0.65)
Experience Adjustments on Plan Liabilities – (Loss)/Gain	0.88	0.37
Experience Adjustments on Plan Assets – (Loss)/Gain	0.10	0.05

The Group expects to contribute ₹3.25 crores (previous year ₹0.65 crores ) to its gratuity plan for the next year.

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.

#### 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.



Notes to the Consolidated Financial Statements

(Rupees in Crores)

Particulars	Impact on Defined benefit obligation			
	For the year ended 31-03-2026		For the year ended 31-03-2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% increase)	-	0.63	-	0.45
Discount rate (1% decrease)	0.71	-	0.52	-
Future salary growth (1% increase)	0.70	-	0.51	-
Future salary growth (1% decrease)	-	0.63	-	0.46
Attrition rate (1% increase)	-	0.03	-	0.03
Attrition rate (1% decrease)	0.03	-	0.04	-
Mortality (increase in expected life time by 1 year)(CY ₹2000 ,PY ₹4,000)	0.00	-	0.00	-
Mortality (increase in expected life time by 3 years)(CY ₹7,000 , PY ₹11,000)	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 5.5 years (31-03-2025 - 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
<b>31-03-2026</b>					
Defined benefit obligation (Gratuity)	1.04	1.32	4.05	7.72	14.13
<b>Total</b>	<b>1.04</b>	<b>1.32</b>	<b>4.05</b>	<b>7.72</b>	<b>14.13</b>
<b>31-03-2025</b>					
Defined benefit obligation (Gratuity)	1.07	0.94	2.87	5.53	10.41
<b>Total</b>	<b>1.07</b>	<b>0.94</b>	<b>2.87</b>	<b>5.53</b>	<b>10.41</b>

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.



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### 44. 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 31-03-2026	For the year ended 31-03-2025
(a) Sale of traded goods	6,823.71	5,266.56
(b) Other operating revenues-Scrap Sales	2.00	0.82
Total Operating Revenue	6,825.71	5,267.38
In India	6,825.71	5,267.38
Outside India	-	-

##### B. Timing of revenue recognition

Particulars	For the year ended 31-03-2026		For the year ended 31-03-2025	
	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	6,825.71	Nil	5,267.38	Nil

##### C. Contract Balances

Particulars	As at 31-03-2026	As at 31-03-2025
Contract Assets	-	-
Contract Liabilities	17.49	12.23

##### D. Revenue recognised in relation to contract liabilities

Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
Revenue recognised in relation to contract liabilities	12.23	9.32



Notes to the Consolidated Financial Statements

(Rupees in Crores)

**E. Reconciliation of revenue recognised in the statement of profit and loss with the contracted price**

Particulars	For the year ended 31-03-2026	For the year ended 31-03-2025
Revenue at contracted prices	6,826.36	5,267.41
Less: Refund Liabilities	(0.65)	(0.03)
Total Revenue at contracted prices	6,825.71	5,267.38
Revenue from contract with customers	6,825.71	5,267.38

**F. Unsatisfied or partially satisfied performance obligation**

Particulars	As at 31-03-2026	As at 31-03-2025
Unsatisfied or partially satisfied performance obligation	Nil	Nil

**45. RELATED PARTY DISCLOSURES**

**A. Names of Related parties with whom transactions have taken place during the year/previous year and nature of relationship: (including the related parties of the demerged undertaking)**

Key Managerial Personnel	Mr. Sukumar Srinivas (Managing Director)
	Mr. C.Ravikumar (Whole-time Director)
	Mr.Dhananjay Mirlay Srinivas (Whole time Director)
	Mr. Alex Varghese (Chief Financial Officer)
	Ms. Eereena Vikram (Company Secretary)
	Mr.B.Jayaraman-Chairman and Independent Director
	Ms.Jayashri Murali-Independent Director
	Mr.N Muthuraman-Independent Director
	Mr.Chengalan Nalagath Agfa (Wholetime Director) - resigned w.e.f 11th August, 2025
Relatives of Key Managerial Personnel	Mrs. Parwathi Mirlay Srikanth
Enterprise in which Key Managerial Personnel have significant influence	Shankara Holdings Private Limited
	Shankara Building Products Limited *
	Taurus Value Steel & Pipes Private Limited
	Vishal Precision Steel Tubes and Strips Private Limited
	Steel Network (Holdings) Pte Limited- Struck off w.e.f 26th December 2025
	Centurywells Roofing India Private Limited
Enterprise in which relatives of Key Managerial Personnel have significant influence	The Café at Saanchi
Entities where control exist	Shankara Buildpro Employees Gratuity Fund

\* Holding Company till 26th September 2025



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

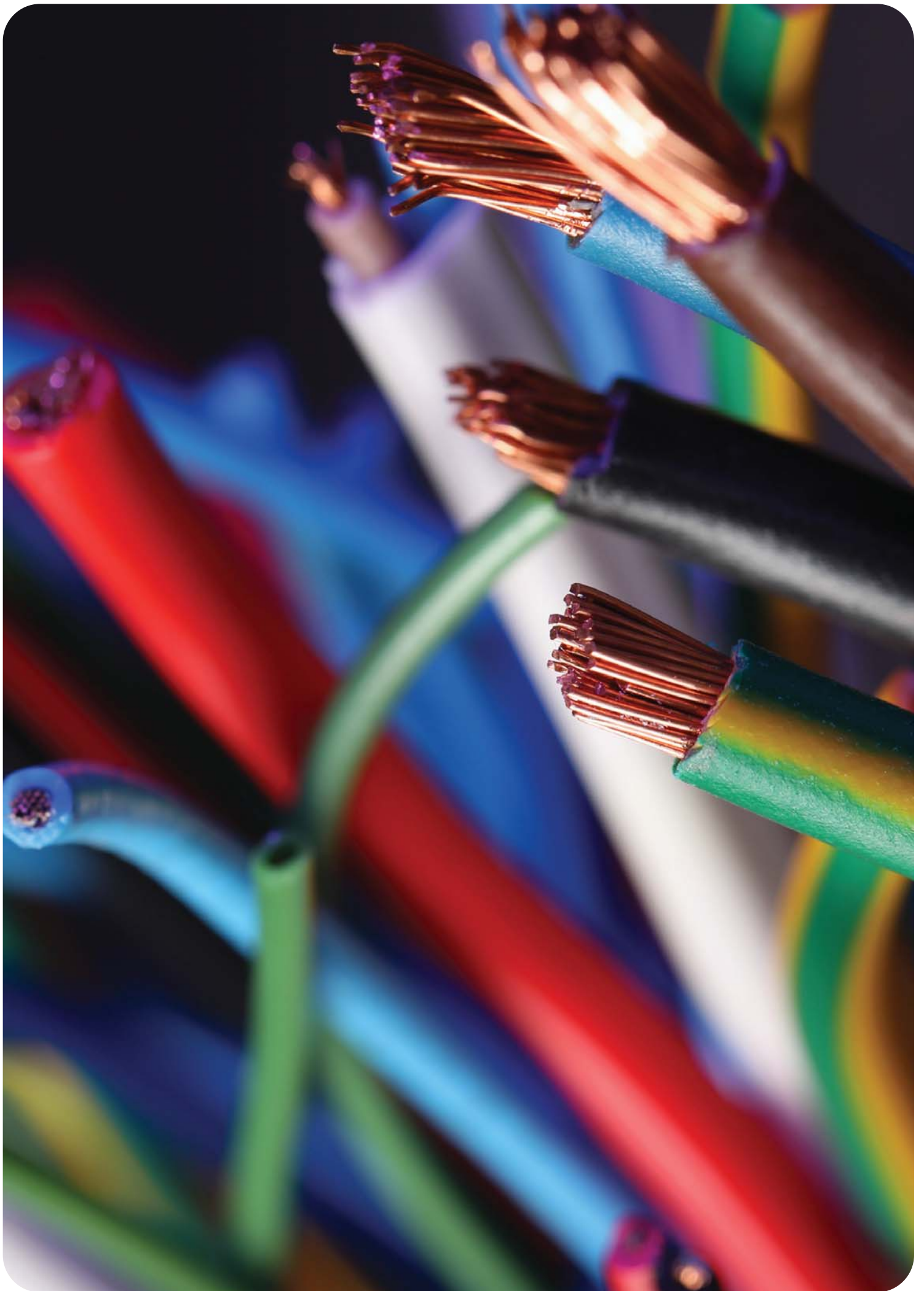
B.	Transactions with Related Parties	For the year ended 31-03-2026	For the year ended 31-03-2025
	<b>Purchase of Goods from</b>		
	Taurus Value Steel & Pipes Private Limited	44.92	24.04
	Vishal Precision Steel Tubes and Strips Private Limited	444.20	327.47
	Centurywells Roofing India Private Limited	348.91	222.41
	Shankara Building Products Limited	96.46	-
	<b>Sale of Goods to</b>		
	Taurus Value Steel & Pipes Private Limited	3.15	2.91
	Vishal Precision Steel Tubes and Strips Private Limited	95.44	321.52
	Centurywells Roofing India Private Limited	18.83	34.81
	Shankara Building Products Limited	32.09	-
	Managing Director	-	0.83
	The Café at Saanchi (PY ₹13,263)	-	0.00
	<b>Rent paid to</b>		
	Taurus Value Steel & Pipes Private Limited	0.09	0.08
	Vishal Precision Steel Tubes and Strips Private Limited	0.03	0.03
	Centurywells Roofing India Private Limited	0.12	0.10
	Shankara Building Products Limited	4.85	0.01
	Managing Director	0.43	0.43
	Whole time Director	0.08	0.08
	<b>Interest received from</b>		
	Vishal Precision Steel Tubes and Strips Private Limited	-	0.01
	Taurus Value Steel & Pipes Private Limited (PY ₹2,671)	-	0.00
	Centurywells Roofing India Private Limited (PY ₹26,974)	-	0.00
	<b>Interest paid to</b>		
	Managing Director	0.04	-
	Shankara Building Products Limited (CY ₹5,061; PY ₹8,958)	0.00	0.00
	<b>Rent received from</b>		
	Centurywells Roofing India Private Limited	0.09	0.13
	<b>Unsecured loan availed</b>		
	Managing Director	1.00	-
	<b>Unsecured loan Repaid</b>		
	Managing Director	1.00	-
	<b>Transactions pursuant to Scheme of Arrangement</b>		
	Shankara Building Products Limited	39.91	16.87



Notes to the Consolidated Financial Statements

(Rupees in Crores)

B. Transactions with Related Parties	For the year ended 31-03-2026	For the year ended 31-03-2025
<b>Advances granted to /(repaid by)</b>		
Taurus Value Steel & Pipes Private Limited	-	0.05
Vishal Precision Steel Tubes and Strips Private Limited	-	1.77
Taurus Value Steel & Pipes Private Limited	-	(0.05)
Vishal Precision Steel Tubes and Strips Private Limited	-	(1.77)
Centurywells Roofing India Private Limited	-	0.49
Centurywells Roofing India Private Limited	-	(0.49)
Shankara Building Products Limited	0.04	(0.03)
Chief Financial Officer-Net of advances repaid	(0.01)	0.05
<b>Rental Deposit- Given to</b>		
Taurus Value Steel & Pipes Private Limited	0.01	-
Centurywells Roofing India Private Limited	0.06	-
Shankara Building Products Limited	0.84	-
<b>Rental Deposit- Received from</b>		
Centurywells Roofing India Private Limited (CY ₹30000)	0.00	-
<b>Goods-in-transit from</b>		
Taurus Value Steel & Pipes Private Limited	0.33	0.19
Vishal Precision Steel Tubes and Strips Private Limited	0.52	0.29
Centurywells Roofing India Private Limited	0.04	-
<b>Contribution to employee related trusts made during the year</b>		
Shankara Building Products Employees Gratuity Fund	0.65	0.36
<b>Services Availed</b>		
Independent Director	-	0.01
<b>Short-term employee benefits</b>		
Managing Director	1.32	1.06
Whole-time directors	1.32	0.90
Chief Financial Officer	0.46	0.42
Company Secretary	0.22	0.17





Notes to the Consolidated Financial Statements

(Rupees in Crores)

C. Balance Outstanding to/ from related parties	As at 31-03-2026	As at 31-03-2025
<b>Trade Payables</b>		
Taurus Value Steel & Pipes Private Limited	5.14	0.24
Centurywells Roofing India Private Limited	22.62	7.22
Vishal Precision Steel Tubes and Strips Private Limited	1.21	-
<b>Trade Receivables</b>		
Vishal Precision Steel Tubes and Strips Private Limited	-	12.94
<b>Interest Receivables</b>		
Vishal Precision Steel Tubes and Strips Private Limited	-	0.01
Taurus Value Steel & Pipes Private Limited ( PY ₹2,404)	-	0.00
Centurywells Roofing India Private Limited( PY 24,277)	-	0.00
<b>Interest Payable</b>		
Shankara Building Products Limited (PY ₹ 8,062)	-	0.00
<b>Rent payable</b>		
Vishal Precision Steel Tubes and Strips Private Limited (Previous Year ₹27,000/-)	-	0.00
Taurus Value Steel & Pipes Private Limited	-	0.01
Centurywells Roofing India Private Limited	-	0.01
Shankara Building Products Limited	-	0.02
Managing Director	-	0.04
Whole time Director	-	0.01
<b>Remuneration payable to Key Managerial Personnel</b>		
Managing Director	0.04	0.04
Whole-time director	0.09	0.08
Chief Financial Officer	0.04	0.04
Company Secretary	0.02	0.02
<b>Expenses payable</b>		
Shankara Building Products Limited	-	0.04
<b>Rent Receivable</b>		
Centurywells Roofing India Private Limited	-	0.01
<b>Rental Deposit -Payable to</b>		
Centurywells Roofing India Private Limited	0.02	0.01
<b>Rental Deposit-Receivable</b>		
Shankara Building Products Limited (PY ₹ 30,000)	0.84	0.00
Centurywells Roofing India Private Limited	0.06	-
Taurus Value Steel & Pipes Private Limited	0.01	-
<b>Guarantees furnished by</b>		
Managing Director	795.00	755.00
<b>Due from Key Managerial Personnel</b>		
Due from Chief Financial Officer	0.04	0.05

**Note:**

Shares issued pursuant to Scheme of Arrangement-Refer Note 17

**Terms and Conditions**

All outstanding balances are unsecured and are repayable in cash

**Guarantees furnished by managing director:**

Personal guarantee furnished by the managing director to the holding company are for availing working capital facilities from the lender banks.



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### 46. DETAILS OF SUBSIDIARIES

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
		31-03-2026	31-03-2025	
Purple Splash Materials Private Limited, Bengaluru, Karnataka	India	51%	-	Trading of Building products

### 47. 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.

Particulars	Note no	As at 31-03-2026	As at 31-03-2025
Long term borrowings	20	-	2.40
Current maturities of long-term debt	24	-	12.00
Short term borrowings	24	60.81	40.70
Less: Cash and cash equivalents	13	(62.83)	(22.03)
<b>Net Debt (A)</b>		<b>(2.02)</b>	<b>33.07</b>
Total Equity (B)	17,18	545.87	457.01
<b>Gearing Ratio (A / B)</b>		<b>(0.00)</b>	<b>0.07</b>

(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 24



Notes to the Consolidated Financial Statements

(Rupees in Crores)

B. Categories of financial instruments

Particulars	Note no	As at 31-03-2026		As at 31-03-2025	
		Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial assets</b>					
<b>Measured at amortised cost</b>					
Loans	8	0.05	0.05	0.05	0.05
Other financial assets	9,15	10.53	10.53	9.12	9.12
Trade receivables	12	942.48	942.48	769.94	769.94
Cash and cash equivalents	13	62.83	62.83	22.03	22.03
Bank balances other than cash and cash equivalents	14	1.51	1.51	1.34	1.34
<b>Total financial assets at amortised cost (A)</b>		<b>1,017.40</b>	<b>1,017.40</b>	<b>802.48</b>	<b>802.48</b>
<b>Total financial assets measured at fair value through other comprehensive income (B)</b>		-	-	-	-
<b>Total financial assets measured at fair value through profit and loss (C)</b>		-	-	-	-
<b>Total financial assets (A+B+C)</b>		<b>1,017.40</b>	<b>1,017.40</b>	<b>802.48</b>	<b>802.48</b>

Particulars	Note no	As at 31-03-2026		As at 31-03-2025	
		Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial liabilities</b>					
<b>Measured at amortised cost</b>					
Long term Borrowings *	20, 24	-	-	14.40	14.40
Short term Borrowings**	24	60.81	60.81	40.70	40.70
Trade payables	26	952.88	952.88	710.37	710.37
Lease Liabilities	21, 25	-	-	1.78	1.78
Other financial liabilities	22, 27	13.14	13.14	10.50	10.50
<b>Total financial liabilities carried at amortised cost (A)</b>		<b>1,026.83</b>	<b>1,026.83</b>	<b>777.75</b>	<b>777.75</b>
<b>Total financial liabilities measured at fair value through other comprehensive income (B)</b>		-	-	-	-
<b>Total financial liabilities measured at fair value through profit and loss (C)</b>		-	-	-	-
<b>Total financial liabilities (A+B+C)</b>		<b>1,026.83</b>	<b>1,026.83</b>	<b>777.75</b>	<b>777.75</b>

\* including current maturities of long-term debt

\*\* excluding current maturities of long-term debt



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### 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

#### (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.

#### (i) 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 subsidiary 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 prices 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 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 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
1% increase in prices of Inventory	(4.81)	(3.82)	(3.60)	(2.86)
1% decrease in prices of Inventory	4.81	3.82	3.60	2.86



**(ii) 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 31-03-2026	As at 31-03-2025
Fixed rate borrowings	-	0.22
Floating rate borrowings	60.81	54.88
<b>Total borrowings</b>	<b>60.81</b>	<b>55.10</b>
Total Net borrowings as per Financial Statements	60.81	55.10
Add: Upfront fees	-	-
<b>Total borrowings</b>	<b>60.81</b>	<b>55.10</b>

**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 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
100 basis points increase in interest rates	(0.61)	(0.55)	(0.46)	(0.41)
100 basis points decrease in interest rates	0.61	0.55	0.46	0.41

**(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.

**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.

Notes to the Consolidated Financial Statements

(Rupees in Crores)

Year ended 31-03-2026

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	486.50	389.65	24.54 (0.12)	43.52 (9.11)	10.81 (3.31)	1.63 (1.63)	956.65 (14.17)
Expected credit losses (Loss allowance provision)- trade receivables	-	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	486.50	389.65	24.42	34.41	7.50	-	942.48
Weighted average loss rate	-	-	0.49%	20.9%	30.6%	100.0%	1.48%

Year ended 31-03-2025

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	397.94	313.51	27.41 (0.14)	25.48 (5.10)	10.38 (2.07)	5.08 (2.54)	779.79 (9.85)
Expected credit losses (Loss allowance provision)- trade receivables	-	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	397.94	313.51	27.27	20.38	8.31	2.54	769.94
Weighted average loss rate	-	-	0.51%	20.0%	20.0%	50.0%	1.26%





Notes to the Consolidated Financial Statements

(Rupees in Crores)

**(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 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 31-03-2026	As at 31-03-2025
Floating Rate		
- Expiring within one year	204.54	183.51
- Expiring beyond one year	-	-
<b>Total</b>	<b>204.54</b>	<b>183.51</b>

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.

**Liquidity exposure as at 31-03-2026**

Particulars	Note no	< 1 year	1-5 years	> 5 years	Total
<b>Financial assets</b>					
Loans	8	-	0.05	-	0.05
Other financial assets	9,15	0.93	9.46	0.14	10.53
Trade receivables	12	942.48	-	-	942.48
Cash and cash equivalents	13	62.83	-	-	62.83
Bank balances other than cash and cash equivalents	14	1.51	-	-	1.51
<b>Total financial assets</b>		<b>1,007.75</b>	<b>9.51</b>	<b>0.14</b>	<b>1,017.40</b>
<b>Financial liabilities</b>					
Long term Borrowings *	20, 24	-	-	-	-
Short term Borrowings**	24	60.81	-	-	60.81
Trade payables	26	952.88	-	-	952.88
Lease Liabilities	21, 25	-	-	-	-
Other financial liabilities	22, 27	13.12	0.02	-	13.14
<b>Total financial liabilities</b>		<b>1,026.81</b>	<b>0.02</b>	<b>-</b>	<b>1,026.83</b>

\* including current maturities of long-term debt

\*\*excluding current maturities of long-term debt



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

### Liquidity exposure as at 31-03-2025

Particulars	Note no	< 1 year	1-5 years	> 5 years	Total
<b>Financial assets</b>					
Loans	8	-	0.05	-	0.05
Other financial assets	9,15	1.18	7.79	0.15	9.12
Trade receivables	12	769.94	-	-	769.94
Cash and cash equivalents	13	22.03	-	-	22.03
Bank balances other than cash and cash equivalents	14	1.34	-	-	1.34
<b>Total financial assets</b>		<b>794.49</b>	<b>7.84</b>	<b>0.15</b>	<b>802.48</b>
<b>Financial liabilities</b>					
Long term Borrowings *	20, 24	-	14.40	-	14.40
Short term Borrowings**	24	40.70	-	-	40.70
Trade payables	26	710.37	-	-	710.37
Lease Liabilities	21, 25	0.19	1.59	-	1.78
Other financial liabilities	22, 27	10.49	0.01	-	10.50
<b>Total financial liabilities</b>		<b>761.75</b>	<b>16.00</b>	<b>-</b>	<b>777.75</b>

\* including current maturities of long-term debt

\*\*excluding current maturities of long-term debt



Notes to the Consolidated Financial Statements

(Rupees in Crores)

D. Level wise disclosure of financial instruments

Particulars	Note no	As at 31-03-2026			As at 31-03-2025					
		Carrying Value	Fair Value		Carrying Value	Fair Value				
			Level 1	Level 2		Level 3	Level 1	Level 2	Level 3	
<b>Financial assets</b>										
Loans	8	0.05	-	0.05	-	-	0.05	-	-	0.05
Other financial assets	9,15	10.53	-	10.53	-	-	9.12	-	-	9.12
Trade receivables	12	942.48	-	942.48	-	-	769.94	-	-	769.94
Cash and cash equivalents	13	62.83	-	62.83	-	-	22.03	-	-	22.03
Bank balances other than cash and cash equivalents	14	1.51	-	1.51	-	-	1.34	-	-	1.34
<b>Total financial assets</b>		<b>1,017.40</b>	-	<b>1,017.40</b>	-	-	<b>802.48</b>	-	-	<b>802.48</b>
<b>Financial liabilities</b>										
Long term Borrowings *	20, 24	-	-	-	-	-	14.40	-	-	14.40
Short term Borrowings**	24	60.81	-	60.81	-	-	40.70	-	-	40.70
Trade payables	26	952.88	-	952.88	-	-	710.37	-	-	710.37
Lease Liabilities	21, 25	-	-	-	-	-	1.78	-	-	1.78
Other financial liabilities	22, 27	13.14	-	13.14	-	-	10.50	-	-	10.50
<b>Total financial liabilities</b>		<b>1,026.83</b>	-	<b>1,026.83</b>	-	-	<b>777.75</b>	-	-	<b>777.75</b>

\* 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.





Notes to the Consolidated Financial Statements

(Rupees in Crores)

**48. CORPORATE SOCIAL RESPONSIBILITY**

Requirements of Section 135 of the Companies Act, 2013 are applicable to the Group for the year ended March 31, 2026 and not applicable for the year ended March 31, 2025.

a) Gross amount required to be spent by the Group during the year - ₹1.01 crores (Previous year: ₹ Nil)

b) Amount spent during the year:

**Year ended 31-03-2026**

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	1.01	0.24	0.77	-

**Year ended 31-03-2025**

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	-	-	-	-
Amount paid is included under Other expenses (refer note no 36)				

The above aggregated CSR expenditure disclosed are relating to the group.

**Nature of CSR Activities** - Healthcare infrastructure, education, environment sustainability, rehabilitating abandoned women and children.

**Note:** Balance unspent amount of ₹0.77 crores will be transferred to specified fund within the due date. i.e, September 30, 2026.

**49. CODE OF SOCIAL SECURITY, 2020**

Pursuant to the notification issued by the Ministry of Labour and Employment, twenty-nine existing labour regulations have been consolidated into a unified framework comprising four Labour Codes, collectively referred to as the 'New Labour Codes' which became effective from 21st November 2025. The Company has reassessed its employee benefit obligations in accordance with the New Labour Codes and accordingly, an incremental liability of ₹2.61 crores has been recognized as an Exceptional Item during the year ended 31st March 2026. As the rules for the New Labour Codes are yet to be notified, the impact of those will be evaluated and accounted for in the period in which they are notified.

**50. PREVIOUS YEAR FIGURES**

The previous year figures have been regrouped /rearranged wherever necessary to conform to the current year's presentation

**51.** 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.



## Notes to the Consolidated Financial Statements

(Rupees in Crores)

52. 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

53. 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

54. The Group has not operated in any crypto currency or Virtual Currency transactions

55. The Group has no transactions with the struck off companies under section 248 of Companies Act, 2013.

56. 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.

57. 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.

58. The scheme of arrangement amongst the Company ("SBL" or "Resulting Company"), Shankara Building Products Limited ("SBPL" or "Demerged Company" or "erstwhile holding company") and their respective shareholders and creditors, was approved by the Board of Directors of the Company and SBPL on 18th December 2023, providing for the demerger of the "Trading Business" of the Demerged Company to the Company in compliance with Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme").

The Company has received the order from Hon'ble National Company Law Tribunal, Bengaluru Bench ('NCLT') dated 21st August 2025 wherein the NCLT has approved the Scheme. The scheme has become effective on 9th September 2025 upon filing of the certified copies of the NCLT Order, sanctioning the scheme, with the respective jurisdictional Registrar of Companies.

The demerged company has given effect to the scheme by transferring specific income, expenses, assets, liabilities and reserves relating to trading business as prescribed in the scheme, comprised in the demerged Company and vested in the resulting Company, at the respective carrying values as appearing in the books of the demerged company with effect from 1st April 2024, being the appointed date.

59. 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

### 60. Events occurring after the Balance Sheet date

The Board of the Holding Company has recommended a final dividend of ₹5/- (Rupees five only) per equity share (face value of ₹ 10/- each) for the financial year ended 31-03-2026 aggregating to ₹12.12 crores subject to the approval of shareholders in the ensuing Annual General Meeting.

61. The financial statements has been approved by the Board of directors at their meeting held on 19th May, 2026.



(Rupees in Crores)

Notes to the Consolidated Financial Statements

62. RATIOS AS PER THE SCHEDULE III REQUIREMENTS

As at March 31, 2026

Ratio	Numerator	Denominator	Numerator	Denominator	Current Period	Previous Period (Refer note)
Current ratio	Current assets	Current Liabilities	1,542.37	1,059.31	1.46	1.51
Debt equity ratio	Net Debt	Total Equity	(2.02)	545.87	(0.00)	0.07
Debt service coverage ratio	Earning available for debt service	Interest expense and Principal Repayments of long term loans made during the period excluding prepayment	225.73	55.26	4.09	2.88
Return on equity ratio	Net profit after tax	Average shareholders equity	127.96	501.44	0.26	0.18
Inventory turnover ratio	Cost of goods sold	Average inventory	6,453.26	431.41	14.96	13.76
Trade receivables turnover ratio	Turnover (including GST)	Average trade receivables	8,054.34	856.21	9.41	8.86
Trade payables turnover ratio	Purchases (including GST)	Average trade payables	7,731.30	831.62	9.30	9.18
Net capital turnover ratio	Revenue from operations	Working capital	6,825.71	483.06	14.13	13.09
Net profit ratio	Net profit after tax	Revenue from operations	127.96	6,825.71	0.02	0.01
Return on Capital employed	Earnings before interest & Taxes	Average Capital employed	216.00	516.97	0.42	0.31

Note:

- 1) Return on Investment ratio is not applicable as there are no investments.
- 2) For FY 24-25, this being the first year of consolidation, Ratios of previous year are based on the standalone financials statements and hence not comparable.

Notes to the Consolidated Financial Statements

63. ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013

(Rupees in Crores)

Name of the entity	2025-26					
	Net Assets, i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income	
	As % of consolidated Net assets	Amount	As % of consolidated Profit / (loss)	Amount	As % of consolidated other comprehensive income	Amount
<b>Parent:</b>						
Shankara Buildpro Limited	99.92%	545.46	99.69%	127.56	100.00%	0.81
<b>Subsidiary-</b>						
Purple Splash Materials Pvt Ltd	0.08%	0.46	0.35%	0.45	0.00%	-
Inter-company elimination & consolidation adjustments	(0.01%)	(0.05)	(0.04%)	(0.05)	0.00%	-
<b>Total</b>	<b>100.00%</b>	<b>545.87</b>	<b>100.00%</b>	<b>127.96</b>	<b>100.00%</b>	<b>0.81</b>
					As % of consolidated comprehensive income	Amount
						<b>128.37</b>
						<b>0.45</b>
						<b>(0.05)</b>
						<b>128.77</b>

As per our report of even date attached  
For ASA & Associates LLP  
Chartered Accountants  
ICAI Firm Reg.No:009571N/N500006

**GN Ramaswami**  
Partner  
Membership No: 202363

For and on behalf of the Board of Directors of  
Shankara Buildpro Limited  
(formerly known as Shankara Buildpro Private Limited)

**Sukumar Srinivas**  
Managing Director  
DIN: 01668064

**Dhananjay**  
**Miralay Srinivas**  
Director  
DIN: 09108483

**Alex Varghese**  
Chief Financial Officer

**Ereena Vikram**  
Company Secretary  
ACS Membership No:33459

Place: Bengaluru  
Date: 19th May, 2026

Place: Bengaluru  
Date: 19th May, 2026





STANDALONE  
Audit Report and Financials  
2025 - 2026

SHANKARA  
**Buildpro**  
LIMITED



## INDEPENDENT AUDITOR'S REPORT

(To the Members of Shankara Buildpro Limited)

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone Financial Statements ("the financial statements") of **Shankara Buildpro Limited** ("the Company"), which comprise the balance sheet as at March 31, 2026, the statement of profit and loss (including other comprehensive income), the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 as amended (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 state of affairs of the Company as at March 31, 2026, and its profit including other comprehensive income, 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 ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sl. No.	Key audit matter	How our audit addressed the key audit matter
1	<p><b>Recognition of Revenue</b></p> <p>For the year ended March 31, 2026 the Company has recognized revenue from operations of ₹ 6,824.65 Crores.</p> <p>Revenue of the Company mainly arises from trading of structural steel, cement, TMT bars, pipes and tubes, roofing solutions, welding accessories, primers, plumbing materials, tiles, sanitaryware, water tanks, kitchen sinks, lighting and other allied products to its customers.</p> <p>We have considered recognition of revenue as a key audit matter as there is an inherent risk and presumed fraud risk around accuracy and existence of revenue recognised.</p>	<p>(i) We assessed the Company's accounting policy for revenue recognition by comparing with the applicable accounting standard.</p> <p>(ii) Testing the design, implementation and operating effectiveness of key internal controls over timing of recognition of revenue from sale of goods.</p> <p>(iii) Verification of selected samples of customer contracts / Purchase Orders to confirm the terms of delivery.</p> <p>(iv) Our test of details includes specific procedures focused on cut-off to verify only revenue pertaining to current year is recognized based on terms and conditions set out in sales contracts.</p>



Sl. No.	Key audit matter	How our audit addressed the key audit matter
2	<p><b>Inventories:</b></p> <p>The Company has inventory with the carrying value of ₹ 475.30 Crores as at the year end.</p> <p>The inventory is valued at the lower of cost and net realizable value.</p> <p>We considered the value of the inventory as key audit matter given the relative size of the balance in the financial statements and significant judgement involved in determining the appropriate valuation of inventory based upon a detailed analysis of net realisable value below cost.</p>	<p>(i) We understood and tested the design, implementation and operating effectiveness of controls as established by the management in determination of cost and net realizable value of inventory.</p> <p>(ii) We have verified the closing stock valuation as at the year end. We considered various factors including the actual selling price prevailing around and subsequent to the year-end. Compared the cost of the traded goods with the estimated net realizable value and checked if the goods were recorded at net realizable value where the cost was higher than the net realizable value.</p> <p>(iii) Further, we have verified the physical verification working papers of the Company and performed physical verification independently on a sample basis.</p>

#### **Other Information other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Report on Corporate Governance, Shareholder's Information and Business Responsibility and Sustainability Report, but does not include the Standalone Financial Statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions.

#### **Responsibilities of the Management and Those Charged with Governance for the Standalone 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 Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, 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, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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 Financial Statements, the management and 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone financial statements**

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone 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 financial 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 the 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 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 Financial Statements, including the disclosures, and whether the Standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 sub-section (11) of section 143 of the Act, we give in the "Annexure A", 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 balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows and dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 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 B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;

(g) With respect to the matters to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act, and

(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, as amended, 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, 2026 on its financial statements – Refer Note No 38 to the Standalone 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, as disclosed in the Note No. 51 to the Standalone Financial Statement, 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company 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, as disclosed in the Note No. 52 to the Standalone Financial Statement, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. 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. Additionally, the audit trial has been preserved by the company as per the statutory requirements for record retention.

**For ASA & Associates LLP**  
Chartered Accountants  
Firm Registration No. 009571N/N500006

**G N Ramaswami**  
Partner  
Membership No. 202363  
UDIN: 26202363TELAPZ1417

Place : Bengaluru  
Date : May 19, 2026





**Annexure - A referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date**

(i) (a)

(A) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) According to the information and explanations given to us and audit procedures performed by us, the Company has maintained proper records showing full particulars of intangible assets.

(b) A portion of the Property, Plant and Equipment were physically verified during the year by the management in accordance with phased program of verification, which in our opinion covers all the Property, Plant and Equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable.

(d) According to information and explanations given to us and audit procedures performed by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.

(e) According to information and explanations given to us and audit procedures performed by us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of

1988) and rules made thereunder.

(ii) (a) The inventory, except goods in transit, has been physically verified by the management during the year in accordance with their inventory physical verification policy. In our opinion, the frequency of such verification needs to be increased. According to information and explanations given to us and audit procedures performed by us, no discrepancies were noticed on verification between the physical stocks and book records that were more than 10% in the aggregate of inventory.

(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. According to information and explanations given to us and on the basis of our examination of the records of the Company, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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 companies, firms, and Limited Liability partnerships or any other parties, except for the investment and advances in the nature of loans to its subsidiary for which requisite information is given below:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has provided loans or provided advances in the nature of loans to its subsidiary as under:

Particulars	Advances in the nature of loans (₹ in Crores)
Aggregate amount granted / provided during the year	3.83
Balance outstanding as at balance sheet date in respect of above cases	3.83



(b) According to the information and explanations given to us and the audit procedures performed by us, we are of the opinion that the investment made, and the terms and conditions of the grant of loans and advances in the nature of loans to its subsidiary are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of the advances in the nature of loans given by the Company, there are no stipulation of schedule of repayment of principal and interest and accordingly, we are unable to make specific comment on the regularity of repayment of principal and payment of interest.

(d) With respect to the advances in the nature of loans given by the Company, the schedule for repayment of principal and payment of interest

have not been stipulated and accordingly, we are unable to comment on the amount overdue for more than ninety days.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans given to its subsidiary, as follows:

Particulars	All parties	Promoters	Related parties
Aggregate of loans / advances in nature of loan			
- Repayable on demand (A)	-	-	-
- Agreement does not specify any terms or period of repayment (B)	3.83	-	3.83
<b>Total (A + B)</b>	<b>3.83</b>	-	<b>3.83</b>
Percentage of loans / advances in nature of loan to the total loans	<b>100%</b>	-	<b>100%</b>

(iv) According to information and explanations given to us and on the basis of our examination of the records of the Company, in respect of investments made and loans given by the Company, the provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.

(vi) According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for any of the products of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable.



(vii) (a) According to the information provided and explanations given to us and based on our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, duty of customs, duty of excise, Value Added Tax, Cess and other material statutory dues applicable to it. There are no material outstanding

statutory dues existing as on the last day of the financial year which is outstanding for more than six months from the day they becomes payable.

(b) According to the information provided and explanations given to us, the details of duty of Excise, Goods & Service Tax, Value added tax which have not been deposited with the appropriate authorities on account of dispute are as under:

Sl. No.	Name of the Statute	Nature of the dues	₹ in Crores	Amount paid under Protest	Period to which Amount relates	Forum where the dispute is Pending
1	Goods and Service Tax	Karnataka GST	0.05	0.05	2024-25	Joint Commissioner of Commercial Taxes (Enforcement), Bengaluru
2	Goods and Service Tax	Karnataka GST	0.15	0.15	2025-26	Commercial tax officer (Enforcement), Bengaluru
3	Goods and Service Tax	Telangana GST	0.16	0.02	2020-22	Joint Commissioner of Central Taxes (Appeals), Hyderabad
4	Goods and Service Tax	Telangana GST	3.04	0.15	2019-20	Joint Commissioner of Central Taxes (Appeals), Hyderabad
5	Income Tax Act, 1961	Income Tax	0.15	0.03	2019-20	Income Tax Appellate Tribunal (ITAT), Bengaluru

(viii) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year and accordingly reporting under clause 3 (viii) of the Order is not applicable to the Company.

(ix)(a) According to the information and explanations given to us and audit procedures performed by us, the Company has not defaulted in repayment of loans and borrowings or in the

payment of interest thereon to the lenders during the year.

(b) According to the information and explanations given to us, the Company has not been declared as willful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us and audit procedures performed by us, term loans were applied for the purposes for which they were obtained.



(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have any joint venture or associate.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x) (b) of the Order is not applicable.

(xi) (a) According to the information and explanations given by the management and based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report under section 143(12) of the Act, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the management, there are no whistle blower complaints received by the

Company during the year.

(xii) According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions entered with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) According to the information and explanations given to us and audit procedures performed by us, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the year under audit.

(xv) According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3 (xvi) (c) and (d) of the Order are not applicable.

(xvii) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.



(xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the information and explanation as

made available to us by the management of the Company up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

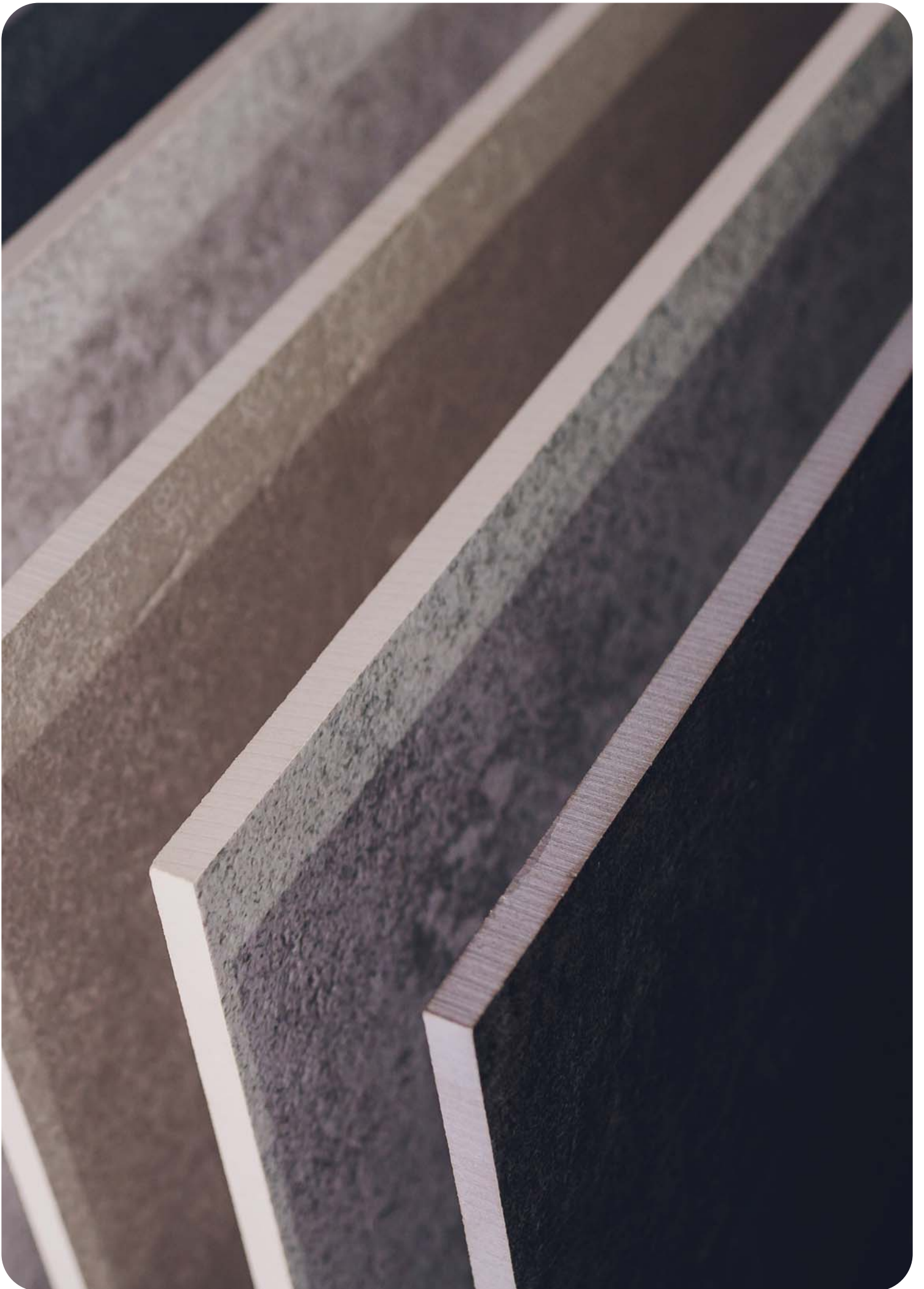
(xx) (a) In respect of other than ongoing projects, the Company has not transferred the unspent amount of ₹ 0.77 Crores to specified fund till the date of our report. However, the Company has time till September 30, 2026 to make such contributions.

(b) According to the information and explanation given to us, there are no ongoing projects with respect to CSR activities and hence reporting under clause 3 (xx)(b) of the Order are not applicable.

**For ASA & Associates LLP**  
Chartered Accountants  
Firm Registration No. 009571N/N500006

**G N Ramaswami**  
Partner  
Membership No. 202363  
UDIN: 26202363TELAPZ1417

Place : Bengaluru  
Date : May 19, 2026





**Annexure – B referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date**

**Report on the Internal Financial Controls with reference to the Standalone 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 the Standalone Financial Statements of **Shankara Buildpro Limited** (the "Company") as of March 31, 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the Standalone Financial Statements criteria established by the Company 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls 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 Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone 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 the Standalone Financial Statements. 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 the Standalone 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 the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone 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 judgment, including the assessment of the risks of material misstatement of the Standalone 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 the Standalone Financial Statements.

#### **Meaning of Internal Financial Controls with reference to the Standalone Financial Statements**

A Company's internal financial control with reference to the Standalone 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 the 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; (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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 the Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to the 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 with reference to the Financial Statements to future periods are subject to the risk that the

internal financial control with reference to the 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, to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, an adequate internal financial controls system with reference to the Standalone Financial Statements and such internal financial controls with reference to the Standalone Financial Statements were operating effectively as at March 31, 2026, based on the internal control with reference to the Standalone Financial Statements criteria established by the Company 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.

**For ASA & Associates LLP**  
Chartered Accountants  
Firm Registration No. 009571N/N500006

**G N Ramaswami**  
Partner  
Membership No. 202363  
UDIN: 26202363TELAPZ1417

Place : Bengaluru  
Date : May 19, 2026



## STANDALONE BALANCE SHEET AS AT 31ST MARCH 2026

(Rupees in Crores)

Particulars	Note No	As at 31-03-2026	As at 31-03-2025
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	4	40.02	39.35
(b) Capital work-in-progress	5	0.78	0.07
(c) Right-of-use Asset	4	-	1.65
(d) Intangible assets	6	5.77	-
(e) Intangible assets under development	7	-	4.57
(f) Financial Assets			
(i) Investments	8	0.00	-
(ii) Loans	9	0.05	0.05
(iii) Other financial assets	10	9.56	7.94
(g) Deferred tax Assets (Net)	23(c)	6.13	4.41
(h) Other non-current assets	11	0.40	0.33
<b>Total Non-current assets</b>		<b>62.71</b>	<b>58.37</b>
<b>(2) Current assets</b>			
(a) Inventories	12	475.30	381.85
(b) Financial Assets			
(i) Trade receivables	13	941.75	769.94
(ii) Cash and cash equivalents	14	62.67	22.03
(iii) Bank balances other than (ii) above	15	1.51	1.34
(iv) Other financial assets	16	4.86	1.18
(c) Other current assets	17	53.03	19.01
<b>Total current assets</b>		<b>1,539.12</b>	<b>1,195.35</b>
<b>Total Assets</b>		<b>1,601.83</b>	<b>1,253.72</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	18	24.25	0.01
(b) Share capital pending allotment	18 (ii)	-	24.25
(c) Other Equity	19	521.21	432.75
<b>Total Equity</b>		<b>545.46</b>	<b>457.01</b>
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	-	2.40
(ia) Lease Liabilities	21	-	1.34
(ii) Other financial liabilities	22	0.02	0.01
<b>Total Non-current liabilities</b>		<b>0.02</b>	<b>3.75</b>

**STANDALONE BALANCE SHEET AS AT 31ST MARCH 2026 CONTD**

(Rupees in Crores)

Particulars	Note No	As at 31-03-2026	As at 31-03-2025
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	24	60.81	52.70
(ia) Lease Liabilities	25	-	0.44
(ii) Trade payables:-	26		
(A) total outstanding dues of micro enterprises and small enterprises ; and		4.61	24.34
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		948.04	686.03
(iii) Other financial liabilities	27	10.57	10.49
(b) Other current liabilities	28	23.67	16.35
(c) Provisions	29	3.58	0.84
(d) Current Tax Liabilities(Net)	23(b)	5.07	1.77
<b>Total current liabilities</b>		<b>1,056.35</b>	<b>792.96</b>
<b>Total liabilities</b>		<b>1,056.37</b>	<b>796.71</b>
<b>Total Equity and Liabilities</b>		<b>1,601.83</b>	<b>1,253.72</b>

The accompanying notes form an integral part of standalone financial statements.

As per our report of even date attached  
**For ASA & Associates LLP**  
Chartered Accountants

ICAI Firm Reg.No:009571N/N500006

**For and on behalf of the Board of Directors of  
Shankara Buildpro Limited  
(formerly known as Shankara Buildpro Private Limited)**

**GN Ramaswami**  
Partner  
Membership No: 202363

**Sukumar Srinivas**  
Managing Director  
DIN: 01668064

**Dhananjay Mirlay Srinivas**  
Director  
DIN: 09108483

**Alex Varghese**  
Chief Financial Officer

**Ereena Vikram**  
Company Secretary  
ACS Membership No: 33459

Place: Bengaluru  
Date: 19th May , 2026

Place: Bengaluru  
Date: 19th May , 2026


**STANDALONE STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED 31ST MARCH 2026**

(Rupees in Crores)

Particulars	Note No.	For the Year ended 31-03-2026	For the Year ended 31-03-2025
I Revenue From Operations	30	6,824.65	5,267.38
II Other Income	31	1.49	1.26
<b>III Total Income (I+II)</b>		<b>6,826.14</b>	<b>5,268.64</b>
a) Purchases of Stock-in-Trade		6,546.70	5,038.38
b) Changes in inventories of Stock-in-Trade	32	(93.02)	(35.29)
c) Employee benefits expense	33	53.30	50.44
d) Finance costs	34	42.19	42.27
e) Depreciation and amortization expense	35	9.72	8.02
f) Other expenses	36	91.43	63.75
<b>Total expenses (IV)</b>		<b>6,650.32</b>	<b>5,167.57</b>
<b>V Profit before exceptional items and tax [III-IV]</b>		<b>175.82</b>	<b>101.07</b>
VI Exceptional items	48	(2.61)	-
<b>VII Profit before tax [V+VI]</b>		<b>173.21</b>	<b>101.07</b>
<b>VIII Tax expense:</b>	23(a)		
(1) Current tax		45.08	23.93
(2) Tax relating to earlier years		2.57	(0.10)
(3) Deferred tax		(2.00)	(0.92)
<b>Total Tax Expense</b>		<b>45.65</b>	<b>22.91</b>
<b>IX Profit for the year (VII-VIII)</b>		<b>127.56</b>	<b>78.16</b>
<b>X Other Comprehensive Income</b>			
<b>A Items that will not be reclassified to profit or loss</b>	43(b)		
(i) Re-measurements of the defined benefit plans		1.09	0.14
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.28)	(0.04)
<b>Total A</b>		<b>0.81</b>	<b>0.10</b>
<b>B Items that will be reclassified to profit or loss</b>		-	-
<b>Total B</b>		-	-
<b>Total Other Comprehensive Income (A+B)</b>		<b>0.81</b>	<b>0.10</b>
<b>XI Total Comprehensive Income for the year (IX+X)</b>		<b>128.37</b>	<b>78.26</b>



**STANDALONE STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED 31ST MARCH 2026 CONTD**

(Rupees in Crores)

Particulars	Note No.	For the Year ended 31-03-2026	For the Year ended 31-03-2025
<b>XII Earning per equity share: [Face value ₹10 per share]</b>	37		
(1) Basic (in ₹)*		52.60	32.23
(2) Diluted (in ₹)*		52.60	32.23

The accompanying notes form an integral part of standalone financial statements.

As per our report of even date attached  
**For ASA & Associates LLP**  
Chartered Accountants  
ICAI Firm Reg.No:009571N/N500006

**For and on behalf of the Board of Directors of  
Shankara Buildpro Limited  
(formerly known as Shankara Buildpro Private Limited)**

**GN Ramaswami**  
Partner  
Membership No: 202363

**Sukumar Srinivas**  
Managing Director  
DIN: 01668064

**Dhananjay Mirlay Srinivas**  
Director  
DIN: 09108483

**Alex Varghese**  
Chief Financial Officer

**Ereena Vikram**  
Company Secretary  
ACS Membership No:33459

Place: Bengaluru  
Date: 19th May , 2026

Place: Bengaluru  
Date: 19th May , 2026



**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2026**

(Rupees in Crores)

**A. Equity Share Capital**

**(1) Year ended 31st March 2026 (refer note no 18)**

Balance at the beginning i.e. 01st April 2025	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 2026
0.01	-	0.01	24.24	24.25

**(2) Year ended 31st March 2025 (refer note no 18)**

Balance at the beginning i.e. 01st April 2024	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 2025
0.01	-	0.01	-	0.01

**B. Share capital pending allotment - As at 31st March 2026 - ₹ Nil (As at 31st March 2025 - ₹ 24.25 Crores)**

**Note 1:** Pursuant to the Scheme of Arrangement, the company in its board meeting held on 26th September, 2025 have approved the allotment of 2,42,49,326 (Two crores forty two lakhs forty nine thousand three hundred and twenty six) Equity Shares of ₹ 10 each, aggregating to ₹ 24.25 Crores, to the Equity Shareholders of the demerged company, whose name where recorded in the Register of Members of the demerged company as on the record date i.e., 24th September, 2025.

**Note 2:** Pursuant to the scheme, 10,000 equity shares of ₹10 each aggregating to ₹ 0.01 Crores, subscribed by the Holding Company viz., Shankara Building Products Limited ("Demerged Company" / " Holding Company") stand cancelled on 26th September 2025 and accordingly Shankara Building Products Limited (Demerged company) stand ceased to be the Holding company.

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2026 CONTD.**

(Rupees in Crores)

**C.Other Equity (refer note no 19)**

**(1) Year ended 31st March 2026**

Particulars	Reserves and Surplus			Other items of other comprehensive income	Total
	Capital Reserve	Retained Earnings			
		Surplus in Statement of Profit and Loss	Defined benefit plan		
Balance at the beginning i.e. 01st April 2025	354.51	78.14	0.10	-	432.75
Profit for the year	-	127.56	-	-	127.56
Other comprehensive income for the year, net of income tax	-	-	-	0.81	0.81
Transfer to retained earnings	-	-	0.81	(0.81)	-
Adjustments pursuant to Scheme of Arrangements	(39.91)	-	-	-	(39.91)
<b>Balance for the year ended i.e. 31st March 2026</b>	<b>314.60</b>	<b>205.70</b>	<b>0.91</b>	<b>-</b>	<b>521.21</b>





(Rupees in Crores)

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2026 CONTD.

## (2) Year ended 31st March 2025

Particulars	Reserves and Surplus			Other Items of other comprehensive income	Total
	Capital Reserve	Retained Earnings			
		Surplus in Statement of Profit and Loss	Defined benefit plan		
		Surplus in Statement of Profit and Loss	Defined benefit plan	Remeasurements of Net defined benefit Liability / Asset	
Balance at the beginning i.e. 01st April 2024	-	(0.02)	-	-	(0.02)
Profit for the year	-	78.16	-	-	78.16
Other comprehensive income for the year, net of income tax	-	-	-	0.10	0.10
Transfer to retained earnings	-	-	0.10	(0.10)	-
Transfer pursuant to Scheme of Arrangement (Refer Note 11)	371.38	-	-	-	371.38
Adjustments pursuant to Scheme of Arrangements	(16.87)	-	-	-	(16.87)
<b>Balance for the year ended i.e. 31st March 2025</b>	<b>354.51</b>	<b>78.14</b>	<b>0.10</b>	<b>-</b>	<b>432.75</b>



**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED  
31ST MARCH 2026 CONTD.**

(Rupees in Crores)

The accompanying notes form an integral part of standalone financial statements.

As per our report of even date attached  
**For ASA & Associates LLP**  
Chartered Accountants

ICAI Firm Reg.No:009571N/N500006

**GN Ramaswami**  
Partner  
Membership No: 202363

Place: Bengaluru  
Date: 19th May , 2026

**For and on behalf of the Board of Directors of  
Shankara Buildpro Limited  
(formerly known as Shankara Buildpro Private Limited)**

**Sukumar Srinivas**  
Managing Director  
DIN: 01668064

**Alex Varghese**  
Chief Financial Officer

Place: Bengaluru  
Date: 19th May , 2026

**Dhananjay Miralay Srinivas**  
Director  
DIN: 09108483

**Ereena Vikram**  
Company Secretary  
ACS Membership No:33459



## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2026

(Rupees in Crores)

Particulars	For the Year ended 31-03-2026	For the Year ended 31-03-2025
<b>Cash flow from operating activities</b>		
Profit before tax	173.21	101.07
<b>Adjustments to reconcile profit before tax to net cash flow:</b>		
Depreciation and amortization expense	9.72	8.02
Profit on sale of property, plant & equipment	(0.01)	(0.03)
Gain on termination of lease	(0.22)	(0.11)
Unwinding of interest income on rental deposits	(0.11)	(0.35)
Adjustment pursuant to scheme of arrangement	(39.91)	(16.87)
Interest income	(0.51)	(0.23)
Write off of property, plant and equipment	-	0.01
Interest expenses	42.19	42.27
Bad Debts written off	11.52	2.23
Payables written back	(0.32)	(0.31)
Provision for employee benefits	3.83	0.44
Loss Allowance for doubtful trade receivables	4.32	3.53
Other non cash items	0.03	-
<b>Operating profit before working capital changes</b>	203.74	139.67
Adjustments for :		
(Increase) / Decrease in inventories	(93.45)	(33.69)
(Increase) / Decrease in trade receivable	(187.65)	(142.14)
Decrease/ (Increase) in loans and other financial assets	(5.09)	(0.44)
Decrease/ (Increase) in other current assets	(33.41)	11.77
Decrease/ (Increase) in other non-current assets	(0.15)	0.08
(Decrease)/ Increase in trade payables	242.61	125.34
(Decrease)/ Increase in other financial liabilities	(0.28)	1.10
(Decrease)/ Increase in other current liabilities	7.32	(6.71)
<b>Cash flow from/(used in) operations</b>	<b>133.64</b>	<b>94.98</b>
Income taxes paid	(44.34)	(26.50)
<b>Net cash flows from/(used in) operating activities (A)</b>	<b>89.30</b>	<b>68.48</b>
<b>Cash flow from investing activities</b>		
Consideration paid for purchase of property, plant & equipment (Including capital work-in-progress and capital advances)	(8.80)	(8.58)
Purchase of software (Including intangible assets under development)	(3.12)	(1.76)
Investment in a subsidiary	(0.01)	-
Proceeds from sale of property, plant & equipment	0.03	0.15
(Purchase)/proceeds from maturity of bank deposits	(0.17)	(0.17)
Interest receipt	0.41	0.23
<b>Net cash flows from/(used in) investing activities (B)</b>	<b>(11.66)</b>	<b>(10.13)</b>

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2026 CONTD.**

(Rupees in Crores)

Particulars	For the Year ended 31-03-2026	For the Year ended 31-03-2025
<b>Cash flow from financing activities</b>		
Principal element of lease payments	(0.24)	(1.20)
Interest on Lease liability	(0.08)	(0.23)
Repayment of term loans	(14.40)	(10.70)
Current Borrowings availed/ (repaid)	20.12	(9.60)
Interest paid	(42.40)	(42.19)
<b>Net cash flows from/(used in) financing activities (C)</b>	<b>(37.00)</b>	<b>(63.92)</b>
<b>Net increase/(decrease) in cash and cash equivalents(A+B+C)</b>	<b>40.64</b>	<b>(5.57)</b>
<b>Cash and cash equivalents - at the beginning of the year / period</b>	<b>22.03</b>	<b>0.01</b>
<b>Transferred pursuant to Demerger Scheme</b>	<b>-</b>	<b>27.59</b>
<b>Cash and cash equivalents - at the end of the year / period</b>	<b>62.67</b>	<b>22.03</b>
Note: Cash and Cash equivalents in the Cash Flow Statement comprise of the following :-		
<b>i) Cash on Hand</b>	0.76	1.01
<b>ii) Balance with Banks :</b>		
- In Current Account and cash credit account	61.91	21.02
	<b>62.67</b>	<b>22.03</b>

The accompanying notes form an integral part of 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 of even date attached

**For ASA & Associates LLP**

Chartered Accountants

ICAI Firm Reg.No:009571N/N500006

**For and on behalf of the Board of Directors of**

**Shankara Buildpro Limited**

**(formerly known as Shankara Buildpro Private Limited)**

**GN Ramaswami**

Partner

Membership No: 202363

**Sukumar Srinivas**

Managing Director

DIN: 01668064

**Dhananjay Mirlay Srinivas**

Director

DIN: 09108483

**Alex Varghese**

Chief Financial Officer

**Ereena Vikram**

Company Secretary

ACS Membership No:33459

Place: Bengaluru

Date: 19th May , 2026

Place: Bengaluru

Date: 19th May , 2026



## SHANKARA BUILDPRO LIMITED (formerly known as Shankara Buildpro Private Limited)

### 1. CORPORATE INFORMATION

Shankara Buildpro Limited (“the Company”) (CIN: L24311KA2023PLC179791) was incorporated as a private limited company under the provisions of the Companies Act, 2013 on 13th October 2023. The Company’s registered office is situated at No.21/1 & 35-A-1, Hosur Road, Electronic City, Veerasandra, Bengaluru – 560100. The Company was converted into a Public limited company with effect from 30th November 2023, as approved by the Registrar.

The Company was incorporated as a wholly owned subsidiary of Shankara Building Products Limited. The Company has received order of Hon’ble National Company Law Tribunal, Bengaluru Bench (‘Hon’ble NCLT’) dated 21st August 2025 wherein they have approved the scheme of arrangement (the ‘Scheme’) between the Company and the Shankara Building Products Limited (hereinafter referred as erstwhile ‘holding company’ / ‘demerged company’ / ‘demerged undertaking’) and their respective shareholders and creditors. Accordingly, the Trading Business of the Shankara Building Products Limited as defined in the Scheme has been transferred to and vested in Shankara Buildpro Limited (“Resulting Company” / “Buildpro” / “the Company”) w.e.f. 1st April, 2024.

Shankara Buildpro Limited which is one of the India’s leading organized retailers of home improvement and building products. 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 supply chain and logistics facilities. It deals with a number of product categories including structural steel, cement, TMT bars, pipes and tubes, roofing solutions, welding accessories, primers, plumbing materials, tiles, sanitary ware, water tanks, kitchen sinks, lighting and other allied products.

### 2. BASIS OF PREPARATION, CRITICAL ESTIMATES AND JUDGMENTS, MATERIAL ACCOUNTING POLICIES:

#### 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, 2026 were duly reviewed and recommended by the audit committee and has been adopted by the Board of Directors in their meeting held on May 19, 2026 for consideration of approval by the shareholders.

#### 2.1.1 Functional and presentation currency

These 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. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as “0.00” in the relevant notes in these financial statements.

#### 2.1.2 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 rules made there under, as amended;

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.

#### 2.1.3 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### 2.2 Material Accounting policies

##### 2.2.1 Revenue recognition

###### A) Sale of products

Revenue from sale of goods is recognized on 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 transaction price net of discounts, rebates, returns, taxes and duties as per the terms of the contract with Customer.

#### **B) Interest income**

Interest income from a financial asset is recognized 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 recognized on time proportion basis.

#### **C) Other Income**

Other income is recognized 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.

### **2.2.2 Property, Plant and Equipment**

#### **A) Recognition and measurement**

The cost of Property, Plant and Equipment comprises of 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.

#### **B) Subsequent expenditure**

Subsequent costs are included in the asset's carrying amount or recognized 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.

Property, Plant and Equipment are stated in the balance sheet at cost less accumulated depreciation / amortization and impairment, if any.

#### **C) Disposal of Property, Plant and Equipment**

An item of Property, Plant and Equipment is derecognized 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 disposal are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within other gains / (losses).

#### **D) 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.

Details of Property Plant and Equipment and the estimated useful life are as follows:

S.no	Asset	Useful life estimated by the Management in Years	Useful life as per Schedule II to the Act in Years
1	Plant and Equipment	15	15
2	Furniture and Fixtures	10	10
3	Vehicles	8-10	8-10
4	Office equipment	5	5
5	Computers	3	3



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 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.

#### E) 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.

#### 2.2.3 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized 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 amortized from the date they are available for use.

The estimated useful lives are as follows:

Software - 3 years

Brand - 3 years

The amortization period and amortization 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 asset is derecognized 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 derecognized.

#### A) 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 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 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.

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.

#### 2.2.4 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 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 recognized 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 recognized 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 recognized.

## 2.2.5 Leases

### Company as a Lessee

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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 where the Company has the right to control the use of identified assets, the Company assesses whether the:

- (i) the contract involves the use of identified assets,
- (ii) whether the Company has the right to obtain substantially all the economic benefits from the use of assets throughout the period of use and
- (iii) whether the Company has the right to direct the use of assets.

### A) Right-of-use

The Company recognizes Right-of-use assets at the

commencement date of the lease i.e. the date the underlying asset is available for use. Right-of-use assets are measured at cost less accumulated depreciation. The cost of Right-of-use assets includes the amount of lease liabilities recognized, initial cost incurred and lease payments made at or before the commencement date. The Right-of-use asset is depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the Right-of-use asset or the end of the lease term basis over a lease term. In addition, the Right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The Right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of Right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

### B) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, including amounts expected to be payable by the Company under residual value guarantee. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in Statement of Profit and Loss



if the carrying amount of the right-of-use asset has been reduced to zero.

### C) Short-term leases

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less from the commencement date and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense over the lease term.

#### 2.2.6 Inventories

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

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

Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and selling expenses.

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.

#### 2.2.7 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 recognized in other comprehensive income in the period in which they occur. Re-measurement gains and losses recognized in other comprehensive income is reflected immediately in retained

earnings and will not be reclassified to profit or loss. Past service cost is recognized 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 categorized 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 under the head 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized 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 future contributions to the plans. A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

A liability is recognized 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 recognized 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 obligated or where there is a past practice that has created a constructive obligation.



## 2.2.8 Income taxes

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

### A) 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. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to settle the liability on a net basis or simultaneously.

### B) Deferred tax

Deferred tax is recognized 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 recognized for all taxable temporary differences.

Deferred tax assets are generally recognized 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 utilized.

Such deferred tax assets and liabilities are not recognized 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 recognized 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 is realized, 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 recognized in the statement of profit and loss, except when they are related to items that are recognized 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. Hence the provisions relating to minimum alternate tax (MAT) are not applicable to the company.

## 2.2.9 Functional currency

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 Rupee (INR).

## 2.2.10 Provisions, contingent liabilities and contingent assets

Provisions are recognized 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 recognized 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.

### 2.2.11 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 events including 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.

### 2.2.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized 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.

### 2.2.13 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 or transaction value wherever appropriate. 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 recognized immediately in Statement of Profit and Loss.

Trade receivables are recognized 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 recognized at the transaction price i.e., the amount payable for the goods or services, if the transaction does not contain a 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 costs directly attributable to the acquisition of financial assets at FVTPL are recognized immediately in Statement of Profit and Loss.

### (ii) Subsequent measurement

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

- Debt instruments at amortized cost
- Debt instruments at least 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 amortized cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and



- The contractual terms of the financial 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 under the head 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-recognized 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 risks and rewards of ownership of financial asset. In such cases, financial asset is de-recognized. Where entity has not transferred substantially all risks and rewards of ownership of financial asset, such financial asset is not de-recognized.

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

#### **(iv) Investment in subsidiaries**

The company's investment in equity instruments of subsidiaries is accounted for at cost as per Ind AS 27, including adjustment for fair value of obligations, if any, in relation to such subsidiaries.

#### **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, necessitating the recognition of a provision for diminution in value.

#### **B) Financial liabilities and equity instruments**

##### **(i) Initial recognition and measurement**

All financial liabilities are recognized initially at fair value giving effect to 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 amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized through the EIR amortization process. 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 under 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 amortized 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 dues of creditors other than micro enterprises and small enterprises.

**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-recognized 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 realise the assets and settle the liabilities simultaneously.

**D) Impairment of Financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 46(C)(2) details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires Expected Credit Losses (ECL) to be recognised from initial recognition of the receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its 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 best economic 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 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 categorisation (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 period under audit, the company has not designated any forward currency contracts as hedging instruments.

### 2.2.14 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 cash 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.

### 2.2.15 Dividend on ordinary shares

The entity recognizes a liability to make cash or non-cash distributions to equity holders of the company when the distribution is authorized, and the distribution is no longer at the discretion of the company. The amount so authorised is recognized directly in equity.

Final dividend proposed and distributed to equity shareholders is recognized only in the financial year in which it is approved by the members of the Company in the Annual General Meeting. Interim dividends are recognized when approved by the



Board of Directors at the Board Meeting. Dividend distributed is recognized in the Statement of Changes in Equity.

#### **2.2.16 Segment reporting**

1. The company is primarily engaged in the business of Trading and retailing of home improvement and building products which is a single business segment.
2. The operation of the company are fully within India and hence, there are no reportable geographical segments.
3. The chief operating decision maker reviews the entity as a single reportable segment as mentioned above.

#### **2.2.17 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.

#### **A) 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.

#### **B) 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.

#### **C) 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 crystalizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

#### **3 Recent Pronouncements**

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1 - Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or noncurrent and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.



2. Ind AS 7 - Statement of Cash Flows and Ind AS 107 - Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has no impact of these amendments in its financial statements.
3. Ind AS 12 - International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. The Company has no impact of these amendments in its financial statements.





(Rupees in Crores)

Notes to the Standalone Financial Statements  
**4. PROPERTY, PLANT AND EQUIPMENT**

Particulars	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers	Total	Right of use Assets - Building
<b>Cost</b>							
<b>Gross carrying amount As at 01-04-2024</b>	-	-	-	-	-	-	-
Pursuant to Scheme of Arrangement (Refer Note.4(a))	0.98	48.58	14.09	5.13	3.16	71.93	6.71
Additions during the year	0.11	4.94	2.53	0.63	0.28	8.49	1.58
Disposals / Adjustments	-	0.18	0.22	0.17	-	0.57	5.20
<b>Gross carrying amount As at 31-03-2025</b>	<b>1.09</b>	<b>53.34</b>	<b>16.40</b>	<b>5.59</b>	<b>3.44</b>	<b>79.85</b>	<b>3.09</b>
Additions during the year	0.54	4.56	1.98	0.52	0.57	8.17	-
Disposals / Adjustments	-	-	0.15	0.03	-	0.18	3.09
<b>Gross carrying amount As at 31-03-2026</b>	<b>1.63</b>	<b>57.91</b>	<b>18.23</b>	<b>6.08</b>	<b>4.01</b>	<b>87.84</b>	<b>-</b>
<b>Accumulated depreciation and impairment</b>							
<b>Balance as at 01-04-2024</b>	-	-	-	-	-	-	-
Pursuant to Scheme of Arrangement (Refer Note.4(a))	0.26	21.22	7.29	2.93	2.34	34.04	4.30
Depreciation / Amortization for the year	0.06	4.41	1.47	0.60	0.36	6.90	1.12
Disposals / Adjustments	-	0.10	0.19	0.15	-	0.44	3.98
<b>Balance as at 31-03-2025</b>	<b>0.32</b>	<b>25.53</b>	<b>8.57</b>	<b>3.38</b>	<b>2.70</b>	<b>40.50</b>	<b>1.44</b>
Depreciation / Amortization for the year	0.08	4.63	1.67	0.66	0.44	7.48	0.32
Disposals / Adjustments	-	-	0.13	0.03	-	0.16	1.76
<b>Balance as at 31-03-2026</b>	<b>0.40</b>	<b>30.16</b>	<b>10.10</b>	<b>4.01</b>	<b>3.14</b>	<b>47.82</b>	<b>-</b>
<b>Net Carrying amount</b>							
<b>As at 31-03-2026</b>	<b>1.23</b>	<b>27.74</b>	<b>8.12</b>	<b>2.07</b>	<b>0.87</b>	<b>40.02</b>	<b>-</b>
<b>As at 31-03-2025</b>	<b>0.77</b>	<b>27.81</b>	<b>7.83</b>	<b>2.21</b>	<b>0.74</b>	<b>39.35</b>	<b>1.65</b>



## Notes to the Standalone Financial Statements

(Rupees in Crores)

**Note:**

a) The assets relating to the trading business of Shankara Building Products Limited stand transferred to the company with effect from 01st April, 2024 pursuant to Scheme of Arrangement. Accordingly, said assets were recorded at the values as certified by the auditors of the Demerged Undertaking as per the Special Purpose Financial Statements for the year 1st April 2024 to 31st March 2025.

b) During the year, the company has not revalued its Property, Plant and Equipment.



**5 CAPITAL WORK-IN-PROGRESS**

Particulars	Amount
<b>Gross carrying amount as at 01-04-2024</b>	-
Additions during the year	0.23
<b>Sub-total</b>	<b>0.23</b>
Less: Capitalised during the year	0.16
<b>Gross carrying amount as at 31-03-2025</b>	<b>0.07</b>
Additions during the period	1.08
<b>Sub-total</b>	<b>1.15</b>
Less: Capitalised during the period	0.37
<b>Gross carrying amount as at 31-03-2026</b>	<b>0.78</b>

**Capital Work-in-Progress (CWIP) ageing schedule as at 31-03-2026**

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	0.78	-	-	-	0.78

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

**Capital Work-in-Progress (CWIP) ageing schedule as at 31-3-2025**

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	0.07	-	-	-	0.07

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



## Notes to the Standalone Financial Statements

(Rupees in Crores)

### 6. INTANGIBLE ASSETS

Particulars	Brand	Software	Total
<b>Cost</b>			
<b>Gross carrying amount as at 01-04-2024</b>	-	-	-
Pursuant to Scheme of Arrangement (Refer Note.6(a))	10.78	0.69	11.47
Additions during the year	-	-	-
Disposals / Adjustments	-	-	-
<b>Gross carrying amount as at 31-03-2025</b>	<b>10.78</b>	<b>0.69</b>	<b>11.47</b>
Additions during the year	-	7.69	7.69
Disposals / Adjustments	-	-	-
<b>Gross carrying amount as at 31-03-2026</b>	<b>10.78</b>	<b>8.38</b>	<b>19.16</b>
<b>Accumulated Amortization and impairment</b>			
<b>Balance as at 01-04-2024</b>	-	-	-
Pursuant to Scheme of Arrangement (Refer Note.6(a))	10.78	0.69	11.47
Amortization for the year	-	-	-
Amortization on disposals	-	-	-
<b>Balance as at 31-03-2025</b>	<b>10.78</b>	<b>0.69</b>	<b>11.47</b>
Amortization for the year	-	1.92	1.92
Amortization on disposals	-	-	-
<b>Balance as at 31-03-2026</b>	<b>10.78</b>	<b>2.61</b>	<b>13.39</b>
<b>Net Carrying amount</b>			
<b>As at 31-03-2026</b>	-	<b>5.77</b>	<b>5.77</b>
<b>As at 31-03-2025</b>	-	-	-

(a) The assets relating to the trading business of Shankara Building Products Limited stand transferred to the company with effect from 01st April, 2024 pursuant to Scheme of Arrangement. Accordingly, said assets were recorded at the values as certified by the auditors of the Demerged Undertaking as per the Special Purpose Financial Statements for the year 1st April 2024 to 31st March 2025.

(b) During the year, the company has not revalued any Intangible Assets.

**7. INTANGIBLE ASSETS UNDER DEVELOPMENT**

Particulars	Amount
<b>Gross carrying amount as at 01-04-2024</b>	-
Pursuant to Scheme of Arrangement (Refer Note.7(a))	2.89
Additions during the year	1.68
<b>Sub-total</b>	<b>4.57</b>
Less: Capitalised during the year	-
<b>Gross carrying amount as at 31-03-2025</b>	<b>4.57</b>
Additions during the year	3.12
<b>Sub-total</b>	<b>7.69</b>
Less: Capitalised during the year	7.69
<b>Gross carrying amount as at 31-03-2026</b>	<b>-</b>

(a) The assets relating to the trading business of Shankara Building Products Limited stand transferred to the company with effect from 01st April, 2024 pursuant to Scheme of Arrangement. Accordingly, said assets were recorded at the values as certified by the auditors of the Demerged Undertaking as per the Special Purpose Financial Statements as at 01st April, 2024 and 31st March, 2025.

**Intangible assets under development ageing schedule as at 31-03-2025**

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	1.68	1.56	1.33	-	4.57

**Intangible assets under development completion schedule as at 31-03-2025**

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	4.57	-	-	-	4.57



## Notes to the Standalone Financial Statements

(Rupees in Crores)

### 8. INVESTMENTS (NON-CURRENT)

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Investment in Equity Instruments:</b>		
<b>Unquoted (At cost or deemed cost):</b>		
<b>Subsidiaries:</b>		
Purple Splash Materials Private Limited 5,100 (March 31, 2025: Nil) equity shares of INR 10 each	0.00	-
<b>Total</b>	<b>0.00</b>	<b>-</b>
Aggregate value of quoted investments & Market value thereof	-	-
Aggregate value of unquoted investments	0.00	-
Aggregate amount of impairment in value of investments	-	-

**Note:** Purple Splash Materials Private Limited ("Subsidiary company") was incorporated on 20th April 2025. The Company has subscribed to 51% viz., 5,100 equity shares of ₹ 10 each aggregating to ₹ 51,000 (0.0051 Crores). The Company has made the payment to the Subsidiary on 15th September 2025 and accordingly the shares were allotted to the Company.

### 9. LOANS (NON-CURRENT)

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Other Loans</b>		
<b>Unsecured:</b>		
<b>Considered good:</b>		
- Employee advances	0.05	0.05
<b>Total</b>	<b>0.05</b>	<b>0.05</b>



## Notes to the Standalone Financial Statements

(Rupees in Crores)

**10. OTHER FINANCIAL ASSETS (NON-CURRENT)**

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Unsecured:</b>		
<b>Considered good:</b>		
(a) Security Deposits	7.96	6.39
(b) Deposit with Suppliers	1.42	1.34
(c) Others		
(i) Tender deposit	0.04	0.06
(ii) Utility deposit	0.14	0.15
<b>Total</b>	<b>9.56</b>	<b>7.94</b>

**11. OTHER NON-CURRENT ASSETS**

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Unsecured:</b>		
<b>Considered good:</b>		
(i) Capital advances (refer note below)	-	0.08
(ii) Advances other than capital advances		
(a) Deposits with Government authorities	0.40	-
(iii) Prepaid expenses	-	0.25
<b>Total</b>	<b>0.40</b>	<b>0.33</b>

Capital advances represents advances made for Intangible assets under development in the previous year.

**12. INVENTORIES**

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Inventories: (at lower of cost and net realisable value)</b>		
(a) Stock-in-trade *	475.30	381.85
<b>Total</b>	<b>475.30</b>	<b>381.85</b>

\* Includes goods-in-transit amounting to Rs 0.91 crores (PY ₹0.48 crores).

Inventories have been hypothecated as security against certain bank borrowings of the company (refer note no 20 and 24)



## Notes to the Standalone Financial Statements

(Rupees in Crores)

### 13. TRADE RECEIVABLES

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Unsecured:</b>		
(A) Trade receivables - Considered Good*	899.96	738.86
Less: Allowance for doubtful debts (Expected credit loss allowance)	(0.12)	(0.14)
<b>Total A</b>	<b>899.85</b>	<b>738.72</b>
(B) Trade receivables with significant increase in credit risk	55.96	40.93
Less: Allowance for doubtful debts (Expected credit loss allowance)	(14.05)	(9.71)
<b>Total B</b>	<b>41.91</b>	<b>31.22</b>
<b>Total (A+B)</b>	<b>941.75</b>	<b>769.94</b>
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 amounting to	-	12.94

\*Includes amount receivable from related party (Refer note no 45 C)

**Note:** Trade Receivables as on 01-04-2024 taken over from demerged company

Particulars	Amount
A) Trade receivables - Considered Good	617.05
Less: Allowance for doubtful debts (Expected credit loss allowance)	(0.10)
<b>Total A</b>	<b>616.95</b>
(B) Trade receivables with significant increase in credit risk	22.83
Less: Allowance for doubtful debts (Expected credit loss allowance)	(6.22)
<b>Total B</b>	<b>16.61</b>
<b>Total (A+B)</b>	<b>633.56</b>

### Movement in loss allowance of trade receivables

Particulars	As at 31-03-2026	As at 31-03-2025
Opening Balance	9.85	-
Pursuant to Scheme of Arrangement - (Refer note above)	-	6.32
Credit loss allowance for the year	4.32	3.53
Closing balance	14.17	9.85



(Rupees in Crores)

## Notes to the Standalone Financial Statements

## Trade Receivables ageing schedule as at 31-03-2026

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	486.15	389.27	24.54	-	-	-	899.96
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	43.52	10.81	1.63	55.96
(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	-	-	-	-	-	-	-
<b>Total</b>	<b>486.15</b>	<b>389.27</b>	<b>24.54</b>	<b>43.52</b>	<b>10.81</b>	<b>1.63</b>	<b>955.92</b>
Less: Allowance for Expected credit Loss	-	-	-	-	-	-	(14.17)
<b>Total</b>							<b>941.75</b>

**Trade Receivables ageing schedule as at 31-03-2025**

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	397.94	313.51	27.41	-	-	-	738.86
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	25.48	10.38	5.08	40.93
(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	-	-	-	-	-	-	-
<b>Total</b>	<b>397.94</b>	<b>313.51</b>	<b>27.41</b>	<b>25.48</b>	<b>10.38</b>	<b>5.08</b>	<b>779.79</b>
Less: Allowance for Expected credit Loss	-	-	-	-	-	-	(9.85)
<b>Total</b>							<b>769.94</b>

**14. CASH AND CASH EQUIVALENTS**

Particulars	As at 31-03-2026	As at 31-03-2025
(a) Balances with Banks: In current account and cash credit account	61.91	21.02
(b) Cash on hand	0.76	1.01
<b>Total</b>	<b>62.67</b>	<b>22.03</b>

Cash & cash equivalents transferred pursuant to the Scheme of Arrangement as at 1st April 2024 - ₹ 27.59 Crores

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. There is no restriction on use of above cash and cash equivalents by the company.





## Notes to the Standalone Financial Statements

(Rupees in Crores)

**15. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS**

Particulars	As at 31-03-2026	As at 31-03-2025
Margin money deposits with original maturity more than three months and remaining maturity less than twelve months.	1.51	1.34
<b>Total</b>	<b>1.51</b>	<b>1.34</b>

**16. OTHER FINANCIAL ASSETS (CURRENT)**

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Unsecured, considered good</b>		
<b>Financial assets at amortised cost</b>		
(a) Rent receivable*	-	0.01
(b) Employee advances*	0.93	0.93
(c) Interest receivable*	0.10	0.01
(d) Other receivables	-	0.23
(e) Advances to subsidiary*	3.83	-
<b>Total</b>	<b>4.86</b>	<b>1.18</b>

\*Includes transaction(s) with related parties - refer note no 45C.

**17. OTHER CURRENT ASSETS**

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Advances other than capital advances:</b>		
(a) Advances for purchases	45.94	12.10
(b) Prepaid expenses	4.11	5.25
(c) Balances with Government authorities	2.36	1.12
(d) Demerger Expenses pending for write off*	-	0.54
( e ) Right to recover	0.62	-
<b>Total</b>	<b>53.03</b>	<b>19.01</b>

\* Expenditure on demerger will be shared 50% each by Demerged company and Resulting company, upon completion of the Scheme of Arrangement.

**18. EQUITY SHARE CAPITAL**

Particulars	As at 31-03-2026		As at 31-03-2025	
	No.of Shares	Amount	No.of Shares	Amount
<b>Authorised, Issued &amp; Subscribed:</b>				
Equity shares of ₹10/- each (Refer note (a) below)	3,00,00,000	30.00	10,000	0.01
Issued, subscribed and fully paid:	2,42,49,326	24.25	10,000	0.01

i) **Increase in authorised share capital:** The shareholders of the Company in the Extraordinary General Meeting (EGM) held on 16th July 2025, have approved by passing a special resolution for increase in the authorised share capital to 3,00,00,000. equity shares of face value of INR 10/- (Rupees Ten) each, amounting to ₹ 30,00,00,000.

ii) Pursuant to the Scheme of Arrangement, the Company in its board meeting held on 26th September, 2025 has approved the allotment of 2,42,49,326 (Two crores forty two lakhs forty nine thousand three hundred and twenty six) Equity Shares of ₹ 10 each, aggregating to ₹ 24.25 Crores, to the Equity Shareholders of the demerged company, whose name where recorded in the Register of Members of the demerged company as on the record date i.e., 24th September, 2025.

iii) Pursuant to the scheme, 10,000 equity shares of ₹10 each aggregating to ₹ 0.01 Crores, subscribed by the Holding Company viz., Shankara Building Products Limited ("Demerged Company" / " Holding Company") stand cancelled on 26th September 2025 and accordingly Shankara Building Products Limited (Demerged company) stand ceased to be the Holding company.

**a) Reconciliation of number of equity shares outstanding and equity share capital**

Particulars	As at 31-03-2026		As at 31-03-2025	
	No.of Shares	Amount	No.of Shares	Amount
Balance as at the beginning of the year / period	10,000	0.01	10,000	0.01
Issued during the year	2,42,49,326	24.25	-	-
Cancelled during the year	10,000	0.01	-	-
Balance as at the end of the year	2,42,49,326	24.25	10,000	0.01

**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 ₹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 31-03-2026		As at 31-03-2025	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Shankara Building Products Limited	-	-	10,000	100.00%
Mr.Sukumar Srinivas	93,88,787	38.72%	-	-

## d) Shares held by promoters at the end of the period 31-03-2026

S. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Shankara Building Products Limited	-	-	(100.00%)
2	Mr.Sukumar Srinivas	93,88,787	38.72%	100.00%
<b>Total</b>		<b>93,88,787</b>		

## Shares held by promoters at the end of the year 31-03-2025

S. No	Promoter name	No. of Shares	% of total shares	% Change during the year
1	Shankara Building Products Limited	10,000	100.00%	-
<b>Total</b>		<b>10,000</b>	<b>100.00%</b>	<b>-</b>

## e) From the Date of Incorporation (13-10-2023) till 31-03-2026:

- i) The Company has allotted 2,42,49,326 equity shares of ₹10 each as fully paid-up without payment being received in cash. Refer note 18 (ii)
- ii) The Company has not allotted any equity shares by way of bonus issue.
- iii) The Company has not bought back any equity shares.
- iv) There are no shares reserved for issue under Options and Contracts / Commitments for the sale of shares/ Dis-investment.
- v) The Board of directors have recommended payment of final dividend ₹5/- (Rupees Five only) per equity share of the face value of ₹10 each for the financial year ended 31-03-2026.



## Notes to the Standalone Financial Statements

(Rupees in Crores)

### 19. OTHER EQUITY

Particulars	As at 31-03-2026	As at 31-03-2025
Capital Reserve	314.60	354.51
Retained earnings (Refer Statement of changes in Equity for additions and deductions from the last year Balance sheet)	206.61	78.24
<b>Total</b>	<b>521.21</b>	<b>432.75</b>

#### Capital Reserve

Reserve is created on demerger as per the Scheme of Arrangement

#### 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.

### 20. BORROWINGS (NON - CURRENT)

Particulars	As at 31-03-2026	As at 31-03-2025
<b>SECURED</b>		
(a) Term loan from banks*	-	2.40
<b>Total</b>	<b>-</b>	<b>2.40</b>

#### As at 31st March, 2026\*

There are no Borrowings outstanding as at 31-03-2026.



## Notes to the Standalone Financial Statements

(Rupees in Crores)

As at 31st March, 2025

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 9.20% pa - repayable in 48 equated monthly instalments post moratorium period.	4.94	-	4.94
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.	3.88	-	3.88
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.	2.17	2.40	4.57
Term Loan 4 - 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 7.29% to 9.25% pa - repayable in 48 equated monthly instalments post moratorium period.	0.79	-	0.79
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.	0.01	-	0.01
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.	0.02	-	0.02
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.	0.02	-	0.02
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.	0.02	-	0.02



(Rupees in Crores)

## Notes to the Standalone Financial Statements

Secured: Terms and security	Current	Non-current	Total
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.	0.04	-	0.04
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
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	-	0.06
<b>Total</b>	<b>12.00</b>	<b>2.40</b>	<b>14.40</b>

### 21. LEASE LIABILITY (NON-CURRENT)

Particulars	As at 31-03-2026	As at 31-03-2025
Lease liability	-	1.34
<b>Total</b>	<b>-</b>	<b>1.34</b>

### 22. OTHER FINANCIAL LIABILITIES (NON-CURRENT)

Particulars	As at 31-03-2026	As at 31-03-2025
Rent deposit received	0.02	0.01
<b>Total</b>	<b>0.02</b>	<b>0.01</b>

### 23. INCOME TAXES

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.

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%.



## Notes to the Standalone Financial Statements

(Rupees in Crores)

## a) Income tax expenses

Particulars	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
<b>Current tax:</b>		
Current tax	45.08	23.93
Tax pertaining to earlier years	2.57	(0.10)
Deferred tax	(2.00)	(0.92)
<b>Total</b>	<b>45.65</b>	<b>22.91</b>

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 31st March, 2026	For the Year ended 31st March, 2025
	Amount	Amount
Profit before tax	173.21	101.07
Enacted tax rate in India	25.168%	25.168%
Expected income tax expense at statutory tax rate	43.59	25.44
<b>Tax impact on account of:</b>		
Expenses not deductible in determining taxable profits	0.40	0.06
Deductions allowable under tax laws	(0.91)	(0.66)
Others	-	(1.83)
<b>Total</b>	<b>43.08</b>	<b>23.01</b>
<b>Effective income tax rate</b>	<b>24.87%</b>	<b>22.76%</b>
Particulars	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
	Amount	Amount
Tax expenses:		
- Current tax	45.08	23.93
- Deferred tax	(2.00)	(0.92)
<b>Total tax</b>	<b>43.08</b>	<b>23.01</b>
<b>Add: Tax for earlier years</b>	<b>2.57</b>	<b>(0.10)</b>
<b>Total tax expenses reported for the year</b>	<b>45.65</b>	<b>22.91</b>

## b) Current Tax Liabilities

Particulars	As at 31-03-2026	As at 31-03-2025
Current tax liabilities(Net)	5.07	1.77





## Notes to the Standalone Financial Statements

(Rupees in Crores)

## c) Deferred Tax Liabilities/(Assets)

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 31-03-2026	As at 31-03-2025
<b>Deferred Tax Asset:</b>		
On account of depreciation for tax purpose	(2.11)	(1.86)
Allowance for doubtful receivables and advances	(3.57)	(2.48)
Ind AS adjustments	-	(0.07)
Demerger expenses	(0.45)	-
<b>Deferred Tax (Asset)/Liabilities (Net)</b>	<b>(6.13)</b>	<b>(4.41)</b>

Deferred tax balance (Asset)/Liability in relation to	Balance as at 1-04-2025	Recognised/ (reversed) through profit and loss	Recognised in/ reclassified from other comprehensive income	Balance as at 31-03-2026
Depreciation under income tax act	(1.86)	(0.25)	-	(2.11)
Provision for employee benefit	-	(0.28)	0.28	-
Allowance for doubtful receivables and advances	(2.48)	(1.09)	-	(3.57)
Ind AS adjustments	(0.07)	0.07	-	-
Demerger expenses	-	(0.45)	-	(0.45)
<b>Total</b>	<b>(4.41)</b>	<b>(2.00)</b>	<b>0.28</b>	<b>(6.13)</b>

Deferred tax balance (Asset)/Liability in relation to	Balance as at 01-04-2024	Transferred pursuant to Scheme of Arrangements	Recognised/ (reversed) through profit and loss	Recognised in/ reclassified from other comprehensive income	Balance as at 31-03-2025
Depreciation under income tax act	-	(1.71)	(0.15)	-	(1.86)
Provision for employee benefit	-	-	(0.04)	0.04	-
Allowance for doubtful receivables and advances	-	(1.59)	(0.89)	-	(2.48)
Ind AS adjustments	-	(0.09)	0.02	-	(0.07)
On account of business loss	(0.01)	-	0.01	-	-
Provision for damaged goods	-	(0.13)	0.13	-	-
<b>Total</b>	<b>(0.01)</b>	<b>(3.52)</b>	<b>(0.92)</b>	<b>0.04</b>	<b>(4.41)</b>



## Notes to the Standalone Financial Statements

(Rupees in Crores)

Unrecognised deferred tax assets- Nil (PY- Nil)

Deferred tax balance (Asset)/Liability in relation to	Balance as at 1-04-2025	Recognised/ (reversed) through profit and loss	Recognised in/ reclassified from other comprehensive income	Balance as at 31-03-2026
Provision for employee benefit	-	0.28	(0.28)	-
<b>Total</b>	<b>-</b>	<b>0.28</b>	<b>(0.28)</b>	<b>-</b>

Deferred tax balance (Asset)/Liability in relation to	Balance as at 1-04-2024	Recognised/ (reversed) through profit and loss	Recognised in/ reclassified from other comprehensive income	Balance as at 31-03-2025
Provision for employee benefit	-	(0.04)	0.04	-
<b>Total</b>	<b>-</b>	<b>(0.04)</b>	<b>0.04</b>	<b>-</b>

## 24 BORROWINGS (CURRENT)

Particulars	As at 31-03-2026	As at 31-03-2025
<b>SECURED</b>		
(a) Loan repayable on demand (from banks)	60.37	32.18
(b) Current maturities of long-term debt (from banks) (refer note no 20)	-	12.00
<b>UNSECURED</b>		
(a) Other loans: Purchase bills discounting and financing	0.44	8.52
<b>Total</b>	<b>60.81</b>	<b>52.70</b>



## Notes to the Standalone Financial Statements

(Rupees in Crores)

**Terms and Security:**

1) Working capital loans are repayable on demand and carries interest @ 7.9% to 12.95% 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 of ₹0.44 crores (PY ₹8.52 crores) is 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 the books of accounts.
- (ii) The company has adhered to the 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 31.03.2026

(iv) Pursuant to the Scheme of Arrangement, with respect to the borrowings transferred to the Resulting Company's books, the Company is taking necessary steps to change the name in the respective records viz., Banks, Registrar of Companies etc.,

(v) 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 31-03-2026	As at 31-03-2025
Cash and cash equivalents	62.67	22.03
Current borrowings	(60.81)	(40.70)
Non-current borrowings*	-	(14.40)
<b>Net Debt</b>	<b>1.86</b>	<b>(33.07)</b>

\* Including current maturities of long-term debt



## Notes to the Standalone Financial Statements

(Rupees in Crores)

Particulars	Other Assets	Liabilities from financing		Total
	Cash and cash equivalents	Current borrowings	Non-current borrowings	
<b>Net debt as at 01-04-2024</b>	<b>0.01</b>	-	-	<b>0.01</b>
Transferred pursuant to Demerger Scheme	27.59	(50.30)	(25.10)	(47.81)
Net cashflows	(5.57)	-	-	(5.57)
Repayment of borrowings	-	9.60	10.70	20.30
<b>Net debt as at 31-03-2025</b>	<b>22.03</b>	<b>(40.70)</b>	<b>(14.40)</b>	<b>(33.07)</b>
<b>Net debt as at 01-04-2025</b>	<b>22.03</b>	<b>(40.70)</b>	<b>(14.40)</b>	<b>(33.07)</b>
Net cashflows	40.64	-	-	40.64
Proceeds from borrowings	-	(20.11)	-	(20.11)
Repayment of borrowings	-	-	14.40	14.40
<b>Net debt as at 31-03-2026</b>	<b>62.67</b>	<b>(60.81)</b>	-	<b>1.86</b>

Note:

Assets are presented in positive numbers

Liabilities are presented in negative numbers

### 25. LEASE LIABILITY (CURRENT)

Particulars	As at 31-03-2026	As at 31-03-2025
Lease liability	-	0.44
<b>Total</b>	<b>-</b>	<b>0.44</b>

### 26. TRADE PAYABLES

Particulars	As at 31-03-2026	As at 31-03-2025
(a) Total outstanding dues of micro enterprises and small enterprises (MSME) *	4.61	24.34
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises**	948.04	686.03
<b>Total</b>	<b>952.65</b>	<b>710.37</b>

\*Refer note no 42 for MSME disclosures.

\*\* Includes amount payable to related parties. Refer note 45C.



## Notes to the Standalone Financial Statements

(Rupees in Crores)

## Trade Payables ageing schedule as at 31-03-2026

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	4.61	-	-	-	-	4.61
(ii) Others	945.90	2.14	-	-	-	948.04
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>950.51</b>	<b>2.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>952.65</b>

## Trade Payables ageing schedule as at 31-03-2025

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	21.38	2.96	-	-	-	24.34
(ii) Others	682.40	3.63	-	-	-	686.03
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>703.78</b>	<b>6.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>710.37</b>

## Supplier finance arrangements

Particulars	Carrying amount As at 31-03-2026	Carrying amount As at 31-03-2025
Letter of credits, M1xchange and Receivables Exchange of India Limited.	698.83	551.80

## 27. OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	As at 31-03-2026	As at 31-03-2025
(a) Interest accrued but not due	0.12	0.41
(b) Employee Benefits payable*	5.37	6.52
(c) Expense payable	4.43	3.53
(d) Refund Liability	0.65	0.03
<b>Total</b>	<b>10.57</b>	<b>10.49</b>

\*Includes transactions with related parties. Refer note no 45C.



## Notes to the Standalone Financial Statements

(Rupees in Crores)

### 28. OTHER CURRENT LIABILITIES

Particulars	As at 31-03-2026	As at 31-03-2025
(a) Advances from customers (refer note no 45(C) )	17.47	12.23
(b) Statutory dues	6.20	4.12
<b>Total</b>	<b>23.67</b>	<b>16.35</b>

### 29. PROVISIONS (CURRENT)

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Provision for employee benefits</b>		
(a) Gratuity (refer note no 43(b)) *	3.28	0.63
(b) Compensated absences **	0.30	0.21
<b>Total</b>	<b>3.58</b>	<b>0.84</b>

#### \* Movement in provision for employee benefits - gratuity

Particulars	As at 31-03-2026	As at 31-03-2025
Balance at the beginning of the year	0.63	-
Transferred pursuant to Scheme of Arrangements	-	0.36
Add: Provision made during the year	3.28	0.63
Less: Provision utilised/ reversed during the year / Period	0.63	0.36
<b>Balance at the end of the period / year</b>	<b>3.28</b>	<b>0.63</b>

#### \*\* Movement in provision for compensated absences

Particulars	As at 31-03-2026	As at 31-03-2025
Balance at the beginning of the year	0.21	-
Transferred pursuant to Scheme of Arrangements	-	0.18
Add: Provision made during the year	0.76	0.56
Less: Provision utilised/ reversed during the year / Period	0.67	0.53
<b>Balance at the end of the period / year</b>	<b>0.30</b>	<b>0.21</b>



## Notes to the Standalone Financial Statements

(Rupees in Crores)

**30. REVENUE FROM OPERATIONS**

Particulars	For the Year ended 31-03-2026	For the Year ended 31-03-2025
(a) Sale of traded goods	6,822.65	5,266.56
(b) Other Operating Revenues - Sale of scrap	2.00	0.82
<b>Total</b>	<b>6,824.65</b>	<b>5,267.38</b>

**31. OTHER INCOME**

Particulars	For the Year ended 31-03-2026	For the Year ended 31-03-2025
(a) Interest Income*	0.51	0.23
(b) Rent received	0.09	0.13
(c) Profit on sale of property, plant & equipment	0.01	0.03
(d) Gain on termination of lease	0.22	0.11
(e) Unwinding of interest income on rental deposits	0.11	0.35
(f) Payables written back	0.32	0.31
(g) Other non-operating income	0.23	0.10
<b>Total</b>	<b>1.49</b>	<b>1.26</b>

\* Includes transactions with related parties.(Refer Note no 45(B))

**32. CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

Particulars	For the Year ended 31-03-2026	For the Year ended 31-03-2025
Opening stock of Stock-in-Trade*	381.37	-
Add: Transferred pursuant to Demerger Scheme	-	346.08
Less: Closing stock of Stock-in-Trade*	474.39	381.37
<b>Net (Increase) / Decrease</b>	<b>(93.02)</b>	<b>(35.29)</b>

\*Excludes Goods in Transit



## Notes to the Standalone Financial Statements

(Rupees in Crores)

### 33. EMPLOYEE BENEFITS EXPENSE

Particulars	For the Year ended 31-03-2026	For the Year ended 31-03-2025
(a) Salaries and Wages	47.47	45.66
(b) Contribution to Provident fund and Other funds:		
(i) Provident fund (refer note no 43(a))	2.69	2.69
(ii) Employees' state insurance (refer note no 43(a))	0.14	0.20
(iii) Gratuity (refer note no 43(b))	1.76	0.79
(c) Staff welfare Expenses	1.24	1.10
<b>Total</b>	<b>53.30</b>	<b>50.44</b>

### 34. FINANCE COSTS

Particulars	For the Year ended 31-03-2026	For the Year ended 31-03-2025
(a) Interest on borrowings	36.21	38.55
(b) Interest on income tax	1.29	0.24
(c) Interest on lease liability	0.08	0.23
(d) Other borrowing costs	4.61	3.25
<b>Total</b>	<b>42.19</b>	<b>42.27</b>

### 35. DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the Year ended 31-03-2026	For the Year ended 31-03-2025
Depreciation and Amortisation		
- Property, plant & equipment	7.48	6.90
- Intangible Assets	1.92	-
- Right-of-use Asset	0.32	1.12
<b>Total</b>	<b>9.72</b>	<b>8.02</b>



## Notes to the Standalone Financial Statements

(Rupees in Crores)

**36. OTHER EXPENSES**

Particulars	For the Year ended 31-03-2026	For the Year ended 31-03-2025
(a) Power, Fuel & Water	1.67	1.64
(b) Rent (refer note no 40)	20.38	13.80
(c) Repairs and Maintenance		
(i) Buildings	0.07	0.05
(ii) Others	7.68	6.11
(d) Insurance	0.81	0.83
(e) Rates & Taxes	0.83	0.52
(f) Travelling and Conveyance	6.36	3.39
(g) Payments to the Auditors (refer note below)	0.53	0.02
(h) Legal and Professional fees	4.24	2.30
(i) Directors sitting fees	0.15	-
(j) Communication Expenses	1.05	1.01
(k) Advertisement & Publicity Expenses	1.29	2.62
(l) Loss Allowance for doubtful trade receivables	4.32	3.53
(m) Material handling charges	15.01	13.41
(n) Freight Outwards	5.14	5.56
(o) Commission Charges	2.93	2.36
(p) Bad Debts written off	11.52	2.23
(q) Demerger Expenses	2.24	-
(r) Sub Contracting	1.01	0.75
(s) Corporate Social Responsibility expenditure (refer note no 47)	0.24	-
(t) Write off of property, plant and equipment	-	0.01
(u) Miscellaneous Expenses	3.96	3.61
<b>Total</b>	<b>91.43</b>	<b>63.75</b>



## Notes to the Standalone Financial Statements

(Rupees in Crores)

**Note : Breakup for payments to the auditors is as under (excluding GST):**

Particulars	For the Year ended 31-03-2026	For the Year ended 31-03-2025
(a) As auditors	0.45	0.02
(b) For taxation matters	0.05	-
(c) For other services	0.01	-
(d) For reimbursement of expenses	0.02	-
<b>Total</b>	<b>0.53</b>	<b>0.02</b>

### 37. Earnings Per Share (EPS)

Particulars	For the Year ended 31-03-2026	For the Year ended 31-03-2025
Basic & Diluted		
A. Profit attributable to equity shareholders (in crores)	127.56	78.16
B. Weighted average number of equity shares ("WANES") (in crores)	2.42	2.42
C. Basic and Diluted EPS (₹) [A/B]*	52.60	32.23
Face value per share (₹)	10.00	10.00

The company does not have any potential equity shares. Accordingly, basic and diluted earnings per share would remain the same.

\* For the period 31st March 2025, the WANES includes equity shares which will be issued to the erstwhile shareholders of the demerged undertaking as on the reporting date (Refer Note 18 (ii)) pursuant to Scheme of Arrangement and excludes 10,000 shares which is currently held by the Demerged company.

### 38. Contingent liabilities:

Particulars	As at 31-03-2026	As at 31-03-2025
<b>(a) Claims against the company not acknowledged as debt</b>		
(i) Goods and Service tax*	3.40	0.22
(ii) Income tax*	0.15	0.15
<b>Total</b>	<b>3.55</b>	<b>0.37</b>

\* 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.





## Notes to the Standalone Financial Statements

(Rupees in Crores)

Refer Note below for amount remitted against disputed liability:

Particulars	As at 31-03-2026	As at 31-03-2025
(i) Goods and Service tax	0.37	0.07
(ii) Income tax	0.03	-

### 39. Commitments

Particulars	As at 31-03-2026	As at 31-03-2025
Estimated value of capital commitments towards Intangible assets under development (FY 24-25-Net of advances made - ₹ 0.10 crores)	-	0.26
<b>Total</b>	<b>-</b>	<b>0.26</b>

### 40. Operating lease

#### As lessee:

Various Buildings have been taken on 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.

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.

As regards the premises owned by the demerged undertaking and used by the Company for its trading business, pursuant to the decision of the Board of Directors of both the Companies, no rental expense has been accounted for the period from 1st April 2024 till the effective date. In the opinion of the management, as the amount due to / due from the demerged undertaking as at the effective date shall stand cancelled and will not be accounted for in the books of the Company, there will not be any impact in the reserves as at the reporting date.



## Notes to the Standalone Financial Statements

(Rupees in Crores)

## Accounting for leases under Ind AS 116

Particulars	As at / For the Year ended 31-03-2026	As at / For the Year ended 31-03-2025
Opening Gross carrying amount of right of use assets	3.09	-
Transferred pursuant to Demerger Scheme	-	6.71
Depreciation charged for the Right-of-use assets	0.32	1.12
Interest expense on lease liability	0.08	0.23
The rental expense relating to short-term leases for which Ind AS 116 has not been applied	20.28	13.51
Additions to Right-of-use assets during the current year	-	1.58
Deletions from Right-of-use assets during the current year	3.09	5.20
Closing Gross carrying amount of right of use assets	-	3.09
Total cash outflow for leases for the year	0.32	1.43

## Lease liabilities

Particulars	As at 31-03-2026	As at 31-03-2025
Maturity analysis - contractual undiscounted cash flows:		
Not later than one year	-	0.58
Later than one year and not more than five years	-	1.55
<b>Total undiscounted Liabilities</b>	-	<b>2.13</b>

## Lease liabilities

Lease liabilities	As at 31-03-2026	As at 31-03-2025
Current	-	0.44
Non-current	-	1.34

**41. Segment Reporting**

(i) The company is primarily engaged in the business of Trading and retailing of home improvement and building products which is a single business segment.

(ii) The operation of the company are fully within India and hence, there are no reportable geographical segments.

(iii) The chief operating decision maker review the entity as a single reportable segment as mentioned above.

**42. Additional Information**

Disclosure required under Section 22 of Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006



## Notes to the Standalone Financial Statements

(Rupees in Crores)

Particulars	As at 31-03-2026	As at 31-03-2025
(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 (CY ₹10,387, PY ₹10,387 )	4.61 0.00	24.34 0.00
(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 (CY ₹10,387, PY ₹10,387 )	0.00	0.00
(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.	-	-

### 43 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 31-03-2026	For the Year ended 31-03-2025
Employer's Contribution to Provident Fund (includes pension fund)	2.69	2.69
Employer's Contribution to Employee State Insurance	0.14	0.20

**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 ₹ 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 31-03-2026. 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.



## Notes to the Standalone Financial Statements

(Rupees in Crores)

### Gratuity (Funded)

Particulars	As at 31-03-2026	As at 31-03-2025
<b>Liability recognized in the Balance Sheet</b>		
Present value of defined benefit obligation		
Opening Balance	8.02	-
Transferred pursuant to Demerger Scheme	-	7.29
Current Service Cost	1.37	0.75
Past Service Cost	2.61	-
Interest Cost	0.44	0.51
Actuarial Loss/(Gain) on obligation	(1.08)	(0.09)
Transfer In/(Out)	0.04	0.01
Benefits paid	(0.02)	(0.45)
<b>Closing Balance</b>	<b>11.38</b>	<b>8.02</b>
<b>Less: Fair Value of Plan Assets</b>		
Opening Balance	7.37	-
Transferred pursuant to Demerger Scheme	-	6.93
Expected Return on Plan assets less loss on investments	0.09	0.48
Actuarial (Loss)/Gain on Plan Assets	0.01	0.05
Employers' Contribution	0.65	0.36
Benefits paid	(0.02)	(0.45)
<b>Closing Balance</b>	<b>8.10</b>	<b>7.37</b>
Less: Retained by the Demerged Undertaking	-	0.02
<b>Amount recognized in Balance Sheet (refer note no 29 (a))</b>	<b>3.28</b>	<b>0.63</b>



## Notes to the Standalone Financial Statements

(Rupees in Crores)

Particulars	For the year Ended 31-03-2026	For the year ended 31-03-2025
<b>Expenses during the year</b>		
Current Service cost	1.41	0.75
Interest cost	0.44	0.51
Expected Return on Plan assets	(0.09)	(0.48)
	<b>1.76</b>	<b>0.79</b>
Past Service cost (Exceptional item)	2.61	-
<b>Component of defined benefit cost recognized in statement of profit &amp; loss</b>	<b>4.37</b>	<b>0.79</b>
Remeasurement of net defined benefit liability		
- Actuarial Loss/(Gain) on defined benefit obligation	(1.08)	(0.09)
- Actuarial Loss/(Gain) on Plan Assets	(0.01)	(0.05)
<b>Component of defined benefit cost recognized in other comprehensive income</b>	<b>(1.09)</b>	<b>(0.14)</b>
<b>Actual Return on plan assets</b>	0.10	0.53
<b>Break up of Plan Assets:</b>		
i) Investment Funds with Insurance Company	100%	100%
(a) Of which, Unit Linked	0%	0%
(b) Of which, Traditional/ Non-Unit Linked	100%	100%

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.





## Notes to the Standalone Financial Statements

(Rupees in Crores)

## Principal actuarial assumptions

Particulars	For the Year ended 31-03-2026	For the Year ended 31-03-2025
Discount Rate (pa)	6.70%	6.40%
Expected rate(s) of salary increase (pa)	7.00%	7.00%
Expected return on plan assets (pa)	6.40%	7.00%
Attrition rate (pa)	10.00%	10.00%
Mortality rate during employment	Indian assured lives mortality 2012-2014 Ult.	

## Experience adjustments

Particulars	31-03-2026	31-03-2025
Defined Benefit Obligation	11.38	8.02
Plan Assets	8.10	7.37
Surplus / (Deficit)	(3.28)	(0.65)
Experience Adjustments on Plan Liabilities – (Loss)/Gain-	0.88	0.37
Experience Adjustments on Plan Assets – (Loss)/Gain	0.10	0.05

The Company expects to contribute ₹3.25 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.

**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.



## Notes to the Standalone Financial Statements

(Rupees in Crores)

Particulars	Impact on Defined benefit obligation			
	For the Year ended 31-03-2026		For the Year ended 31-03-2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% increase)	-	0.63	-	0.45
Discount rate (1% decrease)	0.71	-	0.52	-
Future salary growth (1% increase)	0.70	-	0.51	-
Future salary growth (1% decrease)	-	0.63	-	0.46
Attrition rate (1% increase)	-	0.03	-	0.03
Attrition rate (1% decrease)	0.03	-	0.04	-
Mortality (increase in expected life time by 1 year)(CY ₹2000 ,PY ₹4,000)	0.00	-	0.00	-
Mortality (increase in expected life time by 3 years)(CY ₹7,000 , PY ₹11,000)	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 5.5 years (PY 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
<b>31-03-2026</b>					
Defined benefit obligation (Gratuity)	1.04	1.32	4.05	7.72	14.13
<b>Total</b>	<b>1.04</b>	<b>1.32</b>	<b>4.05</b>	<b>7.72</b>	<b>14.13</b>
<b>31-03-2025</b>					
Defined benefit obligation (Gratuity)	1.07	0.94	2.87	5.53	10.41
<b>Total</b>	<b>1.07</b>	<b>0.94</b>	<b>2.87</b>	<b>5.53</b>	<b>10.41</b>

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.



#### 44. 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 31-03-2026	For the Year ended 31-03-2025
(a) Sale of traded goods - Home improvement and Building products	6,822.65	5,266.56
(b) Other operating revenues- Sale of scrap	2.00	0.82
<b>Total Operating Revenue</b>	<b>6,824.65</b>	<b>5,267.38</b>
In India	6,824.65	5,267.38
Outside India	-	-

##### B. Timing of revenue recognition

Particulars	For the Year ended 31-03-2026		For the Year ended 31-03-2025	
	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	6,824.65	Nil	5,267.38	Nil

##### c. Contract Balances

Particulars	As at 31-03-2026	As at 31-03-2025
Contract Assets	-	-
Contract Liabilities	17.47	12.23

##### D. Revenue recognised in relation to contract liabilities

Particulars	For the Year ended 31-03-2026	For the Year ended 31-03-2025
Revenue recognised in relation to contract liabilities- (Transferred pursuant to Demerger Scheme)	-	9.32
Revenue recognised in relation to contract liabilities	12.23	-



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**Notes to the Standalone Financial Statements**

(Rupees in Crores)

**E. Reconciliation of revenue recognised in the statement of profit and loss with the contracted price**

Particulars	For the Year ended 31-03-2026	For the Year ended 31-03-2025
Revenue at contracted prices	6,825.30	5,267.41
Less: Refund Liabilities	(0.65)	(0.03)
Total Revenue at contracted prices	6,824.65	5,267.38
Revenue from contract with customers	6,824.65	5,267.38

**F. Unsatisfied or partially satisfied performance obligation**

Particulars	As at 31-03-2026	As at 31-03-2025
Unsatisfied or partially satisfied performance obligation	Nil	Nil



## Notes to the Standalone Financial Statements

**45. Related party disclosures**

**A.Names of Related parties with whom transactions have taken place during the year/previous year and nature of relationship: (including the related parties of the demerged undertaking)**

Subsidiary Company	Purple Splash Materials Private Limited
<b>Other related parties and their relationship where transaction exists:</b>	
Key Managerial Personnel	Mr. Sukumar Srinivas (Managing Director) Mr. C.Ravikumar (Whole-time Director) Mr.Dhananjay Mirlay Srinivas (Whole time Director) Mr. Alex Varghese (Chief Financial Officer) Ms. Ereena Vikram (Company Secretary) Mr.B.Jayaraman-Chairman and Independent Director Ms.Jayashri Murali-Independent Director Mr.N Muthuraman-Independent Director Mr.Chengalan Nalagath Agfa (Wholetime Director) - resigned w.e.f 11th August, 2025
Relatives of Key Managerial Personnel	Mrs. Parwathi Mirlay Srikanth
Enterprise in which Key Managerial Personnel have significant influence	Shankara Holdings Private Limited Shankara Building Products Limited * Taurus Value Steel & Pipes Private Limited Vishal Precision Steel Tubes and Strips Private Limited Steel Network (Holdings) Pte Limited-Struck off w.e.f 26th December 2025 Centurywells Roofing India Private Limited
Enterprise in which relatives of Key Managerial Personnel have significant influence	The Café at Saanchi
Entities where control exist	Shankara Buildpro Employees Gratuity Fund

\* Holding Company till 26th September 2025



## Notes to the Standalone Financial Statements

(Rupees in Crores)

B. Transactions with Related Parties	For the Year ended 31-03-2026	For the Year ended 31-03-2025
<b>Purchase of Goods from</b>		
Taurus Value Steel & Pipes Private Limited	44.92	24.04
Vishal Precision Steel Tubes and Strips Private Limited	444.20	327.47
Centurywells Roofing India Private Limited	348.91	222.41
Purple Splash Materials Private Limited	0.93	-
Shankara Building Products Limited	96.46	-
<b>Sale of Goods to</b>		
Taurus Value Steel & Pipes Private Limited	3.15	2.91
Vishal Precision Steel Tubes and Strips Private Limited	95.44	321.52
Centurywells Roofing India Private Limited	18.83	34.81
Purple Splash Materials Private Limited	1.22	-
Shankara Building Products Limited	32.09	-
Managing Director	-	0.83
The Café at Saanchi (PY ₹13,263)	-	0.00
<b>Rent paid to</b>		
Taurus Value Steel & Pipes Private Limited	0.09	0.08
Vishal Precision Steel Tubes and Strips Private Limited	0.03	0.03
Centurywells Roofing India Private Limited	0.12	0.10
Shankara Building Products Limited	4.85	0.01
Managing Director	0.43	0.43
Whole time Director	0.08	0.08
<b>Interest received from</b>		
Vishal Precision Steel Tubes and Strips Private Limited	-	0.01
Taurus Value Steel & Pipes Private Limited (PY ₹2,671)	-	0.00
Centurywells Roofing India Private Limited (PY ₹26,974)	-	0.00
Purple Splash Materials Private Limited	0.09	-
<b>Interest paid to</b>		
Managing Director	0.04	-
Shankara Building Products Limited (CY ₹5,061; PY ₹8,958)	0.00	0.00
<b>Rent received from</b>		
Centurywells Roofing India Private Limited	0.09	0.13



## Notes to the Standalone Financial Statements

(Rupees in Crores)

Transactions with Related Parties	For the Year ended 31-03-2026	For the Year ended 31-03-2025
<b>Unsecured loan availed</b>		
Managing Director	1.00	-
<b>Unsecured loan Repaid</b>		
Managing Director	1.00	-
<b>Transactions pursuant to Scheme of Arrangement</b>		
Shankara Building Products Limited	39.91	16.87
<b>Advances granted to /(repaid by)</b>		
Taurus Value Steel & Pipes Private Limited	-	0.05
Vishal Precision Steel Tubes and Strips Private Limited	-	1.77
Taurus Value Steel & Pipes Private Limited	-	(0.05)
Vishal Precision Steel Tubes and Strips Private Limited	-	(1.77)
Centurywells Roofing India Private Limited	-	0.49
Centurywells Roofing India Private Limited	-	(0.49)
Shankara Building Products Limited	0.04	(0.03)
Purple Splash Materials Private Limited	4.92	-
Purple Splash Materials Private Limited	(1.09)	-
Chief Financial Officer-Net of advances repaid	(0.01)	0.05
<b>Investment in Equity Instruments</b>		
Purple Splash Materials Private Limited (₹ 51,000)	0.00	-
<b>Rental Deposit- Given to</b>		
Taurus Value Steel & Pipes Private Limited	0.01	-
Centurywells Roofing India Private Limited	0.06	-
Shankara Building Products Limited	0.84	-
<b>Rental Deposit- Received from</b>		
Centurywells Roofing India Private Limited (CY ₹30000)	0.00	-

**Notes to the Standalone Financial Statements**

(Rupees in Crores)

<b>Transactions with Related Parties</b>	<b>For the Year ended 31-03-2026</b>	<b>For the Year ended 31-03-2025</b>
<b>Goods-in-transit from</b>		
Taurus Value Steel & Pipes Private Limited	0.33	0.19
Vishal Precision Steel Tubes and Strips Private Limited	0.52	0.29
Centurywells Roofing India Private Limited	0.04	-
Purple Splash Materials Private Limited	0.02	-
<b>Contribution to employee related trusts made during the year</b>		
Shankara Building Products Employees Gratuity Fund	0.65	0.36
<b>Services Availed</b>		
Independent Director	-	0.01
<b>Short-term employee benefits</b>		
Managing Director	1.32	1.06
Whole-time directors	1.32	0.90
Chief Financial Officer	0.46	0.42
Company Secretary	0.22	0.17

<b>C. Balance Outstanding to/ from related parties</b>	<b>As at 31-03-2026</b>	<b>As at 31-03-2025</b>
<b>Trade Payables</b>		
Taurus Value Steel & Pipes Private Limited	5.14	0.24
Centurywells Roofing India Private Limited	22.62	7.22
Vishal Precision Steel Tubes and Strips Private Limited	1.21	-
<b>Advances to Subsidiary company</b>		
Purple Splash Materials Private Limited	3.83	-
<b>Trade Receivables</b>		
Vishal Precision Steel Tubes and Strips Private Limited	-	12.94
<b>Interest Receivables</b>		
Vishal Precision Steel Tubes and Strips Private Limited	-	0.01
Taurus Value Steel & Pipes Private Limited ( PY ₹2,404)	-	0.00
Centurywells Roofing India Private Limited( PY 24,277)	-	0.00
Purple Splash Materials Private Limited	0.10	-



## Notes to the Standalone Financial Statements

(Rupees in Crores)

Balance Outstanding to/ from related parties	As at 31-03-2026	As at 31-03-2025
<b>Interest Payable</b>		
Shankara Building Products Limited (PY ₹ 8,062)	-	0.00
<b>Rent payable</b>		
Vishal Precision Steel Tubes and Strips Private Limited (Previous Year ₹27,000/-)	-	0.00
Taurus Value Steel & Pipes Private Limited	-	0.01
Centurywells Roofing India Private Limited	-	0.01
Shankara Building Products Limited	-	0.02
Managing Director	-	0.04
Whole time Director	-	0.01
<b>Remuneration payable to Key Managerial Personnel</b>		
Managing Director	0.04	0.04
Whole-time director	0.09	0.08
Chief Financial Officer	0.04	0.04
Company Secretary	0.02	0.02
<b>Expenses payable</b>		
Shankara Building Products Limited	-	0.04
<b>Rent Receivable</b>		
Centurywells Roofing India Private Limited	-	0.01
<b>Rental Deposit -Payable to</b>		
Centurywells Roofing India Private Limited	0.02	0.01
<b>Rental Deposit-Receiveable</b>		
Shankara Building Products Limited (PY ₹ 30,000)	0.84	0.00
Centurywells Roofing India Private Limited	0.06	-
Taurus Value Steel & Pipes Private Limited	0.01	-
<b>Investments</b>		
Purple Splash Materials Private Limited (₹ 51,000)	0.00	-
<b>Guarantees furnished by</b>		
Managing Director	795.00	755.00
<b>Due from Key Managerial Personnel</b>		
Due from Chief Financial Officer	0.04	0.05



## Notes to the Standalone Financial Statements

(Rupees in Crores)

### Terms and Conditions

All outstanding balances are unsecured and are repayable in cash

### Guarantees furnished by managing director:

Personal guarantee furnished by the managing director to the holding company are for availing working capital facilities from the lender banks.

### Note:

Shares issued pursuant to Scheme of Arrangement-Refer Note 18

## 46. 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.

Particulars	Note No.	As at 31-03-2026	As at 31-03-2025
Long term borrowings	20	-	2.40
Current maturities of long-term debt	24	-	12.00
Short term borrowings	24	60.81	40.70
Less: Cash and cash equivalents	14	(62.67)	(22.03)
Net Debt (A)		(1.86)	33.07
Total Equity (B)	18, 19	545.46	457.01
Gearing Ratio (A / B)		(0.00)	0.07

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 20 and 24



## B. Categories of financial instruments

Particulars	Note no	As at 31-03-2026		As at 31-03-2025	
		Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial assets</b>					
<b>Measured at amortised cost</b>					
Loans	9	0.05	0.05	0.05	0.05
Other financial assets	10,16	14.42	14.42	9.12	9.12
Trade receivables	13	941.75	941.75	769.94	769.94
Cash and cash equivalents	14	62.67	62.67	22.03	22.03
Bank balances other than cash and cash equivalents	15	1.51	1.51	1.34	1.34
<b>Total financial assets at amortised cost (A)</b>		<b>1,020.39</b>	<b>1,020.39</b>	<b>802.48</b>	<b>802.48</b>
<b>Total financial assets measured at fair value through other comprehensive income (B)</b>		-	-	-	-
<b>Total financial assets measured at fair value through profit and loss (C)</b>		-	-	-	-
<b>Total financial assets (A+B+C)</b>		<b>1,020.39</b>	<b>1,020.39</b>	<b>802.48</b>	<b>802.48</b>
<b>Financial liabilities</b>					
<b>Measured at amortised cost</b>					
Long term Borrowings *	20, 24	-	-	14.40	14.40
Short term Borrowings **	24	60.81	60.81	40.70	40.70
Trade payables	26	952.65	952.65	710.37	710.37
Lease Liabilities	21, 25	-	-	1.78	1.78
Other financial liabilities	22, 27	10.59	10.59	10.50	10.50
<b>Total financial liabilities carried at amortised cost (A)</b>		<b>1,024.05</b>	<b>1,024.05</b>	<b>777.75</b>	<b>777.75</b>
<b>Total financial liabilities measured at fair value through profit and loss (B)</b>		-	-	-	-
<b>Total financial liabilities measured at fair value through other comprehensive income (C)</b>		-	-	-	-
<b>Total financial liabilities (A+B+C)</b>		<b>1,024.05</b>	<b>1,024.05</b>	<b>777.75</b>	<b>777.75</b>

\* including current maturities of long-term debt

\*\* excluding current maturities of long-term debt



## Notes to the Standalone Financial Statements

(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.

#### (i) Currency Risk

#### Exposure to currency risk

Particulars	As at 31-03-2026		As at 31-03-2025	
	USD	INR	USD	INR
Total foreign currency exposure in respect of recognised liabilities	-	-	-	-
Forward exchange contracts	-	-	-	-
<b>Net Exposure</b>	-	-	-	-

#### 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.





## Notes to the Standalone Financial Statements

(Rupees in Crores)

Particulars	Impact on profit or (loss)		Impact on Equity, net of tax	
	As at 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
1% increase in prices of Inventory	(4.75)	(3.82)	(3.56)	(2.86)
1% decrease in prices of Inventory	4.75	3.82	3.56	2.86

### (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 31-03-2026	As at 31-03-2025
Fixed rate borrowings	-	0.22
Floating rate borrowings	60.80	54.88
<b>Total borrowings</b>	<b>60.80</b>	<b>55.10</b>
Total Net borrowings as per Financial Statements	60.80	55.10
Add: Upfront fees	-	-
<b>Total borrowings</b>	<b>60.80</b>	<b>55.10</b>

### 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 31-03-2026	As at 31-03-2025	As at 31-03-2026	As at 31-03-2025
100 basis points increase in interest rates	(0.61)	(0.55)	(0.45)	(0.41)
100 basis points decrease in interest rates	0.61	0.55	0.45	0.41

### (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.



## Notes to the Standalone Financial Statements

(Rupees in Crores)

Year ended 31-03-2026

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	486.15	389.27	24.54	43.52	10.81	1.63	955.92
Expected credit losses (Loss allowance provision) - trade receivables	-	-	(0.12)	(9.11)	(3.31)	(1.63)	(14.17)
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>486.15</b>	<b>389.27</b>	<b>24.42</b>	<b>34.41</b>	<b>7.50</b>	<b>-</b>	<b>941.75</b>
<b>Weighted average loss rate</b>	<b>-</b>	<b>-</b>	<b>0.49%</b>	<b>20.93%</b>	<b>30.62%</b>	<b>100.00%</b>	<b>1.48%</b>

Year ended 31-03-2025

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	397.94	313.51	27.41	25.48	10.38	5.08	779.79
Expected credit losses (Loss allowance provision) - trade receivables	-	-	(0.14)	(5.10)	(2.07)	(2.54)	(9.85)
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>397.94</b>	<b>313.51</b>	<b>27.27</b>	<b>20.38</b>	<b>8.31</b>	<b>2.54</b>	<b>769.94</b>
<b>Weighted average loss rate</b>	<b>-</b>	<b>-</b>	<b>0.51%</b>	<b>20.02%</b>	<b>19.95%</b>	<b>50.00%</b>	<b>1.26%</b>



## Notes to the Standalone Financial Statements

(Rupees in Crores)

### (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.

The company has access to the following undrawn borrowing facilities at the end of the reporting period:

#### Financing arrangements

Particulars	As at 31-03-2026	As at 31-03-2025
Floating Rate		
- Expiring within one year	204.54	183.51
<b>Total</b>	<b>204.54</b>	<b>183.51</b>

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.



## Notes to the Standalone Financial Statements

(Rupees in Crores)

## Liquidity exposure as at 31-03-2026

Particulars	Note no	< 1 year	1-5 years	> 5 years	Total
<b>Financial assets</b>					
Loans	9	-	0.05	-	0.05
Other financial assets	10, 16	4.86	9.42	0.14	14.42
Trade receivables	13	941.75	-	-	941.75
Cash and cash equivalents	14	62.67	-	-	62.67
Bank balances other than cash and cash equivalents	15	1.51	-	-	1.51
<b>Total financial assets</b>		<b>1,010.79</b>	<b>9.47</b>	<b>0.14</b>	<b>1,020.39</b>
<b>Financial liabilities</b>					
Long term Borrowings *	20, 24	-	-	-	-
Short term Borrowings**	24	60.81	-	-	60.81
Trade payables	26	952.65	-	-	952.65
Lease Liabilities	21, 25	-	-	-	-
Other financial liabilities	22, 27	10.57	0.02	-	10.59
<b>Total financial liabilities</b>		<b>1,024.03</b>	<b>0.02</b>	<b>-</b>	<b>1,024.05</b>

\* including current maturities of long-term debt

\*\*excluding current maturities of long-term debt





## Notes to the Standalone Financial Statements

(Rupees in Crores)

## Liquidity exposure as at 31-03-2025

Particulars	Note no	< 1 year	1-5 years	> 5 years	Total
<b>Financial assets</b>					
Loans	9	-	0.05	-	0.05
Other financial assets	10, 16	1.18	7.79	0.15	9.12
Trade receivables	13	769.94	-	-	769.94
Cash and cash equivalents	14	22.03	-	-	22.03
Bank balances other than cash and cash equivalents	15	1.34	-	-	1.34
<b>Total financial assets</b>		<b>794.49</b>	<b>7.84</b>	<b>0.15</b>	<b>802.48</b>
<b>Financial liabilities</b>					
Long term Borrowings *	20, 24	12.00	2.40	-	14.40
Short term Borrowings**	24	40.70	-	-	40.70
Trade payables	26	710.37	-	-	710.37
Lease Liabilities	21, 25	0.44	1.34	-	1.78
Other financial liabilities	22, 27	10.49	0.01	-	10.50
<b>Total financial liabilities</b>		<b>774.00</b>	<b>3.75</b>	<b>-</b>	<b>777.75</b>

\* including current maturities of long-term debt

\*\*excluding current maturities of long-term debt

Notes to the Standalone Financial Statements

(Rupees in Crores)

D. Level wise disclosure of financial instruments

Particulars	Note No	As at 31-03-2026			As at 31-03-2025		
		Carrying Value	Fair Value		Carrying Value	Fair Value	
			Level 1	Level 2		Level 3	Level 1
<b>Financial assets</b>							
Loans	9	0.05	-	0.05	-	-	0.05
Other financial assets	10,16	14.42	-	14.42	-	-	9.12
Trade receivables	13	941.75	-	941.75	-	-	769.94
Cash and cash equivalents	14	62.67	-	62.67	-	-	22.03
Bank balances other than cash and cash equivalents	15	1.51	-	1.51	-	-	1.34
<b>Total financial assets</b>		<b>1,020.39</b>	-	<b>1,020.39</b>	-	-	<b>802.48</b>
<b>Financial liabilities</b>							
Long term Borrowings *	20, 24	-	-	-	-	-	14.40
Short term Borrowings**	24	60.81	-	60.81	-	-	40.70
Trade payables	26	952.65	-	952.65	-	-	710.37
Lease Liabilities	21, 25	-	-	-	-	-	1.78
Other financial liabilities	22, 27	10.59	-	10.59	-	-	10.50
<b>Total financial liabilities</b>		<b>1,024.05</b>	-	<b>1,024.05</b>	-	-	<b>777.75</b>

\* 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.





## Notes to the Standalone Financial Statements

(Rupees in Crores)

**47. Corporate social responsibility**

Requirements of Section 135 of the Companies Act, 2013 are applicable to the Company for the year ended March 31, 2026 and not applicable for the year ended March 31, 2025.

a) Gross amount required to be spent by Company during the year - ₹ 1.01 Crores (Previous year: ₹. Nil)

b) Amount spent during the year:

**Year ended 31-03-2026**

Particulars	Amount required to be spent for the year	Amount of expenditure incurred	Shortfall at the end of the year (Refer note below)	Total of previous years shortfall
a) Construction / acquisition of any assets	-	-	-	-
b) On purpose other than (a) above	1.01	0.24	0.77	-

**Year ended 31-03-2025**

Particulars	Amount required to be spent for the year	Amount of expenditure incurred	Shortfall at the end of the year (Refer note below)	Total of previous years shortfall
a) Construction / acquisition of any assets	-	-	-	-
b) On purpose other than (a) above	-	-	-	-

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.

**Note:** Balance unspent amount of ₹0.77 crores will be transferred to specified fund within the due date. i.e, September 30, 2026.

**48. Code of Social Security, 2020**

Pursuant to the notification issued by the Ministry of Labour and Employment, twenty-nine existing

labour regulations have been consolidated into a unified framework comprising four Labour Codes, collectively referred to as the 'New Labour Codes' which became effective from 21st November 2025. The Company has reassessed its employee benefit obligations in accordance with the New Labour Codes and accordingly, an incremental liability of ₹2.61 crores has been recognized as an Exceptional Item during the year ended 31st March 2026. As the rules for the New Labour Codes are yet to be notified, the impact of those will be evaluated and accounted for in the period in which they are notified.

**49 Ratios as per the Schedule III requirements**

As at March 31, 2026

Ratio	Numerator	Denominator	Numerator	Denominator	Current Period	Previous Period	Variance %	Reason for Variance (more than 25%)
Current ratio	Current assets	Current Liabilities	1,539.12	1,056.35	1.46	1.51	(3.35)	
Debt equity ratio	Net Debt	Total Equity	(1.86)	545.46	(0.00)	0.07	(104.71)	Reflects reduction in Net debt
Debt service coverage ratio	Earning available for debt service	Interest expense and Principal Repayments of long term loans made during the period excluding prepayment	225.12	55.22	4.08	2.88	41.42	Increase in EBITDA
Return on equity ratio	Net profit after tax	Average shareholders equity	127.56	501.23	0.25	0.18	38.81	Increase in Net Profit
Inventory turnover ratio	Cost of goods sold	Average inventory	6,453.69	427.88	15.08	13.76	9.65	
Trade receivables turnover ratio	Turnover (Including GST)	Average trade receivables	8,053.09	855.85	9.41	8.86	6.24	
Trade payables turnover ratio	Purchases (Including GST)	Average trade payables	7,725.11	831.51	9.29	9.18	1.24	
Net capital turnover ratio	Revenue from operations	Working capital	6,824.65	482.77	14.14	13.09	7.99	
Net profit ratio	Net profit after tax	Revenue from operations	127.56	6,824.65	0.02	0.01	25.97	Increase in Net profit
Return on Capital employed	Earnings before interest & Taxes	Average Capital employed	215.40	516.84	0.42	0.31	35.71	Increase in EBIT

**Note:**

- 1) Return on Investment ratio is not applicable as there are no investments.
- 2) For FY 24-25 The Ratios have been calculated considering the assets and liabilities acquired by the company pursuant to the scheme of arrangement as opening assets and liabilities.



**Notes to the Standalone Financial Statements**

(Rupees in Crores)

**50.** 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

**51.** 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

**52.** 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

**53.** The Company has not operated in any crypto currency or Virtual Currency transactions

**54.** The Company has no transactions with the struck off companies under section 248 of Companies Act, 2013.

**55.** 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.

**56.** 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.

**57.** The scheme of arrangement amongst the Company ("SBL" or "Resulting Company"), Shankara Building Products Limited ("SBPL" or "Demerged Company" or "erstwhile holding company") and their respective shareholders and creditors, was approved by the Board of Directors of the Company and SBPL on 18th December 2023, providing for the demerger of the "Trading Business" of the Demerged Company to the Company in compliance with Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme").

The Company has received the order from Hon'ble National Company Law Tribunal, Bengaluru Bench ('NCLT') dated 21st August 2025 wherein the NCLT has approved the Scheme. The scheme has become effective on 9th September 2025 upon filing of the certified copies of the NCLT Order, sanctioning the scheme, with the respective jurisdictional Registrar of Companies.

The demerged company has given effect to the scheme by transferring specific income, expenses, assets, liabilities and reserves relating to trading business as prescribed in the scheme, comprised in the demerged Company and vested in the resulting Company, at the respective carrying values as appearing in the books of the demerged company with effect from 1st April 2024, being the appointed date.

**58. Events occurring after the Balance Sheet date**

The Board has recommended a final dividend of ₹5/- (Rupees five only) per equity share (face value of ₹ 10/- each) for the financial year ended 31-03-2026 aggregating to ₹12.12 crores subject to the approval of shareholders in the ensuing Annual General Meeting.



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**Notes to the Standalone Financial Statements**

(Rupees in Crores)

**59.** The previous year figures have been regrouped / rearranged wherever necessary to conform to the current year presentation.

As per our report of even date attached  
**For ASA & Associates LLP**  
Chartered Accountants  
ICAI Firm Reg.No:009571N/N500006

**GN Ramaswami**  
Partner  
Membership No: 202363

Place: Bengaluru  
Date: 19th May , 2026

**For and on behalf of the Board of Directors of  
Shankara Buildpro Limited  
(formerly known as Shankara Buildpro Private Limited)**

**Sukumar Srinivas**  
Managing Director  
DIN: 01668064

**Alex Varghese**  
Chief Financial Officer

Place: Bengaluru  
Date: 19th May , 2026

**Dhananjay Miralay Srinivas**  
Director  
DIN: 09108483

**Ereena Vikram**  
Company Secretary  
ACS Membership No: 33459

SHANKARA  
**Buildpro**  
LIMITED