



SHIVALIK BIMETAL
CONTROLS LIMITED

Galvanizing The Electrification Era

Shivalik Bimetal Controls Ltd. - at the Vanguard of the World's Sustainable Progress





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As we look back on the past year, we are determined to remain pivotal to the global electrification movement, which is revolutionizing industries and shaping the lives of people worldwide. Our commitment to innovation, quality, and excellence has secured our position at the forefront of this electrification epoch, allowing us to contribute significantly to a greener, more sustainable future.

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Our expertise of Bimetal Strips and Shunt Resistors has played a crucial part in propelling the adoption of trailblazing technologies in rapidly expanding sectors such as Energy Storage, Power Electronics and Electrical Home Appliances. By relentlessly pushing the envelope, we have established ourselves as a trusted leader in our domain, forging robust partnerships and collaborations with both industry behemoths and rising stars.

Over the past year, we have concentrated our efforts on broadening our product range, capitalizing on our profound understanding of market trends and customer requirements to provide bespoke

solutions for a wide array of applications to industry leading OEMs. Our cutting-edge manufacturing facilities, combined with our exceptional team, have guaranteed unwavering quality and dependability, further cementing our status as the partner of choice for businesses seeking to seize the electrification opportunity.

As we head into the future, Shivalik remains determined to grow its influential role in the global shift towards electrification. We will persist in expanding our capacities, championing ground-breaking research and development initiatives, forging novel alliances, and venturing into untapped markets to fortify our position and generate value for our stakeholders.



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Together, we will continue to lead the charge in the global electrification surge, delivering innovative solutions that shape the future and improve the lives of people everywhere.

Mr. N.S. Ghumman
Managing Director
Shivalik Bimetal Controls Ltd.

At a Glance

Forging Ahead:

Upholding a Rich Legacy

Shivalik Bimetal Controls Ltd., established in 1984, is a distinguished process and product engineering company based in India. We specialize in manufacturing of Thermostatic Bimetal /Trimetal strips, Components, EB welded products with multigauge, Cold Bonded Bimetal Strips and Parts. We also specialize in manufacturing of shunt resistors and silver & electrical contacts. Our precision-crafted components find applications in a wide range of industries, including electrical, electronics, automotive, agricultural, medical, defence, and industrial sectors. Our intellectual capital and deep expertise in engineering allows us to not only meet current industry needs but also anticipate future trends. Shivalik holds a pivotal position in the high-growth segments of Automotive, Industrial Equipment, and Power Electronics, where our electrical components define performance standards.



The rising demand for switchgear, battery management and smart metering systems also conveys solid long-term prospects for Shivalik's product lines. With its unique business model based on proprietary bimetal technologies and niche solutions that OEMs demand, Shivalik thrives in an industry with high entry barriers. Today, as a valued vendor, the Company is making a mark in supplying high-quality shunt resistors to the fast-emerging electric vehicles and customisable smart meters of the future.

Shivalik's highly experienced management has led the Company to prominent ownership in technology and applications. Its solid balance sheet, combined with prudent capital management, drives Shivalik's robust growth potential. Shivalik's plants are operated by a team of **808 vastly skilled people**, Shivalik serves more than **125 clients globally**.

39.57%

YoY growth in PAT from
FY22 to FY23

38+

Countries we sell to

29.70%

YoY growth in Revenue from
operations from FY22 to FY23

42.79%

YoY growth in EBIDTA from FY22
to FY23

125+

No. of customers globally

Chairman's Message



“

SBCL's commitment to innovation, customer satisfaction, and strong partnerships has solidified our position as a preferred supplier, enabling us to drive efficiency, reliability, and safety across these industries.

Mr. S.S. Sandhu
Chairman & Whole time Director
Shivalik Bimetal Controls Ltd.

Dear Shareholders,

I am pleased to present the Chairman's Letter for Shivalik Bimetal Controls Ltd. (SBCL) as part of the Annual Report for FY23. This letter aims to provide you with a comprehensive overview of our strategic progress, technological advancements, financial prudence, commitment to sustainable growth, and our dedication to creating long-term value.

In FY23, SBCL has achieved significant milestones, driven by our focus on empowering energy management. As the world embraces the global wave towards electrification, our comprehensive portfolio of electrical components has positioned us at the forefront of this transformative journey, enabling reliable and efficient energy management across industries and homes.

SBCL remains committed to driving innovation in an ever-evolving world. Our strong partnerships with Original Equipment Manufacturers (OEMs), cutting-edge welding technologies, and intellectual capital have solidified our position as a trusted partner in emerging applications such as Battery Management Systems (BMS) and smart metering. We leverage our collective knowledge, experience, and expertise to develop cutting-edge solutions and shape the future of electrical components.

SBCL's components play a pivotal role in various sectors, including smart metering, switchgear, automotive applications, consumer electronics, telecommunications, and renewable energy systems. The world is witnessing a rapid shift towards smart metering technologies, the growth of the switchgear industry, and the electrification of automotive systems.

Our technological prowess, particularly in advanced welding techniques such as Electron Beam Welding as well as Hot/Cold Diffusion Bonding, has set us apart in the industry. These cutting-edge methods allow us to integrate diverse materials and alloys, resulting in robust and reliable electrical components. SBCL's intellectual capital, comprising our skilled workforce and specialized domain knowledge, further strengthens our competitive advantage. By embracing advancements in automation, data analytics, and digitalization, we are determined to stay at the forefront of engineering innovation and continuously optimize our manufacturing processes.

Financially, SBCL has maintained a robust balance sheet, underpinned by good governance, financial stewardship, and prudent capital management. Our tangible fixed assets have experienced consistent growth, reaching

“

Through continuous improvement initiatives, we are optimizing our energy consumption, reducing waste generation, and adopting environmentally friendly practices across our operations.

₹255 crore (FY23),

Our net worth has grown steadily, reaching ₹255 crore in FY23, showcasing our commitment to long-term value creation for our shareholders.

₹102 crore in FY23, compared to ₹49 crore in FY18. This increased capital expenditure (Capex) has empowered us to expand our manufacturing infrastructure, enhance our research and development capabilities, and strengthen our market position. Furthermore, our net worth has grown steadily, reaching ₹255 crore in FY23, showcasing our commitment to long-term value creation for our shareholders. In light of the recent strategic bulk deal involving long-term marquee institutional investors, we are pleased to welcome FIIs, DILs, and family offices as esteemed investors to our shareholder base, further reinforcing our commitment to growth.

At SBCL, sustainable growth is an integral part of our business philosophy. We are committed to minimizing our environmental impact and fostering positive social change.

Additionally, we actively engage with our local communities, contributing to their well-being through various social initiatives, education programs, and skill development opportunities. Education has been a key focus area for us, and we have invested in promoting education, including special education projects. We have worked towards improving access to quality education and supporting educational initiatives through our partnership with the ABS Foundation.

Healthcare initiatives have also been a priority for us. We have dedicated resources to promote healthcare, including preventive measures. Our involvement has contributed to the well-being of communities and the improvement of healthcare facilities. These initiatives are part of our diverse CSR projects and reflect our dedication to creating a positive impact on education, healthcare, employment, and rural development.

In conclusion, I extend my heartfelt gratitude to our shareholders, customers, employees, and business partners for their unwavering support and trust. Together, we will continue to drive SBCL's growth, deliver long-term value, and forge a brighter future. Our commitment to technological excellence, financial prudence, and sustainable growth will remain unwavering as we navigate the evolving landscape and create shared value for all stakeholders.

Warm regards,

Mr. S.S. Sandhu

*Chairman & Whole time Director
Shivalik Bimetal Controls Ltd.*

Empowering Energy Management:

The Criticality of SBCL's Components



In the ever-evolving world of energy management, the fundamental role of electrical components cannot be overstated. In the global wave towards electrification, SBCL's components power the transformation taking place across industries and homes. From residential distribution boards and circuit breakers to commercial power transmission and control systems, SBCL's components ensure reliable and efficient energy management.



Smart Metering

Within the smart metering sector, SBCL's precise current sensors, shunt resistors, and silver contacts (SEPPL) play a critical role. They enable accurate monitoring and control of energy consumption in smart meters, promoting energy efficiency and data-driven decision-making.

The global smart metering market size is expected to reach USD 26.7 billion by 2026, growing at a compound annual growth rate (CAGR) of over 9% during the forecast period.



1.2 billion

Projected cumulative installed base of Smart Meters by 2026.

The cumulative global installed base of smart electricity meters is projected to surpass 1.2 billion units by 2026. This indicates the widespread adoption and deployment of smart metering technologies across various regions.

Asia Pacific is anticipated to witness substantial growth in the smart metering sector, driven by rising electricity demand, infrastructure development, and government initiatives promoting energy efficiency. Europe is also expected to contribute significantly to the market growth, with the replacement of traditional meters and smart grid modernization efforts. In addition, Governments and regulatory bodies across the globe are implementing policies and regulations to drive smart meter adoption. These mandates aim to improve energy efficiency, reduce carbon emissions, and empower consumers with real-time energy usage information.

The Indian smart meter market is projected to grow at a CAGR of over 9% between 2023 and 2028, due to favourable government initiatives and the deployment of 5G networks.

Empowering Energy Management:

The Criticality of SBCL's Components



Switchgear

The Company's electrical products such as thermostatic bimetal, silver contacts, thermal protectors, and current sensors play a critical role in ensuring the safe and efficient operation of switchgear systems. SBCL's products are designed to withstand high currents, offer precise measurement capabilities, and provide reliable circuit protection, making them indispensable in switchgear applications.

SBCL's growth in the switchgear industry can be attributed to its focus on customer satisfaction and building strong partnerships.



SBCL's commitment to innovation and continuous improvement has fuelled its success in the switchgear industry. The company's research and development efforts focus on developing cutting-edge solutions that address the evolving needs of the market. By incorporating the latest technologies and adhering to international standards, SBCL stays at the forefront of the switchgear industry, providing state-of-the-art components to its customers. With the increasing adoption of smart grid technologies, SBCL's products have found extensive applications in advanced switchgear systems, including smart meters, digital protection devices, and intelligent control panels. The company's products enable seamless integration, enhanced monitoring capabilities, and improved energy management, supporting the global shift towards a more connected and sustainable electrical infrastructure.

21.7%

Compound Annual Growth Rate (CAGR) of the EV Market 2022-2030

The company has established long-term relationships with renowned switchgear manufacturers and original equipment manufacturers (OEMs), securing its position as a preferred supplier in the industry.



Automotive Segment

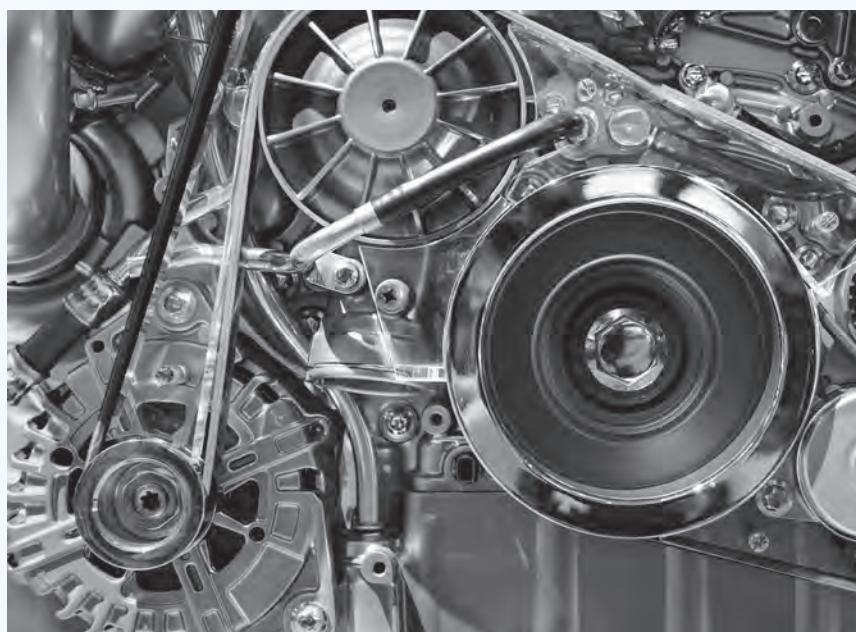
The automotive sector is undergoing significant transformation with the advent of electric vehicles (EVs) and increasing focus on advanced driver assistance systems (ADAS). As a result, the demand for various components, including shunt resistors, is expected to experience substantial growth.

Shunt resistors are commonly used in BMS for current sensing and monitoring the charging and discharging of batteries. With the increasing adoption of electric vehicles, the demand for shunt resistors in BMS applications is expected to rise significantly. Automakers worldwide are also placing a significant emphasis on improving energy efficiency and reducing carbon emissions. This drive towards energy efficiency requires precise measurement and control of electrical currents.

The increasing electrification of automotive systems, including powertrain, battery management, and charging infrastructure, creates a higher demand for shunt resistors.

In the dynamic landscape of the automotive industry, Shivalik Bimetal Controls Ltd. stands out as a beacon of innovation and excellence, particularly in the motor controls and power electronics domains within our shunt resistor segments. Our unwavering commitment to precision engineering and cutting-edge technology has positioned us as a formidable player in addressing the critical needs of current sensing, electronic control units, and power electronics. Our adeptness in manufacturing high-precision shunt resistors underscores our ability to deliver accurate current sensing solutions that are integral to the optimal functioning of motor controls.

The global Electric Vehicle Market size is projected to grow from 8,151 thousand units in 2022 to 39,208 thousand units by 2030, at a CAGR of 21.7% (2022-2030).



Empowering Energy Management:

The Criticality of SBCL's Components

Automotive Segment *continued*

In the realm of power electronics, we take pride in our capacity to shape the future of energy management in automobiles. Our shunt resistors serve as vital components that facilitate the efficient distribution and management of power within vehicles. This not only enhances overall performance but also contributes to the growing imperative of sustainable transportation. As we navigate the evolving landscape of electrification, Shivalik Bimetal Controls Ltd. remains dedicated to harnessing the full potential of power electronics, aligning with global efforts to reduce carbon footprints and embrace clean energy solutions.

The applications of shunt resistors in Battery management systems (BMS) are integral to electric and hybrid vehicles as they ensure the optimal performance and safety of the battery pack.



58%

of global passenger car sales are anticipated to be represented by electric vehicles by 2040, as stated in a report by BloombergNEF.

SBCL's shunt resistors are at the forefront of the electric and hybrid vehicle revolution.



Sustainability & Renewable Energy Systems

SBCL's products are the driving force behind the transformative journey of energy management. With unwavering reliability, a commitment to innovation, and a focus on sustainability, SBCL solidifies its status as a foundational building block within the wave towards global electrification. The global transition towards renewable energy sources is driving the growth of the renewable energy systems market. Solar power, wind power, and storage of power generated through these renewable energies are becoming increasingly prevalent. SBCL's products such as current sensors & electrical contacts are critical in ensuring the efficient and safe operation of these renewable energy systems.

As the world continues to evolve, SBCL is poised for continued growth, contributing significantly to efficient energy management on a global scale.

The global transition towards renewable energy sources is driving the growth of the renewable energy systems market. Solar power, wind power, and storage of power generated systems are becoming increasingly prevalent. SBCL is prepared to meet the increasing demand for reliable and innovative electrical solutions across these industries, contributing to their growth and technological advancements.



65%

*is the proportion by which
renewable sources are expected
to contribute to India's energy mix
by 2030.*

Forging the Future:

SBCL's Technological Prowess and Intellectual Capital



From strong industry relationships to intellectual capital and competitive cost advantages, SBCL's capabilities provide long-term visibility and shape the company's engineering technology landscape.

These cutting-edge techniques allow the seamless integration of diverse materials and alloys, resulting in robust and reliable electrical products like bimetal/trimetals, shunt resistors, and electric contacts. With core competencies in these welding technologies, SBCL has become a trusted partner for innovative solutions.

The company's technological prowess has garnered strong approval and forged deep OEM relationships, particularly in emerging applications such as Battery Management Systems (BMS), smart metering, and Electrical Control Units.

₹420 crore

Standalone Revenue, after rising 29.70% YoY

SBCL's expertise of welding technology, particularly in Electron Beam Welding and Hot/Cold Diffusion Bonding, has propelled the company to the forefront of the industry.

Unveiling the intellectual capital behind SBCL, it becomes evident that the collective knowledge, experience, and expertise of its employees form the common denominator in the company's success. With a highly skilled workforce possessing specialized domain knowledge, SBCL harnesses its intellectual capital to drive innovation and develop cutting-edge solutions.

This intellectual capital is not just a valuable asset; it also forms a significant moat around the company, providing long-term visibility and

competitive advantage. SBCL's ability to leverage its intellectual capital in designing and manufacturing critical electrical products thereby strengthening its market position. The company's unwavering commitment to research and development cements its intellectual capital as a vital asset.

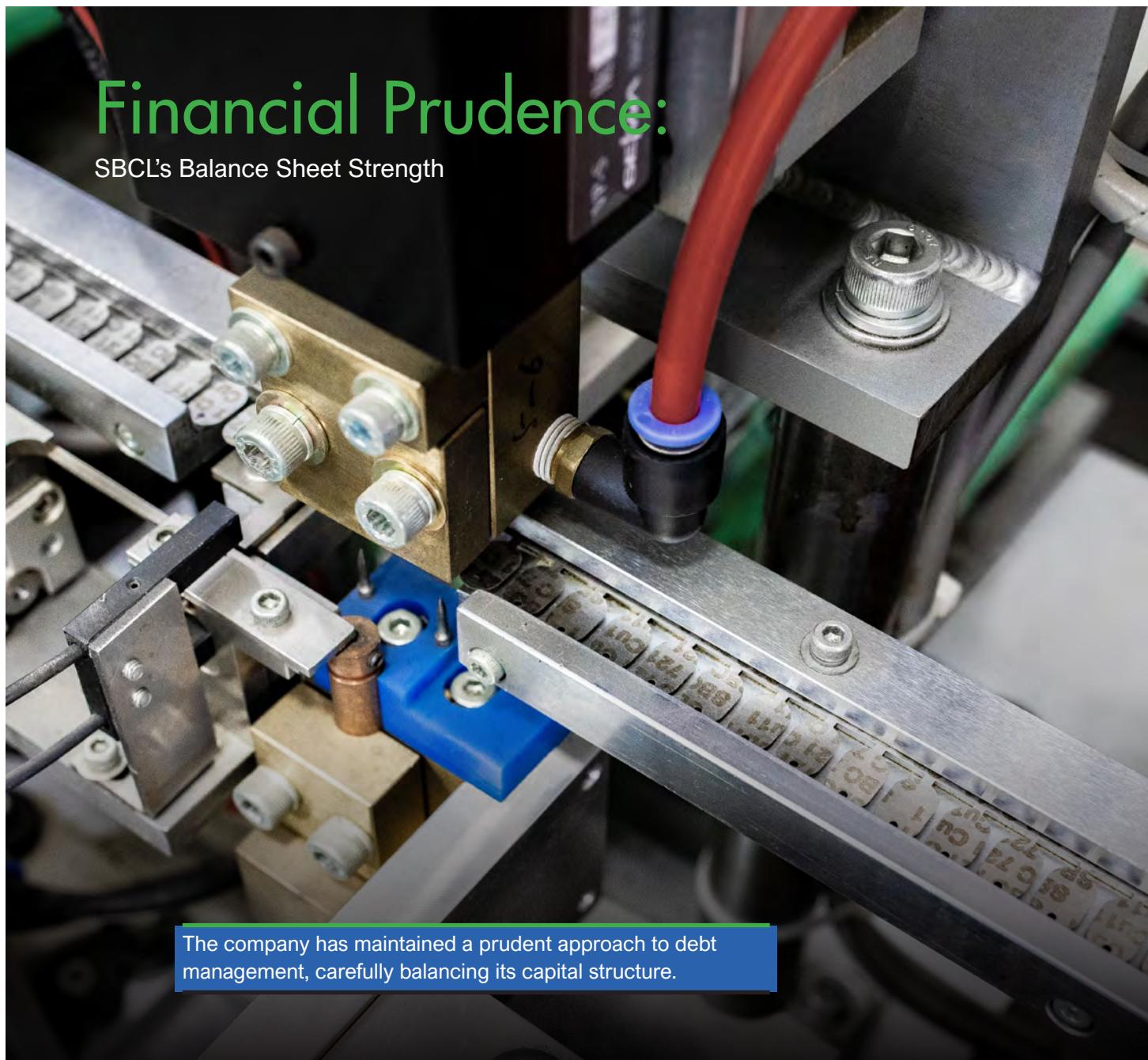
By optimizing processes and leveraging their technological prowess, SBCL achieves cost efficiencies while maintaining the highest quality standards.

Furthermore, SBCL's expertise in welding technology and lean manufacturing process allows it to manufacture products at a much more competitive cost.

This competitive cost advantage solidifies the company's position in the market, attracting customers seeking superior products at a reasonable price.

SBCL's dedication to engineering technology ensures continuous improvement and adaptability to meet the evolving needs of the industry. By embracing advancements in automation, data analytics, and digitalization, SBCL stays at the forefront of engineering innovation, driving efficiency and optimizing manufacturing processes.

With strong OEM relationships, intellectual capital, and competitive cost advantages, SBCL is positioned for long-term success. The company's commitment to engineering technology and its people's specialized knowledge domain further solidify its position as an industry leader, ready to forge the future of electrical components.



Financial Prudence:

SBCl's Balance Sheet Strength

The company has maintained a prudent approach to debt management, carefully balancing its capital structure.

With a focus on good governance, financial stewardship, healthy leverage, and a debt-free status, SBCl exemplifies a sound financial foundation.

SBCl's commitment to good governance and financial stewardship has been instrumental in building a robust balance sheet. The company's stringent financial management practices and adherence to global standards have ensured transparency, accountability, and ethical conduct. One notable aspect of SBCl's financial strength is its healthy leverage.

With a conservative and disciplined approach, SBCl has minimized financial risks and maintained stability.



Through effective inventory management, optimized receivables and payables cycles, and streamlined processes, SBCL has achieved a notable reduction in working capital days.

Furthermore, SBCL takes pride in its status as a more or less debt-free company. By diligently managing its finances and generating consistent cash flows, SBCL has significantly reduced its debt burden. This debt-free position not only reflects the company's financial stability but also enhances its credibility and flexibility in the market.

Moving on to the efficiency of SBCL's operations, the company excels in managing its working capital days.

The company has consistently allocated resources to expand and enhance its manufacturing capabilities, ensuring the delivery of high-quality products to its customers. Steady capex growth has strengthened SBCL's manufacturing infrastructure, enabling it to meet increasing market demand and explore new business opportunities.

With the steady execution of planned capex, SBCL has achieved a significant boost in its production capacity.

SBCL's commitment to staying ahead of market demand and investing in its manufacturing base reflects its long-term vision and strategic foresight.

Through good governance, financial stewardship, healthy leverage, and a debt-free status, SBCL demonstrates its commitment to sound financial management. The company's effective working capital management, continuous investments in manufacturing infrastructure, and upcoming capex growth further underline SBCL's financial strength and its ability to seize opportunities in the market.

This increased capacity will position the company for future growth and provide a competitive advantage in serving its customers' evolving needs.

50.98%

The company maintained a robust Gross Margin, with a 69bps improvement from the previous year.

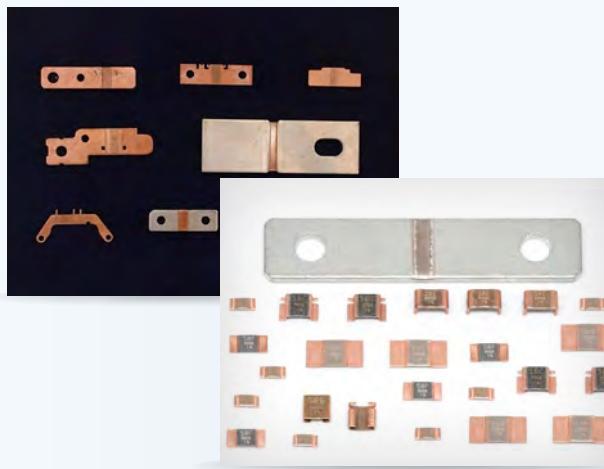
This achievement signifies the company's ability to maximize cash flows and maintain a healthy liquidity position.

24.84%

is the EBITDA Margin the company has maintained, showcasing a notable 214bps improvement over the previous year.

Our Portfolio

SHUNT RESISTORS



THERMOSTATIC BIMETALS



Product Description

- Shunt Resistors are ultra-low ohmic resistors used for high accuracy current detection and measurement
- It is used to measure and sense the flow of current and create a low resistance path for electric current to pass through it
- Shivalik, one of the preferred supplier globally, produces a wide range of highly dependable Resistors that are used in electronics, electrical and automotive industry

- Thermostatic Bimetals are “**critical components used in overload protection devices**”
- Thermostatic Bimetals are formed by mechanically diffusing two or more alloys to combine their individual properties
- Shivalik is the largest supplier of Thermostatic Bimetal in India with more than several decades experience, and possesses the potential to satisfy global demand

End Applications

Electric Vehicle

Energy Storage

Smart Meters

Power Modules

Switchgear

Electrical Appliances

Medical Devices

Automotive

ELECTRICAL CONTACTS



- Electrical contacts are key components which are connecting points when a switch is turned on or off
- The contact materials are typically made of different types of precious metal alloys. These materials are then joined on to copper alloy substrates using various methods
- Shivalik specializes in the production of electrical contacts with its core competency focused on specialized joining processes

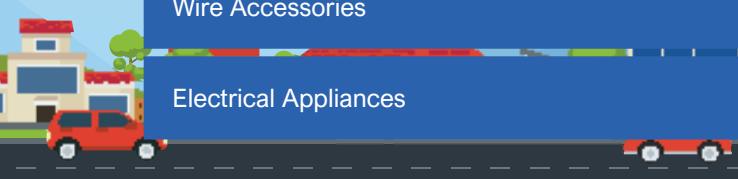


Smart Meters

Switchgears

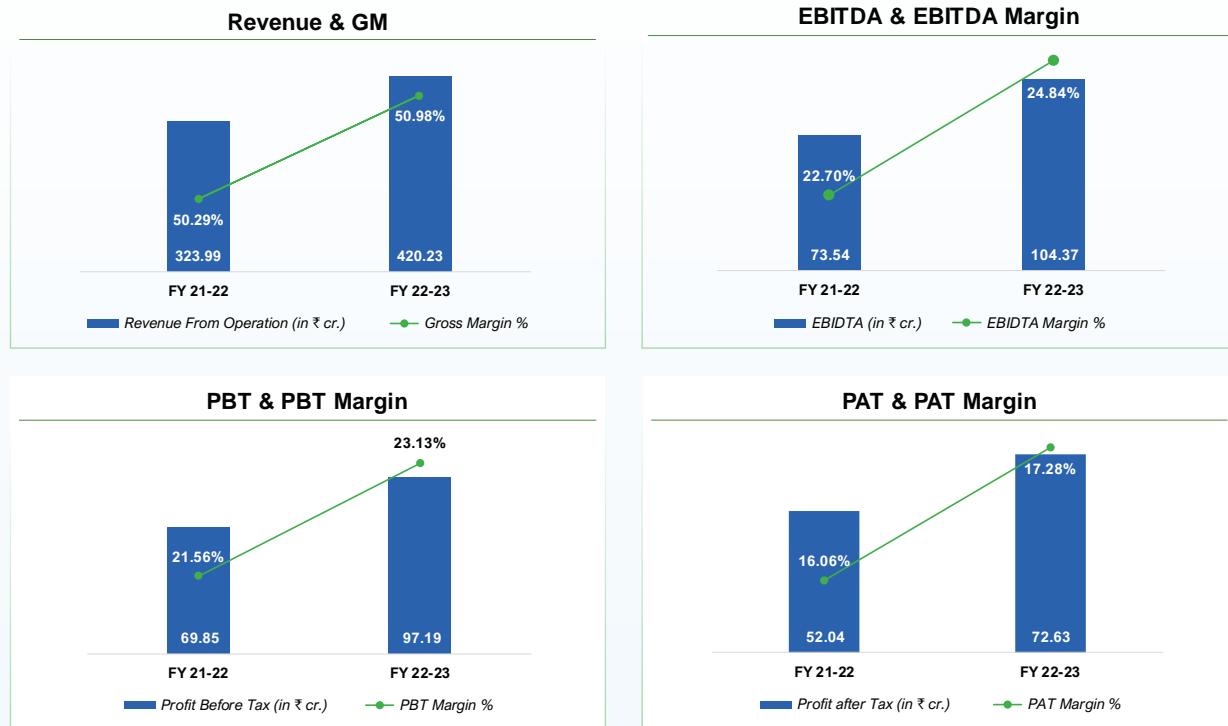
Wire Accessories

Electrical Appliances

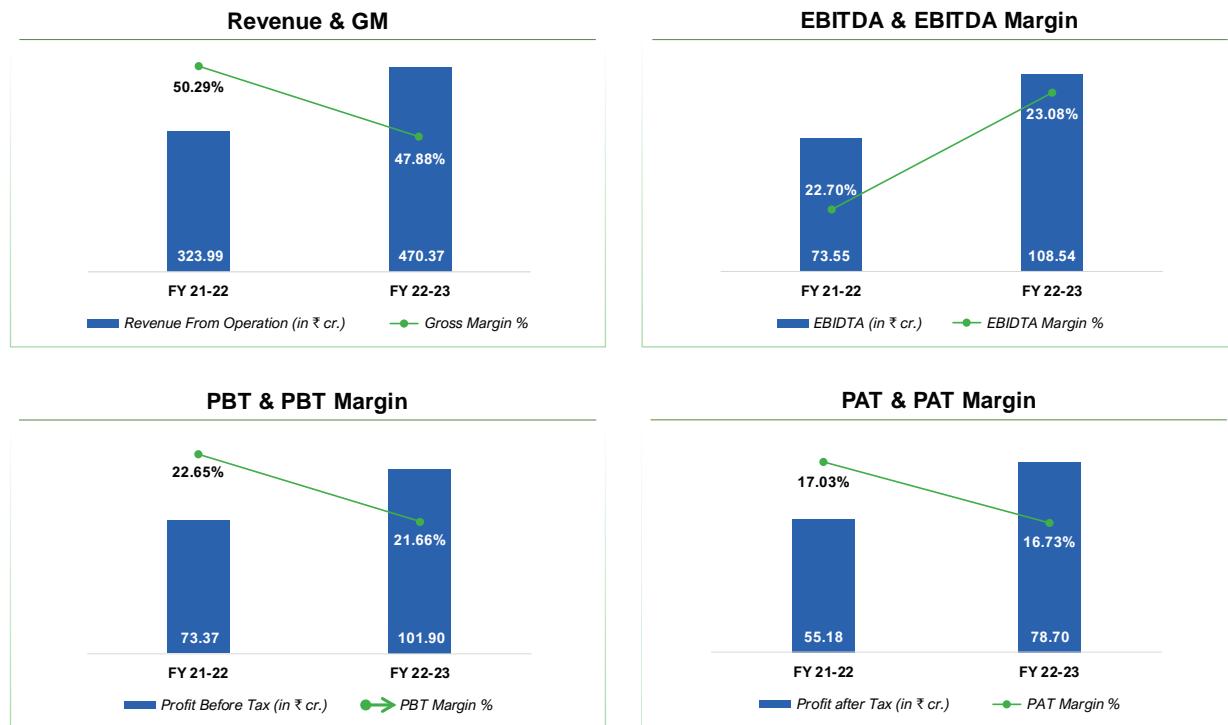


Key Performance Indicators

Profitability Matrix : Standalone



Profitability Matrix : Consolidated



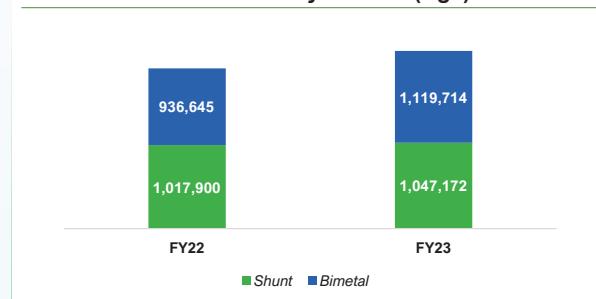
Segment wise Volume and Revenue Analysis

Shunt Resistors contribute 48% of total volume and 50% of total revenue while Bimetal contributes 52% of total volume and 50% of total revenue.

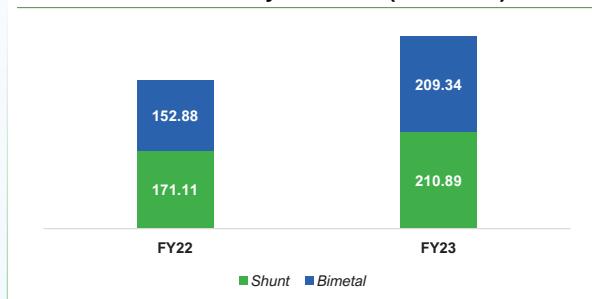
39.57%

is the year-over-year surge observed in PAT, climbing from ₹52.04 crore in FY22 to ₹72.63 crore in FY23.

Performance by Volume (Kgs)



Performance by Revenue (In ₹ crore)

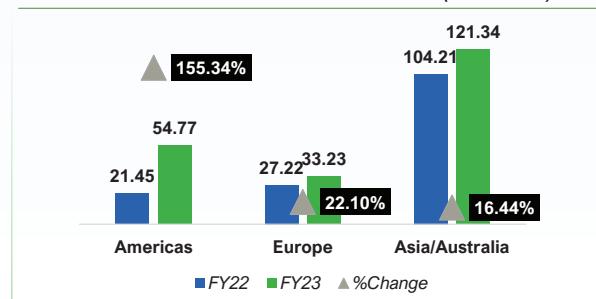


Segment wise Volume and Revenue Analysis

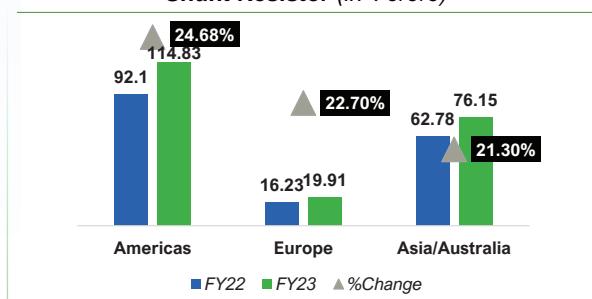
The company has gained significant market share in Americas.



Thermostatic Bimetals/Trimetals (in ₹ crore)



Shunt Resistor (in ₹ crore)



Corporate Information

Board of Directors

Mr. S.S. Sandhu,
Chairman

Mr. N.S. Ghuman,
Managing Director

Mr. Swarnjit Singh,
Independent Director

Mr. N.J.S. Gill,
Independent Director

Lt. Gen. Pradeep Khanna (Retd.),
Independent Director

Ms. Anu Ahuluwalia,
Woman Independent Director

Ms. Harpreet Kaur,
Non-Executive Woman Director

Mr. G.S. Gill,
Non-Executive Director

Chief Financial Officer

Mr. Rajeev Ranjan

Company Secretary

Ms. Aarti Sahni

Registered Office

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Phone: +91-11-26027174, 26028175
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Statutory Auditors

M/s. Arora Gupta & Co.,
Chartered Accountants
(Firm Registration No. 021313C)

1035, Deva Ram Park, Tri Nagar,
New Delhi 110035.

Bankers

Indian Bank
DBS Bank India Limited

Registrar & Share Transfer Agent

M/s MAS Services Ltd.
T - 34, IInd Floor, Okhla Industrial Area, Phase- II,
New Delhi-110020.

Tel No.: (91) (11) 26387281, 26387282, 26387283
Fax: (91) (11) 26387384

Email: info@masserv.com
Website: <http://www.masserv.com>

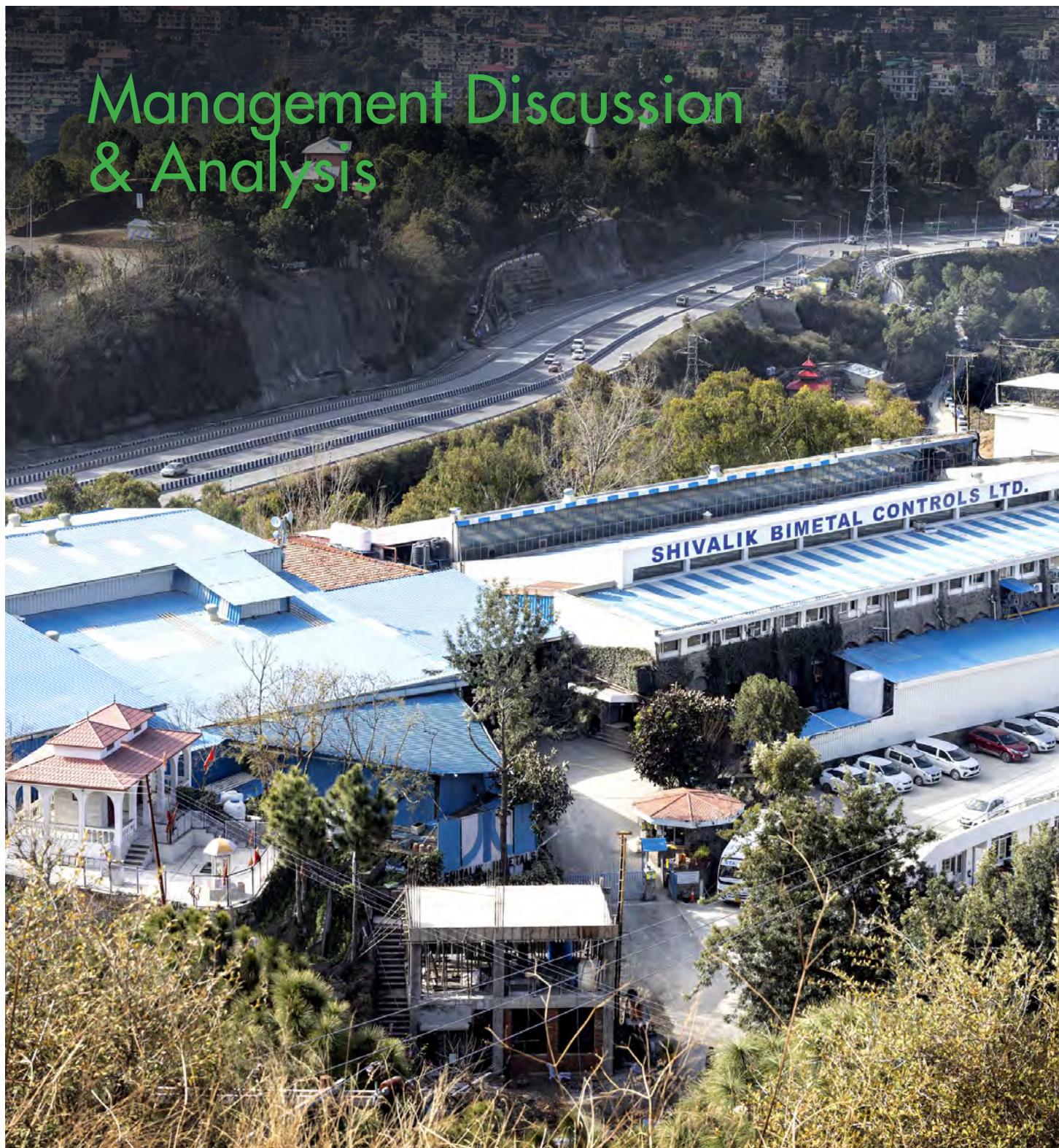


Unique Manufacturing Capabilities: World's Largest Capacity and Production of Strip Electronic Beam Welding



Statutory Reports & Financial Statements

Management Discussion & Analysis



5.3%

The expected growth rate of emerging markets and developing economies compared to projected 4.6% of advanced economies within Asia pacific region

Within the Asia Pacific region, advanced economies are projected to achieve a growth rate of 4.6%, while emerging markets and developing economies are expected to outpace them with a growth rate of 5.3%.



7.1 % (CAGR)

This industry is projected to grow at a significant rate, with a compound annual growth rate (CAGR) of 7.1% from 2020, reaching a market value of \$1,662.7 billion by 2025.

Despite these challenges faced by advanced economies worldwide, emerging markets and developing economies continue to drive global growth. According to the IMF regional outlook for Asia and the Pacific, this region is expected to contribute around 70% of global growth.

Within the US Banking System, notable setbacks were experienced by SVB and Signature Bank. It is anticipated that more banks may face similar circumstances. Furthermore, the US Economy encountered mounting debt pressure, adding to the overall economic concerns.

Analysing the regional outlook provided by the International Monetary Fund (IMF), it is projected that North America will grow at a rate of 1.6%, while South America is expected to experience slower growth at 1.0%. In Europe, the energy crisis resulting from Russia's invasion of Ukraine presents a difficult task of balancing inflation control, economic growth, and financial stability. Consequently, Europe is projected to witness a modest growth rate of 0.8% in 2023. On the other hand, emerging markets are leading the way with a growth rate of 1.2% compared to advanced European economies, which are expected to grow at a rate of 0.7%.

This growth is primarily propelled by China's recovery and the resilient growth observed in India. Within the Asia Pacific region, advanced economies are projected to achieve a growth rate of 4.6%, while emerging markets and developing economies are expected to outpace them with a growth rate of 5.3%.

Shivalik Bimetal Controls Ltd. recognizes the impact of these global economic dynamics on its business operations. The Company remains vigilant in monitoring these developments and adapting its strategies accordingly to navigate the challenges and capitalize on potential opportunities.

Economic Overview: Global Economic Overview:

The global economy faced significant challenges in 2022. Despite striving to maintain growth momentum, the global economy recorded a modest growth rate of 3.4% compared to the remarkable 6.1% achieved in the previous year. This slowdown was attributed to various factors including geopolitical tensions, rising inflation leading to a Cost-of-Living Crisis, and disruptions in the supply chain.

The Company observed that these challenges were further exacerbated by strained relations between the United States and China, as well as Russia's invasion of Ukraine. Consequently, governments and global businesses started considering a more independent world, leading to the adoption of strategies such as the "China Plus One" approach. Moreover, Russia and China aimed to challenge the dominance of the US Dollar in global trade, introducing additional complexities to the economic landscape.

Management Discussion & Analysis

continued



According to the esteemed International Monetary Fund (IMF), India's economy is projected to grow by 5.9% in 2023, followed by a further improvement to 6.3% in 2024.

Although the IMF has slightly revised its growth outlook with minor adjustments of -0.2% for 2023 and -0.5% for 2024, India remains a shining beacon of economic prosperity in the global arena.

Overview of Indian Economy:

India's economic resurgence in 2021 was nothing short of exceptional, with a growth rate of 9.1% amidst the challenges posed by the COVID-19 pandemic. This achievement positions us as frontrunners in global economic leadership. In 2022, despite turbulent global conditions, India showcased its resilience, outperforming its peers with a growth rate of 6.8% while the global economy struggled to reach a mere 3%.

As we look forward to 2023, we recognize that India is not impervious to global headwinds, but our resilience shields us from its full impact. With solid microeconomic fundamentals and the prudent fiscal and monetary policies implemented by the central government and central bank, we are well-equipped to navigate the unpredictable road ahead.

In its April 2023 bulletin, the Reserve Bank of India (RBI) highlights key risks to our growth and inflation outlook, including geopolitical tensions, global inflation, volatile financial markets, and climate shocks. While global uncertainty poses concerns, the RBI assures us that the Indian Financial Sector remains robust, with strong banks and financial institutions boasting solid balance sheets and ample capitalization. With an optimistic outlook on a favourable monsoon season and an anticipated bumper rabi harvest, we anticipate a decline in food inflation.

India's participation in world trade continues to exhibit substantial growth, particularly in the aftermath of the global COVID-19 pandemic that prompted a strategic shift among global companies towards diversification. This fiscal year, India's goods exports grew by an impressive 6%, while imports recorded a substantial growth of 16.5%. The Ministry of

Commerce and Industry has set ambitious targets to secure a 10% share in global exports by 2047 (currently at 2.1%), with an interim goal of reaching 3% by 2027. We aim to bolster our exports' contribution to the gross domestic product to 25%, focusing on key sectors such as pharmaceuticals, gems & jewellery, marine & agriculture, textiles & leather, engineering goods, electronics & telecom products, and chemicals.

Banking on increased government capital expenditure, especially in infrastructure development and supply chain enhancement through the transformative PM Gati Shakti initiative, India propels itself toward the ambitious goal of becoming a USD 5 trillion economy by 2025. Furthermore, India is poised to lead the electric vehicle revolution, with robust government support through initiatives like FAME and PLI. The EV industry experiences heightened capital investments from leading manufacturers, igniting excitement and opportunities within the sector.

India's boundless business potential is further bolstered by the government's commitment to economic growth. Strategic initiatives such as Make in India, Digital India, and Start Up India foster entrepreneurship, innovation, and manufacturing, creating a conducive environment for businesses to flourish. Recent reforms in key sectors such as agriculture, labor, and education propel India forward on its journey to becoming a global economic powerhouse.

The strides made by India in its economic resurgence present opportunities for growth and investment, underpinned by the government's resolute vision for a prosperous future.

Industry Overview:

Shivalik is a global leader in material joining technologies, employing advanced methods such as Diffusion Bonding/Cladding, Electron Beam Welding, Solder Reflow, and Resistance Welding. Our extensive product portfolio encompasses Thermostatic Bimetal, Clad Metal, Spring Rolled Stainless Steels, Electron Beam Welded Materials with multi-gauge and multi-material strips, and parts. We cater to diverse industries, including switchgear, Energy Meters, Industrial, Electrical, Automotive, Electrical Home Appliances, and Power Electronics. Our growth is intricately tied to the

While major global economies grapple with mounting debt burdens exceeding their GDP, India maintains a favourable debt-to-GDP ratio of approximately 70%. Moreover, India's foreign exchange reserves of \$586.41 billion provide a substantial cushion, equivalent to 10-11 months of import bills.

advancements in the Electrical, Electronics, and Automotive sectors.

Electrical Equipment Market:

Shivalik Bimetal Controls Ltd. recognizes the growth potential within the global electrical equipment market and remains dedicated to driving innovation. This industry is projected to grow at a significant rate, with a compound annual growth rate (CAGR) of 7.1% from 2020, reaching a market value of \$1,662.7 billion by 2025. Looking ahead, a projected CAGR of 6.2% is expected to further drive the market value to \$2,248.2 billion by 2030.

India, as a prominent player in global growth, is witnessing a surge in energy demand due to population expansion, urbanization, industrialization, and increasing affluence. The Indian electrical equipment market is anticipated to experience substantial growth, amounting to \$33.74 billion between 2021 and 2025. This growth is influenced by the country's ambitious renewable energy goals, aiming to achieve 817 GW of renewable energy capacity by 2030.

The electrical equipment market in India, valued at USD 6,550.3 million in 2022, is expected to grow at a robust CAGR of 13.82% over the next decade.

The National Green Hydrogen Mission of India has also received an allocation of ₹19,700 crore to accelerate the transition to clean energy sources. Additionally, the government has pledged to reduce the nation's total carbon emissions by one billion tonnes by the end of this decade. With targets to achieve a carbon intensity reduction of less than 45% by 2030 and net-zero carbon emissions by 2070, the sustainability drive presents opportunities for our organization.

Management Discussion & Analysis

continued

8.1% CAGR

The global Smart Meter sector is expected to grow at a CAGR of 8.1% from 2021 to 2028, reaching an estimated market size of USD 36.00 billion by 2028

Smart Metering:

Shivalik Bimetal Controls Ltd. is positioned to benefit from the global smart electric meter market. This sector is expected to grow at a CAGR of 8.1% from 2021 to 2028, reaching an estimated market size of USD 36.00 billion by 2028. Factors such as rapid urbanization, the rise of smart cities, and the increasing use of renewable energy sources are driving the market's growth.

India's Smart Meter National Programme presents a significant opportunity for companies like ours. The program aims to replace 25 crore conventional meters with smart meters.

With the increasing momentum in smart meter installations, we expect a surge in demand for our electrical components.

Automotive Industries:

Shivalik Bimetal Controls Ltd. actively participates in the automotive sector, in Internal Combustion Engine (ICE) and in the electric vehicle (EV) market. As more electrical and battery management systems are integrated into motor vehicles, Shivalik's shunt resistors continue to play a vital role in ICE as well as electrically powered vehicles. The growth in the automotive segment is led by a growing global EV industry that has witnessed substantial momentum in recent years. In 2022, the number of electric cars on the roads exceeded 26 million, marking a significant 60% increase from the previous year. This growth trend has continued into the first quarter of 2023, with a 25% rise in EV sales compared to the same period in 2022, totaling 2.3 million EVs sold. By the end of 2023, sales are expected to reach 14 million, with electric cars accounting for 18% of total car sales. This surge is driven by progressive policies, incentives, and a growing preference for sustainable mobility.

Furthermore, the Indian EV market is forecasted to expand at a remarkable CAGR of 36% until 2026, with the EV battery market expected to

According to reputable organizations like NITI Aayog and India Energy Storage Alliance, the EV finance industry in India is projected to reach ₹3.7 lakh crore (US\$ 50 billion) by 2030, offering substantial growth opportunities for the EV component industry.

witness a robust CAGR of 30% during the same period. These indicators highlight the increasing demand for EV components, including batteries, and position us favourably in this dynamic market.

Switchgear Industry:

Shivalik Bimetal Controls Ltd. maintains a strong position in the global switchgear market, capitalizing on industry growth.

The increasing demand for electricity generation is a key driver behind this growth. With a presence in the Asia-Pacific region, particularly in India, Shivalik is well-positioned to benefit from opportunities in the domestic and global switchgear market. Taking into account the Indian government's infrastructure development schemes, including Smart Cities, Make in India, Digital India, and Housing for All, these schemes are expected to drive a CAGR of over 9% in the Indian switchgear market until 2023. This growth is seen across various sectors, including residential, commercial, and industrial applications. In addition, Shivalik's promising growth in the USA switchgear market is positioned to rise in tandem with the American real estate and development sector that is gaining momentum post Covid-19 and inflationary pressures.

Moreover, the rising per capita income and demand for electrical appliances, such as air conditioners and refrigerators, contribute to the increased need for switchgear. Shivalik anticipates a significant surge in demand for our components in response to these market trends.

Projections indicate that the global switchgear market will reach a value of \$114.89 billion by 2027, with a CAGR of 7.7%.

Company overview:

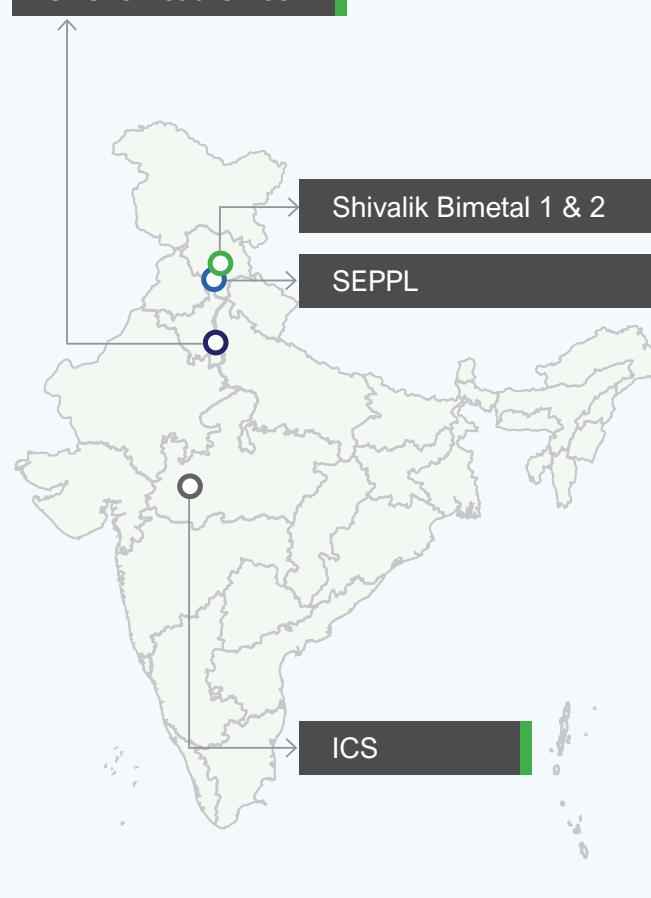
A brief history:

Shivalik Bimetal Controls Ltd. established in 1984, is a global player in process and product engineering. Headquartered in New Delhi, our primary focus lies in the manufacturing and sale of thermostatic bimetal/trimetal strips used across diverse industries, including electrical, electronics, automotive, agricultural, medical, defence, and industrial applications. We also take pride in our manufacturing capabilities and expertise in producing shunt resistors that cater to the high-growth automotive and industrial equipment segments. The market demand for our products remains strong, driven by the increasing need for battery management, and smart metering systems. This positive market outlook presents long-term prospects for Shivalik's product lines.

Our unique business model revolves around proprietary technologies and niche solutions that are in high demand from original equipment manufacturers (OEMs). This strategic advantage enables us to navigate an industry characterized by significant entry barriers.

As a valued vendor, we have made significant strides in supplying high-quality bimetals and shunt resistors to the rapidly emerging electric vehicles and customizable smart meters of the future.

SBCL's Head Office



Shivalik Bimetal 1 & 2
Solan, H P, India

SEPPL
Solan, H P, India

ICS
Indore, M P, India

SBCL's Head office
New Delhi, India

Manufacturing Locations

Shivalik Bimetal Controls Ltd. (SBCL)
Plant 1
Solan, H P, India

Shivalik Bimetal Controls Ltd. (SBCL)
Plant 2
Solan, H P, India

Shivalik Engineered Products Pvt. Ltd., (SEPPL)
Solan, H P, India

Innovative Clad Solutions (ICS) Private Limited (Joint Venture)
Indore, M P, India

SBCL's Head office
New Delhi, India

Management Discussion & Analysis

continued

Under the guidance of our experienced management team, the company has established a prominent position in Electron Beam Welding and Hot & Cold Diffusion Bonding technologies that cater to diverse applications. We maintain a solid balance sheet and exercise prudent capital management, driving our robust growth potential. With three operational plants in Chambhaghat and Kather, Solan, staffed by a skilled workforce of 808 individuals, we are dedicated to delivering quality products to our extensive customer base of over 125 clients globally.

At Shivalik Bimetal Controls Limited, our commitment to excellence remains a cornerstone of our operations. Our customer-

centric approach is centred on delivering products of the highest quality, ensuring reliability and fostering innovation. Our objective is to continuously meet the evolving needs of our clients while exceeding their expectations.

In FY23, we achieved a milestone by recording our highest-ever total revenue of 420.23 Crore, representing a substantial growth of 29.70%. This performance is a testament to the disciplined execution of our strategies. Moreover, our net profit increased by 39.57% to ₹72.63 Crores. These consistent results highlight our ability to generate profitable growth, even in challenging market conditions, underscoring our dedication to maximizing shareholder value.

Key highlights for year ended March 31, 2023

- *Total income for FY23 rose by 29.70% to ₹420.23 crore, reflecting year-over-year solid growth.*
- *EBITDA surged by an impressive 41.92% to ₹104.37 crore, indicating a robust improvement in operational efficiency.*
- *Reflecting improved cost management and operational performance. For FY23, the EBITDA margin expanded by 214 basis points, reaching 24.84%.*
- *The PAT for FY23 also showed remarkable growth, increasing by 39.57% to ₹72.63 crore, demonstrating the Company's strong ability to translate operational improvements into bottom-line results.*
- *For FY23, the PAT margin increased by 122 basis points to 17.28%, reflecting the Company's continued focus on profitability.*
- *The sales value of Shunt Resistors for FY23 grew by 23.25% YoY to reach ₹210.89 crore.*
- *The sales value of Bimetals for the same period grew by 36.93% YoY to reach ₹209.34 crore.*
- *Thermostatic bimetal/trimetal strips comprised 50% of the total revenue, while shunt resistors accounted for 50% of overall revenues.*

Outlook:

In 2022, the business landscape was characterized by instability, escalating costs, and persistent disruptions in the supply chain. However, our company demonstrated agility in responding to these challenges and implemented measures to mitigate their impact on our operations. Despite the adversities, we maintain a positive outlook on the growth of our Bimetal and Shunt businesses, given the anticipated increase in government spending within the Real Estate and Infrastructure sector.

However, it is important to note that inflationary pressures and fluctuations in crude oil prices may influence economic sentiments and recovery. Nonetheless, we have undertaken strategic initiatives over the past two years, positioning ourselves for success, and observing robust sales across most of our product groups throughout the year. We anticipate this trend to continue in the upcoming fiscal year, particularly with the introduction of our new range of shunts for Smart Metering and Electric Vehicles (EVs).

We envision these product lines to be a key driver of our future growth. Furthermore, our company is actively expanding its capacity to meet the growing demand from emerging industries such as smart meters, EVs, EV charging stations, intelligent battery systems, solar energy farms with battery storage, and 5G telecom networks.

To support our growth, we are leveraging government schemes like the Scheme for Promotion of Electronics Components and Semiconductors (SPECS) and the Production Linked Incentive (PLI) scheme. Additionally, our management team is dedicated to building a robust research and development (R&D) capability and technical service team.

This strategic focus enables us to develop new products, explore novel applications, and gain deeper insights into evolving customer needs. With these efforts combined with our ongoing commitment to enhancing efficiency and performance, we approach the financial year 2023-24 with optimism.

Looking forward, we foresee exciting opportunities in the transportation industry as it transitions towards more efficient, secure, and dependable modes of transportation, including electric, electronic, and hybrid vehicles. Over the next decade, this shift will create new verticals and prospects for auto-component manufacturers.

Opportunities:

1. Shivalik Bimetal Controls Ltd. can leverage its expertise in manufacturing products for electrification and energy efficiency to meet the growing demand for sustainable solutions. By aligning its operations with ESG principles, the company can tap into emerging markets driven by sustainability initiatives.
2. The introduction of new electric vehicle models by existing original equipment manufacturers (OEMs) and the emergence of new manufacturers in the global market create potential avenues for growth.

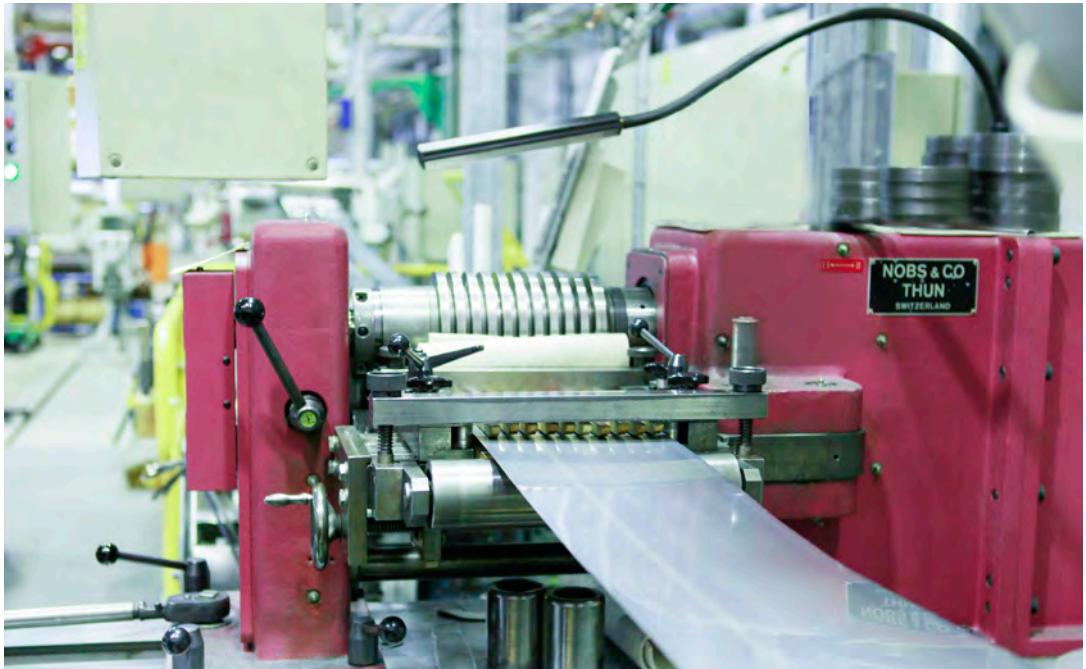
3. The government's emphasis on affordable housing projects and infrastructure development is expected to drive demand for switchgear products.
4. The government's ongoing plans to replace traditional meters with smart meters through retrofitting programs contribute to increased demand in the market.
5. The availability of favourable government schemes and programs provides an advantageous environment for the company's operations.
6. The growing global recognition of Shivalik as a reliable and innovative partner in the development of new systems enhances its market position.
7. The mandatory requirements for battery management systems, even in internal combustion engine (ICE) vehicles, create opportunities for the company's products.
8. Embracing technologies like the Internet of Things (IoT) and artificial intelligence (AI) can enable the company to optimize manufacturing processes, enhance product performance, and provide enhanced solutions to meet evolving customer needs.

Threats:

1. Rising geopolitical tension leading to supply disruptions of nickel and copper could impact the availability and cost of these essential materials.
2. Increasing inflation in prices may reduce purchasing power, potentially affecting demand and margins.
3. Ongoing disruptions in the global supply chain pose a threat to the company's operations.
4. Concerns over the economic slowdown in advanced economies like the US and EU could have an adverse impact on business.

Management Discussion & Analysis

continued



Risks & Concerns:

1. The company employs a comprehensive and unified approach to assess, minimize, and manage risks. Regular evaluations ensure the effectiveness of risk appraisal and mitigation measures.
2. Internal audit systems are in place to evaluate the efficiency of internal controls, risk identification, and mitigation processes. The Audit Committee of the Board of Directors reviews internal audit reports and takes necessary actions when deviations are identified.
3. Regular communication between heads of different operations enables the company to stay informed about market trends, product developments, competition, and other relevant areas.

Internal Control System and their Adequacy:

Shivalik Bimetal Controls Ltd. has implemented a robust internal control system to ensure the integrity of its accounting controls, operational monitoring, asset protection, regulatory compliance, and reliable financial reporting. The Company has documented procedures in place for all financial and operational functions, ensuring clarity and consistency in its processes.

To further strengthen our internal control framework, we have established a comprehensive internal audit program. Our internal auditors, an independent firm of chartered accountants, conduct risk-based audits that extend beyond mere policy and procedure adherence. Their objective is to identify areas for process and system improvements. The Audit Committee actively receives and reviews internal audit observations and recommendations, overseeing the implementation of these suggestions.

Natural Capital Sensitivity

In today's rapidly changing global market, our shift towards renewables is not just an environmentally conscious choice but a strategic one. Renewable energy, being cost-effective in the long run, allows us to offer competitive prices. This positions Shivalik favourably in the international arena, enhancing our appeal to global customers and giving us a notable advantage in international tender bids.

The Company is sourcing most of its power from renewable sources (hydroelectric) leading to a relatively low carbon footprint.

This strategic approach highlights our resilience in the face of changing environmental circumstances.

Furthermore, with Environmental, Social, and Governance (ESG) considerations becoming paramount, our active steps towards environmental stewardship do not just align with global ESG standards, but underscore our commitment to a sustainable future, ensuring our leading stance in the electrical components industry.

Occupational Health & Safety:

At Shivalik, we prioritize the well-being of our employees and place great importance on matters related to health, safety, and the environment. We ensure compliance with all relevant statutory regulations governing occupational health and safety. Regular training programs are conducted at our manufacturing sites, equipping our employees with skills in emergency response, firefighting, rescue, and first aid.

Occupational health and safety is a critical area of concern for us, as we are committed to providing a safe and healthy work environment. Our occupational safety and health programs are integral to our business processes. We recognize the value of our employees as key resources in driving our company's growth and focus on nurturing their talents.

To ensure the safety, health, and welfare of our employees, we employ various measures. These include investing in pollution mitigation equipment, implementing safe processes, providing comprehensive safety training, and supplying necessary safety equipment. Our proactive approach aims to eliminate unsafe situations and practices.

Human Resource and Industrial Relations:

Our organization's objective is to achieve consistent growth by fostering a skilled, motivated, and dedicated workforce. Shivalik Bimetal Controls Ltd. strives to create a conducive environment that recognizes, enhances, and utilizes the full capabilities of its employees. We aim to cultivate a sense of affiliation and belonging among our workforce. Throughout the previous year, the industrial relations within our company formed a harmonious work environment.

Cautionary Statement:

In the "Management Discussion and Analysis," certain statements regarding the Company's objectives, projections, estimates, expectations, or predictions may constitute forward-looking statements within the meaning of applicable securities laws and regulations. It is important to note that actual results may significantly differ from those expressed or implied by these statements. Several factors, including economic conditions affecting demand, supply, and price conditions in domestic and overseas markets, currency fluctuations, changes in government regulations and tax laws, as well as other incidental factors, may impact the Company's operations.

Directors' Report

To,

The Members of **Shivalik Bimetal Controls Ltd. (SBCL)**,

The Board of Directors are pleased to present the Thirty Ninth (39th) Annual Report along with the Audited Financial Statements of the Company for the financial year ended March 31, 2023. A brief summary of the Company's standalone and consolidated performance during the year ended March 31, 2023 is given below:

FINANCIAL HIGHLIGHTS

PARTICULARS	(₹ In Lakhs)			
	Standalone	Consolidated	FY 2022-23	FY 2021-22
Revenue from Operations	42,023.01	32,398.75	47,037.21	32,398.75
Other Income	792.82	544.68	992.34	544.68
Total Revenue	42,815.83	32,943.43	48,029.55	32,943.43
Operating Expenditure	31,545.54	25,050.60	36,142.44	25,050.60
Profit/(Loss) before Interest, Depreciation, Tax & Exceptional Items	11,270.29	7,892.83	11,887.11	7,892.83
Finance Cost	664.40	276.36	704.19	276.36
Depreciation	847.20	637.83	1,054.74	637.83
Profit/ (Loss) before Taxes & Exceptional items	9,758.69	6,978.64	10,128.18	6,978.64
Share of profit in joint venture/Associate	-	-	102.64	351.19
Profit/ (Loss) before Tax	9,758.69	6,978.64	10,230.82	7,329.83
Tax Expense	2,456.01	1,781.04	2,320.49	1,818.61
Profit/ (Loss) after Tax	7,302.68	5,197.60	7,910.33	5,511.22
Other comprehensive income	(40.21)	4.62	(40.25)	5.79
Total Comprehensive Income for the Period	7,262.47	5,202.22	7,870.08	5,517.01

PER SHARE DATA

PARTICULARS	FY 2022-23	FY 2021-22
Book Value per share	44.27	48.74

Except, as disclosed elsewhere in the Report, there have been no material changes and commitments which can affect the Company's financial position of the Company between the end of the Financial Year and the date of this Report.

COMPANY'S PERFORMANCE

Shivalik Bimetal Controls Ltd. (SBCL) continued to grow in FY 2022-23 mostly supported by pent-up demand across the globe and healthy metal prices throughout the year. In FY 2022-23, the Company grew its operations, improve efficiency, focused on resource optimization, ensured overall well-being of its stakeholders and maintained and improved the financial health.

Some of the Key highlights of the year were:

Significant increase in total income: During the year under review, your company has achieved turnover of ₹ 42,023.01

Lakhs against ₹ 32,398.75 Lakhs during previous year registering a growth of 29.70%.

Remarkable growth in EBITDA: SBCL EBITDA for the full fiscal year, EBITDA surged by an impressive 42.79% to ₹ 11,270.29 Lakhs, indicating a robust improvement in operational efficiency.

EBITDA margin expansion: SBCL EBITDA margin for FY23, the EBITDA margin expanded by 214 basis points, reaching 24.84%. Shivalik has achieved cash to EBITDA conversion of more than 60%.

Directors' Report

[continued](#)

Robust growth in profit after tax (PAT): SBCL PAT for FY23 showed remarkable growth, increasing by 39.57% to ₹ 7,262.47 Lakhs, demonstrating the Company's strong ability to translate operational improvements into bottom-line results.

Expansion in PAT margin: SBCL PAT margin for FY23, the PAT margin increased by 122 basis points to 17.28%, reflecting the Company's continued focus on profitability.

The sales value of Shunt Resistors for FY23 grew by 23.25% YoY to reach ₹ 210.89 crore. The sales value of Bimetals for the same period grew by 36.93% YoY to reach ₹ 209.34 crore. In FY23, thermostatic bimetal/trimetal strips comprised 50% of the total revenue, while shunt resistors accounted for 50% of overall revenues.

Consolidated Audited Financials for the FY 2022-23

SBCL's revenue on consolidated basis increased to ₹ 48,029.55 Lakhs for the current year as against ₹ 32,943.43 Lakhs in the previous year, recording an increase of 45.79%. SBCL successfully delivered on the Profitability front with Core EBIDTA 50.61% at about 11,887.11 Lakhs as against ₹ 7,892.83 Lakhs in the previous year. Net profits increased to ₹ 7,910.33 Lakhs in the current year as against ₹ 5,511.22 Lakhs in the previous year, recording an increase of 43.53%.

UNIT IV

Construction of the UNIT-IV Building, Situated at Kather District Solan, Himachal Pradesh is completed.

The Labour Department has issued the factory license for the said unit and Commercial Production in the said unit has also been started with effect from August 01, 2023.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated Audited Financial Statements of your Company for the financial year ended March 31, 2023, have been prepared in accordance with the provisions of the Companies Act, 2013, read with Indian Accounting Standards ("IND AS") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The consolidated financial statements, together with the Auditors' Report and a report on each of the subsidiaries and Joint-Venture (JV) Company together with the highlights of their performances and financial positions including their contribution to the overall performance of the Company forms a part of the Annual Report.

During the financial year, Shivalik Engineered Products Private Limited (Formerly known as Checon Shivalik Contact Solutions Private Limited) and Shivalik Bimetal Engineers Private Limited ceased the status of JV and Associate becomes the Wholly Owned Subsidiary (i.e. 100%) w.e.f. April 12, 2022 and April 29, 2022 respectively. Apart from this, no other Company has become or ceased to be your

Company's subsidiary or associate. The Company has a Joint Venture i.e. Innovative Clad Solutions Private Limited with M/s Arcelor Mittal Stainless and Nickel Alloys with holding of 16.01%.

PERFORMANCE OF THE JOINT VENTURE / WHOLLY OWNED SUBSIDIARY COMPANIES

The Company has two wholly owned subsidiaries and one Joint Venture Company as on March 31, 2023.

Key highlights of these Joint Venture/Wholly-Owned Subsidiary Companies are as under:

a) Joint Venture Company

i) Innovative Clad Solutions Private Limited

The company has recorded a turnover of ₹ 16,488.17 Lakhs for the year ended March 31, 2023 (as against Previous year of ₹ 15,403.00 Lakhs) and recorded a profit after tax of ₹ 663.06 Lakhs for the year ended March 31, 2023 (as against Previous year Profit of ₹ 1,336.70 Lakhs).

b) Wholly-Owned Subsidiary Companies

i) Shivalik Bimetal Engineers Private Limited

The Company recorded a turnover of ₹ 238.40 Lakhs for the year ended March 31, 2023 (as against Previous year of ₹ 167.41 Lakhs) and a Profit after tax of ₹ 28.67 Lakhs for the year ended March 31, 2023 (Previous year of ₹ 30.09 Lakhs).

ii) Shivalik Engineered Products Private Limited (Formerly known as Checon Shivalik Contact Solutions Private Limited)

This Company recorded a turnover of ₹ 5,011.79 Lakhs for the year ended March 31, 2023 (as against Previous year of ₹ 4,804.22 Lakhs) and recorded a Profit after Tax of ₹ 183.04 Lakhs for the year ended March 31, 2023, (as against Previous year of ₹ 273.78 Lakhs).

These financial statements have been prepared under the recognition and measurement principles of applicable Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as specified in section 133 of the Companies Act, 2013.

A statement containing salient features of the financial statements of the Joint Venture Company/Wholly-Owned Subsidiary Companies in Form AOC-1 (Part- A & B) is given in '**Annexure-A**' to this Report.

Further, in accordance with the provisions of Section 136 of the Companies Act, 2013, the Annual Report of the Company, containing the Standalone and the

Directors' Report

[continued](#)

Consolidated Financial Statements, have been placed on the website of the Company i.e. www.shivalikbimetals.com. The Company will provide the annual accounts of the subsidiaries and the related information to the shareholders of the company on specific request made to it in this regard by the shareholders.

DIVIDEND & DIVIDEND DISTRIBUTION POLICY

As per Regulation 43A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 SEBI Listing Regulations, the top 1000 listed companies shall formulate a dividend distribution policy. Accordingly, the policy was adopted to set out the parameters and circumstances that will be considered by the Board in determining the distribution of dividends to its shareholders and/or retained profits earned by the Company. The policy is also available on the Company's website: www.shivalikbimetals.com. In terms of the policy, equity shareholders of the company may expect the dividend, if the company has surplus funds and after taking into consideration the relevant internal and external factors enumerated in the policy for declaration of dividend. Further, the policy also enumerates to maintain a dividend payout in the range of 5% to 20%, of the annual profit after tax on Standalone Financial's to comply with the above mentioned provisions and regulation.

During the year 2022-23, in line with dividend distribution policy, the Board of Director(s) had declared interim dividend of ₹ 0.50/- (i.e. @25% of the nominal value of the share) per equity share of ₹ 2/- each in its board meeting held on February 07, 2023 which was paid on February 24, 2023, total amounting to ₹ 2.88 Crore.

Further, based on the Company's performance, the Directors have recommended a final dividend of ₹ 0.70 (i.e. @ 35% of the nominal value of the share) per Equity Share of the face value of ₹ 2/- each for the financial year March 31, 2023 which will be paid subject to approval of members in the annual general meeting, the final dividend on equity shares would entail a cash outflow of ₹ 4.03 Crore.

The total dividend per equity share for the year ended March 31, 2023 is ₹ 1.20 (i.e. @ 60 % of the nominal value of the share), and the total dividend payout is ₹ 6.91 Crore.

ISSUANCE OF BONUS SHARES

During the year under review, the Company has issued and allotted 19201400 bonus shares to the equity shareholders in the ratio of 2:1 (i.e. one Bonus equity share of ₹ 2/- each for every two fully paid-up equity shares).

On issuance of bonus shares, the paid-up equity share capital of the company stands increased from ₹ 7,68,05,600 divided into 38402800 equity shares of ₹ 2/- each to ₹ 11,52,08,400 divided into 57604200 equity shares of ₹ 2/- each.

The company has made and complied with the relevant regulations i.e. SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and Companies Act, 2013 read with relevant rules while issuance and allotment of the bonus equity shares.

APPROPRIATIONS TO RESERVE

The Board of Directors has decided to retain the entire amount of Profit in the Profit & Loss account. Accordingly, the company has not transferred any amount to the "Reserves" for the year ended March 31, 2023.

PUBLIC DEPOSITS

During the year under review, your Company has not invited or accepted any deposits from public/shareholders under Section 73 and 74 of the Companies Act, 2013.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Article of Association of the company. Mr. N.S. Ghuman (DIN: 00002052), Managing Director of the company retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment. Upon his re-appointment, he will continue to act as Managing Director of the company.

During the year under review, the Company's Non-Executive Directors had no pecuniary relationship or transactions with the Company other than sitting fees to attend meetings of the Board/Committee of the Company.

INDEPENDENT DIRECTOR'S DECLARATION

The Company has received declarations of Independence from all the Directors confirming that they meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI Listing Regulation.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company. The Board is satisfied with the integrity, expertise, and experience (including proficiency in Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

ANNUAL RETURN

The Annual Return of the Company in accordance with Section 92(3) of the Companies Act, 2013 is available on the

Directors' Report

[continued](#)

website of the Company: https://www.shivalikbimetals.com/images/annual_report/doc/0_181675964_MGT-729082023.pdf

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

According to the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board has carried out the Annual Performance Evaluation of its performance, the Directors individually, as well as the evaluation of the working of its Board Committees.

The performance evaluation of the Independent Directors and fulfillment of their independence criteria as specified in SEBI Listing Regulations and their independence from the management was made by the entire Board, excluding the Directors being evaluated. The Board carried out the performance evaluation of the Chairman, Board as a whole and the Non-Independent Directors, excluding the Directors being assessed.

The Board sought the feedback of Directors on various parameters, including:

- Degree of the fulfillment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long-term strategic planning, etc.);
- Structure, composition and role clarity of the Board and Committees;
- Extent of co-ordination and cohesiveness between the Board and its Committees;
- Effectiveness of the deliberations and process management;
- Board/Committee culture and dynamics; and
- Quality of relationship between Board Members and the Management.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Board of Directors expressed their satisfaction with the evaluation process.

NUMBER OF MEETINGS OF THE BOARD

During the year, eight (8) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Regulations 17 of the SEBI Listing Regulation.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments under Section 186 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014, are furnished in the notes to Financial Statements.

AUDITORS

a) Statutory Auditors and their Report

In accordance with the provisions of the Companies Act, 2013 and Companies (Audit & Auditors) Rules, 2014, M/s. Arora Gupta & Co., Chartered Accountants (Firm Registration No. 021313C) were re-appointed as Statutory Auditors of the Company for a period of 5 years in the 38th Annual General Meeting (AGM) held on September 27, 2022 until the conclusion of 43rd AGM to be held in the year 2027. There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors in their Audit Report for the year ended March 31, 2023.

b) Secretarial Auditor and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Board of Directors re-appointed M/s R Miglani & Co., Company Secretaries, as Secretarial Auditor to carry out the Secretarial Audit of the Company for the financial year 2022-23. The Report, given by the Secretarial Auditor for the said financial year in Form MR-3, is annexed herewith as '**Annexure- B (1)**' to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Company is in compliance with Regulation 24A of the Listing Regulations. The Company's material subsidiary undergo Secretarial Audit. Copy of Secretarial Audit Report of Shivalik Engineered Products Private Limited forms part of this report as '**Annexure- B (2)**'. The Secretarial Audit Report of the material subsidiary does not contain any qualification, reservation, adverse remark or disclaimer.

c) Cost Auditors

The Company is required to maintain the cost records as specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 read with companies (Cost Records and Audit) Rules, 2014. Accordingly, such accounts and records are made and maintained by the Company. The cost audit for the financial year ended March 31, 2023, was conducted by Mr. Ramawatar Sunar, Cost Accountants, (FRN:100691) and as required, the cost audit report was duly filed with the Ministry of Corporate Affairs, Government of India.

Directors' Report

[continued](#)

Being eligible, Mr. Ramawatar Sunar has consented to act as the Cost Auditor of the Company for the financial year 2023-24. Mr. Ramawatar Sunar has further certified that his re-appointment is within the limits as prescribed under Section 141(3)(g) of the Act and that he is not disqualified from such re-appointment within the meaning of the said Act. The remuneration proposed to be paid to Mr. Ramawatar Sunar, subject to ratification by the Company's shareholders at the AGM, has been set out in the Notice of the next AGM.

As required under the Act, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the forthcoming 39th Annual General Meeting.

Reporting of frauds by Auditors

During the financial year 2022-23 and in terms of section 143(12) of the Act, the Statutory Auditors, Secretarial Auditor and Cost Auditor of the Company, have confirmed that they have not come across any event indicating the commitment of any fraud by the officers or employees of the Company. Therefore, no reporting under the said provision was required.

SECRETARIAL STANDARDS

Your Company is in compliance with the revised Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

INTERNAL FINANCIAL CONTROL

The Company has an Internal Control System commensurate with the size, scale and complexity of its operations. The scope of the Internal Audit is decided by the Audit Committee and the Board. To maintain its objectivity and independence, the Board has appointed an external Internal Auditor, which reports to the Audit Committee of the Board on a periodic basis.

The Internal Auditor monitors and evaluates the efficacy and adequacy of Internal Control Systems in the Company, its compliance with operating systems, accounting procedures and policies for various functions of the Company. Based on the report of Internal Auditor, process owners undertake corrective action wherever required in their respective areas and thereby strengthen the controls further. Audit observations and actions taken thereof are presented to the Audit Committee of the Board on periodic basis.

During the reporting year, Internal Financial Controls laid down by the Board were tested for adequacy & effectiveness and no reportable material weakness in the design or operations was observed. The Company has policies and procedures in place for ensuring proper and efficient conduct

of its business, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information. Statutory Auditors have also given unmodified audit opinion on adequacy of internal financial control systems with reference to financial statements.

CORPORATE GOVERNANCE REPORT

At Shivalik, we ensure that we evolve and follow the corporate governance guidelines and best practices diligently, not just to boost long-term shareholder value but also to respect the rights of the minority. We consider it our inherent responsibility to disclose timely and accurate information regarding the company's operations and performance, leadership, and governance. A report on Corporate Governance including the relevant Auditors' Certificate regarding compliance with the conditions of Corporate Governance as stipulated in Regulation 34 (3) read with Part E of Schedule V of the SEBI Listing Regulations is annexed and forms part of the Annual Report as '**Annexure-C**'.

RELATED PARTY TRANSACTIONS

During the financial year ended March 31, 2023, all contracts or arrangements or transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis and in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations as applicable.

Further, the Company did not enter into any contract or arrangement or transaction with related parties that could be considered material in accordance with the policy of the Company on materiality of related party transactions. In view of the above, disclosure in form AOC-2 is not applicable. Members may please refer to Note No. 42 of the standalone financial statements, which sets out related party disclosures according to section 188 and Indian Accounting Standard (Ind AS 24).

The Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, as amended and approved by the Board, is available on the Company's website at <https://www.shivalikbimetals.com/about-us.php?pagId=32>

CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporate citizen, the Company has been undertaking and participating in the socially important projects in the fields of health, education, infra facilities including rural development, and promotion towards sports among others directly or through ABS Foundation (Registered Trust) having relevant registrations under Income Tax Act, 1961 and the Companies Act, 2013. The Company has also framed a CSR Policy in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

Directors' Report

[continued](#)

The CSR Policy of the Company, the Projects approved by the Board, the composition of the CSR Committee and other relevant details are disclosed in Corporate Governance Report and on the website of the Company. The CSR Policy may be accessed on the Company's website under the head of investor relation/Shivalik corporate policy tab at <https://www.shivalikbimetals.com/about-us.php?pagId=32>

The annual report on the CSR activities undertaken by the Company during the financial year under review which includes the relevant financial information, in the prescribed format is annexed to this Report as '**Annexure-D**'.

PARTICULARS OF EMPLOYEES

Details as required under the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is set out in '**Annexure-E**' to the Board's Report. In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Rules, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules forms part of this report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In terms of the Regulation 34(2)(f) of the SEBI (Listing Regulations), top one thousand listed entities based on market capitalization are required to report on the Business Responsibility and Sustainability Reporting (BRSR) for the financial year ended March 31, 2023 in the format prescribed by SEBI via Circular SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021.

Your company is reporting first time on the said requirement and giving an overview of the initiatives taken by the Company from an environmental, social and governance perspective in a separate section of the Annual Report and forms part of it. The report on Business Responsibility and Sustainability Reporting is attached herewith as '**Annexure-F**'.

CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in the nature of business.

CREDIT RATINGS

The Credit Rating Agency CRISIL has reaffirmed its ratings assigned to various bank facilities of the company as per below:-

Rating Action

Total Bank Loan Facilities	₹ 71 Crore
Rated	
Long Term Rating	CRISIL A/Stable (Re-affirmed)
Short Term Rating	CRISIL A1 (Re-affirmed)

STATEMENT THAT THE COMPANY HAS COMPLIED WITH PROVISIONS RELATING TO THE CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has implemented a policy on Prevention, Prohibition and Redressal of Sexual Harassment of women in the workplace. The Company has duly constituted an Internal Complaints Committee according to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company is committed to creating a safe and healthy working environment. The Company believes that all individuals have the right to be treated with dignity and strives to create a workplace which is free of gender bias and Sexual Harassment. The Company has a zero-tolerance approach to any form of Sexual Harassment. The policy has been displayed on the website of the Company under the head of investor relation/Shivalik corporate policy tab at <https://www.shivalikbimetals.com/about-us.php?pagId=32>

During the Financial Year 2022-23 complaints status as per below :

No of Complaints filed during the financial year	No of complaints disposed of during the financial year	No of complaints pending as on end of the financial year
Nil	Nil	Nil

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

During the year under review, no application has been made nor any proceedings are pending under the Insolvency and Bankruptcy Code, 2016.

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.

During the financial year 2022-23, no such valuation done and transaction took place with regards to any one-time settlement.

Directors' Report

[continued](#)

RISK MANAGEMENT

We have a robust Enterprise Risk Management (ERM) framework focused on identification, evaluation, prioritization and mitigation of all internal and external risks. The findings are reported to the Board & Risk Management Committee (RMC). The Board and the RMC play an important role to ensure all the relevant risk factors, are considered by the management, and a strategy is in place to mitigate risks to the extent possible and harness opportunities. Our framework is underpinned by a risk management policy as recommended by the RMC and approved by the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 (5) of the Companies Act, 2013, based on the information and representations received from the operating management, your Board of Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed, and there are no material departures;
- b) they have selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent 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 the year ended on March 31, 2023;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records following the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

The Board, on the recommendation of the Nomination and Remuneration Committee, adopted a policy for selection and appointment of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel. Policy also prescribes the guidelines for determining the remuneration of Executive Directors, Non-Executive Directors, KMP and

Senior Management. The Nomination and Remuneration Policy is available on the Company's website on the following weblink : <https://www.shivalikbimetal.com/images/pdf/pdf-feb-2020/Nomination-and-Remuneration.pdf>

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo are given as under:

(A) Conservation of energy-

- i) Some of the steps taken for the conservation of energy are;
 - Continued to replacing older drives with newer drives that are application specific with correcting rating.
 - Renewal of pneumatic piping with the latest leak proof systems
 - As much as possible all new motors installed are of energy efficient types
 - Conventional light replaced with LED Lights
 - Installation of new energy efficient compressors
 - Inter-Plant movement of material done using Electric Vehicle.
 - Continued monitoring of carbon footprints with a plan to offset our carbon footprints in the coming years.
- ii) The steps taken by the Company for utilizing alternate sources of energy;
 - The bulk of the energy used in all operations is from renewable sources, mainly hydroelectric power.
- iii) The capital investment in energy conservation equipment: ₹ 3.01 Lakhs.

(B) Technology Absorption

- i) the efforts made towards technology absorption;
 - Further improvements made in custom-built machines for automatic inspection of components;
 - Additional Automated systems for high-speed measurement and dimensional checks;
 - Use of artificial intelligence in automotive inspection machines.
 - Research initiated in improving performance of resistive alloys.

Directors' Report

[continued](#)

- Development undertaken to indigenous sourcing of components alloys of bi-metals.
 - Improved heat treatment process to improve performance of resistors;
- ii) The benefits derived like product improvement, cost reduction, product development or import substitution;
- Reduction in internal rejections and external customer complaints;
 - Reduction in production lead time;
 - Improvement of production efficiency;
 - Development of new products;
 - Development and validation of new processes and process enhancements .
- iii) In the case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - N. A.
- The details of technology imported - N. A.
 - The year of import - N. A.
 - Whether the technology has been fully absorbed- N. A.
 - If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N. A
- iv) The expenditure incurred on Research and Development.
- Capital Expenditure: ₹ 191.10 Lakhs
 - Recurring Expenditure: ₹ 395.79 Lakhs
 - Total: ₹ 586.89 Lakhs
 - Total R & D expenditure as a percentage of total turnovers: 1.39.%

(C) Foreign exchange earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

i) Earnings in FC	₹ 25,873.50 Lakhs
ii) Expenditure FC	₹ 16,282.11 Lakhs
iii) Expenditure in FC (Capex)	₹ 1,154.11 Lakhs
iv) Investment in Subsidiary	₹ 1,068.55 Lakhs

SIGNIFICANT/ MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant/material orders passed by the Regulators, Courts or Tribunals impacting the going concern status of your Company and its operations in future.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of this report.

GENERAL SHAREHOLDER INFORMATION

General Shareholder Information is given in the Report on Corporate Governance forming part of the Annual Report.

ACKNOWLEDGEMENT/ APPRECIATION

Your Directors wish to place on record their appreciation for the continued support and cooperation received from various State Governments as well as the Governments of India. The Directors also thank the banks, shareholders, suppliers, dealers and in particular the valued customers for their trust and patronage.

Your Directors record their appreciation for the commitment, dedication and hard work put in by employees and executives particularly during the socio-economic challenges and disruptions caused by ongoing Covid-19 pandemic, which has enabled the Company to continue to grow stronger.

For Shivalik Bimetal Controls Ltd.

Sd/-
S. S. Sandhu
Chairman & Whole Time Director
DIN:00002312

Place : New Delhi
Date : August 29, 2023

Registered Office:

16-18, New Electronics Complex, Chambaghat, Distt .
Solan, Himachal Pradesh - 173213
CIN: L27101HP1984PLC005862
E-mail: investor@shivalikbimetals.com

ANNEXURE-A**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

S. No. Particulars	Name of the Subsidiaries	
	Shivalik Bimetal Engineers Private Limited	Shivalik Engineered Products Private Limited (Formerly known as Checon Shivalik Contact Solution Private Limited)
1. The date since when subsidiary was acquired	29/04/2022	12/04/2022
2. Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	NA	NA
3. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR (Lakhs)	INR (Lakhs)
4. Share capital	49.50	342.18
5. Reserves & surplus	140.15	1454.01
6. Total assets	241.98	3402.41
7. Total Liabilities	52.33	1606.22
8. Investments	-	
9. Turnover	240.04	5012.68
10. Profit before taxation	39.20	259.90
11. Provision for taxation	10.54	76.82
12. Profit after taxation	28.67	183.08
13. Proposed Dividend (paid)	99.00	Nil
14. Extent of shareholding (in%)	100 %	100 %

Notes :

The following information shall we furnished at the end of the statement :

- Names of subsidiaries which are yet to comments operations : NA
- Names of subsidiaries which have been liquidated or sold during the year : NA

For and on behalf of the Board

Sd/- N.S. Ghuman Managing Director DIN: 00002052	Sd/- S. S. Sandhu Chairman & Whole time Director DIN: 00002312	Sd/- Rajeev Ranjan Chief Financial Officer	Sd/- Aarti Sahni Company Secretary M.No. A25690
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Place : New Delhi

Date : August 29, 2023

Notes :

During the year Shivalik Engineered Products Private Limited and Shivalik Bimetal Engineers Private Limited becomes the wholly owned subsidiary w.e.f 12/04/2022 and 29/04/2022 respectively.

ANNEXURE-B

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to
Associate Companies and Joint Ventures

S. No.	Name of Joint Venture / Associate	Innovative Clad Solution Private Limited
1.	Latest audited Balance Sheet Date	31 st March, 2023
2.	Date on which the Associate was associated	04/03/2008
3.	Shares of Associate / Joint Venture held by the Company on the year end	
	No.	1,60,86,003
	Amount of Investment in Associates / Joint Venture	780 .02
	Extend of Holding (%)	16 .01%
4.	Description of how there is significant influence	2(6)
5.	Reason why the associate / joint venture is not consolidated	Consolidated
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	(₹ In Lakhs)
7.	Profit/Loss for the year	663.06
	Considered in Consolidation	106.16
	Not Considered in Consolidation	556.90

Notes :

The following information shall we furnished at the end of the statement :

- Names of associates or joint ventures which are yet to comments operations : NA
- Names of associates or joint ventures which have been liquidated or sold during the year : NA

For and on behalf of the Board

Sd/- N.S. Ghuman Managing Director DIN: 00002052	Sd/- S. S. Sandhu Chairman & Whole time Director DIN: 00002312	Sd/- Rajeev Ranjan Chief Financial Officer	Sd/- Aarti Sahni Company Secretary M.No. A25690
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Place : New Delhi

Date : August 29, 2023

ANNEXURE-B (1)

Form MR-3
SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014] for the financial year ended 31st March, 2023

To,
The Members,
SHIVALIK BIMETAL CONTROLS LIMITED
16-18, New Electronics Complex, Chambaghat,
Distt. Solan, Himachal Pradesh-173213

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shivalik Bimetal Controls Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/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 31st March, 2023 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 31st March, 2023 and made available to me, according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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 External Commercial Borrowing.
- 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the Audit Period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;(Not Applicable)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
 - h. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period);
- VI. As informed to us, there are no laws which have specific applicability to the Company other than general laws applicable to the industry generally, namely;
 - a) Factories Act, 1948
 - b) Payment of Wages Act, 1936, and rules made thereunder,
 - c) The Minimum Wages Act, 1948, and rules made thereunder,

- d) Employees' State Insurance Act, 1948, and rules made thereunder,
- e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,
- f) The Payment of Bonus Act, 1965, and rules made thereunder,
- g) Payment of Gratuity Act, 1972, and rules made thereunder,
- h) The Water (Prevention and Control Pollution) Act, 1974.
- i) The Air (Prevention and Control Pollution) Act, 1981,
- j) Industrial Dispute Act, 1947,

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

- a) The Secretarial Standards issued by the Institute of Company Secretaries of India.
- b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time.

I further report that, during the period under audit and review, as confirmed by the management the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. Mentioned above.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary /Chief Financial Officer taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws like Labour laws and Environmental laws etc.

I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.
2. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent within prescribed limit, 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 of the Board were unanimous and no dissenting views have been recorded.

I further report that there are 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,

The following event has occurred during the year which has a major bearing on the company's affairs in pursuance of the Laws, Rules, Regulations, Guidelines Standards etc. referred to above:

- (i) During the year, the Company has acquired the balance stake of Shivalik Engineered Products Private Limited (SEPPL) (Formerly known as Checon Shivalik Contact Solutions Private Limited) and Shivalik Bimetal Engineers Private Limited (SBEPL), consequent to which "SEPPL & SBEPL" become wholly owned subsidiaries of the Company.
- (ii) During the period under review, the Company has allotted 1,92,01,400 Bonus Equity Shares of ₹ 2/- each as fully-paid up Bonus Equity Shares, in the proportion of One (1) Equity Share of ₹ 2/- each for every Two (2) existing Equity Shares of ₹ 2/- each on 15th October, 2022 to the eligible Members whose names appeared in the register of Members / list of beneficial owners as on October 13, 2022, i.e. record date fixed for this purpose.

I further report that,

During the audit period the Company has not made any major changes in the following events/ actions in pursuance of the below law, rules, regulations and guidelines.

- i. Public/Right/Preferential issue of shares/debentures/sweat equity etc.
- ii. Redemption/Buy Back of securities;

- iii. Major decision taken by the members in pursuance to Section 180 of the Companies Act, 2013;
- iv. Merger/Amalgamation/Reconstruction etc. ;
- v. Foreign Technical Collaborations.

For **R MIGLANI & CO.**
Company Secretaries

Sd/-

CS Rajni Miglani

Proprietor

M. No.: 30016

C.O.P No: 11273

PR No.: 2392/2022

Date: May 23, 2023

Place: New Delhi

UDIN: A030016E000358146

Note: - This report is to be read with the Annexure-A which is the integral part of this Report MR-3

Annexure- A of Form No. MR-3

To,

The Members,

SHIVALIK BIMETAL CONTROLS LIMITED

**16-18, New Electronics Complex, Chambaghat,
Distt. Solan, Himachal Pradesh-173213**

Report is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our 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.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and any other financial law applicable to the Company.
4. Whenever required, I have obtained the Management representation about the compliance of Laws, rules and regulation and happening of events etc.
5. The Compliance of the provision of Corporate and other applicable laws, rules, regulation, Standards is the responsibility of Management. My Examination was limited to the Verification of Procedures on test basis.
6. The Secretarial Audit Report 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.

For **R MIGLANI & CO.**
Company Secretaries

Sd/-

CS Rajni Miglani

Proprietor

M. No.: 30016

C.O.P No: 11273

PR No.: 2392/2022

Date: May 23, 2023

Place: New Delhi

UDIN: A030016E000358146

ANNEXURE-B (2)

**Form MR-3
SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014] for the financial year ended 31st March, 2023

To,
The Members,
SHIVALIK ENGINEERED PRODUCTS PRIVATE LIMITED
(Formerly known as Checon Shivalik Contact Solutions Pvt. Ltd.)
H2, Suneja Chambers, Alaknanda Commercial Complex,
New Delhi-110019

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHIVALIK ENGINEERED PRODUCTS PRIVATE LIMITED** (Formerly known as Checon Shivalik Contact Solutions Pvt. Ltd.) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/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 31st March, 2023 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 31st March, 2023 and made available to me, according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;
 - a. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (Not Applicable);
 - b. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (Not Applicable);
- II. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowing.
- III. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable)
 - d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not Applicable)
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable)
 - f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ;(Not Applicable)
 - g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable)
 - h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;(Not Applicable)
 - i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable); and
 - j. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 (Not Applicable);

- IV. As informed to us, there are no laws which have specific applicability to the Company other than general laws applicable to the industry generally, namely;
- a) Factories Act, 1948
 - b) Payment of Wages Act, 1936, and rules made thereunder,
 - c) The Minimum Wages Act, 1948, and rules made thereunder,
 - d) Employees' State Insurance Act, 1948, and rules made thereunder,
 - e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,
 - f) The Payment of Bonus Act, 1965, and rules made thereunder,
 - g) Payment of Gratuity Act, 1972, and rules made thereunder,
 - h) The Water (Prevention and Control Pollution) Act, 1974.
 - i) The Air (Prevention and Control Pollution) Act, 1981,
 - j) Industrial Dispute Act, 1947,

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

- a) The Secretarial Standards issued by the Institute of Company Secretaries of India.
- b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Not Applicable);

I further report that, during the period under audit and review, as confirmed by the management the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above, wherever applicable.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of Officers of the Company taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws like Labour laws and Environmental laws etc.

I further report that;

1. The Board of Directors of the Company is duly constituted in accordance with the applicable laws to the Company. 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.
2. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent within prescribed limit, 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 of the Board were unanimous and no dissenting views have been recorded.

I further report that there are 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,

The following event has occurred during the year which has a major bearing on the company's affairs in pursuance of the Laws, Rules, Regulations, Guidelines Standards etc. referred to above:

- (i) During the year, the Company has become wholly owned subsidiary of Shivalik Bimetal Controls Limited.

I further report that,

During the audit period the Company has not made any major changes in the following events/ actions in pursuance of the below law, rules, regulations and guidelines.

- i. Public/Right/Preferential issue of shares/debentures/sweat equity etc.
- ii. Redemption/Buy Back of securities;

- iii. Major decision taken by the members in pursuance to Section 180 of the Companies Act, 2013;
- iv. Merger/Amalgamation/Reconstruction etc. ;
- v. Foreign Technical Collaborations.

For **R MIGLANI & CO.**
Company Secretaries

Sd/-

CS Rajni Miglani

Proprietor

M. No.: 30016

C.O.P No: 11273

PR No.: 2392/2022

Date: May 23, 2023

Place: New Delhi

UDIN: A030016E000358168

Note: - This report is to be read with the Annexure-A which is the integral part of this Report MR-3

Annexure- A of Form No. MR-3

To,

The Members,

SHIVALIK ENGINEERED PRODUCTS PRIVATE LIMITED

**H2, Suneja Chambers, Alaknanda Commercial Complex,
New Delhi-110019**

Report is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our 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.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and any other financial law applicable to the Company.
4. Whenever required, I have obtained the Management representation about the compliance of Laws, rules and regulation and happening of events etc.
5. The Compliance of the provision of Corporate and other applicable laws, rules, regulation, Standards is the responsibility of Management. My Examination was limited to the Verification of Procedures on test basis.
6. The Secretarial Audit Report 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.

For **R MIGLANI & CO.**
Company Secretaries

Sd/-

CS Rajni Miglani

Proprietor

M. No.: 30016

C.O.P No: 11273

PR No.: 2392/2022

Date: May 23, 2023

Place: New Delhi

UDIN: A030016E000358168

Corporate Governance Report

The Directors present the Company's Report on Corporate Governance
for the year ended March 31, 2023

ANNEXURE-C

1. Company Philosophy on Code of Corporate Governance

Your Company firmly believes that good Corporate Governance practices are ingredients for the balanced development of an organization and that they not only maximize the shareholder's value but also contribute to the sustained and long-lasting development of the organization. The Board of Directors believes in ethical values and high moral standards for achieving the highest standards of Corporate Governance.

The company has adopted a code of conduct for the board and its employees which contains the fundamental principles and rules concerning ethical business conduct. This code embodies the belief that acting always with the company's legitimate interest in mind and being aware of the company's responsibility towards its stakeholder is an essential element of the company's longterm excellence.

Your company principles itself in being a responsible corporate citizen, committed to running its business in the best possible manner while being completely transparent complying with all relevant rules & regulation and contributing to society at large. The company adhere to the higher ethical standards which is combined with unwavering commitment to certain core values - Transparency, fairness in all dealings, honesty of purpose, quality, consciousness and customer satisfaction.

The Securities & Exchange Board of India ("SEBI") has notified Corporate Governance provisions and in terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("LODR Regulations, 2015"), the Company has been complying with these provisions effectively. Your Company acknowledges and believes that all its actions must serve the main goal of enhancing overall shareholder value on a sustained basis.

2. Board of Directors

The Company is being managed and controlled by a professional Board comprising a blend of Executive and Non-Executive Directors. The Board comprises Eight (8) Directors out of which Two (2) are Executive Directors and Six (6) are Non-Executive Directors including Two (2) Women Directors as on March 31, 2023. The composition of the Board of Directors conforms with Regulation 17 of the SEBI (LODR) Regulations, 2015. The Board further confirms that the Independent Director(s) fulfill the conditions specified in SEBI (LODR), 2015 and are independent of the management.

- a) The names and categories of the Directors on the Board along with their attendance at the Board meetings held during the year ended March 31, 2023 and at the last Annual General Meeting and the number of other Directorship and Chairmanship /Membership of Committees held by them in both listed and unlisted companies is given below:

Name and Designation	Category (i.e., Promoter, Executive, Non-Executive, Independent Non-Executive, Nominee Director)	No. of Board Meetings attended (Out of 8 meetings held)	*Number of other Boards in which he / she is a Director or Chairperson	**Number of other Board Committee(s) in which he/she is a member or Chairperson	Committee member	Committee Chairperson	Attendance at the last AGM (held on 27 th September 2022)
Mr. S. S. Sandhu (Chairman)	Executive Director	8	1	-	-	-	Yes
Mr. N. S. Ghuman (Managing Director)	Executive Director	8	1	-	-	-	Yes
Mr. Gurmeet Singh Gill (Director)	Non-Executive and Non Independent	6	-	-	-	-	Yes
Mrs. Harpreet Kaur (Director)	Non-Executive and Non Independent	6	-	-	-	-	No

Corporate Governance Report

[continued](#)

Name and Designation	Category (i.e., Promoter, Executive, Non-Executive, Independent Non-Executive, Nominee Director)	No. of Board Meetings attended (Out of 8 meetings held)	*Number of other Boards in which he / she is a Director or Chairperson	**Number of other Board Committee(s) in which he/she is a member or Chairperson	Attendance at the last AGM (held on 27 th September 2022)
			Committee member	Committee Chairperson	
Mr. Nirmaljeet Singh Gill (Director)	Non-Executive and Independent	8	-	-	No
Lt. Gen. Pradeep Khanna (Retd.) (Director)	Non-Executive and Independent	7	-	-	Yes
Mrs. Anu Ahluwalia (Director)	Non-Executive and Independent	6	-	-	No
Mr. Swarnjit Singh (Director)	Non-Executive and Independent	8	-	-	No

* This includes Directorship in public limited companies (including subsidiaries of public limited companies) and excludes Directorship in associations, private, foreign and Section 8 companies.

** Represents Chairmanship/Membership of Audit Committee and Stakeholder Relationship (Shareholders'/ Investors' Grievance) Committee. This includes Chairmanship/Membership in public limited companies (including subsidiaries of public limited companies) and excludes Chairmanship/Membership in private, foreign and Section 8 companies.

Notes:

- (i) None of the Independent Directors are holding Directorships in more than seven listed Companies.
- (ii) None of the Functional Directors are acting as Independent Director in any listed Company.
- (iii) The Company has not issued any convertible instruments.

b) Number of Board Meetings

The Board meets at regular intervals to review the performance of the Company. During the year under review, besides the meeting of the Committee of Directors, Eight (8) Board Meetings were held on 12th April, 2022, 30th May, 2022, 09th August, 2022, 29th August, 2022, 15th October, 2022, 04th November, 2022, 05th December, 2022 and 07th February, 2023. The maximum gap between any two Board meetings was less than 120 days.

c) Board Procedure

The meetings of the Board of Directors are generally held at the Company's Head office in New Delhi. The meetings are generally scheduled well in advance. In case of exigencies or urgency, resolutions are passed by circulation. The Board meets at least once a quarter to review the quarterly performance and the financial results. The time gap between the two meeting(s) was not more than 120 days. The agenda for the meeting(s) is prepared by the concerned officials and approved by the Chairman. The Board papers are circulated to the Directors in advance. The members of the Board have access to all information and are free to recommend the inclusion of any matter on the agenda for discussion. Senior executives are invited to attend the Board meetings and provide clarification as and when required.

In exceptional circumstances, additional or supplementary agenda items are taken up for discussion with the permission of the Chairman. The members of the Board or Committees are free to suggest any item to be included in the agenda, in addition to exercising their right to bring up matters for discussion at the meeting with the permission of the Chairman.

Corporate Governance Report

[continued](#)

The Board of Directors is the apex body constituted by shareholders and is vested with the powers of governance, control, direction and management of affairs of the Company. The Board provides strategic direction and guidance to the Company and has been steering the Company towards achieving its business objectives. Driven on the principles of ethics and accountability, the Board strives to work in best interest of the Company and its stakeholders. The Board is committed to ensuring in compliance with the highest standards of corporate governance.

d) Separate Meeting of Independent Directors

A separate meeting of Independent Directors was held on 07th February, 2023, without the attendance of Non-Independent Directors and members of the Management as required under Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of the flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All Independent Directors were present in the meeting held on 07th February, 2023.

e) Familiarization Programme

The Company, through its Managing Director/Executive Directors/Senior Management Personnel, makes presentations regularly to the Board, Audit Committee or such other Committees, as may be required, covering, inter alia, business environment, business strategies, operations review, quarterly and annual results, review of Internal Audit Report and Action Taken, statutory compliance, risk management etc.

The details of Familiarization Programmes imparted to Independent Directors (IDs) are available on the company's website at <https://www.shivalikbimetals.com/images/pdf/Familiarisation-Programme.pdf>

f) Performance Evaluation

A formal evaluation mechanism is in place for evaluating the performance of the Board, the Committees thereof, individual Directors and the Chairman of the Board. The evaluation was done based on the criteria which includes, among others, providing strategic perspective, Chairmanship of Board and Committees, attendance and preparedness for the meetings, contribution at meetings, effective decision-making ability, and role of the Committees. The Directors expressed their satisfaction with the evaluation process.

g) Code of Conduct

The Board of Directors has adopted and laid down the Code of Conduct for all Directors and Senior Management Personnel. The Code is posted and available on the website of the Company <https://www.shivalikbimetals.com/about-us.php?pageld=8>. The members of the Board and Senior Management Personnel have affirmed the compliance with the Code applicable to them during the year ended on March 31, 2023. The Annual Report of the Company contains a declaration by the Chairman and Whole Time Director in terms of Para D of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, based on the compliance declarations received from the Board and Senior Management.

h) Core skills / expertise / competencies of Directors

The Company believes that it is the collective effectiveness of the Board that impacts Company performance, and therefore members of the Board themselves should have a balance of skills, experience and diversity of perspectives appropriate to the Company. Given the Company's size, scale and diversified nature of its businesses, the skills, expertise and competencies of the Directors, as identified by the Board, are provided below:

Corporate Governance Report

[continued](#)

Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Corporate governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
Functional and managerial experience	Knowledge and skills in accounting and finance, business judgment, general management practices and processes, crisis response and management, macro-economic perspectives, human resources, labour laws, international markets, sales and marketing, and risk management.
Industry Knowledge	Experience in Industry Knowledge of Metal/Electrical/Electronic. Understanding of Government legislation/legislative process and Customer Relationships. Global Business Understanding of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.

Directors	Strategy and Planning	Corporate Governance	Functional and managerial experience	Industry Knowledge	Global Business
Mr. S S Sandhu	✓	✓	✓	✓	✓
Mr. N S Ghuman	✓	✓	✓	✓	✓
Mr. Gurmeet Singh Gill	✓	✓	✓	✓	✓
Mrs. Harpreet Kaur	✓	✓	✓	✓	✓
Mr. Nirmaljeet Singh Gill	✓	✓	✓	✓	✓
Lt. Gen. Pradeep Khanna	✓	✓	✓	✓	✓
Mrs. Anu Ahluwalia	✓	✓	✓	✓	✓
Mr. Swarnjit Singh	✓	✓	✓	✓	✓

i) Compliance Reports

To the best of my knowledge and belief, the Company is complying with all applicable laws as on date. The Board has reviewed the Compliance Report of all Laws applicable to the Company and the steps taken by the Company to rectify instances of non-compliances.

j) Code of Conduct for Prevention of Insider Trading

Prohibition of Insider Trading: The Company has a policy i.e., a code of conduct, prohibiting insider trading in conformity with SEBI (Prohibition of Insider Trading) Regulations, 2015. The said policy contains necessary procedures applicable to Directors, officers and designated persons for trading in the securities of the Company. The trading window closure is intimated in advance to all concerned, during which period, the Board of Directors and designated persons are not permitted to trade in the securities of the Company.

k) Materially Significant Related Party Transactions

There were no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large.

Corporate Governance Report

[continued](#)

i) Details of the establishment of Vigil Mechanism/Whistle Blower Policy, and affirmation that no personnel has been denied access to the Audit Committee

The Company believes in conducting its affairs fairly and transparently by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. The Company has adopted a Vigil Mechanism / Whistle Blower Policy to provide a secure environment and to encourage employees of the Company to report unethical, unlawful or improper practices, acts or activities. The reportable matter may be disclosed to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. The policy has been uploaded on the website of the Company under the head of investor relation/ Shivalik corporate policy tab at <https://www.shivalikbimetals.com/images/pdf/Whistle-Blower-Policy.pdf>

m) Policy for Preservation of Documents

Under the requirements of Regulation 9 of the SEBI Listing Regulations, the Board has formulated and approved an Archival Policy prescribing the manner of retaining the Company's documents and the period up to which certain documents are to be retained. The policy has been uploaded on the website of the Company under the head of investor relation/Shivalik corporate policy tab at <https://www.shivalikbimetals.com/images/pdf/policy-on-preservation-of-documents-and-archival.PDF>

n) Disclosure Policy

In line with requirements under Regulation 30 of the SEBI Listing Regulations, the Company has framed a policy on disclosure of material events and information which is available on the website under the head of investor relation/Shivalik corporate policy tab at <https://www.shivalikbimetals.com/images/pdf/pdf-feb-2020/policy-on-criteria-for-determining.pdf>

The objective of this policy is to have uniform disclosure practices and ensure timely, adequate and accurate disclosure of information on an ongoing basis.

o) Role of Company Secretary in the overall governance process

The Company Secretary plays a key role in ensuring that the Board and Committee's procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information details and documents are made available to the Directors and Senior Management for effective decision-making at the Meetings. The Company Secretary is primarily responsible for assisting and advising the Board in conducting the affairs of the Company, ensuring compliances with applicable statutory requirements, providing guidance to Directors and facilitating the convening of Meetings. The Company Secretary interfaces between the Management and regulatory authority for governance matters.

p) Succession Planning

The Nomination and Remuneration Committee believes that sound succession plans for the senior leadership are very important for creating a robust future for the Company. The Committee works along with the Human Resource team of the Company for a proper leadership succession plan. The Risk Management Committee of your Company also reviews the succession planning across all Business Verticals in each meeting.

3. Committees of the Board of Directors

The Board of Directors has constituted the following Committees of Directors with an adequate delegation of powers to discharge urgent businesses of the Company:

- i. Audit Committee
- ii. Stakeholders Relationship & Share Transfer Committee
- iii. Nomination & Remuneration Committee
- iv. Corporate Social Responsibility Committee
- v. Risk Management Committee

The detailed terms of reference, composition and other details of the Committees are as under:

Corporate Governance Report

[continued](#)

i. AUDIT COMMITTEE

The Audit Committee comprised of Mr. Nirmaljeet Singh Gill, Chairman, Lt. Gen. Pradeep Khanna (Retd.), Mrs. Anu Ahluwalia and Mr. S.S. Sandhu, as members.

Two-thirds of the members of the Audit Committee are Independent Directors, and all the members of the Audit Committee have accounting or financial Management expertise. The Company Secretary of the Company acts as the Secretary of the Committee.

The Audit Committee shall meet at least Four (4) times a year and not more than 120 days gap between two meetings. Accordingly, the Audit Committee met Six (6) times during the FY 2022-23 on 12th April, 2022, 30th May, 2022, 09th August, 2022, 29th August, 2022, 04th November, 2022 and 07th February, 2023. The quorum for the Audit Committee shall either two members or 1/3 of the members of the committee, whichever is greater, with atleast 2 Independent Directors.

The composition and attendance record of the members of the Audit Committee for the FY 2022-23 is as follows:

S. No.	Name of Members	Designation	No. of Meeting held during the Year	No. of meetings attended during the year
1.	Mr. Nirmaljeet Singh Gill	Chairman	6	6
2.	Mr. S. S. Sandhu	Member	6	6
3.	Mrs. Anu Ahluwalia	Member	6	6
4.	Lt. Gen. Pradeep Khanna (Retd.)	Member	6	5

Terms of Reference

Terms of Reference and role of the Audit Committee include the matters specified under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee has extensive powers and has access to all requisite information of the Company. The role of the Audit Committee in detail includes:

- (1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions;
 - (g) Modified opinion(s) in the draft audit report;

Corporate Governance Report

continued

- (5) Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- (6) 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;
- (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) 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;
- (14) Discussion with internal auditors of any significant findings and follow up there on;
- (15) 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;
- (16) 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;
- (17) To look 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;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 crores 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.
- (22) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

ii. STAKEHOLDERS' RELATIONSHIP AND SHARE TRANSFER COMMITTEE

The Stakeholders Relationship and Share Transfer Committee ('Stakeholder Committee') was constituted under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Stakeholder Committee is primarily responsible for reviewing all matters connected with the Company's transfer of Securities and redressal of shareholders'/ investors'/security holders' complaints. The Stakeholder's Committee also reviews the manner and timelines of dealing with complaint letters received from Stock Exchanges/ SEBI/ Ministry of Corporate Affairs, etc., and the responses thereto along with the adherence to service standards. Based on the delegated powers of the

Corporate Governance Report

[continued](#)

Board of Directors, WTD , CFO and Company Secretary approves the share transfers/transmissions/dematerialisation of shares/nominee updations/change of name on certificate on a regular basis and the same is reported at the next meeting of the Committee, normally held every quarter.

The Stakeholder Committee composition and the terms of reference meet the requirements of SEBI Listing Regulations and provisions of the Companies Act, 2013.

As on 31st March, 2023, the Stakeholder Relationship Committee comprised of Mrs. Anu Ahluwalia, Chairperson, Mrs. Harpreet Kaur, Mr. S.S. Sandhu and Mr. N. S. Ghuman as members. The quorum of the Committee is two members. The Company Secretary is the Secretary of the 'Stakeholder Committee'.

Terms of Reference of the Committee to the extent applicable, inter alia, include the following:

- Oversee and review all matters connected with the transfer of the Company's securities;
- Approve the issue of the Company's duplicate share certificates;
- Monitor redressal of investors' /shareholders'/security holders' grievances;
- Oversee the performance of the Company's Registrar and Share Transfer Agents;
- Recommend methods to upgrade the standard of services to investors;
- Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading;
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

During the FY 2022-23, Five (5) Stakeholder Committee meetings has been held on 30th May, 2022, 09th August, 2022, 04th November, 2022, 05th January, 2023 and 07th February, 2023. Attendance at the Stakeholders Relationship Committee is as follows:

S. No.	Name of Members	Designation	No. of Meeting held during the Year	No. of meetings attended during the year
1.	Mrs. Anu Ahluwalia	Chairperson	5	4
2.	Mr. S. S. Sandhu	Member	5	5
3.	Mr. N.S. Ghuman	Member	5	5
4.	Mrs. Harpreet Kaur	Member	5	4

Details of queries /complaints received from Shareholders/Investors during the year 2022-23. The details of shareholders' grievance are as follows:

- No. of Complaints received during the year – 5
- No. of Complaints resolved during the year – 4
- Pending Complaints at the end of the Financial Year – 1*

Complaint has been received on 28th March, 2023 and resolved the same on 01st April, 2023 The status of pending shareholder's/ investor's complaints is regularly reviewed at the Board Meetings itself on quarterly basis.

Addressing Shareholders Grievances

The complaints of the shareholders are either addressed to the Company Secretary or Share Transfer Agent of the Company i.e. MAS Services Limited. The Company generally attends to all queries of investors within a period of fortnight from the date of receipt.

Corporate Governance Report

[continued](#)

iii. NOMINATION & REMUNERATION COMMITTEE

As per Section 178 of the Companies Act, 2013 and rules made thereunder and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Company has a duly constituted Nomination and Remuneration Committee ("NRC")

The terms of reference of the NRC inter alia, include the following:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- ii. 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:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.
- iii. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iv. Devising a policy on diversity of board of directors;
- v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal, basis of the report of performance evaluation of independent directors;
- vi. Recommend to the Board, all remuneration, in whatever form, payable to senior management;
- vii. Whether to extend or continue the term of appointment of the independent director.

In addition to the above, NRC will carry out all other functions as provided under applicable laws and specified by the Board of Directors from time to time.

As on 31st March, 2023, the NRC comprised of Mr. Nirmaljeet Singh Gill, Chairman, Mrs. Anu Ahluwalia and Lt. Gen. Pradeep Khanna (Retd.) as members. The quorum of the Committee is two members. The Company Secretary is the Secretary of the 'NRC'.

During the Financial Year 2022-23, One (1) NRC meeting was held on 29th August, 2022 . Attendance at the Nomination & Remuneration Committee Meeting is as follows:

S. No.	Name of Members	Designation	No. of Meeting held during the Year	No. of meetings attended during the year
1.	Mr. Nirmaljeet Singh Gill	Chairperson	1	1
2.	Lt. Gen. Pradeep Khanna (Retd.)	Member	1	-
3.	Mrs. Anu Ahluwalia	Member	1	1

iv. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has a duly constituted Corporate Social Responsibility ("CSR") Committee as per the requirement of Section 135 of the Companies Act, 2013.

The brief terms of reference of the Committee are as follows:

- Formulate and recommend to the Board a CSR Policy.
- Recommend to the Board CSR activities to be undertaken by the Company.

Corporate Governance Report

[continued](#)

- Monitor the CSR policy of the Company from time to time and ensure its Compliance.
- Submit to the Board its report giving the status of the CSR activities undertaken, expenditure incurred and such other details as may be required by it.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable.

As on 31st March, 2023, the CSR Committee comprised of Mr. S. S. Sandhu, Chairman, Mr. N. S. Ghumman and Lt. Gen. Pradeep Khanna (Retd.) as members. The Company Secretary of the Company acts as the Secretary of the Committee.

During the FY 2022-23, 1 (One) CSR Committee Meeting was held on 12th April, 2022. Attendance at CSR Committee Meeting is as follows:

S. No.	Name of Members	Designation	No. of Meeting held during the Year	No. of meetings attended during the year
1.	Mr. S. S. Sandhu	Chairman	1	-
2.	Mr. N. S. Ghumman	Member	1	1
3.	Lt. Gen. Pradeep Khanna (Retd.)	Member	1	1

v. RISK MANAGEMENT COMMITTEE

As on 31st March, 2023, the Risk Management Committee comprised of Mr. S. S. Sandhu, Chairman, Mr. N. S. Ghumman, Lt. Gen. Pradeep Khanna (Retd.), Mr. N.J.S. Gill, Mr. Rajeev Ranjan, Mr. Kanav Anand and Mr. Kabir Ghumman as members. The Company Secretary of the Company act as the Secretary of the Committee.

During the FY 2022-23, 2 (Two) Risk Management Committee Meetings were held on 24th January, 2023 and 20th March, 2023. Attendance at the Risk Management Committee Meeting is as follows:

S. No.	Name of Members	Designation	No. of Meeting held during the Year	No. of meetings attended during the year
1.	Mr. S.S. Sandhu	Chairman	2	2
2.	Mr. N.S. Ghumman	Member	2	1
3.	Mr. Nirmaljeet Sing Gill	Member	2	-
4.	Mr. Pradeep Khanna	Member	2	-
5.	Mr. Rajeev Ranjan	Member	2	1
6.	Mr. Kanav Anand	Member	2	2
7.	Mr. Kabir Ghumman	Member	2	1

Your Company has constituted a Risk Management Committee ("RMC") to assist the Board and the Audit Committee in their responsibilities of overseeing Company's risk management policies and processes (including processes for monitoring and mitigating such risks) and the Company's exposure to unmitigated risks.

The terms of reference of the RMC is as follows:

- i) Formulation of a detailed risk management policy which includes a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability, ESG related risks, information, cyber security risks or any other risk as may be determined by the Committee. The policy also includes measures for risk mitigation including systems and processes for internal control of identified risks and the Business continuity plan;
- ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- iii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

Corporate Governance Report

[continued](#)

- iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- v) To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken.

4 Remuneration of Directors

The details of Remuneration, fees paid etc. to Directors for the year ended 31st March, 2023 are as under:

a) Paid to Executive Directors

(In ₹)					
S.	Name of the Director No.	Salaries & Allowances	Contribution to PF	Other Benefits	Total
1	Mr. S. S. Sandhu	2,97,39,600	24,12,000	24,337	3,21,75,937
2	Mr. N. S. Ghuman	2,97,39,600	24,12,000	24,337	3,21,75,937

b) Non-Executive Directors

S.	Name of the Director No.	Sitting fees
1.	Mr. Nirmaljeet Singh Gill	77,500
2.	Lt. Gen. Pradeep Khanna (Retd.)	67,500
3.	Mrs. Anu Ahluwalia	72,500
4.	Mrs. Harpreet Kaur	55,000
5.	Mr. Gurmeet Singh Gill	45,000
6.	Mr. Swarnjit Singh	60,000
Total		3,77,500

c) Criteria of making payments to non-executive Directors:

Apart from receiving sitting fees, no Non-Executive Directors including Independent Directors received any fixed component performance linked incentives from the company during the period under review.

d) All Directors have disclosed their shareholding in the Company. Details of Shareholding of Directors as on 31st March, 2023 are as follows:

S. No.	Name of the Director	No. of shares holds	% of shareholding
1	Mr. S. S. Sandhu	8,64,000	1.50
2	Mr. N. S. Ghuman	44,91,000	7.80

Details of Equity shares of the Company held by the Independent Directors as on 31st March, 2023 are given below: None of the Independent Directors held any Shares in the Company as on 31st March, 2023 except Mr. Swarnjit Singh who holds 4500 Equity Shares.

e) Disclosure of relationship between Directors inter-se

None of the Directors have any material or pecuniary relationship inter-se among themselves.

5. DISCLOSURES

a) Non-Compliances/Strictures/penalties Imposed

The Company has complied with the various requirements of the Stock Exchange, SEBI and other Statutory Authorities on all matters related to capital markets during the last three years and no penalties or strictures have been imposed on the Company by Stock Exchange, SEBI and Statutory Authority relating to the above.

However, the SEBI has imposed a penalty for the delay in filing the Annual Secretarial Report under Regulation 24A of SEBI (LODR) Regulations, 2015 in the last financial year.

Corporate Governance Report

[continued](#)

b) Disclosure of Accounting Treatment

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on March 31, 2023, have been prepared by following the Indian Accounting Standards (Ind-AS) notified under Section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014. The estimates and judgments relating to the Financial Statements are made on a prudent basis, to reflect truly and fairly, the form and substance of transactions are reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2023.

c) Material subsidiary

Pursuant to the provisions of Regulation 16(1)(c) of the Listing Regulations, the Company has adopted a Policy for determining Material Subsidiaries, laying down the criteria for identifying material subsidiaries of the Company. Accordingly, Shivalik Engineered Products Private Limited becomes the material subsidiary of the Company during the financial year 2022-23.

The Policy may be accessed on the website of the Company at the link: <https://www.shivalikbimetals.com/images/pdf/Material-Subsidiary-Policy.pdf>

d) Management Discussion and Analysis

The Management Discussion and Analysis forms the part of the Annual Report and is given separately.

e) Disclosure of commodity price risks and commodity hedging activities

The Company had managed the foreign exchange risk by using natural hedge and the company has managed the Commodity Price Risk by having back to back contracts with customers

f) Certificate from Company Secretary in practice

M/s R Miglani & Co., Practicing Company Secretaries, has issued a Certificate as required under the SEBI (Issue of Capital & Disclosures Requirements) Regulations, 2015, as amended confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority. The Certificate is enclosed with this section as **Annexure-I**.

g) Total fees paid to Statutory Auditors

During the year, the total fees for all services paid by the Company and its subsidiaries to M/s. Arora Gupta & Co., Chartered Accountants (Firm Registration No. 021313C), Statutory Auditors of the Company aggregate to ₹ 39.5/- Lakhs.(Thirty- Nine Lakhs and Fifty Thousand Only).

h) Compliances

All Returns/Reports were generally filed within the stipulated time with the Stock Exchange and other authorities. This Corporate Governance Report of the Company for the year ended 31st March, 2023, complies with the requirements of Part C of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The status of Adoption of the non-mandatory requirements as specified in Sub-Regulation (1) of Regulation 27 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are as follows:-

- a) The Board: the Chairman of the Company is the Executive Chairman;
- b) Positions of the Chairman and Managing Director are held by separate individuals;
- c) Shareholder Rights: Half-yearly and other quarterly financial statements are published in Newspapers, and uploaded on the Company's Website at www.shivalikbimetals.com.
- d) Modified opinion(s) in the audit report: the Audit Report does not contain any qualifications;
- e) Reporting of Internal Auditor: The Internal Auditors of the Company report to the Audit Committee.

Corporate Governance Report

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6. GENERAL MEETINGS

A. Annual General Meetings (AGM)

The details of the last three Annual General Meetings are as mentioned below:

Year	2019-2020	2020-2021	2021-2022
Date	29 th September, 2020	15 th September, 2021	27 th September, 2022
Time	11:00 AM	10:30 AM	10:30 AM
Venue	Video Conferencing	Video Conferencing	4 th Floor, Hotel City Heights, City Centre Plaza, The Mall (Opposite District Courts), Solan (H.P)-173212
Special Resolutions	1. The reappointment of Mr. - N. S. Ghumman (DIN: 00002052), who has already attained the age of 70 years, as Managing Director of the Company for five (5) years w.e.f. 01 st April, 2021 to March 31, 2026.		
	1. Re-appointment of Lt. General Pradeep Khanna as an Independent Director of the company. 2. Re-appointment of Mr. Nirmaljeet Singh Gill as an Independent Director of the company. 3. Re-appointment of Mr. S.S. Sandhu as Chairman and Whole-Time Director of the company. 4. Ratification of the existing remuneration of Mr. N.S. Ghumman as Managing Director of the company. 5. Approval of remuneration for appointment of office and place of profit under section 188 of the Companies Act, 2013		

Extra-Ordinary General Meeting (EGM)

During the year under review, No Extra-ordinary General Meeting was held.

7. MEANS OF COMMUNICATION

The Company provides un-audited as well as audited financial results to the stock exchange immediately after being approved by the Board. The quarterly, half-yearly and annual results of the Company are published in one English daily newspaper (The Financial Express) and one Hindi newspaper (Jan Satta). The Company's shareholding pattern, financial results, Code of Conduct, AGM Notice, Annual Reports, details of unclaimed dividends under the head - Investor Education Protection Fund ("IEPF"), Corporate Governance Reports, Corporate Social Responsibility Policy, Details of familiarization programmes for Independent Directors, Vigil Mechanism (including Whistle Blower Policy), Terms and Conditions for appointment of an Independent Director, Policy on Dealing with Related Party Transactions, Investor Contact details etc. and other information as required under applicable provisions of the Companies Act, 2013 read with rules made thereunder and LODR Regulations, 2015 including Regulation 46(2)(n) are being displayed at Company's website www.shivalikbimetals.com (in investor relations section). The Company also have an exclusive e-mail ID i.e. investor@shivalikbimetals.com for investors to contact the Company in case of any information and grievances. Investor presentations were made by the Company to the investors during the year.

Corporate Governance Report

[continued](#)

8. MD/CFO CERTIFICATION

Managing Director and Chief Financial Officer (CFO) Certification, on financial statements, is issued according to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is annexed to the Corporate Governance report and forms part of the Annual Report.

9. GENERAL SHAREHOLDERS' INFORMATION

a)	1. Annual General Meeting Day, Date, Time and Venue	On Tuesday, the September 26, 2023 at 10:30 am(IST) Hotel Namastasya, Bye Pass Road, near New Bus Stand, Lawi Khurd, Solan, Himachal Pradesh 173212
	2. Financial Year	1 st April to 31 st March
	3. Dates of Book Closure	Wednesday, the September 20, 2023 to Tuesday, the September 26, 2023 (both days inclusive)
	4. Dividend	Interim Dividend - (25%) ₹ 0.50/- for one equity share of ₹ 2/- each. Final Dividend - (35%) ₹ 0.70/- for one equity share of ₹ 2/- each.
	5. Dividend Payment date	Interim - 24 th February, 2023 Final - On or before 25 th October, 2023
	6. Financial Calendar	Financial reporting for the quarter ending June 30, 2023 -Within 45 days from the end of the quarter September 30, 2023 – Within 45 days from the end of the quarter December 31, 2023 – Within 45 days from the end of the quarter March 31, 2024 – Within 60 days from the end of the year
	7. Listing on Stock Exchanges	a) BSE Limited. The Listing fees for the Financial Year 2022-23 have been paid to the Exchange. Add: PJ Towers, 25 th Floor, Dalal Street,Mumbai – 400 001 b) National Stock Exchange of India Limited. The Listing fees for the Financial Year 2022-23 have been paid to the Exchange. Add: Exchange Plaza, Plot No.C/1, G-Block BandraKurla Complex, Bandra (East), Mumbai – 400051
	8. Corporate Identification Number (CIN) of the Company	L27101HP1984PLC005862
	9. Payment of Depository Fees	The annual Custody/Issuer fee for the year 2022-23 has been paid by the Company to Central Depository Services Limited (CDSL) and National Securities Depository Limited (NSDL).
	10. Stock Code	BSE Limited- 513097 ISIN of the Company- INE386D01027 NSE Symbol: SBCL
	11. Credit Rating	Refer Director(s) Report

Corporate Governance Report

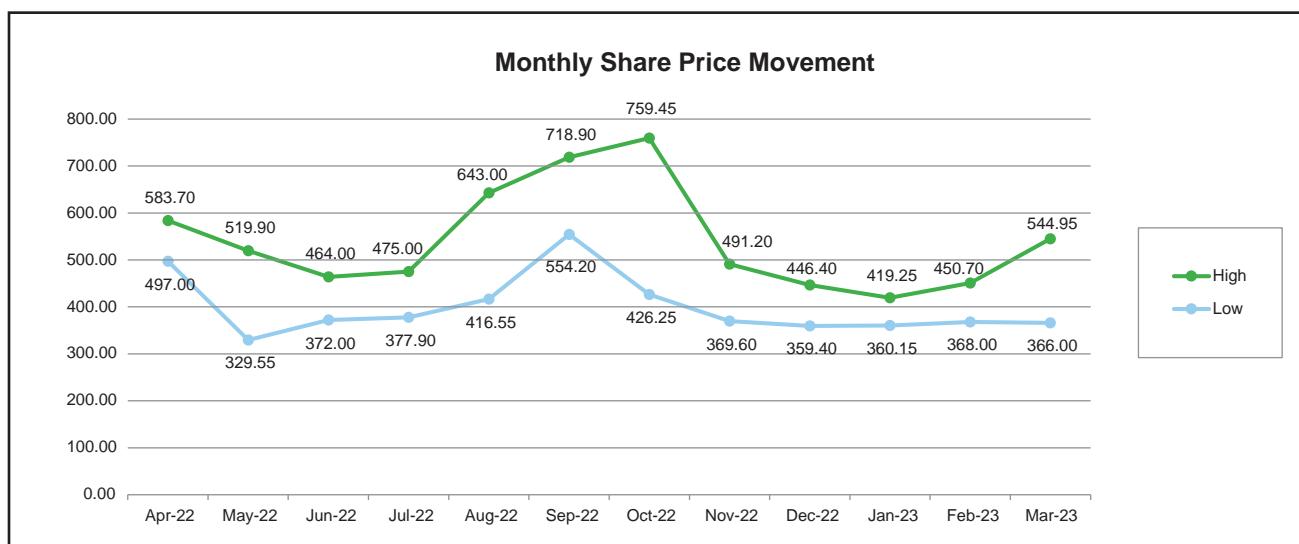
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b) Market Price Data: High, Low on BSE during each month in the last Financial Year 2022-23

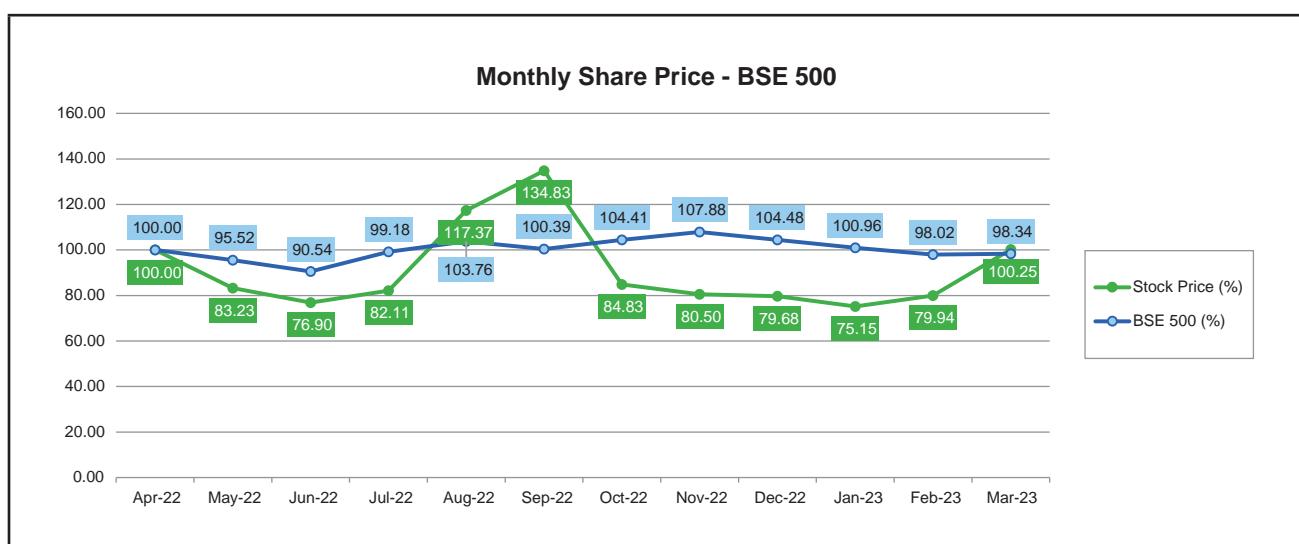
Month	Shivalik Share Price		BSE 500		
	High	Low	Month	High	Low
Apr-22	583.70	497.00	Apr-22	24,628.56	23,272.39
May-22	519.90	329.55	May-22	23,575.05	21,343.16
Jun-22	464.00	372.00	Jun-22	22,770.95	20,482.98
Jul-22	475.00	377.90	Jul-22	23,376.50	21,018.58
Aug-22	643.00	416.55	Aug-22	24,629.69	23,362.49
Sep-22	718.90	554.20	Sep-22	25,066.46	23,141.62
Oct-22	759.45	426.25	Oct-22	24,606.03	23,252.98
Nov-22	491.20	369.60	Nov-22	25,479.82	24,545.33
Dec-22	446.40	359.40	Dec-22	25,554.25	23,865.88
Jan-23	419.25	360.15	Jan-23	24,801.94	23,369.49
Feb-23	450.70	368.00	Feb-23	24,124.77	23,004.17
Mar-23	544.95	366.00	Mar-23	23,785.16	22,556.39

Note: Share prices after October 12,2022 (i.e. Ex - bonus date) Reflects the impact of allotment of bonus equity shares in the proportion of 2:1 on October 15, 2022

Performance of Shivalik Bimetal Controls Ltd. ("Shivalik") share price (Monthly High & Low)



Performance of Shivalik Bimetal Controls Ltd. ("Shivalik") share prices in comparison to BSE 500 (Monthly Closing)



Corporate Governance Report

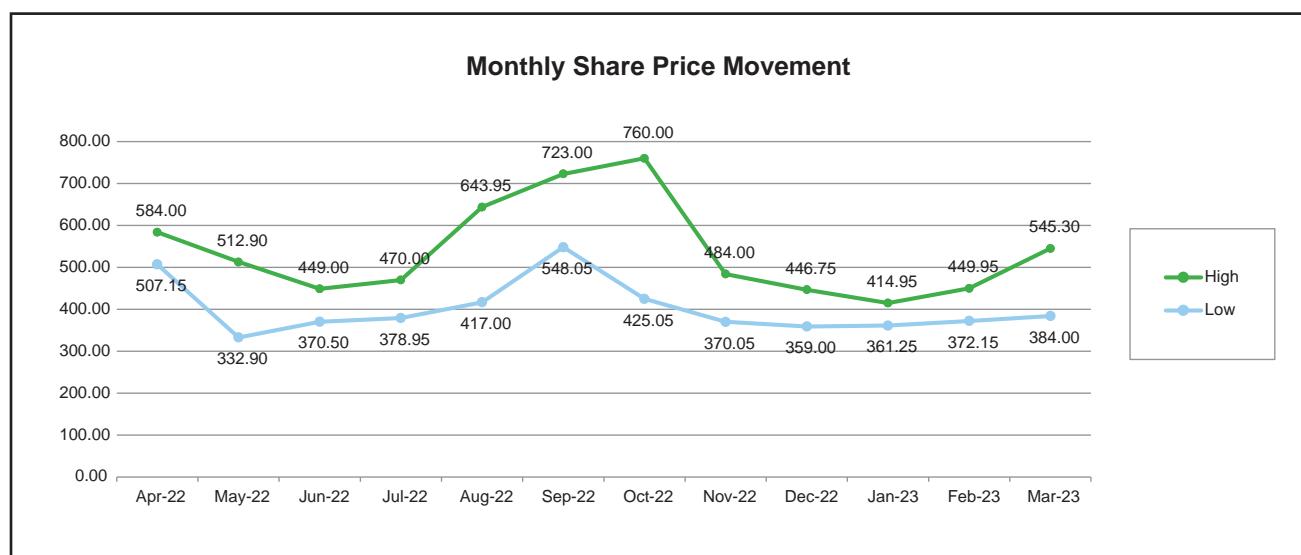
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c) Market Price Data: High, Low on NSE during each month in the last Financial Year 2022-23

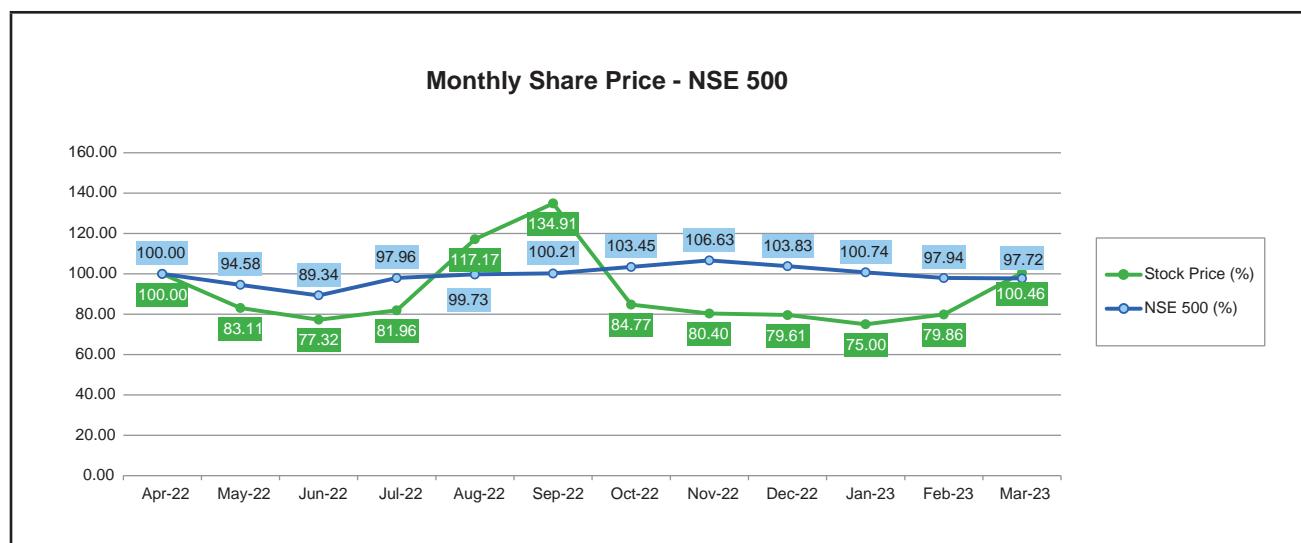
Month	Shivalik Share Price		NSE 500		
	High	Low	Month	High	Low
Apr-22	584.00	507.15	Apr-22	10,120.95	9,611.80
May-22	512.90	332.90	May-22	9,691.15	8,656.45
Jun-22	449.00	370.50	Jun-22	9,304.35	8,254.50
Jul-22	470.00	378.95	Jul-22	9,499.10	8,540.45
Aug-22	643.95	417.00	Aug-22	9,992.80	9,495.50
Sep-22	723.00	548.05	Sep-22	10,294.10	9,498.00
Oct-22	760.00	425.05	Oct-22	10,026.80	9,562.20
Nov-22	484.00	370.05	Nov-22	10,353.10	9,990.15
Dec-22	446.75	359.00	Dec-22	10,427.70	9,660.90
Jan-23	414.95	361.25	Jan-23	10,155.60	9,555.25
Feb-23	449.95	372.15	Feb-23	9,903.70	9,429.85
Mar-23	545.30	384.00	Mar-23	9,784.75	9,201.20

Note: Share prices after October 12,2022 (i.e. Ex - bonus date) Reflects the impact of allotment of bonus equity shares in the proportion of 2:1 on October 15, 2022

Performance of Shivalik Bimetal Controls Ltd. ("Shivalik") share price (Monthly High & Low)



Performance of Shivalik Bimetal Controls Ltd. ("Shivalik") share prices in comparison to NSE 500 (Monthly Closing)



Corporate Governance Report

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d) Registrar & Share Transfer Agent:

MAS Services Limited,
T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020
Tel No.: (91) (11) 26387281, 26387282, 26387283
Fax: (91) (11) 26387384
Email: info@masserv.com

e) Share Transfer System

MAS Services Limited, Registrar & Share Transfer Agent ("RTA") of the Company looks after share transfer, transmission, transposition, dematerialization and re-materialization of shares, issue of duplicate share certificates, split and consolidation of shares etc. on regular basis in compliance of various provisions of the laws, as applicable.

f) Distribution of Shareholding as on 31st March, 2023:

Shareholding of Nominal value of	Shareholders No.	% to total	No. of shares	Share Capital (Amount)	
				In ₹	% to total
up to – 5000	28282	95.264	4277909	85,55,818	7.426
5001 – 10000	719	2.422	2408143	48,16,286	4.180
10001 – 20000	388	1.307	2647584	52,95,168	4.596
20001- 30000	103	0.347	1286312	25,72,624	2.233
30001- 40000	43	0.145	743133	14,86,266	1.290
400001-50000	34	0.115	748525	14,97,050	1.299
50001-100000	53	0.179	1857946	37,15,892	3.225
100001 and above	66	0.222	43634648	8,72,69,296	75.749
Total	29668	100.00	57604200	11,52,08,400	100.000

g) Shareholding Pattern as on 31st March, 2023

Category	No. of Shares held	% of total Shareholding
Promoters	34912379	60.61
Bodies Corporate	1153793	2.00
Banks/AFI's	92946	0.17
Indian Public	18998435	32.98
Others - (Clearing members, trust, unclaimed, NRI, IEPF, NBFC Regd. with RBI etc.)	2446647	4.24
Total	57604200	100.00

h) Dematerialization of shares and liquidity

As on March 31, 2023, a total of 57604200 equity shares with the face value of ₹ 2/- each are listed at BSE and NSE.

As on March 31, 2023, 98.47% of the Company's total Share Capital was held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL).

i) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs / Warrants or any convertible instruments.

Corporate Governance Report

[continued](#)

j) Major Plants /Units Location(s)

A) Plants Location:	Plot No. 16-18, New Electronics Complex, Chambaghat, Distt. Solan, Himachal Pradesh – 173213
B) UNIT-IV	VPO Basal, Patti Kather Khata No.: 787/1037 Khasra No.: 654,2363/1248/708 Chambaghat, Solan – 173213, H.P
C) Head Office:	H-2, 2 nd Floor, Suneja Chambers, Alaknanda Commercial Complex, New Delhi - 110019

Address for Correspondence

- a) For any complaints relating to non-receipt of shares after the transfer, transmission, change of address, mandate etc., dematerialization of shares or any other query relating to shares shall be forwarded to the Share Transfer Agents directly at the address given hereunder. Members are requested to provide complete details regarding their queries quoting folio number/DP ID No. / Client ID No., number of shares held etc.

MAS Services Limited,
T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020
Tel No.: (91) (11) 26387281, 26387282, 26387283
Fax: (91) (11) 26387384
Email: info@masserv.com

- b) For any query on any point in Annual Report, non-receipt of Annual Report, non-receipt of dividend etc., the complaint should be forwarded to the kind attention of Mrs. Aarti Sahni, Company Secretary & Compliance Officer of the Company at the following address:

H-2, 2nd Floor, Alaknanda Commercial Complex, New Delhi-110019
Tel No.: 011-26027174, Fax No.: 011-26026776

Members can also register their complaints at investor@shivalikbimetals.com, an exclusive email ID, designated by the Company to register complaints by investors, in compliance with Regulation 6(2)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

k) Reconciliation of Share Capital

As stipulated by SEBI, a qualified Practicing Company Secretary carries out an audit of Reconciliation of Share Capital to reconcile the share capital held with Depositories (i.e. NSDL & CDSL) in dematerialized form and share capital held in physical form with the total issued and listed share capital of the Company.

l) Secretarial Audit pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read along with SEBI Circular CIR/CFD/ CMD1/27/2019 dated February 8, 2019, the Company has obtained certificate and filed with the Stock Exchange within the statutory timeline as prescribed by the SEBI in this regard vide its notification dated 25.06.2020.

m) Governance Policies

In line with Company's philosophy for adhering to ethical and governance standards and ensure fairness, accountability, responsibility and transparency to all its stakeholders, Company's, inter-alia, has the policies and codes in place. All the policies have been uploaded on the website of the Company.

n) Stock option Details

The Company has no Employee Stock Option Plan.

o) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details have been disclosed in the Directors' Report forming part of the Annual Report.

Corporate Governance Report

[continued](#)

p) Investor Education and Protection Fund (IEPF)

According to Section 124 of the Companies Act, 2013 read with provisions of Investors Education & Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016 (as amended), all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more, already transferred by the Company in favour of Investor Education and Protection Fund (IEPF). The Company was communicated to all the concerned shareholders individually whose shares were liable to be transferred to IEPF. Upon transfer of such shares, all benefits (like a bonus, etc.), if any, accruing on such shares shall also be credited to such Dormant Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

The Company had also uploaded the details of such shareholders and shares transferred to IEPF on the website of the Company under the head of investor relation/Transfer of shares to IEPF account tab at www.shivalikbimetal.com.

Kindly note that once the amount is transferred to the IEPF, no claims shall lie against the Company.

q) Shivalik Bimetal Controls Ltd.- Unclaimed Suspense Account ("Unclaimed Suspense Account"). The details of equity shares ("shares") held in an Unclaimed Suspense Account are as follows:

S. No.	Particulars	Details
1	The aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the Financial Year 2022-23	<ul style="list-style-type: none"> Aggregate number of shareholders - 93 Number of outstanding shares - 124000
2	Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the Financial Year 2022-23	Nil
3	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the Financial Year 2022-23	Nil
4	The aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the Financial Year 2022-23	<ul style="list-style-type: none"> Aggregate number of shareholders - 93 Number of outstanding shares - 186000 (After Bonus Issue)

Note: Voting rights on the above-mentioned equity shares would remain frozen till the owner of such equity shares claims the shares.

10. Certificate from Practicing Company Secretary regarding the compliance of conditions of corporate governance

A Certificate from the Practicing Company Secretary certifying the compliance of Corporate Governance requirements by the Company is annexed to the Corporate Governance Report and forms part of the Annual Report.

Annexure to Report on Corporate Governance for the financial year ended 31st March 2023.

Declaration of Compliance with the Code of Conduct

Under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm and declare that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company laid down for them, for the financial year ended 31st March 2023.

For Shivalik Bimetal Controls Limited

Sd/-
S. S. Sandhu
Chairman
DIN: 00002312

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of (the Company), to the best of our knowledge and belief certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2023 and based on our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the code of conduct as adopted by the Company.
- d) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- e) We have indicated, based on our most recent evaluation, wherever applicable to the Auditors and Audit Committee:
 - i. Significant changes, if any, in the internal control over financial reporting during the year;
 - ii. Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place : New Delhi
Date : 17.05.2023

Sd/-
N.S. Ghumman
Managing Director

Sd/-
Rajeev Ranjan
Chief Financial Officer

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1) Brief outline on CSR policy of the Company:

Corporate Social Responsibility is a Company's sense of responsibility towards the community and environment in which it operates. As a Corporate Citizen receiving various benefits out of society, it is our co-extensive responsibility to pay back in return to the society in terms of helping needy people by providing food, clothes, etc., keeping the environment clean and safe for the society by adhering to the best industrial practices and adopting best technologies, and so on. It is the Company's intent to make a positive contribution to the society in which the Company operates.

SHIVALIK will focus on CSR initiatives that promote the areas identified in this policy. SHIVALIK implements the chosen programs via two channels:

- a) Directly by SHIVALIK;
- b) Through trust 'ABS Foundation'
- c) CSR primarily focuses on the following programs:
 - i. Promotion of education,
 - ii. Promotion of sports
 - iii. Infrastructural Facilities
 - iv. Rural Development
 - v. Healthcare Services
 - vi. Education, Employability and Livelihoods Enhancement

2) Composition of the CSR Committee: -

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. S. S. Sandhu	Chairman	1	-
2.	Mr. N. S. Ghuman	Member	1	1
3.	Lt. Gen. Pradeep Khanna (Retd.)	Member	1	1

- 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 CSR Committee, CSR Policy and CSR projects approved by the Board is available on the website of the Company and can be accessed through the following weblinks:

- a) Composition of CSR Committee: <https://www.shivalikbimetals.com/about-us.php?pagId=25>
 - b) CSR Policy: <https://www.shivalikbimetals.com/images/pdf/SBCL-CSR-Policy-2021.pdf>
 - c) CSR projects: https://www.shivalikbimetals.com/images/pdf/CSR-Projects_Final.pdf
- 4) Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Since the average CSR obligation of the Company during the last three financial years does not cross the limit of ₹ 10 crores or more as prescribed in Rule 8(3) of Companies (Corporate Social responsibility Policy) Rules, 2014, therefore the requirement of undertaking impact assessment of CSR projects is not applicable on the Company.

5. a) Average net profit of the Company as per sub-section (5) of section 135: - ₹ 39,88,59,854/-
b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 79,77,197/-
c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
d) Amount required to be set off for the financial year, if any: Nil
e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 79,77,197/-
6. (a) Amount spent on CSR Projects (both ongoing project and other than ongoing project) - ₹ 80,07,479
(b) Amount spent in Administrative Overheads: Nil
(c) Amount spent on Impact Assessment, if applicable: N.A
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: 80,07,479/-
(e) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)		
	Total Amount transferred to Unspent CSR Account as per section 135(6)	Name of Fund	Amount
80,06,967/-	NA	NA	NA

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
i.	Two percent of average net profit of the company as per section 135(5)	79,77,197/-
ii.	Total amount spent for the Financial Year	80,07,479/-
iii.	Excess amount spent for the financial year [(ii)-(i)]	30,282*
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	30,282

* The excess amount spent on CSR is not intended to be set off in succeeding financial years.

7. A) Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any.	Amount (in ₹)	Date of transfer	Amount remaining to be spent in succeeding Financial years. (in ₹)	Deficiency, if any
		Nil	Nil	Nil	Nil	Nil	Nil	Nil	

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes/No: No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no. Municipal Office/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA
10. CFO Certificate: In terms of Rule 4(5) of The Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, I, Rajeev Ranjan, Chief Financial Officer of Shivalik Bimetal Controls Ltd., hereby certify that the funds so disbursed to the Company for CSR activities during the Financial Year 2022-23 have been utilized for the purpose and in the manner as approved by the Board of Directors.

Sd/-
S. S. Sandhu
 Chairman of CSR Committee
 DIN: 00002312

Sd/-
N. S. Ghuman
 Managing Director
 DIN: 00002052

Annexure-E

- A) Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- (i) the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23:**

Mr. S. S. Sandhu	Chairman & Wholetime Director	Median 1:97
Mr. N. S. Ghuman	Managing Director	Median 1:97

- (ii) the percentage increase in remuneration of each director, CFO, CEO, Company Secretary or Manager, if any, in the financial year 2022-23:**

Mr. S. S. Sandhu	Chairman & Wholetime Director	Nil
Mr. N. S. Ghuman	Managing Director	Nil
Mr. Rajeev Ranjan	Chief Financial Officer	30.49%
Ms. Aarti Sahni	Company Secretary	25.91%

- (iii) the percentage increase in the median remuneration of employees in the financial year 2022-23: Median: 12.48**

- (iv) the number of permanent employees on the rolls of Company - 478**

- (v) 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:**

Average increase in the remuneration of all the employees excluding KMP's: Justification: Increase in the salary of KMPs is decided based on the Company's performance, individual performance, inflation, prevailing Industry trends and benchmarks.

- (vi) Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company hereby affirms that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

B) Statement of particulars under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2023 (also includes the details of top ten employees of the Company)

S. No.	Name	Designation	Remuneration ₹ in Lakhs)	Age	Qualification	Experience in years	Last Employment	Date of Commencement of Employment
1	Mr. S. S. Sandhu	Chairman and Whole Time Director	321.76	69	B.A. (Pass)	51	NA	01/09/1992
2	Mr. N. S. Ghumman	Managing Director	321.76	73	B.E. (Hons.)	50	M/s Tradex Gestion SA General of Switzerland	18/06/1984
3	Mr. Kabir Ghumman	Head of Manufacturing & Engineering	153.18	37	B.Tech, Mechanical Engineering	15	-	01/05/2011
4	Mr. Kanav Anand	Head of Sales & Marketing	153.25	40	B.Sc. (Hons.) in Business Management	16	-	01/01/2004
5	Mr. Mukesh Verma	Head of Commercial & Administration	119.19	55	Chartered Professional	28	-	01/03/1995
6	Mr. Rajeev Ranjan	Chief Financial Officer	118.71	38	Chartered Professional, Executive Study in Finance and Financial Management Services	12	-	07/01/2015

Notes:

1. Remuneration shown above includes Salary, HRA, Medical Allowance, Company contribution towards the Provident Fund and Monetary value of perquisites calculated as per rules prescribed under Income Tax Law.

CERTIFICATE

(Pursuant to clause 10 of Part C of Schedule V of LODR)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of SHIVALIK BIMETAL CONTROLS LIMITED (CIN: L27101HP1984PLC005862) I hereby certify that, On the basis of the written representation/declaration received from the directors and taken on record by the Board of Directors, as on 31st March, 2023, none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

For **R MIGLANI & CO.**
Company Secretaries

Sd/-

CS Rajni Miglani
Proprietor
M. No.: 30016
C.O.P No: 11273
PR No.: 2392/2022

Date: August 22, 2023
Place: New Delhi
UDIN: A030016E000840397

PRACTICING COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE

To the Shareholders of
SHIVALIK BIMETAL CONTROLS LIMITED

1. I have examined the compliance of the conditions of Corporate Governance by SHIVALIK BIMETAL CONTROLS LIMITED ('the Company') for the financial Year ended on 31st of March, 2023, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination has been limited to the review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial statements of the Company.
3. In my opinion and to the best of my information and according to the explanations given to me and the representation made by the directors and the management, I hereby certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **R MIGLANI & CO.**
Company Secretaries

Sd/-

CS Rajni Miglani
Proprietor
M. No.: 30016
C.O.P No: 11273
PRCN: 2392/2022 Proprietor

Date: August 22, 2023
Place: New Delhi
UDIN: A030016E000840421

Business Responsibility & Sustainability Report

Annexure-F

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L27101HP1984PLC005862
2. Name of the Listed Entity	Shivalik Bimetal Controls Ltd.
3. Year of incorporation	1984
4. Registered office address	16-18 New Electronics Complex, Chambaghat Distt. Solan Himachal Pradesh 173213
5. Corporate address	H-2, Suneja Chambers, Alaknanda Commercial Complex, New Delhi – 110019
6. E-mail	investor@shivalikbimetals.com
7. Telephone	+91-1792 – 230578 +91-011-26027174
8. Website	www.shivalikbimetals.com
9. Financial Year for which reporting is being done	2022-23
10. Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) Bombay Stock Exchange (BSE Limited)
11. Paid-up Capital	11,52,08,400/-
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Kanav Anand Landline 011-26027174 Email: investor@shivalikbimetals.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)	Disclosure made in this report is on Standalone basis and pertains only to Shivalik Bimetal Controls Limited

II. Products/services

14. 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	Manufacturing	Manufacturing of Thermostatic Bimetal/ Trimetal Strips/ Parts	
		Manufacturing of EB welded shunt (resistors)	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacturing of Thermostatic Bimetal/ Trimetal Strips/ Parts	24204	53%
2	Manufacturing of EB welded shunt (resistors)	24201	47%

Business Responsibility & Sustainability Report *continued*

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2*	1	3
International	-	-	-

*Commercial Production w.r.t Unit-IV, have been started w.e.f 01st August, 2023

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	18 States
International (No. of Countries)	38+ Countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

64.55%

c. A brief on types of customers

The Company caters to a diverse range of customers across various industries pre-dominantly serving B2B customers – supplying thermostatic bimetal/ trimetal's strips, components, spring rolled stainless steel, electron beam welded shunt material (strip and finished components) cold bonded strips and parts, snap action disc, CNC formed coils of bimetal/trimetal etc. There are approx. 250+ customers both domestic and overseas. The major customer belongs to switchgears, circuit breakers, automotive, energy meter and various other electrical and electronic devices industries.

IV. Employees

18. Details as at the end of Financial Year 2022- 2023:

a. Employees and workers (including differently abled):

S. Particulars No.	Total (A) No. (B)	Male		Female	
		% (B/A)	No. C	% (C/A)	No. (B)
Employees					
1. Permanent (D)	152	145	95%	7	5%
2. Other than Permanent (E)	9	9	100%	0	0%
3. Total employees (D + E)	161	154	95%	7	5%
Workers					
4. Permanent (F)	326	312	95%	14	5%
5. Other than Permanent (G)	321	321	100%	0	0%
6. Total workers (F + G)	647	633	97%	14	3%

Business Responsibility & Sustainability Report *continued*

- b. Differently abled Employees and workers:

S. Particulars No.	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. C	% (C/A)
Differently Abled Employees					
1. Permanent (D)	-	-	-	-	-
2. Other than Permanent (E)	-	-	-	-	-
3. Total differently abled employees (D + E)	-	-	-	-	-
Differently Abled Workers					
4. Permanent (F)	-	-	-	-	-
5. Other than Permanent (G)	-	-	-	-	-
6. Total differently abled workers (F + G)	-	-	-	-	-

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	6	2	33%
Key Management Personnel	*4	1	25%

*Key Managerial Personnel includes Managing Director, Chairman cum Whole Time Director, Chief Financial Officer and Company Secretary

20. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	FY – 22-23 (Turnover rate in current FY)			FY – 21-22 (Turnover rate in previous FY)			FY – 20-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	2.92%	0.73%	3.65%	2.67%	-	2.67%	8.53%	-	8.53%
Permanent Workers	2.23%	0.37%	2.60%	2.87%	-	2.87%	3.41%	-	3.41%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (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 initiatives of the listed entity? (Yes/No)
1	Shivalik Bimetal Engineers Private Limited	Wholly owned subsidiary (w.e.f. 29.04.2022)	100 %	No
2	Shivalik Engineered Products Private Limited (Formerly Known as Checon Shivalik Contact Solutions Private Limited)	Wholly owned subsidiary (w.e.f. 12.04.2022)	100 %	No
3	Innovative Clad Solutions Private Limited	Joint Venture	16.01%	No

Business Responsibility & Sustainability Report *continued*

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
(ii) Turnover (in ₹): 42,023.01/- (In Lakhs)
(iii) Net worth (in ₹): 25,500.89/- (In Lakhs)

VII. Transparency and Disclosures Compliances

23. 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: 22-23 Current Financial Year			FY: 21-22 Previous Financial Year		
		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	-	-	-	-	-	-	-
Investors (other than shareholders) and Shareholders	Yes	5	1*	-	1	1	-
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes	15	0	All Customer Complaints are closed	14	0	All Customer Complaints are closed
Value Chain Partners	Yes	-	-	-	-	-	-
Other (please specify)	-	-	-	-	-	-	-

Notes:

*Complaint has been received on 28th March, 2023 and resolved the same on 01st April, 2023

- Weblink Shareholder Grievance: <https://www.shivalikbimetals.com/corporate-governance.php>
- Weblink Employee Grievance: <https://www.shivalikbimetals.com/images/pdf/Whistle-Blower-Policy.pdf>

The Company has a dedicated mechanism which regularly keeps a track of the complaints received from shareholders/stakeholders and promptly responds to the complainant to ensure that the complaint is resolved immediately to the satisfaction of the shareholder/stakeholder without any delay.

Business Responsibility & Sustainability Report *continued*

24. 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	Handling Hazardous Material/ Waste	Risk	Handling hazardous material/waste in business operations with care to avoid any threats posed to the health and well-being of our employees and to our surrounding environment	<p>Adherence to standards pertaining to Occupational Health and Safety, the Company's Environment, Health and Safety ("EHS") Policy and highest operational standards for handling hazardous materials;</p> <ul style="list-style-type: none"> • Continuous engagement with suppliers for identifying any new threats/better options to mitigate the risks; • Periodic risk assessments using quantitative risk assessment and closure of action plans arising out of such assessments; • Having a comprehensive Emergency Response Plan in place; and • Plant design to adhere to inherent safe design based on various applicable standards. 	Negative: Impact on health and well-being of employees at the plants & community nearby.

Business Responsibility & Sustainability Report *continued*

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)
2	Safety risk	Risk and Opportunity	The manufacturing operations of the Company require employees to work upon plant, machinery, and material handling equipment, all of which carry an inherent risk of injury	Adherence to safety standards, the Company's EHS Policy and highest operational standards for handling hazardous materials at plants.	Positive: Adoption of latest and cutting-edge safety related protocols and measures to create a safe work environment. Negative: Impact on health and well-being of employees at the Company.
3	Products and Innovation	Opportunity	Product enhancement, diversification and value add aligned to industry trends	-	Positive financial impact
4	Technological	Risk and Opportunity	Technology is ever changing and plays a vital role in our operations from process automation and quality control to supply chain management and customer engagement. Failure to keep abreast with latest technological changes could pose a competitive disadvantage and impact Company's ability to meet customer demands. Further, in this digital world, threats; like cyber-attacks and data breaches could result in financial losses, reputational damages which could impact the brand reputation of the Company.	Company invests in Research and Development to mitigate the technology related risks and has approved R&D facility in house towards this. The R&D focusses on improving our processes and products and develop innovative solutions meeting the evolving needs of the customers. The Company is taking steps to strengthen its cyber security measures to protect our data and infrastructure assets. The technological advancement also provides opportunity to upgrade our offerings to customers in a more sustainable manner.	Positive/ Negative

Business Responsibility & Sustainability Report *continued*

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.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available (To discuss)	Y	Y	Y	Y	Y	Y	Y	Y	Y
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	The Company encourages its value chain partners to engage in responsible and sustainable business practises considering their capabilities and resources. To enable this, company has fair trade practises, whistle blower policy, Grievance Mechanism etc.								
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Truste) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Yes; Policies have been developed considering relevant Acts like The Companies Act, 2013, The SEBI (Listing Obligation Disclosure Requirements) Regulation 2015, The Factories Act, 1948 and other various other Statutes which refers to National / International, certifications, labels and standards like ISO 9001, ISO 14001 and ISO 45001.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company recognises that improving its ESG performances is a continuous process. Currently, specific commitment, goals or target have not been set by the Company. However, the efforts made towards maintaining and improving its ESG performance are addressed throughout the report.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not Applicable								

Business Responsibility & Sustainability Report *continued*

Governance, leadership and oversight	
7. 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)	<p>We recognise the importance of Environmental, Social and Governance (ESG) factors in creating a sustainable future for our business and society as a whole.</p> <p>We believe that by prioritising ESG considerations, we can better manage risks, drive long term value creation and contribute to more equitable and prosperous world. ESG principles embedded in every aspect of our operations, right from business strategy and decision-making process to our practices and interactions with our stakeholders. The Company also is committed and conducting beneficial and fair business practices to the labour, human capital and the community. It provides employees and business associates with working conditions which are clean safe, healthy and fair.</p> <p>We are committed to ESG principles, our policies and practices include the Company's Code of Conduct, Human Rights Policy, Code of Conduct for Prevention of Insider Trading, Policy on prevention of Sexual Harassment, Whistle Blower Policy, Anti-Corruption and Anti-bribery Policy, Corporate Social Responsibility.</p>
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Kanav Anand Head of Sales & Marketing
9. 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.	Yes. The Board has constituted the BRSR Committee with the following members: 1. Kanav Anand 2. Kabir Ghumman 3. Mukesh Kumar Verma 4. Deepak Verma 5. Richa Gupta

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	Y	Y	Y	Y	Y	Y	Y	Y	Y	Policies are reviewed periodically or on a need basis from time to time and necessary updates are made whenever required.									
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Compliance review of statutory requirements are being done by Top management including rectification of Non-Compliances										Compliance audit has been conducted on annual basis, whereas the monthly compliance report/ MIS has been discussed monthly by Top management.								

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	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Most of the SHIVALIK'S policies are internal. They are reviewed internally on a periodic basis as mentioned above. Review of policies related to ISO 9001, ISO 14001 and ISO 45001 is conducted through external agency during annual Surveillance / Recertification Audits.								

Business Responsibility & Sustainability Report *continued*

- 12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated: All Principles are covered in the policies.**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									NA
The entity is not at a stage where it is in a position to formulate and implement the policies to formulate and implement the policies on specified principles (Yes/No)									NA
The entity does not have the financial or /human and technical resources available for the task (Yes/No)									NA
It is planned to be done in the next financial year (Yes/No)									NA
Any other reason (please specify)									NA

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

- 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	2	POSH, Compliance management, Team Building, Familiarisation Programme, Introduction of BRSR Principles	100%
Key Managerial Personnel	2	Personal Effectiveness, communication skills, Knowledge upgradation	100%
Employees other than BoD and KMPs	10	Code of Conduct, AI/ HIRA, Child Labour redemption, EPF Awareness, Effective Business (connect to Excel) , POSH, 7 QC Tools , Internal Auditors , Vigilance Awareness, Quality & Safety Policy refreshers. Awareness - 14001 + 45001,	75.30 %
Workers	5	Code of Conduct, Mediclaim /awareness, Effective Business (connect to Excel), POSH, Quality & Safety Policy refreshers., OHS/ PPE	75 %

- 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, in the following format (Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):**

No such cases during the FY 2022-23.

Business Responsibility & Sustainability Report *continued*

Monetary				
NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-
Settlement	-	-	-	-
Compounding fee	-	-	-	-

Non-Monetary				
NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	-	-	-	-
Punishment	-	-	-	-

- 3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Not Applicable

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
-	-

- 4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

As part of SHIVALIK'S Code of Conduct, we have established anti-corruption and anti-bribery guidelines. All employees, the Board of Directors, and senior management are considered under the policy. According to the policy, employees are prohibited from offering or receiving bribes in the form of gifts, donations, hospitality, or entertainment from the Company's current or potential suppliers, customers, or third parties with business dealings under any circumstances.

As part of the internal audits, risk assessments are done to find and acknowledge any potential risks related to bribery and corruption. In case of a complaint on bribery or corruption, SHIVALIK follows a formal procedure by investigating, and taking appropriate action. This kind of misconduct can be brought to the attention of the Board's Audit Committee on a regular basis. Disciplinary moves are to be made in the event of any infringement of the General set of principles, which can incorporate punishments, lawful activity and even end of work or business contract, contingent on the seriousness of the breach. The weblink of our policy: <https://www.shivalikbimetals.com/images/pdf/Anti-Bribery-Policy.pdf>

- 5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

Business Responsibility & Sustainability Report *continued*

6. Details of complaints with regard to conflict of interest:

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of Complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of Complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

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.

No such cases.

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	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	-	-

Note: Setting up of Sewage Treatment Plant and Effluent Treatment Plant and Waste Management

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

No, but Supplier manual/Code of Conduct is being signed off for our raw material suppliers/vendors.

b. If yes, what percentage of inputs were sourced sustainably?

Not applicable

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

The Company is in the business of manufacturing alloy based thermostatic bimetal and electronic beam-based shunt resistors. These products /components are being used by electrical and electronics industry as a component to their final product. Hence, there is no scope for reclaiming the product for re-use, recycling or disposal at the end of life. Therefore, this question is not applicable for the product.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). 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.

Extended Producer Responsibility (EPR) is not applicable to the entity's activities.

Business Responsibility & Sustainability Report *continued*

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	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A) (C)	Number (C)	% (C / A) (D)	Number (D)	% (D / A) (E)	Number (E)	% (E / A) (F)	Number (F)	% (F / A)
Permanent employees											
Male	145	136	93.79%	*110	75.86%	-	-	-	-	-	-
Female	7	6	85.71%	3	42.86%	7	100%	-	-	-	-
Total	152	142	93.42%	104	74.34%	7	100%	-	-	-	-
Other than Permanent employees											
Male	9	9	100%	9	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	9	9	100%	9	100%	-	-	-	-	-	-

*Note: Total covered employee under Health Insurance excluding the Managing Director and Whole Time Director (Chairman) and 7 employees who have not completed the 6 months on job.

b. Details of measures for the well-being of workers:

Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A) (C)	Number (C)	% (C / A) (D)	Number (D)	% (D / A) (E)	Number (E)	% (E / A) (F)	Number (F)	% (F / A)
Permanent workers											
Male	312	312	100%	312	100%	-	-	-	-	-	-
Female	14	14	100%	14	100%	14	100%	-	-	-	-
Total	326	326	100%	326	100%	14	100%	-	-	-	-
Other than Permanent workers											
Male	321	321	100%	321	100%	-	-	-	-	-	-
Female	0	0	-	0	-	-	-	-	-	-	-
Total	321	321	100%	321	100%	-	-	-	-	-	-

2. Details of retirement benefits, for Current FY and Previous Financial Year

	FY 2022-23 (Current Financial Year)				FY 2021-22 (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 %	100 %	Yes	100 %	100 %	Yes		
Gratuity	100%	100%	Yes	100%	100%	Yes		
ESI	100%	100%	Yes	100%	100%	Yes		
Others – please specify	-	-	-	-	-	-		
Mediclaim/ PAI/ WCA								

Business Responsibility & Sustainability Report *continued*

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.

SHIVALIK through its policies is committed to equal opportunity without discrimination on any grounds. Further, SHIVALIK has adopted an Equal Opportunity Policy that includes requirements as specified in The Rights of Persons with Disabilities Act, 2016.

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.

Shivalik is committed to being an equal opportunity employer and ensures an inclusive workplace to all. Web link: <https://www.shivalikbimetal.com/images/pdf/Equal-Opportunity-Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	-	-	-	-
Total	-	-	-	-

* We have policy only related to maternity benefit and none of the employee has availed the said leave during the last financial year.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Yes, we do have the mechanism in place. We have Whistle Blower Policy in place which covers all Employees, Directors and Third-Party Stakeholders affiliated with the Company, regardless of their location. Further, Different type of issues is being addressed under the same which includes a) Deviation from code of conduct, b) Discrimination, Harassment or bullying, c) Safety related and /or environment related issues. Etc.

Yes/No (If Yes, then give details of the mechanism in brief)	
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
	(A)	(B)		(C)	(D)	
Total Permanent Employees	152	5	3.29%	122	2	1.64%
- Male	145	4	2.76%	116	1	0.86%
- Female	7	1	14.29%	6	1	16.67%
Total Permanent Workers	326	11	3.37%	205	11	5.37%
- Male	312	11	3.53%	205	11	5.37%
- Female	14	0	0%	0	0	0%

Business Responsibility & Sustainability Report *continued*

8. Details of training given to employees and workers:

Category	FY 22-23					FY 21-22				
	Current Financial Year					Previous Financial Year				
	On Health and safety measures		On Skill upgradation			On Health and safety measures		On Skill upgradation		
	Total (A)	No. (B)	% (B / A)	No. (C)	% (C / A)	Total (D)	No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	145	39	26.90	97	66.90	116	35	30.17	47	40.52
Female	7	2	28.57	3	42.86	6	2	33.33	2	33.33
Total	152	41	26.97	100	65.79	122	37	30.33	49	40.16
Workers										
Male	312	91	29.17	229	73.40	212	104	49.06	20	9.43
Female	14	4	28.57	11	78.57	0	0	0	0	0
Total	326	95	29.14	240	73.62	212	104	49.06	20	9.43

9. Details of performance and career development reviews of employees and worker:

Category	FY 22-23 as on 31 st March Current Financial Year			FY 21-22 as on 31 st March Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	145	143	98.62%	116	102	87.93%
Female	7	7	100%	6	6	100%
Total	152	150	98.68%	122	108	88.52%
Workers						
Male	312	312	100%	212	201	94.81 %
Female	14	14	100%	0	0	-
Total	326	326	100 %	212	201	94.81 %

10. Health and safety management system:

- Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?
Yes, the Company has been certified for ISO 45001:2018 Standards - Occupational Health and Safety Management System. The Entire Plant and its operations are being covered under the Scope of ISO 45001:2018 Standards.
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
All the manufacturing facilities are certified with ISO 45001 OHS management system. Accordingly, the facilities adopt the processes of Hazard Identification and Risk Assessment (HIRA) techniques for routine activities and Job Safety Analysis (JSA) for non-routine activities. The Company regularly conducts audits and inspections of its occupational health and safety management systems. The team at the site has individually set an internal review mechanism to check performance and take control measures. The EHS management system gets audited from time to time, and leadership reviews are conducted on a monthly basis.
- Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Business Responsibility & Sustainability Report *continued*

Yes, the organisation is monitoring and rectifying the work-related hazards through an accident and incident reporting format which is available to the workers. The same is also being used to give feedback as well. Further, to mitigate the risk following practises in place:

- Safety Patrol
 - Work place Inspections
 - Safety Audits
 - On the job “know your machine” trainings at the Shop Floor
 - Mock Drills
- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the employees/workers who are not covered under ESIC scheme, provided with medical insurance by the company.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 21-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	0	0
	Workers	19	13
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The company has taken several measures to prevent accidents and ensure a safe and healthy workplace. Some of the key measures taken includes. Further, the organisation is certified under ISO 45001:

- Plant Safety instructions display boards installed
- Proactive Monitoring such as safety tours, audits, workplace inspections, statutory Inspections, outcomes from risk assessment, survey, hygiene, OHS Objectives and management programs, mock drill etc.
- Incident investigation report- root cause analysis and corrective and preventive actions (CAPA) such as near miss, illness cases, Injuries, reportable & non-reportable accident etc.
- On the job safety trainings

13. Number of Complaints on the following made by employees and workers:

Category	FY 22-23 (Current Financial Year)			FY 21-22 (Previous Financial Year)		
	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	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

Business Responsibility & Sustainability Report *continued*

14. Assessments for the year:

% 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.

Reply: Corrective Action Preventive Action reports (CAPA)

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Reply: The Company believes that an effective stakeholder engagement process is necessary for achieving its sustainability goal of inclusive growth and therefore, it is mandatory to clearly identify and map all concerned internal and external stakeholders. The Company has put in place systems and processes to identify, prioritize and address the needs and concerns of its stakeholders across all plant locations and other areas of its presence.

The Company is developing strong relationships with its stakeholders. The lasting partnerships built with local communities and various other stakeholders have created a win-win situation for the Company and its stakeholders mutually contributing and supporting the growth and development of each other.

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
Shareholder/ Investors	No	Email, Meetings, Newspaper, Company Website, Stock Exchanges, earning calls, Press releases, Telecommunication	Regularly through company website and website of stock exchange's and annually via General Meeting	Disseminating and sharing of information with the shareholders with a view to update and also to seek their approval etc. as may be required.
Vendors/Suppliers/ Outsourcing Partners and contractors	No	Emails, Meetings including the web- meeting and one to one meeting	Quarterly and Annually	Review and renewal of contracts
Customers	No	Feedback survey, 1 on 1 interaction	Need based, Periodically	Customer feedback on product and services
Statutory Body/ Government Authorities	No	Public Forum, Industry forum	Need based	Compliance, Industry concerns, Govt expectations
Employees	No	Zing HR, Training, Discussions,	Daily, weekly, monthly, need based, annually	Industry scenario, challenges/ issues, employee well-being, Grievance handling, career development

Business Responsibility & Sustainability Report *continued*

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
Local Community	Yes	Meeting with community people, NGOs, etc	Annually and need based (Direct connect through CSR)	CSR Intervention-- Education, Sports, community health
Bankers	No	Email, 1 to 1 interaction	Monthly, need based,	Relationship building

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format

Category	FY 22-23 (Current Financial Year)			FY 21-22 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	152	36	23.68%	122	17	13.93%
Other than permanent	9	0	0 %	10	7	70.00%
Total Employees	161	36	22.36%	133	24	18.18%
Workers						
Permanent	326	124	38.04%	212	5	2.36%
Other than permanent	321	90	28.04%	312	268	85.90%
Total Workers	647	214	33.08%	524	273	52.10%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 22-23 Current Financial Year				FY 21-22 Previous Financial Year					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	145	-	-	145	100%	116	-	-	116	100%
Female	7	-	-	7	100%	6	-	-	6	100%
Other than Permanent										
Male	9	-	-	9	100%	10	7	70 %	3	30%
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent										
Male	312	-	-	312	100 %	212	-	-	212	100%
Female	14	-	-	14	100 %	-	-	-	-	-
Other than Permanent										
Male	321	87	27.10 %	234	72.90 %	312	270	86.54%	42	13.46%
Female	-	-	-	-	-	-	-	-	-	-

Business Responsibility & Sustainability Report *continued*

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	2	3,21,75,937	-	-
Key Managerial Personnel	1	69,95,742	1	20,53,425
Employees other than BoD and KMP	142	3,92,086	6	3,31,335
Workers	312	2,96,330	14	1,67,295

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, weblink to our Human Right Policy <https://www.shivalikbimetal.com/images/pdf/Human-Rights-Policy.pdf>

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Human Right Policy in place including the Grievance redressal Mechanism. Through our Whistle Blower Policy, we have established a system for reporting and redressing all human rights violations. Any concerns pertaining to human rights can be reported by all employees, contractors, and suppliers as a result of this. All actual violations are dealt with seriously, and remediation measures can include terminating employees and business contracts, depending on the severity of the violation.

In addition, there is a Policy on the Prevention of Sexual Harassment (POSH) at Shivalik's, and any incidents of this kind can be reported to the Internal Complaints Committee (ICC) for POSH in accordance with the procedure that is outlined in the policy. Each reported allegation is treated confidentially and with seriousness. Open House Discussions, balanced/ Group HR interfaces are coordinated every once in a year.

Weblink to our whistle blower/vigil mechanism policy: <https://www.shivalikbimetal.com/images/pdf/Whistle-Blower-Policy.pdf>

6. Number of Complaints on the following made by employees and workers:

	FY 22-23 Current Financial Year			FY 21-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Shivalik guarantees, in accordance with the Whistle Blower Policy and Procedure, that employees and business associates are completely protected from retaliation, punishment, intimidation, coercive action, dismissal, or victimization for reporting genuine concerns, even if they are not proven. Punitive action will be taken on anyone who tries to victimize anyone who complains, cooperates with an investigation or complaint, or provides information or data related to it.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No):

Yes

Business Responsibility & Sustainability Report *continued*

9. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Child labour	100% of Plants and offices are assessed during the statutory audit ensuring compliance with all the Statutory laws/Regulatory requirement, Labour laws and rules made thereunder
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 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 Joules or multiples) and energy intensity, in the following format:

Parameter	FY 22-23 in GJ (Current Financial Year)	FY 21-22 in GJ (Previous Financial Year)
Total electricity consumption (A)	22,742	16,604
Total fuel consumption (B)	10,549	5,847
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	33,291	22,451
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.00000792	0.00000693
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

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

Business Responsibility & Sustainability Report *continued*

- 3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 22-23 (Current Financial Year)	FY 21-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	8603	5704
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	8603	5704
Total volume of water consumption (in kilolitres)	0.00000204	0.00000176
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- 4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, as a responsible organisation the Company gives importance to reduce, reuse and recycle water. This is achieved through installation of Effluent Treatment Plant (ETPs) and Sewage Treatment Plants (STPs) in line with the compliance norms in force. These systems enable the Company to reuse and recycle water and utilise it again within the plant premises for process reuse, gardening and toilet flushing etc.

- 5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	g/kW-hr	-	-
Sox	mg/NM	-	-
Particulate matter (PM)	g/kW-hr	-	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify		-	-
Carbon Monoxide	g/kW-hr	-	-
Hydrocarbon	%	-	-

*Note: No direct emission by the company. The only emission is due to reburning of diesel while using Diesel Generator (DG) of 320KVA and 600KVA. The emissions are well below the specified standards under the Environment (Protection) Rules, 1986.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, the same has been evaluated/ assessed by Shivalik Solid waste Management Limited (an independent agency) not related with the Company.

Business Responsibility & Sustainability Report *continued*

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	189.92	125.29
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.000000045	0.000000039
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

No

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 22-23 (Current Financial Year)	FY 21-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	11.06	6.93
E-waste (B)	-	0.11
Bio-medical waste (C)	0.00018	0.0001
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	*0.4	*0.4
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	675.90	433.78
Total (A+B + C + D + E + F + G + H)	687.38	441.22

Business Responsibility & Sustainability Report *continued*

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	529.77	376.35
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	529.77	376.35

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations (MCD / SSWM/ Authorised scrap dealers)	146.14	57.43
Total	146.14	57.43

*Other Hazardous waste includes Sludge (0.2) and Used Oil (0.2).

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- 9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Waste is generated both from production processes as well as general operational activity - including maintenance and catering. At, production waste the same is being monitored and reported on a monthly basis with the objective to minimise and reduce as much as possible. Any production waste produced is kept clearly segregated from general waste and is recycled maximum extent possible.

General waste is always segregated between hazardous and non-hazardous materials, and is always disposed of in accordance with local legislation. What materials may be recycled using locally available facilities is appropriately done so. For our business, the concept of hazardous really only applies to using some oil and sludge.

- (a) Plastics (including packaging) – Recycled through Municipal Corporation
 - (b) E-waste – Recycled through registered vendors
 - (c) Hazardous waste and – Disposed off through Shivalik Solid Waste Management Limited
 - (d) Other waste. (ETP Sludge)
- 10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format: Not Applicable**

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.
-	-	-	-
-	-	-	-

Business Responsibility & Sustainability Report *continued*

- 11. 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 project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
-	-	-	-	-	-
-	-	-	-	-	-

- 12. 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, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
-	-	-	-	-
-	-	-	-	-

Yes, Shivalik Bimetal Controls Limited is fully compliant. All Statutory compliances are done as per Air/Water/Environment act and rules and the same has been reviewed periodically. Further, the company is also having No Objection Certificate from Pollution Control Board.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

- Number of affiliations with trade and industry chambers/ associations.: 3
- 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.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Electrical and Electronics Manufacturers Association (IEEMA) vide membership number SBC-M-07-1989-0453	National
2	Indo - German Chamber of Commerce	National/International
3	Engineering Export Promotional Council of India vide EPC/D/R-4108/ ENGG. (LS)	National

- 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.

No such cases

Name of authority	Brief of the case	Corrective action taken
-	-	-
-	-	-

Business Responsibility & Sustainability Report *continued*

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development Essential Indicators

- 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency	Results communicated in public domain (Yes / No)	Results communicated in public domain (Yes / No)
As per applicable laws, SIA is not applicable for any of the projects undertaken by SHIVALIK					

- 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 ₹)
Not applicable as SHIVALIK does not have any projects for which on-going Rehabilitation and Resettlement (R&R) is required to be undertaken.						

- 3. Describe the mechanisms to receive and redress grievances of the community.**

No such mechanisms.

- 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022- 2023 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs/ small producers	-	-
Sourced directly from within the district and neighbouring districts	-	-

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.**

Yes, to resolve the customer complaints, 8D Methodology is being followed. Robust system and procedures in place for handling consumer complaint & feedback are documented in the established quality management system. We have a team which focuses on catering to the various requirements of our customers for a seamless experience.

- 2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	All necessary information as per regulatory requirements are disclosed on our products
Safe and responsible usage	
Recycling and/or safe disposal	

Business Responsibility & Sustainability Report *continued*

3. Number of consumer complaints in respect of the following:

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data Privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

There were no voluntary or forced recall during the financial year 2023.

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 entity has a policy on cyber security and the same is available with the IT department.

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 such cases

Independent Auditor's Report

To the Members of

Shivalik Bimetal Controls Ltd

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Shivalik Bimetal Controls Ltd** ("the Company"), which comprise the Standalone Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows, the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred as "Standalone Financial Statements").

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 ("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 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 31st March, 2023, and its profit and loss

(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 SAs 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 standalone 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.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 matters described below to be the key audit matters to be communicated in our report.

The Key Audit Matters	How our audit addressed the key audit matters
<p>1. Capitalization of Property, Plant and Equipment</p> <p>During the year ended 31st March, 2023, the Company has incurred significant amount for Property, Plant and equipment. The total additions to Property, Plant and Equipment (including capitalized amount of Capital Work in Progress) at various locations of the Company was ₹3168.96 lakhs in the current year as set out in Note No. 3.</p> <p>Significant level of judgement is involved to ensure that the aforesaid capital expenditure/ additions meet the recognition criteria of Ind AS 16 - Property, Plant and Equipment. As a result, the aforesaid matter was determined to be a key audit matter.</p>	<p>We as Auditors,</p> <ol style="list-style-type: none"> assessed the mechanism of capitalization and tested the design and operating effectiveness of the controls in the process. assessed the nature of the additions/ capitalization carried out in Property, Plant and Equipment and capital work-in-progress on a test check basis to test that they meet the recognition criteria as set out in para 16 to 22 of Ind AS 16. reviewed the asset capitalization details provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management. <p>Based on the above procedures, management's assessment in respect of capitalization of "Property, Plant and Equipment" in the Standalone Financial Statements, we are of the opinion that capitalization of Property, Plant and Equipment, the procedures adopted are considered adequate.</p>

Independent Auditor's Report

continued

The Key Audit Matters	How our audit addressed the key audit matters
<p>2. Contingent Liabilities- Contingencies & Capital Commitments:</p> <p>The Company has material contingencies related to Guarantee(s) given, Capital Commitments and Indirect tax matters as detailed in Note 37(B) to the Standalone financial statements. The Company makes a determination for recording or alternatively disclosing them as contingencies. We identified this as a key audit matter because the estimation on which these amounts are based involves a reasonable degree of assessment by the management.</p>	<p>We have obtained an understanding of the Company's internal instructions, and procedures in respect of assessment and disclosure of contingent liabilities & capital commitments and adopted the following audit procedures: -</p> <ol style="list-style-type: none"> understood and tested the operating effectiveness of controls as established by the management for obtaining all relevant information; discussing with the management any material developments and latest status; reviewing the adequacy and completeness of disclosures; <p>Based on the above procedures performed, the assessment and disclosures of Contingent Liabilities & Capital Commitments are considered to be adequate and reasonable.</p>

Information Other than the Financial Statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information but does not include the consolidated financial statements, standalone financial statements and our respective auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit / loss (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. 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, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

Independent Auditor's Report

continued

Auditor's Responsibilities for Audit of 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 judgment 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 standalone financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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.
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.
- 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 standalone 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"**, 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 purpose of our audit;

Independent Auditor's Report

continued

- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Standalone Balance Sheet, Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flow with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of written representations received from the directors as on 31st March, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013.
 - f. With respect to the adequacy of the internal financial controls over financial reporting 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 over financial reporting.
 - g. In our opinion, the managerial remuneration for the year ended 31st March, 2023 has been paid / provided by the company to its directors in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013; 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. there are no pending litigations as on date of financial statements, against the company as such there is no impact thereof to be considered;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
3. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
4. The interim dividend paid and also the final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

For **Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: - 021313C

Sd/-
Amit Arora
Partner

Place: New Delhi

Membership No: - 514828

Dated: 17th May 2023

ICAI UDIN No:
23514828BGQAAL6822

Annexure - A

to the Independent Auditor's Report

The Annexure referred to in Independent Auditor's Report of even date to the members of Shivalik Bimetal Controls Limited on the Standalone financial statements for the year ended 31st March 2023.

To the best of our information and according to the explanation provided to us by the company and books of account and records examined by us in the normal course of audit, we state that:

- (i) a. In respect of the Company's Property, Plant and Equipment, right-of-use assets and Intangible Assets:
 - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
- b. The Company has a program of physical verification of Property, Plant and Equipment which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the Property, Plant and Equipment have been physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of company.
- d. The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year accordingly reporting requirement under clause 3(i)(d) is not applicable to the company.
- e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under The Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) a. Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification.

In our Opinion, the coverage and procedure of such verification by the management is appropriate.

- b. The Company has been sanctioned/ renewed working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from bank(s) on the basis of security of current assets and quarterly returns or statements filed by the company with such bank(s) are in agreement with books of account.
- (iii) a. The Company has not provided any loans or provided any advances in the nature of loans, or guarantee, or security to any other entity during the year. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
- b. The Company has not provided any guarantee or given any security or granted any loans or advances in the nature of loans during the year. However, the Company has made investment in two entities amounting to ₹ 1328.31 Lakhs (year end balance ₹ 1328.31 Lakhs) and in our opinion, and according to the information and explanations given to us, such investments made are, *prima facie*, not prejudicial to the interest of the Company.
- c. The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- (iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 to the extent applicable in respect of loans granted, investments made and guarantees and securities provided.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained.
- (vii) In respect of statutory dues:
 - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

Annexure - A

to the Independent Auditor's Report *continued*

- There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix)
- a. The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - b. The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c. The company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
 - d. 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. The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
 - f. The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x)
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
 - (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi)
- (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - (b) No report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - (c) There are Nil whistle blower complaints received by the Company during the year (and upto the date of this report).
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv)
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures
- (xv) In our opinion during the year 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) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) & (c) of the Order is not applicable.
 - (b) In our Opinion, there is no Core Investment Company within the group (as defined in the Core Investment Companies (Reserve Bank) Directions 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is also not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.

Annexure - A

to the Independent Auditor's Report *continued*

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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 facts 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. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section

(5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

- b. There is Nil amount remaining unspent under sub- section (5) of section 135 of Companies Act, 2013 pursuant to any ongoing project, which is required to be transferred to special account in compliance with provision of sub section (6) of section 135 of the said Act.

For **Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: - 021313C

**Sd/-
Amit Arora**

Partner

Place: New Delhi

Membership No: - 514828

Dated: 17th May 2023

ICAI UDIN No:

23514828BGQAAL6822

Annexure - B

to the Independent Auditor's Report

(Referred to paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Shivalik Bimetal Controls Limited of even date)

Report on the Internal Financial Controls 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 **Shivalik Bimetal Controls Limited** ("the Company") as of 31st March, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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 over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial

Annexure - B

to the Independent Auditor's Report *continued*

control over financial reporting 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, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on criteria for internal financial control over financial reporting 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 **Arora Gupta & Co.**
Chartered Accountants
Firm Registration No: - 021313C

Sd/-
Amit Arora
Partner

Place: New Delhi Membership No: - 514828
Dated: 17th May 2023 ICAI UDIN No:
 23514828BGQAAL6822

Standalone Balance Sheet

as at March 31, 2023

Standalone Balance Sheet		Notes	(₹ in lakhs)	
			As at 31st March 2023	As at 31st March 2022
I. ASSETS				
Non-current assets				
(a) Property, Plant & Equipment	3		9,989.88	7,676.59
(b) Capital Work-In-Progress	3.1		160.16	652.61
(c) Right-of-Use Assets	3.2		5.89	14.37
(d) Intangible Assets	3.3		23.20	13.98
(e) Intangible Assets Under Development	3.3		138.34	102.18
(f) Financial Assets				
(i) Investments	4		2,358.67	1,029.47
(ii) Investment Property	5		191.86	191.86
(iii) Other Financial Assets	6		41.33	37.35
(g) Other Non Current Assets	7		356.91	467.53
Total Non Current Assets			13,266.24	10,185.94
Current assets				
(a) Inventories	8		12,187.94	11,488.48
(b) Financial Assets				
(i) Trade Receivables	9		7,998.04	5,928.13
(ii) Cash and Cash equivalents	10		1,683.68	1,086.90
(iii) Other Bank Balances	11		22.57	94.87
(iv) Others Financial Assets	12		4.69	5.28
(c) Other Current Assets	13		1,006.27	1,362.86
(d) Current Tax Assets	14		-	3.59
Total Current Assets			22,903.19	19,970.11
TOTAL ASSETS			36,169.43	30,156.05
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	15		1,152.08	768.06
(b) Other Equity	16		24,348.81	17,950.40
Total Equity			25,500.89	18,718.46
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	17		2,105.93	1,528.53
(ii) Lease Liabilities	18		-	19.41
(b) Provisions	19		71.77	50.94
(c) Deferred tax liabilities (Net)	20		354.24	299.28
Total Non-Current Liabilities			2,531.94	1,898.16
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	21		3,139.40	4,225.08
(ii) Lease Liabilities	22		19.41	20.80
(iii) Trade Payables				
a) Outstanding dues of micro enterprises and small enterprises	23		21.46	10.32
b) Outstanding dues of creditors other than micro enterprises and small enterprises	23		3,434.57	4,167.39
(iv) Other Financial Liabilities	24		695.58	467.07
(b) Other Current Liabilities	25		748.21	451.65
(c) Provisions	26		77.27	4.80
(d) Current Tax Liabilities	27		0.70	192.32
Total Current Liabilities			8,136.60	9,539.43
TOTAL EQUITY AND LIABILITIES			36,169.43	30,156.05
<i>The accompanying notes form an integral part of the standalone financial statements.</i>	1 to 45			

As per our report of even date

For **Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: 021313C

For and on Behalf of the Board

**Sd/-
(Amit Arora)**

Partner

Membership No.514828

**Sd/-
(N.S. Ghuman)**

Managing Director

DIN 00002052

**Sd/-
(S.S. Sandhu)**

Chairman

DIN 00002312

Place : New Delhi
Date : May 17, 2023**Sd/-
(Rajeev Ranjan)**
Chief Financial Officer**Sd/-
(Aarti Sahni)**
Company Secretary
Membership No. A25690

Standalone Statement of Profit & Loss

for the year ended March 31, 2023

(₹ in lakhs, except per share data)

Standalone Statement of Profit & Loss for the	Notes	Year Ended 31st March 2023	Year Ended 31st March 2022
I Revenue from operations	28	42,023.01	32,398.75
II Other income	29	792.82	544.68
III Total Income (I + II)		42,815.83	32,943.43
IV Expenses			
(a) Cost of materials consumed	30	22,405.94	17,206.39
(b) Changes in Inventories of Finished Goods and Work-In-Progress	31	(1,807.16)	(1,100.20)
(c) Employee benefit expense	32	3,395.15	2,711.43
(d) Finance costs	33	664.40	276.36
(e) Depreciation & Amortisation	3	847.20	637.83
(f) Manufacturing & Other expenses	34	7,551.61	6,232.98
Total expenses		33,057.14	25,964.79
V Profit/(loss) before Exceptional items and tax (III-IV)		9,758.69	6,978.64
VI Exceptional Items (Income)/Expense		-	-
VII Profit/(loss) before tax (V-VI)		9,758.69	6,978.64
VIII Exceptional Items (Income)/Expense		-	-
VIII Tax expense			
(a) Current tax	35	2,430.53	1,785.45
(b) Current tax related to previous years	35	(29.48)	(16.37)
(c) Deferred tax	35	54.96	11.96
Total		2,456.01	1,781.04
IX Profit/(Loss) for the years (VII-VIII)		7,302.68	5,197.60
X Other Comprehensive Income			
i. Items that will not be reclassified to Statement of Profit & Loss			
'- Remeasurement of defined benefit obligation		(53.74)	6.17
'- Income tax on above		13.53	(1.55)
		(40.21)	4.62
XI Total Comprehensive Income for the Period (IX+X)		7,262.47	5,202.22
XII Earnings per equity share			
(a) Basic (₹)	36	12.61	9.03
(b) Diluted (₹)	36	12.61	9.03
<i>The accompanying notes form an integral part of the standalone financial statements.</i>	1 to 45		

As per our report of even date

For **Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: 021313C

For and on Behalf of the Board

Sd/-
(Amit Arora)

Partner

Membership No.514828

Sd/-
(N.S. Ghumman)

Managing Director

DIN 00002052

Sd/-
(S.S. Sandhu)

Chairman

DIN 00002312

Place : New Delhi

Date : May 17, 2023

Sd/-
(Rajeev Ranjan)
Chief Financial Officer

Sd/-
(Aarti Sahni)
Company Secretary
Membership No. A25690

Standalone Cash Flow Statement

for the year ended March 31, 2023

(₹ in Lakhs)

Standalone Cash Flow Statement for the	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	9,758.69	6,978.64
<i>Adjustments for:</i>		
Depreciation and amortisation expense	847.20	637.83
Interest Expense	664.40	276.36
Interest Income	(53.41)	(47.90)
Net (Gain)/loss arising on financial instruments designated as FVTPL	(0.88)	(0.69)
Liabilities/Provisions Written Back	(7.19)	(26.18)
Unrealised foreign exchange loss/(gain) on borrowings	115.71	14.88
(Profit)/Loss on sale of Property, Plant and Equipment (Net)	(12.77)	(17.73)
Dividend received	(99.40)	(0.30)
Operating Profit before Working Capital changes	11,212.35	7,814.91
<i>Adjustment for :</i>		
Trade receivables	(2,069.91)	(1,625.71)
Inventories	(699.46)	(4,474.31)
Trade Payables	(701.80)	651.55
Other Assets	436.27	(852.71)
Other Liabilities	484.27	(121.10)
Provisions	39.56	(12.59)
Cash generated from operations	8,701.28	1,380.04
Income Tax paid	(2,579.14)	(1,727.65)
Net Cash generated from operating Activities (A)	6,122.14	(347.61)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment for Purchase of Property Plant and Equipment, Intangible assets & CWIP	(2,728.45)	(2,323.97)
Acquisition of Subsidiaries	(1,328.31)	-
Capital Advances	110.48	(231.56)
Proceeds from Sale of Property, Plant and Equipment	23.59	95.19
Interest Income	46.37	42.24
Dividend Received	99.40	0.30
Advance Against Sale of Investment Property	30.00	-
Net cash (used in)/ from investing activities (B)	(3,746.92)	(2,417.80)

Standalone Cash Flow Statement

for the year ended March 31, 2023 *continued*

(₹ in Lakhs)

Standalone Cash Flow Statement for the	Year Ended 31st March, 2023	Year Ended 31st March, 2022
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings*	2,925.57	1,469.08
Repayment of Long Term Borrowings*	(1,947.88)	(612.97)
Proceeds/ (Repayment) from Short Term Borrowings (net)*	(1,601.68)	2,040.79
Principal payment of lease liability	(20.80)	(42.32)
Interest Paid	(660.06)	(264.95)
Dividend Paid	(473.59)	(303.05)
Net Cash generated from financing activities (C)	(1,778.44)	2,286.58
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	596.78	(478.83)
Cash and Cash Equivalents (Opening Balance)	1,086.90	1,565.73
Cash and Cash equivalents (Closing Balance)	1,683.68	1,086.90
<i>* Refer note no. 21.1 for changes in liabilities arising from financing activities</i>		
<i>The accompanying notes form an integral part of the standalone financial statements.</i>	1 to 45	

As per our report of even date

For **Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: 021313C

For and on Behalf of the Board

Sd/-
(Amit Arora)
Partner

Membership No.514828

Sd/-
(N.S. Ghumman)
Managing Director

DIN 00002052

Sd/-
(S.S. Sandhu)
Chairman

DIN 00002312

Place : New Delhi

Date : May 17, 2023

Sd/-
(Rajeev Ranjan)
Chief Financial Officer
Sd/-
(Aarti Sahni)
Company Secretary

Membership No. A25690

Standalone Statement of Changes in Equity

A. Equity Share Capital

(₹ in lakhs)

Balance as at 1 st April 2022	Changes in equity share capital during the year*	Balance as at March 31, 2023
768.06	384.02	1,152.08
Balance as at 1 st April 2021	Changes in equity share capital during the year*	Balance as at March 31, 2022
768.06	-	768.06

*Refer note 15.1

B. Other Equity

(₹ in lakhs)

Particulars	Capital Reserve	Retained Earnings	Other Comprehensive Income	Total
Balance as at 1st April, 2021	0.57	13,092.91	(38.08)	13,055.40
Profit for the year	-	5,197.60	-	5,197.60
Other Comprehensive income for the year (net of tax)	-	-	4.62	4.62
Transactions with owners				
Dividend Paid	-	(307.22)	-	(307.22)
Balance as at 31st March, 2022	0.57	17,983.29	(33.46)	17,950.40
Profit for the year	-	7,302.68	-	7,302.68
Other Comprehensive income for the year (net of tax)	-	-	(40.21)	(40.21)
Transactions with owners				
Dividend Paid	-	(480.04)	-	(480.04)
Issuance of Bonus Shares	-	(384.02)	-	(384.02)
Balance as at 31st March, 2023	0.57	24,421.91	(73.67)	24,348.81

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

For **Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: 021313C

For and on Behalf of the Board

Sd/-**(Amit Arora)**

Partner

Membership No.514828

Sd/-**(N.S. Ghuman)**

Managing Director

DIN 00002052

Sd/-**(S.S. Sandhu)**

Chairman

DIN 00002312

Place : New Delhi

Date : May 17, 2023

Sd/-**(Rajeev Ranjan)**

Chief Financial Officer

Sd/-**(Aarti Sahni)**

Company Secretary

Membership No. A25690

Significant Accounting Policies

(Forming part of Standalone Financial Statements for the year ended 31st March, 2023)

1. Company's Overview

Shivalik Bimetal Controls Limited ("the Company" or "Shivalik") is a widely held public limited Company incorporated in the year 1984 and has been in commercial production since October 1986. Manufacturing units of "Shivalik" are located at

- a) 16-18, New Electronic Complex, Chembaghat; and
- b) Mauja Basal Patti, Kather; in Distt. Solan, Himachal Pradesh, India.

The Company's shares are listed on Bombay Stock Exchange Limited (BSE) & on National Stock Exchange of India Limited (NSE).

"Shivalik" is engaged in the business of manufacturing & sales of Thermostatic Bimetal / Trimetal strips, components, Spring Rolled Stainless Steels, Electron Beam Welded Shunt Materials (Strip & Finished Components), Cold Bonded Bimetal Strips and Parts, Snap Action Discs, CNC Formed Coils of Bimetals / Trimetals etc. "The Company" is specialized in joining of materials through various methods such as Diffusion Bonding/Cladding, Electron Beam welding, continuous brazing and Resistance Welding etc., and offers precision manufactured components specific to the application requirements and is a single vendor to many prestigious OEM's and have successfully met the most stringent of demands set by multiple large global organizations. "Shivalik's Products find application primarily in manufacturing of Switchgears, Circuit Breakers, Automotive, Energy Meters and various other Electrical and Electronic devices. The Company's products are exported to over 40 Countries around the world.

The Standalone Financial Statements are approved for issue by the Company's Board of Directors on May 17, 2023.

2. Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its Standalone financial statements are listed below.

2.1 Compliance with Ind AS

The Standalone financial statements of the Company have been prepared in accordance with the Indian Accounting standards ('Ind AS'), notified under Section 133 read with rule 3 of Companies (Indian Accounting Standards) Rules 2015, as amended from time to time and the relevant provisions of the Companies Act, 2013 (Collectively, "Ind ASs").

The Standalone financial statements are presented in Indian rupee (₹) and all values are rounded to the nearest Lakhs and two decimals thereof, except if otherwise stated.

2.2 Basis of Preparation of Standalone Financial Statements

These Standalone financial statements are prepared, under the historical cost convention on the accrual basis except for certain financial instruments and defined benefit plans, which are measured at fair values or amortised cost at the end of each period.

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.

The company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it satisfies any of the following criteria:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current

A liability is treated as current when it satisfies any of the following criteria:

- Expected to be settled in the company's normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

2.3 Use of Estimates

The preparation of Standalone financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management to make estimates and assumptions that affect the reported balance of assets and liabilities and disclosures of contingent liabilities on the date of Standalone financial statements and the reported amounts of revenues and expenses during the reporting period.

Management believes that the estimates used in the preparation of Standalone financial statements are prudent and reasonable. Accounting estimates could change from period to period. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Company uses primarily accounting estimates and judgements in preparation of its Financial Statements

a) Useful Life of Property Plant and Equipment

The Company reviews the estimated useful life and residual value of Property, Plant and Equipment at the end of each reporting period.

This reassessment may result in change in depreciation expense in future periods.

b) Employee Benefits

The accounting of employee benefit plan in the nature of defined benefits, requires the Company to use key actuarial assumptions. These assumptions have been explained under employee benefits note no. 2.8.

c) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the

non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate.

d) Provisions and Contingent Liabilities

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. The timings of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change.

e) Revenue

The Company assesses the products /services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

2.4 Revenue Recognition

Revenue from sale of products/goods & services is recognized upon satisfaction of the performance obligation by transferring the control of promised products or provision of services to a customer in an amount that reflects the consideration which a company expects to receive in exchange for those products or services.

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

'Revenue is recognized net of returns and is measured based on the transaction price, which is the consideration, adjusted for trade discounts, incentives etc agreed as a term of contract. Revenue also excludes taxes collected from customers.

Income from Interest is recognized using Effective Interest rate method. Dividend income from investments is recognized when the shareholder's right to receive payment has been established. Rental Incomes are recognized on periodic basis.

Export Incentive Entitlements are recognized as Income when right to receive credit as per the terms of the scheme is established in respect of eligible exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Insurance claim are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

All other incomes are accounted on accrual basis.

2.5 Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates.

The transactions in the currencies other than the entity's functional currency (foreign currency's) are accounted for at the exchange rate prevailing on the transaction's date.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency at closing rates of exchange at the reporting date and the resultant difference is charged/ credited in Standalone Statement of Profit & Loss account.

Exchange differences arising on settlement or translation of monetary items are recognized in Standalone Statement of Profit & Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

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

2.6 Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are added to the cost of those assets, until such time as the assets are

substantially ready for their intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use.

All other Borrowing costs are recognized in the Standalone Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs include interest and exchange difference arising from currency borrowing to the extent they are regarded as an adjustment to the interest cost.

2.7 Government Grant and Assistance

Government grants are assistance by government in the form of transfer of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity and the same are not recognized until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants related to assets, including non-monetary grants recorded at fair value are treated as deferred income and are recognized and credited in the Standalone Statement of Profit and Loss on a systematic and rational basis over the estimated useful life of the related asset.

2.8 Employees' Benefits

Defined Contribution Plans:

The Company has contributed to State Governed Provident Fund scheme, Employees State Insurance scheme and Employee Pension Scheme which are defined contribution plans. Contribution paid or payable under the scheme is recognized as expense during the period in which employees have rendered the service entitling them to the contributions.

Defined Benefit Plans:

The employees' gratuity is a defined benefit plan. The present value of the obligation under such plan is determined based on the Actuarial Valuation using the projected unit credit method which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the financial obligation. The Company has an employee gratuity fund managed by Life Insurance Corporation of India (LIC).

The gains or losses are charged to Standalone Statement Profit and Loss Account.

Liability in respect of compensated absence is provided based on Actuarial Valuation using the projected unit credit method.

Compensation to employees, who opt for retirement under the Voluntary Retirement Scheme of the company, is charged to the Standalone Statement of Profit & Loss in the year of exercise of option by the employee.

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, bonus etc. are recognized in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.9 Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis of taxable income and tax credits/ benefits computed in accordance with the provisions of the Income Tax Act, 1961.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the company has a legally enforceable right and also intends to settle the asset and liability on a net basis.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the standalone 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 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 recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each 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 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 same taxation authority.

Current and deferred tax are recognized in profit or loss, except when they are relating 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.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted at the balance sheet date.

2.10 Property, Plant and Equipment and Capital Work-In-Progress

The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts, if any and rebates, 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 cost attributable to the Qualifying Asset in compliance with Ind AS 23.

Expenditure incurred after the Property, Plant and Equipment have been put into operation, such as repairs and maintenance, are charged to the Standalone Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

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

Property, Plant and Equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses., if any. Freehold lands are stated at cost.

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 assets (other than freehold land) 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.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on estimate of their specific useful lives.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Standalone Statement of Profit

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

'Capital work-in-progress represents the cost of Property, Plant and Equipment that are not yet ready for their intended use at the reporting date.

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

'Cost of in-house assembled/fabricated Property, Plant & Equipment comprise those costs that relate directly to the specific assets and other costs that are attributable to the assembly/fabrication thereof.

Depreciation on Property, Plant & Equipment is provided based on useful lives of assets as prescribed in Schedule-II to Companies Act 2013 except in respect of followings assets where estimated useful life is different than these mentioned in Schedule II are as follows: -

i) Plant & Machinery	15-30 Years
ii) Dies & Tools	2 Years
iii) Assets costing below ₹ 5,000/-	1 Year
iv) Temporary Building Shed	3 Years
v) Machinery Spares	2-10 Years
vi) Leasehold Land	Lease term

2.11 Intangible Assets

Intangible assets are initially recorded at consideration paid for acquisition of such assets and are subsequently carried at cost less accumulated depreciation or amortization and accumulated impairment loss, if any. Amortization is recognized on a straight-line basis over their estimated useful lives.

Estimated useful life of Intangible Assets as follows:

i) Computer Software	3-6 Years
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2.12 Inventories

Basis of valuation of Inventories;

- Raw materials, stores and spares: At cost, on "FIFO" basis;
- Work-in-progress: At raw material cost plus related cost of conversion including appropriate overheads;
- Finished goods: At cost or net realisable, whichever is less;
- Saleable Scrap is valued at estimated realizable value.

Raw Material, Work-In-Progress and other supplies are not valued below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will not exceed their net realisable

value. The comparison of cost and net realisable value is made on item by item basis.

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods and work in progress include cost of direct materials, labour and appropriate overheads based on the normal operating capacity.

2.13 Impairment of non-financial assets

'The Carrying amounts of assets are reviewed at each Balance Sheet date and if there is any indication to the effect that the recoverable amount of the Asset/ CGU (Cash Generating Unit) is less than its carrying amount, the difference is treated as "Impairment Loss". The recoverable amount is greater of the asset's net selling price less cost to sell and value in use.

'Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired, the impairment loss is recognized in the Standalone Statement of Profit and Loss account.

2.14 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i) the contract involves the use of an identified asset
- ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and;
- iii) the Company has the right to direct the use of the asset.

Company as Lessee

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

Right-of-Use Assets (ROU)

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Lease Liabilities

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Standalone Financial Statements and lease payments have been classified as financing cash flows.

Company as Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

Short Term Leases are Leases for Low Value Assets

The Companies apply the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term 12 months and less from the commencement date and do not contain a purchase options).

It also applies the leave of low-value assets recognition exemption to leases that are considered of low values. Leases payments on such leases are recognised as expense on straight line basis over the lease term.

2.15 Non-Current Assets Held for sale

Non-Current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and their fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in the Standalone Statement of Profit & Loss.

Once Classified as held for sale, property, plant and equipment and intangible assets are no longer amortized or depreciated.

Non-current assets and disposal group that ceases to be classified as "Held for Sale" shall be measured at the lower of carrying amount before the non-current asset and disposal group was classified as "Held for Sale" and its recoverable amount at the date of the subsequent decision not to sell.

2.16 Cash and cash equivalents

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.

2.17 Cash Flow Statements

Standalone Cash flows are reported using the indirect method, whereby Profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

2.18 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

A. Initial Recognition and Measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

B. Subsequent Measurement

a) Financial assets carried at amortized cost (AC)

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect 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 on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI).

A financial asset is measured at FVTOCI, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. This includes equity investment in other than Joint Ventures and Associates.

C. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rate are reviewed and changes in the forward-looking estimates are analysed.

Financial Liabilities

A. Initial Recognition and Measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognized in the Standalone Statement of Profit & Loss as finance cost.

B. Subsequent Measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derivative Financial Instruments

The Company enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, in the form of foreign exchange forward contracts. Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in Standalone Statement of Profit & Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Standalone Statement of Profit & Loss depends on the nature of the hedge item.

Derecognition of Financial Instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

The carrying value and fair value of financial instruments by categories as at the year ended are disclosed at Note No. 43.2.

2.19 Investment in Subsidiary(s) and Joint Ventures

The Company has accounted for its investments in subsidiary(s) and joint ventures at cost less accumulated impairment loss, if any in "accordance with Ind AS 27, separate financial statements".

2.20 Research and Development Expenditure

Key focus area of Research and Development (R&D) activities at Shivalik includes;

- Optimising of resource utilisation.
- Quality & productivity improvements and cost optimization through process efficiency improvements.

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

- Product development, customisation and new applications.

Revenue as well Capital expenditure pertaining to research and development and costs pertaining to manpower directly part of R&D activities is charged to the Standalone Statement of Profit and Loss.

2.21 Earnings Per share

(i) Basic Earnings Per Share

Basic Earnings per Share is computed by dividing:

- a. net profit or loss for the period attributable to equity shareholders
- b. by the weighted average number of Equity Shares outstanding during the period

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account:

- a. the after-income tax effect of interest and other financing costs associated with dilutive potential equity and;
- b. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.22 Provision and Contingent Liabilities

Provisions are recognized for liabilities that can be measured only by using substantial degree of estimation, if

- a. the company has a present obligation as a result of past event,
- b. a probable outflow of resources is expected to settle the obligation; and
- c. the amount of the obligation can be reliably estimated.

Contingent liability is disclosed in case of

- i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- ii. a present obligation arising from past events, when no reliable estimate is possible; and
- iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.

Provisions and contingent liabilities are reviewed at each Balance Sheet date.

2.23 Segment reporting

The Company's business activity primarily falls within a single segment i.e. Process and Product Engineering. The geographical segments considered are "within India" and "outside India". The analysis of geographical segments is based on geographical location of the customers.

2.24 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

3. Property, Plant & Equipment

Notes on Standalone Financial Statements

for the year ended 31st March, 2023

Particulars	Leasehold Land*	Freehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipments	Total	(₹ in Lakhs)
Cost/Deemed Cost									
As at 1st April 2021	504.57	330.06	445.16	5,487.14	222.69	564.29	157.65	7,711.56	
Additions	-	-	2,219.08	1,678.96	26.61	69.05	43.74	4,037.44	
Less: Disposals	-	-	-	94.20	-	34.29	3.76	132.25	
As at 31st March 2022	504.57	330.06	2,664.24	7,071.90	249.30	599.05	197.63	11,616.75	
Additions	-	-	333.05	2,660.08	52.84	64.92	58.07	3,168.96	
Less: Disposals	-	-	-	204.24	-	31.32	1.17	236.73	
Add/(Less) : Other adjustments	-	-	(12.69)	-	-	-	-	(12.69)	
As at 31st March 2023	504.57	330.06	2,984.60	9,527.74	302.14	632.65	254.53	14,536.29	
Accumulated depreciation									
As at 1 st April 2021	33.66	-	322.03	2,422.50	180.85	326.83	105.46	3,391.33	
Depreciation charged for the year	7.36	-	34.00	473.87	13.53	48.06	26.80	603.62	
Less: Depreciation on disposals	-	-	-	28.34	-	23.73	2.72	54.79	
As at 31st March 2022	41.02	-	356.03	2,868.03	194.38	351.16	129.54	3,940.16	
Depreciation charged for the year	7.36	-	81.88	640.10	14.73	53.83	34.26	832.16	
Less: Depreciation on disposals	-	-	-	201.51	-	23.29	1.11	225.91	
As at 31st March 2023	48.38	-	437.91	3,306.62	209.11	381.70	162.69	4,546.41	
Net block									
As at 31st March 2023	456.19	330.06	2,546.69	6,221.12	93.03	250.95	91.84	9,989.88	
As at 31st March 2022	463.55	330.06	2,308.21	4,203.87	54.92	247.89	68.09	7,676.59	

*Leasehold Land represents Land on long term lease basis.(refer note no. 40.1)

Refer note 37(B) for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

Refer note 17 and 21 for information on Property, plant and equipment hypothecated as security by the company against Borrowings.

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

3.1 Capital Work-In-Progress (CWIP)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Opening Balance	652.61	2,411.56
Additions during the year*	1,902.37	1,539.72
Capitalised during the year	2,394.82	3,298.67
Closing Balance	160.16	652.61

* Includes Borrowing Cost transferred during the year aggregating to ₹ 51.09 Lakhs (Previous Year: ₹100.88 Lakhs). (refer note no.33)

Ageing schedule- Capital work-in-progress as at March 31, 2023 is, as follows:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work-in-progress	160.16	-	-	-	160.16
	(230.03)	(16.79)	(40.79)	(365.00)	(652.61)

Figures in () represents previous year figures

3.2 Right-of-Use Assets

Particulars	Right-of-Use Assets(Buildings)
Cost/Deemed Cost	
As at 1st April 2021	174.56
Additions	-
Less: Disposals	-
As at 31st March 2022	174.56
Additions	-
Less: Disposals	-
As at 31st March 2023	174.56
Accumulated amortisation	
As at 1st April 2021	131.10
Amortisation for the year	29.09
Less: Amortisation on disposals	-
As at 31st March 2022	160.19
Amortisation for the year	8.48
Less: Amortisation on disposals	-
As at 31st March 2023	168.67
Carrying Value	
As at 31st March 2023	5.89
As at 31st March 2022	14.37

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

3.3. Intangible Assets & Intangible Assets Under Development*

Particulars	Computer Software	Intangible Assets Under Development	(₹ in Lakhs)
<u>Cost/Deemed Cost</u>			
As at 1st April 2021	53.68	67.27	
Additions	10.57	34.91	
Less: Disposals	-	-	
As at 31st March 2022	64.25	102.18	
Additions	15.78	36.16	
Less: Disposals	-	-	
As at 31st March 2023	80.03	138.34	
<u>Accumulated amortisation</u>			
As at 1st April 2021	45.15	-	
Amortisation for the year	5.12	-	
Less: Amortisation on disposals	-	-	
As at 31st March 2022	50.27	-	
Amortisation for the year	6.56	-	
Less: Amortisation on disposals	-	-	
As at 31st March 2023	56.83	-	
<u>Carrying Value</u>			
As at 31st March 2023	23.20	138.34	
As at 31st March 2022	13.98	102.18	

*Other than internally generated

Ageing schedule-Intangible assets under development as at March 31, 2023 is, as follows:

Intangible Assets under development	Amount in Intangible Asset Under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Work-in-progress	36.16	34.91	0.30	66.97	138.34
	(34.91)	(0.30)	(4.95)	(62.02)	(102.18)

Figures in () indicates previous year figures

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

4. Investments (Non-Current)

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Investment(s) (at Cost)		
In Equity Instruments of:		
(a) Wholly Owned Subsidiary(s)		
i) Unquoted Equity Instrument of "Shivalik Bimetal Engineers Private Limited" of face value ₹ 10/- each, fully paid up. (No. Of Shares)	172.01 (495,000)	22.28 (222,750)
ii) Unquoted Equity Instrument of "Shivalik Engineered Products Private Limited" (Formerly known as Checon Shivalik Contact Solutions Private Limited)" of face value ₹ 10/- each, fully paid up. (No. Of Shares)	1,400.03 (3,421,800)	221.45 (1,710,900)
(b) Joint Venture Company		
i) Unquoted Equity Instrument of "Innovative Clad Solutions Private Limited" of face value ₹ 10/- each, fully paid up. (No. Of Shares)	780.02 (16,086,003)	780.02 (16,086,003)
Investments (at Fair Value Through Profit or Loss)		
(a) In Equity Shares of Other Company		
i) Unquoted Equity Instrument of "Shivalik Solid Waste Management Limited" of face value ₹ 10/- each, fully paid up. (No. Of Shares)	6.61 (20,000)	5.72 (20,000)
	2,358.67	1,029.47

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Aggregate amount of unquoted investments	2,358.67	1,029.47
Aggregate amount of quoted investments	-	-
Aggregate amount of impairment in the valuation of Investment	-	-
	2,358.67	1,029.47

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

5. Investment Property

Particulars	As at 31 st March 2023	As at 31 st March 2022
Freehold Land at Kandaghat, Solan	191.86	191.86
(Fair Market Value ₹ 360 Lakhs)*		
	191.86	191.86

*As per "Agreement to Sell" dated 15th July 2022 executed with the prospective buyer.

6. Other Financial Assets

Particulars	As at 31 st March 2023	As at 31 st March 2022
Security Deposits ;		
Government Undertakings /Authorities	30.89	27.73
Others	10.44	9.62
	41.33	37.35

7. Other Non Current Assets

Particulars	As at 31 st March 2023	As at 31 st March 2022
Capital Advances	355.66	466.14
Prepaid Expenses	1.25	1.39
	356.91	467.53

8. Inventories

(Refer note no. 2.12 for basis of valuation)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Raw Materials	5,638.25	6,826.12
Work-in-Progress	4,034.98	2,974.60
Finished goods	2,147.29	1,371.50
Stores, Spares and Packing Material	354.58	274.41
Scrap	12.84	41.85
	12,187.94	11,488.48
Material in Transit (included in Inventories, above)		
i) Raw Material	797.09	933.20
ii) Stores, Spares and Packing Material	8.00	8.48
	805.09	941.68

Refer note 21 for hypothecation/charge created.

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

9. Trade Receivables

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Considered Good- Unsecured		
Others	7,998.04	5,928.13
Considered Doubtful	2.73	3.45
Less: Allowances for Credit Losses*	(2.73)	(3.45)
	7,998.04	5,928.13

Trade Receivables ageing schedule

(₹ in lakhs)

Particulars	Outstanding for following period from the due date of payment						Total
	No Due	Less than 6 months	6 Months to 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables-considered good	5,084.35 (4,688.79)	2,900.24 (1,238.21)	13.45 (0.34)	- (0.23)	- -	- (0.57)	7,998.04 (5,928.13)
ii) Undisputed Trade Receivables-considered doubtful	2.73 (3.45)	- -	- -	- -	- -	- -	2.73 (3.45)
iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
iv) Disputed Trade Receivables-considered doubtful	-	-	-	-	-	-	-

Figures in () indicates previous year figures

Refer note 21 for hypothecation/charge created.

*In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient 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.

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

(i) Movements in allowance of credit losses of receivables;

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Balance at the beginning of the Year	3.45	24.02
Charge/(Reverse) in Statement of Profit and Loss	-	(20.43)
Utilised during the Year*	0.72	0.14
Balance at the end of the Year	2.73	3.45

*During the year, the Company has written off Irrecoverable trade receivables aggregating to ₹ 0.72 lakhs (Previous Year ₹0.14 Lakhs).

10. Cash and Cash Equivalents

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Balances with banks in		
- Current Accounts	1,249.75	668.03
- Fixed Deposits	429.69	417.21
Cash on hand	4.24	1.66
	1,683.68	1,086.90

There are no repatriation restrictions with respect to cash and bank balances as at the end of the reporting period and prior period.

11. Other Bank Balances

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Unpaid Dividend held in Bank Accounts [#]	22.25	15.79
Margin Money Deposit against Bank Guarantee (s)*	0.32	79.08

Balance in Unpaid Dividend account has restricted use.

*Deposits with maturity more than three months but less than twelve months, held by the Company are not available for use, as these are pledged with Banks against guarantee(s) given to Government authorities.

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

12. Others Financial Assets

Particulars	(₹ in lakhs)	
	As at 31st March 2023	As at 31st March 2022
Advances to Employees	1.15	0.46
Security Deposits		
Others	3.54	4.82
	4.69	5.28

13. Other Current Assets

Particulars	(₹ in lakhs)	
	As at 31st March 2023	As at 31st March 2022
Prepaid Expenses	163.68	152.54
Balances with Revenue authorities	754.90	1,142.11
Export Incentives*	14.78	14.82
Investment in Gold Coins	22.37	22.37
Investment in Gold Bonds	13.00	13.00
Advances to suppliers	36.26	17.82
Others	1.28	0.20
	1,006.27	1,362.86

* Includes ₹ 6.37 lakhs (Previous Year ₹12.52 lakhs) on account of Scripts in hand.

14. Current Tax Assets

Particulars	(₹ in lakhs)	
	As at 31st March 2023	As at 31st March 2022
Income Tax Refundable	-	3.59
	-	3.59

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

15. Equity Share Capital

(₹ in lakhs except per share basis)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Authorised Share Capital:		
Equity Shares of ₹ 2/- each (No. Of Shares)	1,500.00 (75,000,000)	1,500.00 (75,000,000)
Issued, Subscribed and Paid Up:		
Equity Shares of ₹ 2/- each, fully paid up (No. Of Shares)	1,152.08 (57,604,200)	768.06 (38,402,800)
Total		
	1,152.08	768.06

15.1 Reconciliation of Number of Shares

Particulars	Number of Shares	Amount (₹ in lakhs)
Balance as at 1st April, 2021	38,402,800	768.06
Shares Issued during the year	-	-
Shares Bought back during the year	-	-
Shares Issued as Bonus Shares	-	-
Balance as at 31st March, 2022	38,402,800	768.06
Shares Issued during the year	-	-
Shares Issued as Bonus Shares	19,201,400	384.02
Shares Bought back during the year	-	-
Balance as at 31st March, 2023	57,604,200	1,152.08

- 15.2** The Company has only one class of shares referred to as Equity shares having par value of ₹ 2/-. The holder of Equity Share is entitled to one vote per share.
- 15.3** In the event of liquidation of the Company, the residual interest in the company's net assets shall be distributed to the shareholders in the proportion to the equity shares held.
- 15.4** (a) 'During the year, the company has paid a final dividend of ₹ 0.50 per share for FY 21-22 and an interim dividend of ₹ 0.50 per share for FY 22-23 which resulted in a cash outflow of ₹ 480.04 lakhs (previous year ₹ 307.22 Lakhs).
- (b) 'The Board of Directors, in its meeting held on 17th May, 2023, have proposed a final dividend of ₹ 0.70 per equity share for the financial year ended 31st March 2023. The proposal is subject to the approval of shareholders at the Annual General Meeting and if approved would result in cash outflow of approximately ₹ 403.23 lakhs.
- 15.5** The Company issued and allotted 1,92,01,400 equity shares to the eligible holders of equity shares, on the record date i.e. 13th October, 2022 as bonus equity shares by capitalising reserves, on 15th October, 2022. The earnings per shares figures for the year ended 31st March, 2022 have been reinstated to give effects to the allotment of bonus shares, as required by Ind AS 33. (Refer note 36)

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

Aggregate numbers of bonus shares issued by the Company, during the period of five years immediately preceding the reporting periods including current year:

Particulars	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2021	As at 31 st March 2020	As at 31 st March 2019
Aggregate number and class of shares allotted as fully paid up by way of bonus shares	19,201,400	Nil	Nil	Nil	Nil

15.6 The Company does not have a holding company.

15.7 Shareholders holding more than 5% shares

Name of Shareholders	As at 31 st March 2023		As at 31 st March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Narinder Singh Ghuman	4,491,000	7.80	2,994,000	7.80
O D Finance and Investment Private Limited	7,606,171	13.20	5,070,781	13.20
TSL Holdings Private Limited	8,370,600	14.53	5,580,400	14.53
Angad Estates Private Limited	4,965,000	8.62	3,310,000	8.62

15.8 Shares held by promoters at the end of the year

S. No. Promoter Name	As at 31 st March 2023			As at 31 st March 2022		
	No of Shares	% of total shares	% Change during the year	No of Shares	% of total shares	% Change during the year
1. Satinderjeet Singh Sandhu	864,000	1.50	Nil	576,000	1.50	Nil
2. Devinderjeet Singh Sandhu	114,000	0.20	Nil	76,000	0.20	Nil
3. Manjit Kaur	264,000	0.46	Nil	176,000	0.46	Nil
4. Tejinderjeet Kaur Ghuman	924,000	1.60	Nil	616,000	1.60	Nil
5. Sarita Sandhu	648,000	1.12	Nil	432,000	1.12	Nil
6. Jaspal Singh Dhillon	6,000	0.01	Nil	4,000	0.01	Nil
7. Narinder Singh Ghuman	4,491,000	7.80	Nil	2,994,000	7.80	Nil
8. Angad Sandhu	456,000	0.79	Nil	304,000	0.79	Nil
9. Sumer Ghuman	3,000	0.01	Nil	2,000	0.01	Nil
10. Gurbir Sandhu	367,273	0.64	Nil	244,849	0.64	Nil
11. Amar Engineering Company Private Limited	2,121,465	3.68	Nil	1,414,310	3.68	Nil
12. Angad Estates Private Limited	4,965,000	8.62	Nil	3,310,000	8.62	Nil
13. O D Finance and Investment Private Limited	7,606,171	13.20	Nil	5,070,781	13.20	Nil
14. TSL Holdings Private Limited	8,370,600	14.53	Nil	5,580,400	14.53	Nil
15. Ultra Portfolio Management Private Limited	2,856,270	4.96	Nil	1,904,180	4.96	Nil
16. B S Sandhu and Associates Private Limited	855,600	1.49	Nil	570,400	1.49	Nil
Total	34,912,379	60.61	-	23,274,920	60.61	-

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

16. Other Equity

Particulars	Capital Reserve	Retained Earnings	Other Comprehensive Income	Total
Balance as at 1st April, 2021	0.57	13,092.91	(38.08)	13,055.40
Profit for the year	-	5,197.60	-	5,197.60
Other Comprehensive income for the year (net of tax)	-	-	4.62	4.62
Transactions with owners				
Dividend paid	-	(307.22)	-	(307.22)
Balance as at 31st March, 2022	0.57	17,983.29	(33.46)	17,950.40
Profit for the year	-	7,302.68	-	7,302.68
Other Comprehensive income for the year (net of tax)	-	-	(40.21)	(40.21)
Transactions with owners				
Dividend paid	-	(480.04)	-	(480.04)
Issuance of Bonus Shares	-	(384.02)	-	(384.02)
Balance as at 31st March, 2023	0.57	24,421.91	(73.67)	24,348.81

Capital Reserve represents interest received on “Calls in Arrears”.

17. Borrowings (Non-Current)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Secured		
From Banks		
Rupee Loan ⁽¹⁾	422.88	117.19
Foreign Currency Loan ⁽²⁾	638.67	-
Vehicle Loan(s) ⁽³⁾	-	4.14
From Others		
Vehicle Loan(s) ⁽³⁾	7.79	17.53
Unsecured		
From Related Parties	1,036.59	1,389.67
Total (**)	2,105.93	1,528.53

⁽¹⁾Rupee Term Loan from Indian Bank is secured by exclusive charge on Plant & Equipment created out of the Loan and collaterally secured by equitable mortgage of Company's Factory Leasehold Land and Building, situated at Chambaghat, Solan, (H.P.). Rupee Loan from bank is repayable in equal monthly instalments ending in August, 2027.

⁽²⁾ Foreign Currency Term Loan from DBS Bank is secured by exclusive charge on moveable Fixed Assets created out of Loan and collaterally secured by equitable mortgage of Company's Factory Leasehold Land and Building, situated at Kather, Solan, (H.P.). Foreign Currency Loan from bank is repayable in equal quarterly instalments ending in April, 2026.

⁽³⁾ Vehicle loans from HDFC Bank and Kotak Mahindra Prime Limited (NBFC) are secured by hypothecation of vehicles.

Unsecured Loan ends in December, 2027.

(**) Refer note no. 21 for “Current Maturities of long term borrowings”.

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

18. Lease Liabilities (Non-Current)

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Lease Liabilities	-	19.41
	-	19.41

Refer note no. 40.1

19. Provisions (Non-Current)

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Compensated absence	71.77	50.94
	71.77	50.94

20. Deferred Tax Liabilities (Net)

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Deferred Tax Liabilities/ (Assets) in relation to		
Property, Plant and Equipment & Intangible assets	396.83	327.70
Employee Benefits	(44.83)	(30.14)
Allowance for Credit Losses	(0.69)	(0.87)
Others	(5.17)	(5.33)
Right-to-Use assets	8.10	7.92
Total	354.24	299.28

Movement in deferred tax account for the year

Particulars	Charged to P&L during the year ended March 2023	Charged to P&L during the year ended March 2022
	Charged to P&L during the year ended March 2023	Charged to P&L during the year ended March 2022
Property, Plant and Equipment & Intangible assets	69.13	7.51
Employee Benefits	(14.69)	(2.68)
Allowance for Credit Losses	0.18	5.18
Others	0.16	0.25
Right-to-Use assets	0.18	1.70
Total	54.96	11.96

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

21. Borrowings (Current)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Secured		
From Banks		
- Foreign Currency Loan	1,948.90	3,483.89
- Rupee Loan	54.83	5.81
Current maturities of long-term borrowings (refer note no.17)	1,135.67	735.38
	3,139.40	4,225.08

Foreign Currency Loan of ₹ 1,349.99 Lakhs (Previous Year ₹ 1,645.79 Lakhs) and Rupee Loan of ₹ 54.83 Lakhs (Previous Year ₹ 5.81 Lakhs) from Indian Bank are secured by First pari-passu charge with DBS Bank by way of Hypothecation of entire present and future current assets and movable fixed assets (other than those exclusively charged to term lender) and First and exclusive charge on company's Factory Leasehold Land and Building situated at 16-18, New Electronics Complex, Chambaghat, Solan, H.P.

Foreign Currency Loan of ₹ 598.91 Lakhs (Previous Year ₹ 1,838.10 Lakhs) from DBS Bank is secured by First pari-passu charge with Indian Bank on entire present and future current assets and movable fixed assets (other than those exclusively charged to term lender) and First and exclusive charge by way of Equitable Mortgage of factory land and building situated at Kather, Chambaghat, Solan, H.P.

21.1 Changes in Liabilities arising from Financing Activities

Particulars	As at 31 st March 2023	As at 31 st March 2022
Borrowings at the beginning of the year		
Borrowings (Non Current) (refer note no.17)	1,528.53	846.16
Borrowings (Current) (refer note no.21)	4,225.08	1,995.67
Total Borrowings at the beginning of the year	5,753.61	2,841.83
Movement due to cash transactions as per the Statement of Cash flows		
Movement due to non cash transactions		
Foreign Exchange Movement	115.71	14.88
Borrowings at the end of the year		
Borrowings (Non Current) (refer note no.17)	2,105.93	1,528.53
Borrowings (Current) (refer note no.21)	3,139.40	4,225.08
Total Borrowings at the end of the year	5,245.33	5,753.61

22. Lease Liabilities

Particulars	As at 31 st March 2023	As at 31 st March 2022
Lease Liabilities	19.41	20.80
	19.41	20.80

Refer note no. 40.1

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

23. Trade Payables

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Micro, Small and Medium Enterprises (refer note no.39)	21.46	10.32
Related Parties	410.40	295.63
Others	3,024.17	3,871.76
	3,456.03	4,177.71

Trade Payables ageing schedule

Particulars	Outstanding for following periods from the due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	21.46 (10.32)	-	-	-	-	21.46 (10.32)
ii) Others	3,235.61 (3,861.61)	179.42 (300.62)	9.99 (1.76)	7.76 (2.22)	1.79 (1.18)	3,434.57 (4,167.39)
iii) Disputed Dues- MSME	-	-	-	-	-	-
iv) Disputed Dues-others	-	-	-	-	-	-

Figures in () indicates previous year figures

24. Other Financial Liabilities

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Interest accrued but not due on borrowings	12.59	9.42
Interest accrued and due on borrowings	10.58	9.41
Unclaimed dividends	22.25	15.79
Employee Benefits Payable	379.94	235.47
Expenses Payable	270.22	192.14
Security Deposit	-	3.05
Others	-	1.79
	695.58	467.07

25. Other Current Liabilities

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Statutory Dues	168.40	132.30
Advance from Customers	549.81	319.35
Advance against Sale of Investment Property	30.00	-
	748.21	451.65

26. Provisions- Current

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Compensated absence	6.17	4.80
Gratuity	71.10	-
	77.27	4.80

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

27. Current Tax Liabilities

Particulars	As at 31 st March 2023	As at 31 st March 2022
Provision for Tax (Net of Tax Paid)	0.70	192.32
	0.70	192.32

28. Revenue from Operations

Particulars	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Sale of Products	42,010.61	32,344.28
Sale of Services	12.40	54.47
	42,023.01	32,398.75
Revenue disaggregation by geography is as follows:		
Geography		
America	16,872.71	11,354.53
Europe	5,113.53	4,344.97
India	14,895.61	11,841.85
Others	5,141.16	4,857.40
	42,023.01	32,398.75

29. Other Income

Particulars	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Export Incentive	29.83	13.86
Interest Income	53.41	47.90
Rental Income	9.28	10.45
Dividend Income	99.40	0.30
Insurance Claim	110.60	1.74
Miscellaneous Income	3.61	3.54
Exchange Fluctuation Gain (Net)	465.48	421.84
Income from fair value changes net gain on investments measured at FVTPL	0.88	0.69
Liabilities/Provisions Written Back	7.19	26.18
Profit on Sale of Property, Plant & Equipment	13.14	18.18
	792.82	544.68

30. Cost of Materials Consumed

Particulars	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Raw Material Consumed	22,405.94	17,206.39
	22,405.94	17,206.39

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

31. Changes in Inventories of Finished Goods and Work-In Progress

Particulars	(₹ in lakhs)		Year Ended 31 st March 2023	Year Ended 31 st March 2022
	Year Ended 31 st March 2023	Year Ended 31 st March 2022		
Inventory (at Beginning)				
-Finished Goods	1,371.50	1,614.88		
-Work-in-Progress	2,974.60	1,640.56		
-Scrap	41.85	4,387.95	32.31	3,287.75
Inventory (at Closing)				
-Finished Goods	2,147.29	1,371.50		
-Work-in-Progress	4,034.98	2,974.60		
-Scrap	12.84	6,195.11	41.85	4,387.95
(Increase)/Decrease	(1,807.16)	(1,100.20)		

32. Employee Benefit Expense

Particulars	(₹ in lakhs)		Year Ended 31 st March 2023	Year Ended 31 st March 2022
	Year Ended 31 st March 2023	Year Ended 31 st March 2022		
Salaries and Wages	2,918.02	2,347.62		
Contributions to -				
(i) Provident fund	137.63	130.18		
(ii) ESI Contribution	15.29	11.65		
(iii) Gratuity Expenses	30.85	22.79		
Staff welfare expenses	293.36	199.19		
	3,395.15	2,711.43		

32.1 Disclosure pursuant to Ind AS 19 “Employee Benefits”:

The disclosures required under Ind AS 19 “Employee Benefits” notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015, (as amended from time to time) and other relevant provisions of the Act are given below:

(I) Defined Contribution Plan

- (a) Provident Fund
- (b) State defined contribution plans
 - Employees' Pension Scheme 1995

The Provident Fund and State defined contribution plan are operated by the regional provident fund commissioner. Under the scheme, the company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits. These funds are recognized by the Income tax authorities.

Contribution to Defined Contribution Plan, recognized are charged off for the year are as under:

Particulars	(₹ in lakhs)	
	2022-23	2021-22
(a) Employer's Contribution to Provident Fund	78.27	87.18
(b) Employer's Contribution to Pension Scheme	59.36	43.00

(II) Defined Benefit Plan

- (a) Gratuity

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

The employees' Gratuity fund scheme has been managed by Life Insurance Corporation of India and the present value of obligation is determined by Independent Actuary using the Projected Unit Credit (PUC) Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Actuary has carried out the valuation based on the followings assumptions:

Particulars	2022-23	2021-22
Discounting Rate (per annum)	7.38%	7.22%
Rate of escalation in Salary (per annum)	6.00%	6.00%
Expected Average remaining working lives of employees in no. of years	20.76	18.61
Mortality Table	IALM (2012-14)	IALM (2012-14)

Particulars	Gratuity (Funded)	
	2022-23	2021-22
(a) Changes in Present Value of Obligation		
Opening balance of Present value of obligation	335.32	305.25
Interest Cost	24.21	20.76
Current Service Cost	30.96	21.22
Benefits Paid	(17.30)	(7.61)
Actuarial (Gain)/Loss arising from change in financial assumption	(6.13)	(13.58)
Actuarial (Gain)/Loss arising from experience adjustment	59.64	9.28
Closing Balance of Present value of obligation	426.70	335.32
(b) Changes in Fair Value of Plan Assets		
Opening balance of Fair Value of Plan Assets	336.86	282.29
Expected Return on Plan Assets	24.32	19.20
Employer's Contribution	11.96	41.11
Benefits paid	(17.30)	(7.61)
Actuarial Gain/ (Loss) on Plan Assets	(0.23)	1.87
Closing balance of Fair value of Plan Assets	355.60	336.86
Actual return on Plan Assets	24.09	21.06
(c) Percentage of each category of Plan Assets to total Fair value of Plan assets		
Administrated by Life Insurance Corporation of India	100%	100%
(d) Reconciliation of Present Value of Defined Present obligations and the Fair Value of Assets		
Closing Balance of Present Value of Obligation	426.70	335.32
Closing Balance of Fair Value of Plan Assets	355.60	336.86
(Asset)/ Liability recognised the Balance Sheet	71.10	(1.54)
(e) Amount Recognised in the Balance Sheet		
Closing Balance of Present Value of Obligation	426.70	335.32
Closing Balance of Fair Value of Plan Assets	355.60	336.86
Funded (Asset)/ Liability recognized in the Balance Sheet	71.10	(1.54)
Unfunded Liability recognised in the Balance Sheet	-	-

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

Particulars	Gratuity (Funded)	
	2022-23	2021-22
(f) Expenses recognised in the statement of Profit and Loss		
Current Service Cost	30.96	21.22
Interest Cost	24.21	20.76
Expected Return on Plan Assets	(24.32)	(19.20)
Expenses recognized in the statement of Profit and Loss	30.85	22.78
Remeasurement of Defined Benefit Obligation		
Actuarial (Gain)/Loss arising from change in financial assumption	(6.13)	(13.58)
Actuarial (Gain)/Loss arising from experience adjustment	59.64	9.28
Return on plan assets	0.23	(1.87)
Expenses recognized in the statement of Other Comprehensive Income	53.74	(6.17)
(g) Experience Adjustments		
Experience adjustment on Plan Liabilities (loss)/gain	(53.51)	4.30
Experience adjustment on Plan Assets (loss)/ gain	(0.23)	1.87
(h) Sensitivity Analysis of the defined benefit obligation		
a) Impact of the change in discount rate		
Present value of the obligation at the end of the period	426.70	335.32
Impact due to increase of 0.50%	(21.90)	(15.15)
Impact due to decrease of 0.50%	16.97	16.35
b) Impact of the change in salary increase		
Present value of the obligation at the end of the period	426.70	335.32
Impact due to increase of 0.50%	15.59	14.87
Impact due to decrease of 0.50%	(20.77)	(13.91)

i) Maturity Profile of Defined Benefit Obligation

Year	(₹ in lakhs)
0 to 1 Year	29.60
1 to 2 Year	16.86
2 to 3 Year	20.77
3 to 4 Year	47.46
4 to 5 Year	41.19
5 to 6 Year	12.10
6 Year onwards	258.71

(b) Compensated Absence

The obligation for compensated absence is recognised in the same manner as Gratuity.

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

33. Finance Costs

Particulars	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Interest expense on		(₹ in lakhs)
(i) Borrowings	370.96	191.22
(ii) Others	0.35	1.38
(iii) Interest on Income Tax	9.60	24.33
(iv) Interest on Lease Liabilities	1.04	2.67
Other Borrowing costs	131.38	92.85
Exchange Fluctuations regarded as an adjustment to borrowing cost	202.16	64.79
Total	715.49	377.24
Less: Transferred to CWIP (refer note no 3.1)	51.09	100.88
	664.40	276.36

34. Manufacturing & Other Expenses

Particulars	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Stores & Spares Consumed	754.79	500.50
Power & Fuel	366.57	264.65
Job Work Expenses	104.68	58.94
Machinery Repairs	308.78	228.48
Research & Development (refer note no.38)	586.89	74.43
Electricity and Water Charges	36.22	25.23
Watch & Ward Expenses	43.07	31.73
Building Repairs	108.23	58.71
Other Repairs	233.79	163.99
Insurance	61.67	47.69
Processing Charges	427.76	502.94
Rent, Rates and Taxes	199.04	321.02
Travelling & Conveyance	186.11	35.51
Printing & Stationery	26.62	19.51
Communication Expenses	21.70	18.28
Professional and Consultancy Charges	290.30	180.58
Payment to Auditors (refer note no.-34.1)	32.00	14.00
CSR Expenditure (refer note no.-34.2)	80.07	56.72
Miscellaneous Expenses	89.01	69.78
Business Promotion, Advertisement & Publicity	25.76	22.85
Commission on Sales	1,596.82	1,498.75
Packing Cost	752.32	602.82
Forwarding & Freight	1,219.04	1,435.42
Loss on Sale of Property, Plant & Equipment	0.37	0.45
	7,551.61	6,232.98

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

34.1 Payment to Auditors as:

Particulars	(₹ in lakhs)	
	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Statutory Audit fees	26.00	10.00
Tax Audit Fees	4.00	4.00
Other Certification Fees	2.00	-
	32.00	14.00

34.2 CSR Expenditure

As per Section 135 of the Companies Act, 2013 ("the Act"), a Company, which meets the applicable threshold limits as prescribed, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promotion of education, promotion of sports, women empowerment, Infrastructure facilities and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized during the year on these activities which are specified in Schedule VII of the Act:

Particulars	(₹ in lakhs)	
	Year Ended 31 st March 2023	Year Ended 31 st March 2022
i) Amount required to be spent by the company during the year	79.77	55.25
ii) Amount of expenditure incurred;	80.07	56.72
iii) Shortfall at the end of the year;	-	-
iv) Total previous years shortfall;	-	-
v) Reason for shortfall;	N.A	N.A
vi) Nature of CSR activities;	Promotion of education, Promotion of sports, Women empowerment, Infrastructure facilities, Rural development projects, Health Care Services, Employment and livelihood enhancements.	
vii) Details of related party transactions, i.e., contribution to a trust by the company in relation to CSR expenditure as per relevant Indian Accounting Standard;*	57.00	34.50
viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year.	N.A	N.A

* Represents contribution to ABS Foundation (Regd. Trust)

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

35. Income Tax Expense recognised in the profit & loss account.

Particulars	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Current Tax:		
In respect of the Current Year	2,430.53	1,785.45
In respect of the Previous Year	(29.48)	(16.37)
Deferred Tax:		
In respect of the Current Year	54.96	11.96
Income Tax Expense recognised in the Statement of Profit & Loss	2,456.01	1,781.04
Other Comprehensive Income Section		
Tax related to items that will not be reclassified to profit & loss account	13.53	(1.55)

Effective Tax Reconciliations

Particulars	As at 31 st March 2023	As at 31 st March 2022
Profit before tax	9,758.69	6,978.64
Applicable Tax rate	25.17%	25.17%
Computed tax expense	2,456.07	1,756.38
Tax effect of:		
Income Exempt from taxation	-	(0.17)
Expense Disallowed	75.32	39.76
Deductions Allowed under Income Tax	(47.98)	(0.86)
Effect of change in tax rate	-	-
Earlier year tax	(29.48)	(16.37)
Others	2.09	2.29
Tax Expense recognised in Statement of Profit & Loss	2,456.01	1,781.03

36. Earnings Per Share

Particulars	As at 31 st March 2023	As at 31 st March 2022
Net Profit attributable to shareholders (₹ in lakhs)	7,262.47	5,202.22
Weighted average number of equity Shares (in nos.)	57,604,200	57,604,200
Basic and Diluted Earnings per share (₹)	12.61	9.03
Face Value per Equity Share (₹)	2	2

Refer Note 15.5

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

37. Contingent Liabilities in respect of:

Particulars	As at 31 st March 2023	As at 31 st March 2022
(A) Contingent Liabilities		
(I) <u>Claim Against the Company Not Acknowledged as Debts*</u>	17.87	17.87
(II) <u>Guarantees</u>		
a. Letters of Credit/Bank Guarantee established by the bank	555.35	349.16
b. Corporate Guarantee(s) on behalf of Wholly Owned Subsidiary(s)	1,314.00	1,314.00
c. Surety with Sales Tax Department	2.00	4.00
(III) <u>Other Money for which the Company is Contingently Liable</u>		
a. Buyers Credit Interest payable	5.13	14.94
b. Customs duty on Material imported against Advance License & Material Lying in Bonded Warehouse for pending export obligation	1,625.72	1,582.24
*Demand raised by Central Excise & Service Tax Commissionerate towards Cenvat Credit of excise duty ₹ 17.87 lakhs (Previous Year ₹ 17.87 lakhs). However the management of the Company is of the view that the demand is not enforceable against the Company, being bad in law.		
(B) Commitments		
Estimated amount of contractual (net of advances) exceeding ₹ 1.00 lakh in each case remaining to be executed on capital account and not provided for	642.39	493.49

38. Details of Research and Development Expenditure

Particulars	As at 31 st March 2023	As at 31 st March 2022
Capital	191.10	-
Revenue	395.79	74.43
Total	586.89	74.43

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

39. Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	21.46	10.32
The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and 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 Enterprise Development Act, 2006.	Nil	Nil

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

40. Leases

The Company's significant operating lease arrangements are in respect of premises (residential, offices, godown etc.). These leasing arrangements, which are cancellable, range between 11 months to 3 years generally and are usually renewable by mutual agreeable terms.

The aggregate lease rentals payable are charged as expenses. Rental payments under such leases amounting to ₹ 135.54 lakhs (Previous Year ₹ 92.89 lakhs) have been included under "Rent, Rates and Taxes" expense in note 34.

40.1 Lease Payments:

Future Minimum lease payments and their present values under lease are as follows:

Particulars	Minimum Lease Payments		Present Value of Minimum Lease payments		Future Expense	
	Year Ended March 2023	Year Ended March 2022	Year Ended March 2023	Year Ended March 2022	Year Ended March 2023	Year Ended March 2022
Not later than one year	20.42	22.60	19.41	20.80	1.01	1.80
Later than one year but not later than five years	-	20.42	-	19.41	-	1.01
Later than five years	-	-	-	-	-	-

There is no element of contingent rent or sublease payment.

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

41. The Company's activities involve predominantly one operating segment i.e. Process and product Engineering, which are considered to be within a single operating segment since these are subject to similar risks and returns. Accordingly, Process and Product Engineering comprise the primary basis of segmental information as set out in these financial statements, which therefore reflect the information required by Ind AS 108- Segment Reporting has been disclosed as below.

Revenue from Operations

Particulars	India		Outside India		Total	
	Year Ended March 2023	Year Ended March 2022	Year Ended March 2023	Year Ended March 2022	Year Ended March 2023	Year Ended March 2022
Segment Revenue	14,895.54	11,841.85	27,127.47	20,556.90	42,023.01	32,398.75

42. "Related Party Disclosure" for the year ended 31st March, 2023 in accordance with Ind AS 24:

(i) *Relationships with Related Parties:*

Sr. No.	Name of Related Party	Relationship
1.	Shivalik Engineered Products Private Limited (Formerly known as Checon Shivalik Contact Solutions Private Limited)	Wholly Owned Subsidiary
2.	Shivalik Bimetal Engineers Private Limited	
3.	Innovative Clad Solutions Private Limited	Joint Venture
4.	Mr. S. S Sandhu (Chairman)	
5.	Mr. N. S. Ghuman (Managing Director)	Key Managerial Personnel (KMP)
6.	Mr. Rajeev Ranjan (Chief Financial Officer)	
7.	Mrs. Aarti Sahni (Company Secretary)	
8.	Mr. Kabir Ghuman	
9.	Mr. Sumer Ghuman	Relative of Key Managerial Personnel
10.	TSL Holdings Private Limited	
11.	Angad Estates Private Limited	
12.	Amar Engineering Company Private Limited	
13.	Ultra Portfolio Management Private Limited	Enterprises over which Key Managerial Persons are able to exercise significant influence
14.	O D Finance and Investment Private Limited	
15.	ABS Foundation (Regd. Trust)	
16.	Mr. Swaranjit Singh	
17.	Mr. Nirmaljeet Singh Gill	
18.	Mr. Gurmeet Singh Gill	
19.	Mrs. Anu Ahluwalia	
20.	Lt. Gen. Pradeep Khanna	Independent Directors
21.	Mrs. Harpreet Kaur	

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

(ii) Transactions during the year with related parties:

Sr. No.	Nature of Transactions	Joint Ventures	Wholly Owned Subsidiary(s)	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprises over which KMP are able to exercise significant influence	(₹ in lakhs) Independent Directors
1.	Job Work Income	1.27 (1.23)	0.25 (0.44)				
2.	Rent Received		4.36 (4.36)				
3.	Job Work Expense		60.02 (42.39)				
4.	Other Income	1.44 (1.44)	1.62 (1.62)				
5.	Goods Purchased	2,979.31 (1,423.51)	173.96 (121.84)				
6.	Goods Sold		(6.64)				
7.	Sale of Property, Plant & Equipment		- (78.00)				
8.	Purchase of Property, Plant & Equipment		- (17.20)				
9.	Reimbursement of Expenses(Net)		14.74 (1.93)			2.05 (1.72)	
10.	Managerial Remuneration			779.99 (748.53)			
11.	Sitting Fees						3.78 (2.25)
12.	Remuneration in pursuant to Section 197 of the Companies Act 2013 for holding an office or place of profit.				152.43 (124.37)		
13.	Rent Paid				11.86 (10.11)	82.17 (69.90)	
14.	Dividend Income		99.00				
15.	Purchase of Equity Instruments		-			149.59 -	
16.	CSR Expenditure					57.00 (34.50)	
17.	Unsecured Loans i) Taken ii) Repaid iii) Finance Costs					1,450.00 (1,265.00) 1,810.02 (455.18) 208.01 (134.61)	
Balances as the end of the year 31st March 2023							
18.	Investments	780.02 (780.02)	1,572.04 (243.73)				
19.	Unsecured Loans					1,626.73 (1,986.74)	
20.	Payables	335.12 (261.78)	50.29 (33.86)				

Figures in () indicate previous year's figures.

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

43. FINANCIAL INSTRUMENTS

43.1 Capital Management

The Company's capital management objectives are;

- to maintain healthy Credit rating, Capital Ratios and Leverage.
- to maximise return to the Shareholders.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Principal source of funding of the company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings.

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Long term Borrowings (Including Current Maturities)	3,264.77	2,282.74
Short Term Borrowings	2,003.73	3,489.70
Less: Cash and cash equivalents	1,683.68	1,086.90
Less: Bank Balance other than Cash and Cash Equivalents	22.57	94.87
Less: Investment in Gold Coins and Gold Bonds	35.37	35.37
Net debt	3,526.88	4,555.30
Total equity (as shown on the face of balance sheet)	25,500.89	18,718.46
Net debt to equity ratio (Gearing Ratio)	14%	24%

43.2 Financial Instruments by categories

Particulars	As at 31 March 2023			As at 31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	6.61	-	-	5.72	-	-
Trade receivables	-	-	7,998.04	-	-	5,928.13
Cash and cash equivalents	-	-	1,683.68	-	-	1,086.90
Other bank balances	-	-	22.57	-	-	94.87
Other Financial Assets	-	-	4.69	-	-	5.28
Total	6.61	-	9,708.98	5.72	-	7,115.18
Financial liabilities						
Borrowings	-	-	5,268.50	-	-	5,772.44
Trade payable	-	-	3,456.03	-	-	4,177.71
Other financial liabilities	-	-	672.41	-	-	467.65
Total	-	-	9,396.94	-	-	10,417.80

Fair Value Measurement

- i) Carrying amount of Financial assets and financial liabilities recorded at amortized cost approximates their fair value.
- ii) Investment in Equity instrument of other companies is measured at its fair value using Level 3 valuation techniques.

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

43.3 Financial Risk Management

The Company's activities expose it to market risk, liquidity risk, Foreign Currency Risk and credit risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. 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 Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

43.4 Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. Credit risk encompasses both, direct risk of default and the risk of deterioration of creditworthiness.

a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. The company has a policy of only dealing with credit worthy parties and obtain sufficient collateral where appropriate as a means of mitigating the risk of financial loss from defaults.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due.

Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Expected credit losses

The Company provides for expected credit losses based on the following:

The company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by 'analysing historical trend of default based on the criteria defined above. And such provision percentage determined have been 'considered to recognise life time expected credit losses on trade receivables.

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

Particulars	(₹ in lakhs)			
	As at 31 March 2023		As at 31 March 2022	
	>3 Years	0-3 Years	>3 Years	0-3 Years
Gross amount of trade receivables where no default (as defined above) has occurred	-	8,000.77	-	5,931.58
Expected loss rate	-	0.03%	-	0.06%
Expected credit loss (loss allowance provision)	-	2.73	-	3.45
Reconciliation of loss provision – lifetime expected credit losses				
Loss allowance as on 1 st April 2021		24.02		
Impairment Loss/(Gain) recognised during the year		(20.43)		
Amounts written off		0.14		
Loss allowance on 31 st March 2022		3.45		
Impairment Loss/(Gain) recognised during the year		-		
Amounts written off		0.72		
Loss allowance on 31 st March 2023		2.73		

43.5 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management measures involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these obligations.

Maturities of financial liabilities

The tables below analyses the Company's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. For balances due within 12 months amounts equal their carrying values as the impact of discounting is not significant.

As at 31 st March 2023	(₹ in lakhs)				
	Less than 1 year	1-2 years	2-3 year	More than 3 years	Total
Long term borrowings (including interest)	1,158.84	1,077.09	636.68	392.16	3,264.77
Short term borrowings	2,003.73	-	-	-	2,003.73
Trade payable	3,456.03	-	-	-	3,456.03
Other financial liabilities	672.41	-	-	-	672.41
Total	7,291.01	1,077.09	636.68	392.16	9,396.94

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

	(₹ in lakhs)				
As at 31st March 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Long term borrowings (including interest)	754.21	663.11	365.52	499.90	2,282.74
Short term borrowings	3,489.70	-	-	-	3,489.70
Trade payable	4,177.71	-	-	-	4,177.71
Other financial liabilities	467.65	-	-	-	467.65
Total	8,889.27	663.11	365.52	499.90	10,417.80

43.6 Market Risk

The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates. The company seeks to minimize the effects of these risks by minutely observing the variation and fluctuation on regular basis. Compliance of exposure volume is reviewed by the management on real time basis and taking corrective measures as and when required.

43.7 Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar and Euro. The exchange rate between the Indian rupees and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/depreciates against the currencies. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company.

(i) Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:-

Particulars	FC	As at 31 March 2023		As at 31 March 2022	
		FC (Nos)	Amount	FC (Nos)	Amount
Financial Liabilities					
Loans	EUR	2,886,578	2,586.59	296,123	250.70
	USD	260,122	213.86	4,265,030	3,233.20
Creditors	EUR	381,164	341.55	245,294	207.67
	USD	1,965,245	1,615.76	2,505,509	1,899.35
	YEN	6,393,336	39.51	-	-
Others	EUR	5,907	5.29	860	0.73
	USD	3,660	3.01	6,275	4.76
	GBP	28,270	28.80	-	-
Financial assets					
Debtors	EUR	614,723	550.84	656,681	555.95
	USD	5,119,815	4,209.35	3,709,299	2,811.91
Cash & Bank Balance	EUR	9,254	8.29	369	0.31
	USD	9,296	7.64	11,546	8.75
Net exposure to foreign currency risk	EUR	2,649,672	2,374.31	(114,773)	(97.16)
	USD	(2,900,084)	(2,384.36)	3,055,969	2,316.65
	YEN	6,393,336	39.51	-	-
	GBP	28,270	28.80	-	-

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

Sensitivity analysis of 5% change in the exchange rate at the end of reporting period

Particulars	As at 31 st March 2023	As at 31 st March 2022
5% Depreciation in ₹		
USD sensitivity	(2,384.36)	2,316.65
Impact on Equity and Profit and Loss	119.22	(115.83)
Euro Sensitivity	2,374.31	(97.16)
Impact on Equity and Profit and Loss	(118.72)	4.86
5% Appreciation in ₹		
USD sensitivity	(2,384.36)	2,316.65
Impact on Equity and Profit and Loss	(119.22)	115.83
Euro Sensitivity	2,374.31	(97.16)
Impact on Equity and Profit and Loss	118.72	(4.86)

43.8 Interest rate risk

i) Liabilities

Interest rate risk is the risk that the fair value or future cash flows of a financial Assets/Liabilities because of changes in market interest rates. The company is exposed to interest rate risk because 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 and US dollars with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in marginal cost of fund based lending rate (MCLR) and SOFR rates.

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at 31 st March 2023	As at 31 st March 2022
Variable rate borrowing	2,003.73	3,489.70
Fixed rate borrowing	3,264.77	2,282.74
Total borrowings	5,268.50	5,772.44

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at 31 st March 2023 Equity and Profit & Loss Account	As at 31 st March 2022 Equity and Profit & Loss Account
		As at 31 st March 2022 Equity and Profit & Loss Account
Interest sensitivity*		
Interest rates – increase by 1%	(20.04)	(34.90)
Interest rates – decrease by 1%	20.04	34.90

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 [continued](#)

43.9 Price Risk

The Company does not have significant exposure to price risk on its financial assets and liabilities.

44. Additional regulatory information not disclosed elsewhere in the Standalone Financial Statement

- (a) The Company does not have any Benami property, further no proceeding has been initiated or pending against the company for holding any Benami Property.
- (b) The Company did not have any transactions with Companies struck off.
- (c) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- (d) The Company has not traded or invested in Crypto Currency or Virtual Currency during the respective financial year period.
- (e) 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:
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries.
- (f) 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:
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries.
- (g) The company does not have any transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961 (Such as, Search or survey or any other relevant provisions of the income Tax Act, 1961).
- (h) The company has not been declared wilful defaulter by any bank or financial Institution or other lender.
- (i) The company does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013.
- (j) The Company has complied with the number of layers prescribed under of section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

Notes on Standalone Financial Statements

for the year ended 31st March, 2023 *continued*

45. Additional Regulatory Information

Ratios

S.No.	Particulars	Numerator	Denominator	As at 31 st March 2023	As at 31 st March 2022	Variance
1)	Current Ratio (in times)*	Current Assets	Current Liabilities	2.82	2.09	34.93%
2)	Debt- Equity Ratio (in times)	Total Debt (Include Lease Liability)	Shareholder's Equity	0.08	0.08	0.00%
3)	Debt service coverage ratio (in times) (DSCR)	Earnings Available For Debt Service #	Debt Service	11.41	10.17	12.19%
4)	Return on Equity Ratio (in %) (ROE)	Net Profit After Taxes	Average Shareholder's Equity	33.03%	31.95%	3.38%
5)	Inventory turnover ratio (in times)	Revenue	Average Closing Inventory	3.55	3.50	1.43%
6)	Trade Receivable turnover ratio (in times)	Revenue	Average Trade Receivable	6.04	6.35	-4.88%
7)	Trade Payable turnover ratio (in times)	Purchases	Average Trade Payable	5.95	5.53	7.59%
8)	Net Capital Turnover Ratio (in times)	Revenue	Working Capital	2.85	3.10	-8.06%
9)	Net Profit ratio (in %) (NPR)	Net profit after taxes	Revenue	17.28%	16.06%	7.60%
10)	Return on capital employed (in %) (ROCE)	Earning before interest and taxes	Capital Employed	36.17%	34.90%	3.64%

Earnings Available For Debt Service stands for Net profit after taxes + Non-cash operating expenses + Interest + Other adjustments like Profit/(loss) on sale of fixed assets etc.

* Improvement in Current Ratio is due to availability of funds in current assets generated from internal accruals accompanied by optimal use of resources.

Independent Auditor's Report

To the Members of

Shivalik Bimetal Controls Ltd.

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Shivalik Bimetal Controls Ltd.** ("Parent"), and its Subsidiaries and Joint Venture (Parent Company with its Subsidiaries and Joint Venture together referred to as "Group") which comprise the consolidated Balance sheet as at 31st March, 2023, the consolidated statement of profit and loss (including Other Comprehensive Income), consolidated statement of cash flows, the consolidated statement of changes in equity for the year then ended, and a summary of significant accounting policies, notes and other explanatory information. (hereinafter referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2023, and consolidated profit (including other comprehensive income),

consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated annual financial statements in accordance with the Standards on Auditing (SAs) as specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the consolidated annual 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 together with the ethical requirements that are relevant to our audit of the consolidated annual financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the consolidated annual financial statements of the current period. These matters were addressed in the context of our audit of the consolidated annual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

The Key audit matters	How our audit addressed the key audit matters
<p>Capitalisation of property, plant and equipment</p> <p>During the year ended 31st March, 2023, the Company has incurred significant amount for Property, Plant and equipment. The total additions to Property, Plant and Equipment (including capitalized amount of Capital Work in Progress) at various locations of the Company was ₹ 3305.56 lakhs in the current year as set out in Note No 3</p> <p>Significant level of judgement is involved to ensure that the aforesaid capital expenditure/additions meet the recognition criteria of Ind AS 16 - Property, Plant and Equipment. As a result, the aforesaid matter was determined to be a key audit matter.</p>	<p>We as Auditors,</p> <ol style="list-style-type: none"> assessed the mechanism of capitalization and tested the design and operating effectiveness of the controls in the process. assessed the nature of the additions/ capitalization carried out in Property, Plant and Equipment and capital work-in-progress on a test check basis to test that they meet the recognition criteria as set out in para 16 to 22 of Ind AS 16. reviewed the asset capitalization details provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management. <p>Based on the above procedures, management's assessment in respect of Capitalization of Property, Plant and Equipment in the Consolidated Financial Statements we are of the opinion that capitalization of Property, Plant and Equipment, the procedures adopted are considered adequate.</p>

Independent Auditor's Report

continued

The Key audit matters	How our audit addressed the key audit matters
Contingent Liabilities- Contingencies & Capital Commitments: The Company has material contingencies related to Guarantee(s) given, Capital Commitments and Indirect Tax matters as detailed in Note 38 to the Consolidated financial statements. The Company makes a determination for recording or alternatively disclosing them as contingencies. We identified this as a key audit matter because the estimation on which these amounts are based involves a reasonable degree of assessment by the management.	<p>We have obtained an understanding of the Company's internal instructions, and procedures in respect of assessment and disclosure of Contingent Liabilities & Capital Commitments and adopted the following audit procedures: -</p> <ol style="list-style-type: none"> 1) understood and tested the operating effectiveness of controls as established by the management for obtaining all relevant information; 2) discussing with the management any material developments and latest status; 3) reviewing the adequacy and completeness of disclosures; <p>Based on the above procedures performed, the assessment and disclosures of Contingent Liabilities & Capital Commitments are considered to be adequate and reasonable.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, standalone financial statements and our respective auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Management's Responsibility for the Consolidated Annual Financial Statements

The Parent Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs, consolidated profit / loss (including other comprehensive income), consolidated changes in equity and consolidated 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 Standard) Rules, 2015 as amended. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the each 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of consolidated financial Statements by the directors of the parent company.

In preparing the consolidated financial statements, respective management and Board of Directors of the Company in the group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the Companies in the group is also responsible for overseeing the Company's financial reporting process of each company.

Independent Auditor's Report

continued

Auditor's Responsibilities for the Audit of Consolidated Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of the entities included in the consolidated financial statements. We remain solely responsible for our audit opinion. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated annual financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and other entities in the Group 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 respectively, 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.

Other Matters

The consolidated financial statements include the share of Net Profit (and other comprehensive income) of ₹ 102.64

Independent Auditor's Report

continued

lakhs for the year ended March 31, 2023 as considered in consolidated financial statements in respect of one Joint Venture whose financial statements/ financial information have not been audited by us. These financial statements/ financial information have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of its joint venture, and our report in terms of subsection (3) of section 143 of the Act, in so far as it relates to the aforesaid joint venture is based solely on the audit reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our report and on the consideration of reports of the other auditors on separate financial statements of such joint venture as were audited by other auditors as noted in the Other Matter paragraph, we report, to the extent applicable, that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b. in our opinion proper books of account as required by law have been kept so far as it appears from our examination of those books and report of other Auditor's;
 - c. the consolidated balance sheet, consolidated statement of profit & loss including other comprehensive income, consolidated statement of changes in equity and statement of consolidated cash flow dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e. on the basis of written representations received from the directors of the Parent, its Subsidiaries as on 31st March, 2023, and taken on record by the Board of Directors of the Parent company and the reports of the statutory auditors of its joint venture incorporated in India, none of the directors of the Group Companies is disqualified as on 31st March, 2023, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**.
- g. In our opinion, the managerial remuneration for the year ended 31st March, 2023 has been paid / provided by the company to its directors in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013; 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the joint venture as noted in the 'Other Matter' paragraph:
 - i. The consolidated annual financial statements disclose the impact of pending litigations on its financial position in its Consolidated financial statements-Refer Note 37 to the financial statements;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. (a) The respective Managements of the companies in the Group have represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

 (b) The respective Managements of the companies in the group have represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether,

Independent Auditor's Report

continued

- 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), as provided under (a) and (b) above, contain any material misstatement.
3. The interim dividend paid and also the final dividend proposed in the previous year, declared and paid by the Parent Company during the year is in accordance with Section 123 of the Act, as applicable.
4. With respect to the matters specified in paragraphs 3(xxi) and 4 of Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by 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 Parent, its Subsidiaries and Joint Venture 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.

For **Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: - 021313C

Sd/-
Amit Arora

Partner

Place: New Delhi

Membership No: - 514828

Dated: 17th May 2023

ICAI UDIN No:

23514828BGQAAM2589

Annexure - A

to the Independent Auditor's Report on Consolidated financial statements of Shivalik Bimetal Controls Limited

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of Shivalik Bimetal Controls Limited (hereinafter referred to as "the Company") and its Subsidiaries , which are Companies incorporated in India, as of that date, wherever applicable.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Company and its jointly controlled Companies, which are Companies incorporated in India, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act is respect of adequacy of Internal financial controls over financial reporting is applicable, are 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI 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, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance

Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting with reference to these consolidated annual 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 over financial reporting 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.

Annexure - A

to the Independent Auditor's Report on Consolidated financial statements of Shivalik Bimetal Controls Limited *continued*

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, reference to these consolidated annual 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 and its jointly controlled companies, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting reference to these consolidated financial statements in so far as it relates to one of the Joint Venture, which are companies incorporated in India, is based on the corresponding report of the auditor of such Company incorporated in India. Our opinion is not qualified in respect of this matter.

For **Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: - 021313C

Sd/-

Amit Arora

Partner

Place: New Delhi

Membership No: - 514828

Dated: 17th May 2023

ICAI UDIN No:

23514828BGQAAM2589

Consolidated Balance Sheet

as at March 31, 2023

Consolidated Balance Sheet		Notes	(₹ in lakhs)	
			As at 31 st March 2023	As at 31 st March 2022
I. ASSETS				
Non-current assets				
(a) Property, Plant & Equipment	3	10,972.88	7,676.59	
(b) Capital Work-In-Progress	3.1	532.62	652.61	
(c) Right-of-use-Assets	3.2	36.58	14.37	
(d) Other Intangible Assets	3.3	347.71	13.98	
(e) Goodwill	3.3	204.06	-	
(f) Intangible Assets Under Development	3.3	138.34	102.18	
(g) Financial Assets				
(i) Investments	4	785.69	1,654.11	
(ii) Investment Property	5	191.86	191.86	
(iii) Other Financial Assets	6	44.08	37.35	
(h) Other Non Current Assets	7	358.82	467.53	
Total Non Current Assets		13,612.64	10,810.58	
Current assets				
(a) Inventories	8	13,197.44	11,488.48	
(b) Financial Assets				
(i) Trade Receivables	9	9,321.84	5,928.13	
(ii) Cash and Cash equivalents	10	1,768.23	1,086.90	
(iii) Other Bank Balances	11	22.57	94.87	
(iv) Others Financial Assets	12	7.56	5.28	
(c) Other Current Assets	13	1,035.46	1,362.86	
(d) Current Tax Assets	14	7.02	3.59	
Total Current Assets		25,360.12	19,970.11	
TOTAL ASSETS		38,972.76	30,780.69	
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	15	1,152.08	768.06	
(b) Other Equity	16	25,397.76	18,391.74	
Total Equity		26,549.84	19,159.80	
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	2,236.10	1,528.53	
(ii) Lease Liabilities	18	21.35	19.41	
(b) Other Non Current Liabilities	19	1.52	-	
(c) Provisions	20	90.32	50.94	
(d) Deferred Tax Liabilities (Net)	21	546.85	482.58	
Total Non-Current Liabilities		2,896.14	2,081.46	
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	22	3,580.17	4,225.08	
(ii) Lease Liabilities	23	28.88	20.80	
(iii) Trade Payables				
a) Outstanding dues of micro enterprises and small enterprises	24	164.05	10.32	
b) Outstanding dues of creditors other than micro enterprises and small enterprises	24	4,066.71	4,167.39	
(iv) Other Financial Liabilities	25	774.82	467.07	
(b) Other Current Liabilities	26	824.68	451.65	
(c) Provisions	27	86.68	4.80	
(d) Current Tax Liabilities	28	0.79	192.32	
Total Current Liabilities		9,526.78	9,539.43	
TOTAL EQUITY AND LIABILITIES		38,972.76	30,780.69	
<i>The accompanying notes form an integral part of the consolidated financial statements.</i>		1 to 48		

As per our report of even date

For **Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: 021313C

For and on Behalf of the Board

Sd/-**(Amit Arora)**

Partner

Membership No.514828

Sd/-**(N.S. Ghuman)**

Managing Director

DIN 00002052

Sd/-**(S.S. Sandhu)**

Chairman

DIN 00002312

Place : New Delhi

Date : May 17, 2023

Sd/-**(Rajeev Ranjan)**

Chief Financial Officer

Sd/-**(Aarti Sahni)**

Company Secretary

Membership No. A25690

Consolidated Statement of Profit & Loss

for the year ended March 31, 2023

(₹ in lakhs, except per share data)

Consolidated Statement of Profit & Loss for the	Notes	Year Ended 31st March 2023	Year Ended 31st March 2022
I Revenue from operations	29	47,037.21	32,398.75
II Other income	30	992.34	544.68
III Total Revenue (I + II)		48,029.55	32,943.43
IV Expenses			
(a) Cost of materials consumed	31	26,262.32	17,206.39
(b) Changes in Inventories of Finished Goods and Work-In-Progress	32	(1,746.37)	(1,100.20)
(c) Employee benefits expense	33	3,810.10	2,711.43
(d) Finance costs	34	704.19	276.36
(e) Depreciation & Amortisation	3	1,054.74	637.83
(f) Manufacturing & Other expenses	35	7,816.39	6,232.98
Total expenses		37,901.37	25,964.79
V Profit/(loss) before tax (III-IV)		10,128.18	6,978.64
VI Share of Profit/(Loss) of Joint Venture		102.64	351.19
VII Profit Before exceptional items and tax (V +VI)		10,230.82	7,329.83
VIII Exceptional Items (Income)/Expense		-	-
IX Profit/(loss) before tax (VII-VIII)		10,230.82	7,329.83
X Tax expense			
(a) Current tax	36	2,520.78	1,785.45
(b) Current tax related to previous years	36	(30.10)	(16.37)
(c) Deferred tax	36	(170.19)	49.53
Total		2,320.49	1,818.61
XI Profit/(Loss) for the years (IX-X)		7,910.33	5,511.22
XII Other Comprehensive Income			
i. Items that will not be reclassified to Statement of Profit & Loss			
'- Remeasurement of defined benefit obligation		(53.79)	6.17
'- Income tax on above		13.54	(1.55)
'- Shares of Other Comprehensive Income in Subsidiary(s) and Joint Ventures		-	1.17
		(40.25)	5.79
XIII Total Comprehensive Income for the Period (XI+XII)		7,870.08	5,517.01
XIV Earnings per equity share			
(a) Basic (₹)	37	13.66	9.58
(b) Diluted (₹)	37	13.66	9.58
<i>The accompanying notes form an integral part of the consolidated financial statements.</i>	1 to 48		

As per our report of even date

For **Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: 021313C

For and on Behalf of the Board

**Sd/-
(Amit Arora)**

Partner

Membership No.514828

**Sd/-
(N.S. Ghuman)**
Managing Director
DIN 00002052

**Sd/-
(S.S. Sandhu)**
Chairman
DIN 00002312

Place : New Delhi
Date : May 17, 2023

**Sd/-
(Rajeev Ranjan)**
Chief Financial Officer
**Sd/-
(Aarti Sahni)**
Company Secretary
Membership No. A25690

Consolidated Cash Flow Statement

for the year ended March 31, 2023

(₹ in Lakhs)

Consolidated Cash Flow Statement for the	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	10,230.82	7,329.83
<i>Adjustments for:</i>		
Depreciation and amortisation expense	1,054.74	637.83
Share of (Profit)/Loss of Joint Venture	(102.64)	(351.19)
Gain on Fair Valuation of previous held equity Interest	(329.16)	-
Interest Expense	704.19	276.36
Interest Income	(54.32)	(47.90)
Net (Gain)/loss arising on financial instruments designated as FVTPL	(0.88)	(0.69)
Amortisation of Government Grant	(0.96)	-
Liabilities/Provisions Written Back	(7.84)	(26.18)
Unrealised foreign exchange loss/(gain) on borrowings	114.43	14.88
Loss Allowance for doubtful receivables	0.36	-
(Profit)/Loss on sale of Property, Plant and Equipment (Net)	(11.64)	(17.73)
Dividend received	(0.40)	(0.30)
Operating Profit before Working Capital changes	11,596.70	7,814.91
<i>Adjustment for :</i>		
Trade receivables	(2,181.66)	(1,625.71)
Inventories	(660.23)	(4,474.31)
Trade Payables	(531.77)	651.55
Other Assets	451.71	(852.71)
Other Liabilities	529.29	(121.10)
Provisions	47.77	(12.59)
Cash generated from operations	9,251.81	1,380.04
Income Tax paid	(2,669.37)	(1,727.65)
Net Cash generated from Operating Activities (A)	6,582.44	(347.61)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment for Purchase of Property Plant and Equipment, Intangible assets & CWIP	(3,203.22)	(2,323.97)
Payment for Acquisition of Subsidiary(s)	(1,328.31)	-
Capital Advances	109.83	(231.56)
Proceeds from Sale of Property Plant and Equipment	26.22	95.19
Interest Income	54.32	42.24
Dividend Received	0.40	0.30
Advance Against Sale of Investment Property	30.00	-
Net cash (used in)/ from Investing activities (B)	(4,310.76)	(2,417.80)

Consolidated Cash Flow Statement

for the year ended March 31, 2023 *continued*

(₹ in Lakhs)

Consolidated Cash Flow Statement for the	Year Ended 31st March, 2023	Year Ended 31st March, 2022
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term Borrowings*	2,925.57	1,469.08
Repayment of long term Borrowings*	(1,947.88)	(612.97)
Proceeds from short term Borrowings (net)*	(1,627.55)	2,040.79
Principal payment of lease liability	(30.92)	(42.32)
Interest Paid	(694.90)	(264.95)
Dividend Paid	(473.58)	(303.05)
Net Cash generated from Financing activities (C)	(1,849.27)	2,286.58
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	422.41	(478.83)
Cash and Cash Equivalents (Opening Balance)	1,086.90	1,565.73
Cash and Cash Equivalents Acquired in Business Combination	258.92	-
Cash and Cash equivalents (Closing Balance)	1,768.23	1,086.90
* Refer note no. 22.1 for changes in liabilities due to financing activities		
The accompanying notes form an integral part of the consolidated financial statements.	1 to 48	

As per our report of even date

For **Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: 021313C

For and on Behalf of the Board

**Sd/-
(Amit Arora)**

Partner

Membership No.514828

**Sd/-
(N.S. Ghumman)**
Managing Director
DIN 00002052

**Sd/-
(S.S. Sandhu)**
Chairman
DIN 00002312

Place : New Delhi
Date : May 17, 2023
**Sd/-
(Rajeev Ranjan)**
Chief Financial Officer
**Sd/-
(Aarti Sahni)**
Company Secretary
Membership No. A25690

Consolidated Statement of Changes in Equity

A. Equity Share Capital

(₹ in lakhs)

Balance as at 1 st April 2022	Changes in equity share capital during the year*	Balance as at March 31, 2023
768.06	384.02	1,152.08
Balance as at 1 st April 2021	Changes in equity share capital during the year*	Balance as at March 31, 2022
768.06	-	768.06

*Refer note 15.1

B. Other Equity

(₹ in lakhs)

Particulars	Capital Reserve	Retained Earnings	Other Comprehensive Income	Total
Balance as at 1st April, 2021	0.57	13,223.17	(41.79)	13,181.95
Profit for the year	-	5,511.22	-	5,511.22
Other Comprehensive income for the year	-	-	5.79	5.79
Transactions with owners				
Dividends Paid	-	(307.22)	-	(307.22)
Balance as at 31st March, 2022	0.57	18,427.17	(36.00)	18,391.74
Profit for the year	-	7,910.33	-	7,910.33
Other Comprehensive income for the year	-	-	(40.25)	(40.25)
Transactions with owners				
Dividends Paid	-	(480.04)	-	(480.04)
Issuance of Bonus Shares	-	(384.02)	-	(384.02)
Balance as at 31st March, 2023	0.57	25,473.44	(76.25)	25,397.76

The accompanying notes form an integral part of
the consolidated financial statements.

As per our report of even date

For **Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: 021313C

For and on Behalf of the Board

**Sd/-
(Amit Arora)**

Partner

Membership No.514828

**Sd/-
(N.S. Ghuman)**Managing Director
DIN 00002052**Sd/-
(S.S. Sandhu)**Chairman
DIN 00002312Place : New Delhi
Date : May 17, 2023**Sd/-
(Rajeev Ranjan)**
Chief Financial Officer**Sd/-
(Aarti Sahni)**
Company Secretary
Membership No. A25690

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023)

1. Company's Overview

The Consolidated financial statements comprise financial statements of Shivalik Bimetal Controls Limited ("SBCL" "the Company" or "the Parent") and its Wholly Owned Subsidiary Companies & Joint venture Company:

- i) Shivalik Engineered Products Private Limited (Wholly Owned Subsidiary),
- ii) Shivalik Bimetal Engineers Private Limited (Wholly Owned Subsidiary),
- iii) Innovative Clad Solutions Private Limited (Joint venture)

(Collectively referred to as "the Group" for the financial year ended March 31, 2023.

During the year, the Parent has: -

- i) acquired the entire equity held by Joint Venture Partner, namely Portwest Corporation USA (formerly known as M/s Checon Corporation, USA) in the Joint venture Company, namely Shivalik Engineered Products Private Limited ("SEPPL") (formerly known as Checon Shivalik Contact Solutions Private Limited), as such the Joint Venture agreement stands terminated and "SEPPL" has become Wholly Owned Subsidiary (WOS) of the Company.
- ii) acquired the entire equity of the Associate Company, namely Shivalik Bimetal Engineers Private Limited ("SBEPL"), as such "SBEPL" has become Wholly Owned Subsidiary (WOS) of the Company.

The Company's shares are listed on Bombay Stock Exchange Limited (BSE) & on National Stock Exchange of India Limited (NSE).

The Group is engaged in the business of manufacturing & sales of Thermostatic Bimetal / Trimetal strips, components, Spring Rolled Stainless Steels, Electron Beam Welded Shunt Materials (Strip & Finished Components), Cold Bonded Bimetal Strips and Parts, Snap Action Discs, CNC Formed Coils of Bimetals / Trimetals, Electrical Contacts, Tools & Dies etc. The Group Products find application primarily in manufacturing of Switchgears, Circuit Breakers, Automotive's, Energy Meters and various other Electrical and Electronic devices.

The Company's Consolidated Financial Statements are approved for issue by the Board of Directors on May 17, 2023.

2. Significant Accounting Policies

The significant accounting policies applied by the Group in the preparation of its Consolidated financial statements are listed below.

2.1 Compliance with Ind AS

The Consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting standards ('Ind AS'), notified under Section 133 read with rule 3 of Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) Amendment Rules, 2016, and the relevant provisions of the Companies Act, 2013 (Collectively, "Ind AS").

The Consolidated Financial Statements are presented in Indian rupee (₹) and all values are rounded to the nearest Lakhs and two decimals thereof, except if otherwise stated.

2.2 Basis of Preparation of Consolidated Financial Statements

These Consolidated financial statements are prepared, under the historical cost convention on the accrual basis except for certain financial instruments and defined benefit plans, which are measured at fair values or amortised cost at the end of each period.

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.

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it satisfies any of the following criteria:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting date, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current

A liability is treated as current when it satisfies any of the following criteria:

- Expected to be settled in the company's normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

2.3 Principles of Consolidation

The Consolidated financial statements include the financial statements of the holding company, Joint venture and subsidiary(s).

Joint Venture

Investment in Joint Venture has been accounted under the Equity Method as per Ind AS 28- "Investment in Associates and Joint Ventures".

The Group accounts for its share of Post-Acquisition changes in net assets of joint venture, after eliminating unrealized profits and losses resulting from transactions between the group its Joint Ventures.

Subsidiary(s)

The financial statements of subsidiary(s) are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The standalone financial statements of the Holding Company and financial statements of the subsidiary(s) are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after eliminating intra-group balances, intra-group transactions and any unrealised incomes and expenses arising from intra-group transactions.

These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiary(s), is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for.

2.4 Use of Estimates

The preparation of Consolidated financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management to make estimates and assumptions that affect the reported balance of assets and liabilities and disclosures of contingent liabilities on the date of Consolidated financial statements and the reported amounts of revenues and expenses during the reporting period.

Management believes that the estimates used in the preparation of Consolidated financial statements are

prudent and reasonable. Accounting estimates could change from period to period. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

a) Useful Life of Property Plant and Equipment

The group reviews the estimated useful life and residual value of Property, Plant and Equipment at the end of each reporting period.

This reassessment may result in change in depreciation expense in future periods.

b) Employee Benefits

The accounting of employee benefit plan in the nature of defined benefits, requires the group to use assumptions. These assumptions have been explained under employee benefits note no. 2.9.

c) Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate.

d) Provisions and Contingent Liabilities

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. The timings of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change.

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

e) Revenue

The Group assesses the products/services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.

The Group uses judgement to determine an appropriate Consolidated selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative Consolidated selling price of each distinct product or service promised in the contract.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

2.5 Revenue Recognition

Revenue from sale of products/goods & services is recognized upon satisfaction of the performance obligation by transferring the control of promised products or provision of services to a customer in an amount that reflects the consideration which a Group expects to receive in exchange for those products or services.

'Revenue is recognized net of returns and is measured based on the transaction price, which is the consideration, adjusted for trade discounts, incentives etc agreed as a term of contract. Revenue also excludes taxes collected from customers.

Income from Interest is recognized using Effective Interest rate method. Dividend income from investments is recognized when the shareholder's right to receive payment has been established. Rental Incomes are recognized on periodic basis.

Export Incentive Entitlements are recognized as Income when right to receive credit as per the terms of the scheme is established in respect of eligible exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Insurance claim are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

All other incomes are accounted on accrual basis.

2.6 Foreign Currency Transactions

The functional and presentation currency of the Group is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Group operates.

The transactions in the currencies other than the entity's functional currency (foreign currency's) are accounted for at the exchange rate prevailing on the transaction's date.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency at closing rates of exchange at the reporting date and the resultant difference is charged/ credited in Consolidated Statement of Profit & Loss account.

Exchange differences arising on settlement or translation of monetary items are recognized in Consolidated Statement of Profit & Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

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

2.7 Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use.

All other Borrowing costs are recognized in the Consolidated Statement of Profit & Loss in the period in which they are incurred.

Borrowing costs include interest and exchange difference arising from currency borrowing to the extent they are regarded as an adjustment to the interest cost.

2.8 Government Grant and Assistance

Government grants are assistance by government in the form of transfer of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity and the same are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

Government grants related to assets, including non-monetary grants recorded at fair value are treated as deferred income and are recognized and credited in the Consolidated Statement of Profit & Loss on a systematic and rational basis over the estimated useful life of the related asset.

2.9 Employees' Benefits

Defined Contribution Plans:

The Group has contributed to State Governed Provident Fund scheme, Employees State Insurance scheme and Employee Pension Scheme which are defined contribution plans. Contribution paid or payable under the scheme is recognized as expense during the period in which employees have rendered the service entitling them to the contributions.

Defined Benefit Plans:

The employees' gratuity is a defined benefit plan. The present value of the obligation under such plan is determined based on the Actuarial Valuation using the projected unit credit method which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the financial obligation. The Group has an employee gratuity fund managed by Life Insurance Corporation of India (LIC).

The gains or losses are charged to Consolidated Statement Profit & Loss Account.

Liability in respect of compensated absence is provided based on Actuarial Valuation using the projected unit credit method.

Compensation to employees, who opt for retirement under the Voluntary Retirement Scheme of the Group, is charged to the Consolidated Statement of Profit & Loss in the year of exercise of option by the employee.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, bonus etc. are recognized in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.10 Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis of taxable income and tax credits/ benefits computed in accordance with the provisions of the Income Tax Act, 1961.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the Group has a legally enforceable right and also intends to settle the asset and liability on a net basis.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated 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 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.

The carrying amount of deferred tax assets is reviewed at the end of each 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 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 same taxation authority.

Current and deferred tax are recognized in profit & loss, except when they are relating 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.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted at the balance sheet date.

2.11 Property, Plant and Equipment and Capital Work-In-Progress

The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts, if any and rebates, 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 cost attributable to the Qualifying Asset in compliance with Ind AS 23.

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

Expenditure incurred after the Property, Plant and Equipment have been put into operation, such as repairs and maintenance, are charged to the Consolidated Statement of Profit & Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

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

Property, Plant and Equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold lands are stated at cost.

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 assets (other than freehold land) 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.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on estimate of their specific useful lives.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Consolidated Statement of Profit & Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

Capital work-in-progress represents the cost of Property, Plant and Equipment that are not yet ready for their intended use at the reporting date.

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

Cost of in-house assembled/fabricated Property, Plant & Equipment comprise those costs that relate directly to the specific assets and other costs that are attributable to the assembly/fabrication thereof.

Depreciation on Property, Plant & Equipment is provided based on useful lives of assets as prescribed in

Schedule II to Companies Act, 2013 except in respect of followings assets where estimated useful life is different than these mentioned in Schedule II are as follows:-

i)	Plant & Machinery	15-30 Years
ii)	Dies & Tools	2 Years
iii)	Assets costing below ₹ 5,000/-	1 Year
iv)	Temporary Building Shed	3 Years
v)	Machinery Spares	2-10 Years
vi)	Leasehold Land	Lease term

2.12 Intangible Assets

Intangible assets are initially recorded at consideration paid for acquisition of such assets and are subsequently carried at cost less accumulated depreciation or amortization and accumulated impairment loss, if any. Amortization is recognized on a straight-line basis over their estimated useful lives.

Estimated useful life of Intangible Assets as follows:

i)	Computer Software	3-6 Years
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2.13 Inventories

Basis of valuation of Inventories;

- Raw materials, stores and spares: At cost, on "FIFO" basis;
- Work-in-progress: At raw material cost plus related cost of conversion including appropriate overheads;
- Finished goods: At cost or net realisable, whichever is less;
- Saleable Scrap is valued at estimated realizable value.

Raw Material, Work-In-Progress and other supplies are not valued below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will not exceed their net realisable value. The comparison of cost and net realisable value is made on item by item basis.

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods and work in progress include cost of direct materials, labour and appropriate overheads based on the normal operating capacity.

2.14 Impairment of non-financial assets

'The Carrying amounts of assets are reviewed at each Balance Sheet date and if there is any indication to the effect that the recoverable amount of the Asset/ CGU (Cash Generating Unit) is less than its carrying amount, the difference is treated as "Impairment Loss". The recoverable amount is greater of the asset's net selling price less cost to sell and value in use.'

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired, the impairment loss is recognized in the Consolidated Statement of Profit & Loss account.

2.15 Leases

The Group lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- i) the contract involves the use of an identified asset
- ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and;
- iii) the Group has the right to direct the use of the asset.

Company as Lessee

At the date of commencement of the lease, the group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. 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. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-Use Assets (ROU)

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash

flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Lease Liabilities

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Consolidated Financial Statements and lease payments have been classified as financing cash flows.

Company as Lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

Short Term Leases are Leases for Low Value Assets

The Group apply the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term 12 months and less from the commencement date and do not contain a purchase options).

It also applies the leave of low-value assets recognition exemption to leases that are considered of low values. Leases payments on such leases are recognised as expense on straight line basis over the lease term.

2.16 Non-Current Assets Held for sale

Non-Current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and their fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in the Consolidated Statement of Profit and Loss.

Once Classified as held for sale, property, plant and equipment and intangible assets are no longer amortized or depreciated.

Non-current assets and disposal group that ceases to be classified as "Held for Sale" shall be measured at the lower of carrying amount before the non-current asset

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

and disposal group was classified as "Held for Sale" and its recoverable amount at the date of the subsequent decision not to sell.

2.17 Cash and cash equivalents

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.

2.18 Cash Flow Statements

Consolidated Cash flows are reported using the indirect method, whereby Profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated.

2.19 Financial Instruments

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

Financial Assets

A. Initial Recognition and Measurement

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

B. Subsequent Measurement

a) Financial assets carried at amortized cost (AC)

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect 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 on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI).

A financial asset is measured at FVTOCI, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the

contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. This includes equity investment in other than Joint Ventures and Associates.

C. Impairment of Financial Assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rate are reviewed and changes in the forward-looking estimates are analysed.

Financial Liabilities

A. Initial Recognition and Measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognized in the Consolidated Statement of Profit and Loss as finance cost.

B. Subsequent Measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derivative Financial Instruments

The Group enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, in the form of foreign exchange forward contracts.

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in Consolidated Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Consolidated Statement of Profit and Loss depends on the nature of the hedge item.

Derecognition of Financial Instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

The carrying value and fair value of financial instruments by categories as at March 31, 2023 are disclosed at Note No. 44.

2.20 Research and Development Expenditure

Key focus area of Research and Development (R&D) activities at Shivalik includes;

- Optimising of resource utilisation.
- Quality & productivity improvements and cost optimization through process efficiency improvements.
- Product development, customisation and new applications.

Revenue as well Capital expenditure pertaining to research and development and costs pertaining to manpower directly part of R&D activities is charged to the Consolidated Statement of Profit and Loss.

2.21 Earnings Per share

(i) Basic Earnings Per Share.

- Basic Earnings per Share is computed by dividing:
- a. net profit or loss for the period attributable to equity shareholders
 - b. by the weighted average number of Equity Shares outstanding during the period

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account:

- a. the after-income tax effect of interest and other financing costs associated with dilutive potential equity and;

- b. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.22 Provision and Contingent Liabilities

Provisions are recognized for liabilities that can be measured only by using substantial degree of estimation, if

- a. the Group has a present obligation as a result of past event,
- b. a probable outflow of resources is expected to settle the obligation; and
- c. the amount of the obligation can be reliably estimated.

Contingent liability is disclosed in case of

- i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- ii. a present obligation arising from past events, when no reliable estimate is possible; and
- iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.

Provisions and contingent liabilities are reviewed at each Balance Sheet date.

2.23 Segment reporting

The Group business activity primarily falls within a single segment i.e. Process and Product Engineering. The geographical segments considered are “within India” and “outside India”. The analysis of geographical segments is based on geographical location of the customers.

2.24 Business Combination

Business combinations (other than business combinations between common control entities) are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the consideration transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. The consideration transferred does not include amounts related to the settlement of pre-existing relationships; such amounts are generally recognised in the Consolidated Statement of Profit and Loss and Other Comprehensive Income. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities & contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business combination are expensed as incurred. The excess of the consideration transferred over the fair value of the net identifiable assets acquired

Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31st March, 2023) *continued*

is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve as a gain on bargain purchase. Business combinations between entities under common control are accounted at historical cost. The difference between the consideration paid/received and the carrying amount of assets and liabilities transferred is recorded in the capital reserve, a component of other equity. Business combinations arising from transfers of interests in entities that are under the common control are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised.

2.25 Recent accounting 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. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements -

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023

3. Property, Plant & Equipment

Particulars	Leasehold Land*	Freehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipments	Total
Cost/Deemed Cost								
As at 1st April 2021	504.57	330.06	445.16	5,487.14	222.69	564.29	157.65	7,711.56
Additions	-	-	2,219.08	1,678.96	26.61	69.05	43.74	4,037.44
Less: Disposals	-	-	-	94.20	-	34.29	3.76	132.25
Add/(Less) : Other adjustments	-	-	-	-	-	-	-	-
As at 31st March 2022	504.57	330.06	2,664.24	7,071.90	249.30	599.05	197.63	11,616.75
Additions	48.35	-	333.05	2,727.46	59.63	64.92	72.15	3,305.56
Acquired in Business Combination	71.91	-	29.36	1,361.12	37.91	62.83	38.28	1,601.41
Less: Disposals	-	-	-	204.24	-	39.60	3.05	246.89
Add/(Less) : Other adjustments	-	-	(12.69)	-	-	-	-	(12.69)
As at 31st March 2023	624.83	330.06	3,013.96	10,956.24	346.84	687.20	305.01	16,264.14
Accumulated depreciation								
As at 1st April 2021	33.66	-	322.03	2,422.50	180.85	326.83	105.46	3,391.33
Depreciation charged for the year	7.36	-	34.00	473.87	13.53	48.06	26.80	603.62
Less: Depreciation on disposals	-	-	-	28.34	-	23.73	2.72	54.79
As at 31st March 2022	41.02	-	356.03	2,868.03	194.38	351.16	129.54	3,940.16
Depreciation charged for the year	8.21	-	87.75	739.30	17.19	59.96	39.78	952.19
Acquired in Business Combination	0.48	-	-	546.88	28.55	27.09	28.22	631.22
Less: Depreciation on disposals	-	-	-	201.51	-	27.82	2.98	232.31
As at 31st March 2023	49.71	-	443.78	3,952.70	240.12	410.39	194.56	5,291.26
Net Block								
As at 31st March 2023	575.12	330.06	2,570.18	7,003.54	106.72	276.81	110.45	10,972.88
As at 31st March 2022	463.55	330.06	2,308.21	4,203.87	54.92	247.89	68.09	7,676.59

*Leasehold Land represents Land on long term lease basis.(refer note no. 41.1)

Refer note 38(B) for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

Refer note no.17 and 22 for information on Property, plant and equipment hypothecated as security by the company against borrowings.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

3.1 Capital Work-In-Progress (CWIP)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Opening Balance	652.61	2,411.56
Additions during the year*	2,242.51	1,539.72
Acquired in Business Combination	32.32	-
Capitalised during the year	2,394.82	3,298.67
Closing Balance	532.62	652.61

* Includes Borrowing Cost transferred during the year aggregating to ₹ 64.82 Lakhs (Previous Year: ₹ 100.88 Lakhs). (refer note no.34)

Ageing Schedule-Capital work-in-progress as at March 31,2023 is as follows:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work-in-progress	532.62	-	-	-	532.62
	(230.03)	(16.79)	(40.79)	(365.00)	(652.61)

Figures in () represents previous year figures

3.2 Right-of-Use Assets

Particulars	Right-of-Use Assets(Buildings)
Cost/Deemed Cost	
As at 1st April 2021	174.56
Additions	-
Less: Disposals	-
As at 31st March 2022	174.56
Additions	31.57
Acquired in Business Combination	27.49
Less: Disposals	-
As at 31st March 2023	233.62
Accumulated amortisation	
As at 1st April 2021	131.10
Amortisation for the year	29.09
Less: Amortisation on disposals	-
As at 31st March 2022	160.19
Amortisation for the year	17.76
Acquired in Business Combination	19.09
Less: Amortisation on disposals	-
As at 31st March 2023	197.04
Carrying Value	
As at 31st March 2023	36.58
As at 31st March 2022	14.37

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

3.3. Goodwill, Other Intangible Assets & Intangible Assets Under Development*

(₹ in Lakhs)

Particulars	Computer Software	Customer Relationship	Technical Know-how	Total Other Intangible Assets	Goodwill	Intangible Assets Under Development
<u>Cost/Deemed Cost</u>						
As at 1st April 2021	53.68	-	-	53.68	-	67.27
Additions	10.57	-	-	10.57	-	34.91
Less: Disposals	-	-	-	-	-	-
As at 31st March 2022	64.25	-	-	64.25	-	102.18
Additions	16.59	-	-	16.59	-	36.16
Acquired in Business Combination**	0.36	247.72	157.00	405.08	204.06	-
Less: Disposals	-	-	-	-	-	-
As at 31st March 2023	81.20	247.72	157.00	485.92	204.06	138.34
<u>Accumulated amortisation</u>						
As at 1st April 2021	45.15	-	-	45.15	-	-
Amortisation for the year	5.12	-	-	5.12	-	-
Less: Amortisation on disposals	-	-	-	-	-	-
As at 31st March 2022	50.27	-	-	50.27	-	-
Amortisation for the year	6.64	49.54	31.40	87.58	-	-
Acquired in Business Combination	0.36	-	-	0.36	-	-
Less: Amortisation on disposals	-	-	-	-	-	-
As at 31st March 2023	57.27	49.54	31.40	138.21	-	-
<u>Carrying Value</u>						
As at 31st March 2023	23.93	198.18	125.60	347.71	204.06	138.34
As at 31st March 2022	13.98	-	-	13.98	-	102.18

*Other than internally generated

** Refer Note 45 "Business Combination"

Ageing Schedule-Intangible assets under development as at March 31, 2023, is as follows:

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Work-in-progress	36.16	34.91	0.30	66.97	138.34
	(34.91)	(0.30)	(4.95)	(62.02)	(102.18)

Figures in () indicates previous year figures

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

4. Investments (Non-Current)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Investment(s) (at Cost)		(₹ in lakhs)
In Equity Instruments of ;		
(a) Associate Company		
i) Unquoted Equity Instrument of "Shivalik Bimetal Engineers Private Limited" of face value ₹ 10/- each, fully paid up. <i>(No. Of Shares)</i>	-	22.28 (2,22,750)
Add/Less: Interest In Associate	-	92.75
	-	115.03
(b) Joint Venture Companies		
i) Unquoted Equity Instrument of "Innovative Clad Solutions Private Limited" of face value ₹ 10/- each, fully paid up. <i>(No. Of Shares)</i>	780.02 (1,60,86,003)	780.02 (1,60,86,003)
Add/Less: Interest In Joint Venture	(0.94)	(103.58)
	779.08	676.44
ii) Unquoted Equity Instrument of "Shivalik Engineered Products Private Limited" (Formerly known as Checon Shivalik Contact Solutions Private Limited) <i>(No. Of Shares)</i>	-	221.45 (17,10,900)
Add/Less: Interest In Joint Venture	-	635.47
	-	856.92
Investments (at Fair Value Through Profit or Loss)		
(a) In Equity Shares of Other Company		
i) Unquoted Equity Instrument of "Shivalik Solid Waste Management Limited" of face value ₹ 10/- each, fully paid up. <i>(No. Of Shares)</i>	6.61 (20,000)	5.72 (20,000)
	785.69	1,654.11
(₹ in lakhs)		
Particulars	As at 31 st March 2023	As at 31 st March 2022
Aggregate amount of unquoted investments	785.69	1,654.11
Aggregate amount of quoted investments	-	-
Aggregate amount of impairment in the valuation of Investment	-	-
	785.69	1,654.11

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

5. Investment Property

Particulars	As at 31 st March 2023	As at 31 st March 2022
Freehold Land at Kandaghat, Solan <i>(Fair Market Value ₹ 360 Lakhs)*</i>	191.86	191.86
	191.86	191.86

*As per "Agreement to Sell" dated 15th July 2022, executed with the prospective buyer.

6. Other Financial Assets

Particulars	As at 31 st March 2023	As at 31 st March 2022
Considered Good- Unsecured		
Security Deposits ;		
Government Undertakings /Authorities	33.34	27.73
Others	10.74	9.62
	44.08	37.35

7. Other Non Current Assets

Particulars	As at 31 st March 2023	As at 31 st March 2022
Capital Advances	356.31	466.14
Prepaid Expenses	2.51	1.39
	358.82	467.53

8. Inventories

(Refer note no. 2.13 for basis of valuation)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Raw Materials	6,185.61	6,826.12
Work-in-Progress	4,374.30	2,974.60
Finished goods	2,233.31	1,371.50
Stores, Spares and Packing Material	387.40	274.41
Scrap	16.82	41.85
	13,197.44	11,488.48
Material in Transit (included in Inventories above)		
i) Raw Material	1,007.88	933.20
ii) Stores, Spares and Packing Material	8.00	8.48
	1,015.88	941.68

Refer note 22 for hypothecation/charge created.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

9. Trade Receivables

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Secured, Considered Good	23.33	-
Unsecured-Considered Good	-	-
Related Party	-	-
Others	9,298.51	5,928.13
Considered Doubtful	4.16	3.45
Less: Allowances for Credit Losses*	(4.16)	(3.45)
	9,321.84	5,928.13

Trade Receivables ageing schedule

(₹ in lakhs)

Particulars	Outstanding for following period from the due date of payment						Total
	No Due	Less than 6 months	6 Months to 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade Receivables-considered good	6,214.39 (4,688.78)	3,093.69 (1,238.21)	13.76 (0.34)	- (0.23)	- -	- (0.57)	9,321.84 (5,928.13)
ii) Undisputed Trade Receivables-considered doubtful	4.16 (3.45)	- -	- -	- -	- -	- -	4.16 (3.45)
iii) Disputed Trade Receivables-considered good	- -	- -	- -	- -	- -	- -	- -
iv) Disputed Trade Receivables-considered doubtful	- -	- -	- -	- -	- -	- -	- -

Figures in () indicates previous year figures

Refer note 22 for hypothecation/charge created.

*In determining the allowances for credit losses of trade receivables, the Group has used a practical expedient 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.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

(i) Movements in allowance of credit losses of receivables;

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Balance at the beginning of the Year	3.45	24.02
Charge/(Reverse) in Statement of Profit & Loss	0.07	(20.43)
Acquired in Business Combination	1.65	-
Utilised during the Year*	1.01	0.14
Balance at the end of the Year	4.16	3.45

*During the year, the Group has written off Irrecoverable trade receivables aggregating to ₹ 1.01 lakhs (Previous Year ₹ 0.14 lakhs).

10. Cash and Cash Equivalents

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Balances with banks in		
- Current Accounts	1,333.67	668.03
- Fixed Deposits	429.96	417.21
Cash on hand	4.60	1.66
	1,768.23	1,086.90

There are no repatriation restrictions with respect to cash and bank balances as at the end of the reporting period and prior periods.

11. Other Bank Balances

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Unpaid Dividend held in Bank Accounts [#]	22.25	15.79
Margin Money Deposit against Bank Guarantee (s)*	0.32	79.08
	22.57	94.87

Balance in Unpaid Dividend account has restricted use.

*Deposits with maturity more than three months but less than 12 months, held by the Group are not available for use, as these are pledged with Banks against guarantee(s) given to Government authorities.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

12. Others Financial Assets

Particulars	As at 31 st March 2023	As at 31 st March 2022
Advances to Employees	1.21	0.46
Others	2.81	-
Security Deposits		
Others	3.54	4.82
	7.56	5.28

13. Other Current Assets

Particulars	As at 31 st March 2023	As at 31 st March 2022
Unamortised cost of Tool	3.35	-
Prepaid Expenses	174.95	152.54
Balances with Revenue authorities	766.25	1,142.11
Export Incentive*	14.78	14.82
Investment in Gold Coins	22.37	22.37
Investment in Gold Bonds	13.00	13.00
Advances to suppliers	37.51	17.82
Others	3.25	0.20
	1,035.46	1,362.86

* Includes ₹ 6.37 lakhs (Previous Year ₹ 12.52 lakhs) on account of Scripts in hand.

14. Current Tax Assets

Particulars	As at 31 st March 2023	As at 31 st March 2022
Income Tax Refundable	7.02	3.59
	7.02	3.59

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

15. Equity Share Capital

(₹ in lakhs, except per share data)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Authorised Share Capital:		
Equity Shares of ₹ 2/- each	1,500.00	1,500.00
(No. of Shares)	(7,50,00,000)	(7,50,00,000)
Issued, Subscribed and Paid Up:		
Equity Shares of ₹ 2/- each, fully paid up.	1,152.08	768.06
(No. of Shares)	(5,76,04,200)	(3,84,02,800)
Total	1,152.08	768.06

15.1 Reconciliation of Number of Shares

Particulars	Number of Shares	Amount (₹ in lakhs)
Balance as at 1st April, 2021	3,84,02,800	768.06
Shares Issued during the year	-	-
Shares Bought back during the year	-	-
Shares Issued as Bonus Shares	-	-
Balance as at 31st March, 2022	3,84,02,800	768.06
Shares Issued during the year	-	-
Shares Issued as Bonus Shares	1,92,01,400	384.02
Shares Bought back during the year	-	-
Balance as at 31st March, 2023	5,76,04,200	1,152.08

15.2 The Companies of the group have only one class of shares referred to as Equity shares having par value of ₹ 2/-. The holder of Equity Share is entitled to one vote per share.

15.3 In the event of liquidation of the Companies in the group, the residual interest in the company's net assets shall be distributed to the shareholders in the proportion to the equity shares held.

- 15.4 (a) During the year, the parent company has paid a final dividend of ₹ 0.50 per share for FY 21-22 and an interim dividend of ₹ 0.50 per share for FY 22-23 which resulted in a cash outflow of ₹ 480.04 lakhs (previous year ₹ 307.22 Lakhs).
- (b) The Board of Directors, in its meeting held on 17th May, 2023 have proposed a final dividend of ₹ 0.70 per equity share for the financial year ended 31st March 2023. The proposal is subject to the approval of shareholders at the Annual General Meeting and if approved would result in cash outflow of approximately ₹403.22 lakhs.

Aggregate numbers of bonus shares issued by the parent Company, during the period of five years immediately preceding the reporting periods including current year

Particulars	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2021	As at 31 st March 2020	As at 31 st March 2019
Aggregate number and class of shares allotted as fully paid up by way of bonus shares	1,92,01,400	Nil	Nil	Nil	Nil

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

- 15.5** The parent Company has issued and allotted 1,92,01,400 equity shares to the eligible holders of equity shares, on the record date i.e. 13th October, 2022 as bonus equity shares by capitalising reserves, on 15th October, 2022. The earnings per shares figures for the year ended 31st March, 2022 have been reinstated to give effects to the allotment of bonus shares, as required by Ind AS 33 to make it comparable. (Refer note 37)

15.6 Shareholders holding more than 5% shares

Name of Shareholders	As at 31 st March 2023		As at 31 st March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Narinder Singh Ghuman	44,91,000	7.80	29,94,000	7.80
O D Finance and Investment Private Limited	76,06,171	13.20	50,70,781	13.20
TSL Holdings Private Limited	83,70,600	14.53	55,80,400	14.53
Angad Estates Private Limited	49,65,000	8.62	33,10,000	8.62

15.7 Shares held by promoters at the end of the year

S. Promoter Name No.	As at 31 st March 2023			As at 31 st March 2022		
	No of Shares	% of total shares	% Change during the year	No of Shares	% of total shares	% Change during the year
1. Satinderjeet Singh Sandhu	8,64,000	1.50	Nil	5,76,000	1.50	Nil
2. Devinderjeet Singh Sandhu	1,14,000	0.20	Nil	76,000	0.20	Nil
3. Manjit Kaur	2,64,000	0.46	Nil	1,76,000	0.46	Nil
4. Tejinderjeet Kaur Ghuman	9,24,000	1.60	Nil	6,16,000	1.60	Nil
5. Sarita Sandhu	6,48,000	1.12	Nil	4,32,000	1.12	Nil
6. Jaspal Singh Dhillon	6,000	0.01	Nil	4,000	0.01	Nil
7. Narinder Singh Ghuman	44,91,000	7.80	Nil	29,94,000	7.80	Nil
8. Angad Sandhu	4,56,000	0.79	Nil	3,04,000	0.79	Nil
9. Sumer Ghuman	3,000	0.01	Nil	2,000	0.01	Nil
10. Gurbir Sandhu	3,67,273	0.64	Nil	2,44,849	0.64	Nil
11. Amar Engineering Company Private Limited	21,21,465	3.68	Nil	14,14,310	3.68	Nil
12. Angad Estates Private Limited	49,65,000	8.62	Nil	33,10,000	8.62	Nil
13. O D Finance and Investment Private Limited	76,06,171	13.20	Nil	50,70,781	13.20	Nil
14. TSL Holdings Private Limited	83,70,600	14.53	Nil	55,80,400	14.53	Nil
15. Ultra Portfolio Management Private Limited	28,56,270	4.96	Nil	19,04,180	4.96	Nil
16. B S Sandhu and Associates Private Limited	8,55,600	1.49	Nil	5,70,400	1.49	Nil
Total	3,49,12,379	60.61	-	2,32,74,920	60.61	-

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

16. Other Equity

(₹ in lakhs)

Particulars	Capital Reserve	Retained Earnings	Other Comprehensive Income	Total
Balance as at 1st April, 2021	0.57	13,223.17	(41.79)	13,181.95
Profit for the year	-	5,511.22	-	5,511.22
Other Comprehensive income for the year (net of tax)	-	-	5.79	5.79
Transactions with owners				
Dividends paid	-	(307.22)	-	(307.22)
Balance as at 31st March, 2022	0.57	18,427.17	(36.00)	18,391.74
Profit for the period	-	7,910.33	-	7,910.33
Other Comprehensive income for the year (net of tax)	-	-	(40.25)	(40.25)
Transactions with owners				
Dividends paid	-	(480.04)	-	(480.04)
Issuance of Bonus Shares	-	(384.02)	-	(384.02)
Balance as at 31st March, 2023	0.57	25,473.44	(76.25)	25,397.76

Capital Reserve of ₹ 0.57 Lakhs (Previous Years ₹ 0.57 Lakhs) represents interest received on "Calls in Arrears".

17. Borrowings (Non-Current)

(₹ in lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Secured		
From Banks		
Rupee Loan ⁽¹⁾	553.05	117.19
Foreign Currency Loan ⁽²⁾	638.67	-
Vehicle Loan(s) ⁽³⁾	-	4.14
From Others		
Vehicle Loan(s) ⁽³⁾	7.79	17.53
Unsecured		
From Related Parties	1,036.59	1,389.67
Total (**)	2,236.10	1,528.53

⁽¹⁾ Rupee Term Loan from Indian Bank availed by Parent Company is secured by exclusive charge on Plant & Equipment created out of the Loan and collaterally secured by equitable mortgage of Company's Factory Leasehold Land and Building, situated at Chambaghat, Solan, (H.P.). The Loan is repayable in equal monthly instalments ending in August, 2027.

⁽¹⁾ Rupee term Loan from Indian bank availed by Shivalik Engineered Products Private Limited (wholly owned subsidiary) is secured by hypothecation of assets created/to be created and second charge over current and fixed assets created from the credit facilities.

⁽²⁾ Foreign Currency Term Loan from DBS Bank availed by Parent Company is secured by exclusive charge on moveable Fixed Assets created out of Loan and collaterally secured by equitable mortgage of Company's Factory Leasehold Land and Building, situated at Kather, Solan, (H.P.). The Loan is repayable in equal quarterly instalments ending in April, 2026.

⁽³⁾ Vehicle loans from HDFC Bank and Kotak Mahindra Prime Limited (NBFC) availed by Parent Company are secured by hypothecation of respective vehicles.

'Repayment of Unsecured Loan ends in December, 2027.

(**) Refer note no.22 for Current Maturities of long term borrowings

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

18. Lease Liabilities (Non Current)

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Lease Liabilities	21.35	19.41
	21.35	19.41

Refer note no. 41.1

19. Other Non Current Liabilities

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Government Grants pending amortization	1.52	-
	1.52	-

20. Provisions (Non Current)

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Compensated absence	90.32	50.94
	90.32	50.94

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

21. Deferred Tax Liabilities (Net)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Deferred Tax Liabilities/ (Assets) in relation to		
Property, Plant and Equipment & Intangible assets	451.71	327.70
Employee Benefits	(52.06)	(30.14)
Debtors	(1.09)	(0.87)
Others	(5.94)	177.97
Right-to-Use-assets	8.10	7.92
Deferred Tax on business combination	146.13	-
Total	546.85	482.58

Movement in deferred tax account for the year

Particulars	Charged to P&L during the year ended March 2023	Charged to P&L during the year ended March 2022
Property, Plant and Equipment & Intangible assets	124.01	7.51
	(21.92)	(2.68)
Debtors	(0.22)	5.18
Others	(272.24)	37.83
Right-to-Use-assets	0.18	1.70
Total	(170.19)	49.54
Acquired in Business Combination	48.74	-
Assets Fair Valued in Business Combination	185.72	-
	234.46	-
Movement in Deferred Tax (Net)	64.27	49.54

Refer note no. 45

22. Borrowings (Current)

Particulars	As at 31 st March 2023	As at 31 st March 2022
Secured		
From Banks		
- Foreign Currency Loan	2,288.85	3,483.89
- Rupee Loan	143.82	5.81
Current maturities of long-term borrowings (refer note no.17)	1,147.50	735.38
	3,580.17	4,225.08

Foreign Currency Loan of ₹ 1,349.99 Lakhs (Previous Year ₹ 1,645.79 Lakhs) and Rupee Loan of ₹ 54.83 Lakhs (Previous Year ₹ 5.81 Lakhs) from Indian Bank availed by Parent Company are secured by First pari-passu charge with DBS Bank by way of Hypothecation of entire present and future current assets and movable fixed assets (other than those exclusively charged to term lender) and First and exclusive charge on company's Factory Leasehold Land and Building situated at 16-18, New Electronics Complex, Chembaghat, Solan, H.P.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

Foreign Currency Loan of ₹ 598.91 Lakhs (Previous Year ₹ 1,838.10 Lakhs) from DBS Bank availed by Parent Company are secured by First pari-passu charge with Indian Bank on entire present and future current assets and movable fixed assets (other than those exclusively charged to term lender) and First and exclusive charge by way of Equitable Mortgage of factory land and building situated at Kather, Chambaghat, Solan, H.P.

Foreign Curreny Loan of ₹ 339.95 Lakhs (Previous Year ₹ 270.24 Lakhs) from Indian Bank availed by Shivalik Engineered Products Private Limited (wholly owned subsidiary) are secured by Hypothecation of Inventory and Book Debts and Corporate guarantee of Parent Company.

Foreign Curreny Loan of Nil (Previous Year ₹ 185.85 Lakhs) and Rupee Loan of ₹ 88.99 Lakhs (Previous Year Nil) from DBS Bank availed by Shivalik Engineered Products Private Limited (wholly owned subsidiary) are secured by first pari passu charge on the current assets of the company, both present and future & on movable fixed assets (other than those charged exclusively to other banks) of the Company, and Corporate guarantee of Parent Company.

Refer note No.17 for securities relating to "Current Maturities of Long term borrowings"

22.1 Changes in Liabilities arising from Financing Activities

Particulars	As at 31 st March 2023	As at 31 st March 2022
Borrowings at the beginning of the year		
Borrowings (Non Current) (refer note no.17)	1,528.53	846.16
Borrowings (Current) (refer note no.22)	4,225.08	1,995.67
Total Borrowings at the beginning of the year	5,753.61	2,841.83
Movement due to cash transactions as per the Statement of Cash flows	(649.85)	2,896.90
Acquired in Business Combination	598.08	-
Movement due to non cash transactions		
Foreign Exchange Movement	114.43	14.88
Borrowings at the end of the year		
Borrowings (Non Current) (refer note no.17)	2,236.10	1,528.53
Borrowings (Current) (refer note no.22)	3,580.17	4,225.08
Total Borrowings at the end of the year	5,816.27	5,753.61

23. Lease Liabilities

Particulars	As at 31 st March 2023	As at 31 st March 2022
Lease Liabilities	28.88	20.80
	28.88	20.80

Refer note no. 41.1

24. Trade Payables

Particulars	As at 31 st March 2023	As at 31 st March 2022
Micro, Small and Medium Enterprises (refer note no.40)	164.05	10.32
Related Parties	360.11	295.63
Others	3,706.60	3,871.76
	4,230.76	4,177.71

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

Trade Payables ageing schedule

Particulars		Outstanding for following periods from the due date of payment					(₹ in lakhs)
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)	MSME	164.05 (10.32)	- -	- -	- -	- -	164.05 (10.32)
ii)	Others	3,865.49 (3,861.61)	181.39 (300.62)	10.03 (1.76)	7.95 (2.22)	1.85 (1.18)	4,066.71 (4,167.39)
iii)	Disputed Dues- MSME	- -	- -	- -	- -	- -	- -
iv)	Disputed Dues-others	-	-	-	-	-	-

Figures in () indicates previous year figures

25. Other Financial Liabilities

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Interest accrued but not due on borrowings	12.59	9.42
Interest accrued and due on borrowings	15.53	9.41
Unclaimed dividends	22.25	15.79
Employee Benefits Payable	397.99	235.47
Expenses Payable	319.65	192.14
Security Deposit Received	-	3.05
Others	6.81	1.79
	774.82	467.07

26. Other Current Liabilities

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Statutory Dues	238.03	132.30
Advance from Customers	553.16	319.35
Derivative Financial Instrument	2.01	-
Government Grants	1.48	-
Advance against Sale of Investment Property	30.00	-
	824.68	451.65

27. Provisions- Current

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Compensated absence	8.77	4.80
Gratuity	77.91	-
	86.68	4.80

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

28. Current Tax Liabilities

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Provision for Tax (Net of Advance Tax)	0.79	192.32
	0.79	192.32

29. Revenue from Operations

Particulars	(₹ in lakhs)	
	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Sale of Products	47,024.86	32,344.28
Sale of Services	12.35	54.47
	47,037.21	32,398.75
Revenue disaggregation by geography is as follows:		
Geography		
America	16,881.72	11,354.53
Europe	5,119.70	4,344.97
India	19,682.27	11,841.85
Others	5,353.52	4,857.40
	47,037.21	32,398.75

30. Other Income

Particulars	(₹ in lakhs)	
	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Export Incentive	29.83	13.86
Interest Income	54.32	47.90
Rental Income	4.92	10.45
Dividend Income	0.40	0.30
Insurance Claim	110.60	1.74
Miscellaneous Income	1.99	3.54
Exchange Fluctuation Gain (Net)	438.30	421.84
Income from fair value changes	0.88	0.69
Liabilities/Provisions Written Back	7.84	26.18
Gain on Fair Valuation of previous held equity Interest	329.16	-
Amortization of Govt Grants	0.96	-
Profit on Sale of Property, Plant and Equipment	13.14	18.18
	992.34	544.68

31. Cost of Materials Consumed

Particulars	(₹ in lakhs)	
	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Raw Material Consumed	26,262.32	17,206.39
	26,262.32	17,206.39

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

32. Changes in Inventories of Finished Goods and Work-In Progress

Particulars			(₹ in lakhs)	
	Year Ended 31 st March 2023	Year Ended 31 st March 2022		
Inventory (at Beginning)				
-Finished Goods	1,371.50	1,614.88		
-Work-in-Progress	2,974.60	1,640.56		
-Scrap	41.85	4,387.95	32.31	3,287.75
Acquired in Business Combination		490.12		
Inventory (at Closing)				
-Finished Goods	2,233.31	1,371.50		
-Work-in-Progress	4,374.30	2,974.60		
-Scrap	16.83	6,624.44	41.85	4,387.95
(Increase)/Decrease	(1,746.37)			(1,100.20)

33. Employee Benefit Expense

Particulars			(₹ in lakhs)	
	Year Ended 31 st March 2023	Year Ended 31 st March 2022		
Salaries and Wages	3,273.63	2,347.62		
Contributions to -				
(i) Provident fund	158.19	130.18		
(ii) ESI Contribution	16.69	11.65		
(iii) Gratuity Expenses	36.20	22.79		
Staff welfare expenses	331.57	199.19		
	3,816.28	2,711.43		
Less: Capitalised During the period	6.18	-		
	3,810.10	2,711.43		

33.1 Disclosure pursuant to Ind AS 19 “Employee Benefits”:

The disclosures required under Ind AS 19 “Employee Benefits” notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015, (as amended from time to time) and other relevant provisions of the Act are given below:

(I) Defined Contribution Plan

- (a) Provident Fund
- (b) State defined contribution plans
 - Employees' Pension Scheme 1995

The Provident Fund and State defined contribution plan are operated by the regional provident fund commissioner. Under the scheme, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits. These funds are recognized by the Income tax authorities.

Contribution to Defined Contribution Plan, recognized are charged off for the year are as under:

Particulars			(₹ in lakhs)	
	2022-23	2021-22		
(a) Employer's Contribution to Provident Fund	89.73	87.18		
(b) Employer's Contribution to Pension Scheme	68.46	43.00		

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

(II) Defined Benefit Plan

(a) Gratuity

The employees' Gratuity fund scheme has been managed by Life Insurance Corporation of India and the present value of obligation is determined by Independent Actuary using the Projected Unit Credit (PUC) Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Actuary has carried out the valuation based on the followings assumptions:

Particulars	2022-23	2021-22
Discounting Rate (per annum)	7.36%-7.38%	7.22%
Rate of escalation in Salary (per annum)	6.00%	6.00%
Expected Average remaining working lives of employees in no. of years	20.76-22.73	18.61
Mortality Table	IALM (2012-14)	IALM (2012-14)

Particulars	Gratuity (Funded)	
	2022-23	2021-22
(a) Changes in Present Value of Obligation		
Opening balance of Present value of obligation	335.32	305.25
Acquired in Business Combination	49.27	-
Interest Cost	27.75	20.76
Current Service Cost	36.18	21.22
Benefits Paid	(17.30)	(7.61)
Actuarial (Gain)/Loss arising from change in financial assumption	(5.99)	(13.58)
Actuarial (Gain)/Loss arising from experience adjustment	59.64	9.28
Closing Balance of Present value of obligation	484.87	335.32
(b) Changes in Fair Value of Plan Assets		
Opening balance of Fair Value of Plan Assets	336.86	282.29
Acquired in Business Combination	47.50	-
Expected Return on Plan Assets	27.80	19.20
Employer's Contribution	12.96	41.11
Benefits paid	(17.30)	(7.61)
Actuarial Gain/ (Loss) on Plan Assets	(0.23)	1.87
Closing balance of Fair value of Plan Assets	407.59	336.86
Actual return on Plan Assets	27.59	21.06
(c) Percentage of each category of Plan Assets to total Fair value of Plan assets		
Administrated by Life Insurance Corporation of India	100%	100%
(d) Reconciliation of Present Value of Defined Present obligations and the Fair Value of Assets		
Closing Balance of Present Value of Obligation	484.87	335.32
Closing Balance of Fair Value of Plan Assets	407.59	336.86
(Asset)/ Liability recognised the Balance Sheet	77.28	(1.54)

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

Particulars	Gratuity (Funded)	
	2022-23	2021-22
(e) Amount Recognised in the Balance Sheet		
Closing Balance of Present Value of Obligation	484.87	335.32
Closing Balance of Fair Value of Plan Assets	407.59	336.86
Funded (Asset)/ Liability recognized in the Balance Sheet	77.28	(1.54)
Unfunded Liability recognised in the Balance Sheet	-	-
(f) Expenses recognised in the statement of Profit and Loss		
Current Service Cost	36.18	21.22
Interest Cost	27.75	20.76
Expected Return on Plan Assets	(27.80)	(19.20)
Expenses recognized in the statement of Profit and Loss	36.13	22.78
Remeasurement of Defined Benefit Obligation		
Actuarial (Gain)/Loss arising from change in financial assumption	(5.99)	(13.58)
Actuarial (Gain)/Loss arising from experience adjustment	59.64	9.28
Return on plan assets	0.23	(1.87)
Expenses recognized in the statement of Other Comprehensive Income	53.88	(6.17)
(g) Experience Adjustments		
Experience adjustment on Plan Liabilities (loss)/gain	(53.65)	4.30
Experience adjustment on Plan Assets (loss)/ gain	(0.23)	1.87
(h) Sensitivity Analysis of the defined benefit obligation		
a) Impact of the change in discount rate		
Present value of the obligation at the end of the period	484.87	335.32
Impact due to increase of 0.50%	(25.81)	(15.15)
Impact due to decrease of 0.50%	21.25	16.35
b) Impact of the change in salary increase		
Present value of the obligation at the end of the period	484.87	335.32
Impact due to increase of 0.50%	19.91	14.87
Impact due to decrease of 0.50%	(24.74)	(13.91)

i) **Maturity Profile of Defined Benefit Obligation**

Year	(₹ in lakhs)
0 to 1 Year	31.00
1 to 2 Year	18.00
2 to 3 Year	21.89
3 to 4 Year	48.46
4 to 5 Year	43.31
5 to 6 Year	13.07
6 Year onwards	309.15

(b) **Compensated Absence**

The obligation for compensated absence is recognised in the same manner as Gratuity.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

34. Finance Costs

Particulars	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Interest expense on		(₹ in lakhs)
(i) Borrowings	416.37	191.22
(ii) Others	2.41	1.38
(iii) Interest on Income Tax	9.64	24.33
(iv) Interest on Lease Liabilities	1.85	2.67
Other Borrowing costs	131.46	92.85
Exchange Fluctuation regarded as an adjustment to borrowing cost	207.28	64.79
Total	769.01	377.24
Less: Transferred to CWIP (<i>refer note no 3.1</i>)	64.82	100.88
	704.19	276.36

35. Manufacturing & Other Expenses

Particulars	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Stores & Spares Consumed	818.11	500.50
Power & Fuel	415.45	264.65
Job Work Expenses	160.79	58.94
Machinery Repairs	205.58	228.48
Research & Development (<i>refer note no.39</i>)	586.89	74.43
Electricity and Water Charges	36.22	25.23
Watch & Ward Expenses	58.41	31.73
Building Repairs	108.23	58.71
Other Repairs	255.55	163.99
Insurance	65.66	47.69
Processing Charges	427.76	502.94
Rent, Rates and Taxes	214.01	321.02
Travelling & Conveyance	203.24	35.51
Printing & Stationery	29.58	19.51
Communication Expenses	23.61	18.28
Professional and Consultancy Charges	383.97	180.58
Payment to Auditors	39.50	14.00
CSR Expenditure	80.07	56.72
Miscellaneous Expenses	97.83	69.78
Business Promotion, Advertisement & Publicity	26.42	22.85
Commission on Sales	1,604.79	1,498.75
Packing Cost	752.32	602.82
Forwarding & Freight	1,241.17	1,435.42
Loss on Sale of Property, Plant & Equipment (Net)	1.50	0.45
Expected Credit Losses (<i>refer note. 8</i>)	0.36	-
	7,837.02	6,232.98
Less: Capitalised During the Year	20.63	-
	7,816.39	6,232.98

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

36. Income Tax Expense recognised in the profit and loss account.

Particulars	(₹ in lakhs)	
	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Current Tax:		
In respect of the Current Year	2,520.78	1,785.45
In respect of the Previous Year	(30.10)	(16.37)
Deferred Tax:		
In respect of the Current Year	(170.19)	49.53
Income Tax Expense recognised in the Statement of Profit & Loss	2,320.49	1,818.61
Other Comprehensive Income Section		
Tax related to items that will not be reclassified to profit & loss account	13.54	(1.55)

Effective Tax Reconciliations

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Profit before tax	10,230.82	7,329.83
Applicable Tax rate	25.17%	25.17%
Computed tax expense	2,574.89	1,844.77
Tax effect of;		
Income Exempt from taxation	-	(0.17)
Expense Disallowed	80.89	39.76
Deductions Allowed under Income Tax	(48.17)	(0.86)
Effect of change in tax rate	(7.21)	-
Earlier year tax	(30.10)	(16.37)
Movement in defered tax due to consolidation	(222.87)	-
Share of Associates/Joint Ventures	(25.83)	(50.81)
Others	(1.10)	2.29
Tax Expense recognised in Statement of Profit & Loss	2,320.49	1,818.61

37. Earnings Per Share

Particulars	As at 31 st March 2023		As at 31 st March 2022
Net Profit attributable to shareholders (₹ in lakhs)	7,870.08	5,517.01	
Weighted average number of equity Shares (in nos.)	5,76,04,200	5,76,04,200	
Basic and Diluted Earnings per share (₹)	13.66	9.58	
Face Value per Equity Share (₹)	2	2	

Refer Note 15.5

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

38. Contingent Liabilities in respect of:

Particulars	As at 31 st March 2023	As at 31 st March 2022
(A) Contingent Liabilities		
(I) <u>Claim Against the Group Not Acknowledged as Debts</u>	23.70	23.36
(II) <u>Guarantees</u>		
a. Letters of Credit/Bank Guarantee established by the bank	645.29	430.00
b. Corporate Guarantee(s) on behalf of Wholly Owned Subsidiary(s)	1,314.00	1,314.00
c. Surety with Sales Tax Department	2.00	5.50
d. Duty foregone in respect of Joint-Venture		
Raw Material	269.24	178.54
Capital Goods	32.14	26.91
Other	13.82	10.42
(III) <u>Other Money for which the Group is Contingently Liable</u>		
a. Buyers Credit Interest payable	5.13	14.94
b. Customs duty on Material imported against Advance License & Material Lying in Bonded Warehouse for pending export obligation	1,625.72	1,582.24
c. Local Sales Tax Authorities	-	1.12
*Demand raised against the parent Company by Central Excise & Service Tax Commissionerate towards Cenvat Credit of excise duty ₹17.87 lakhs (Previous Year ₹ 17.87 lakhs). However the management of the Group is of the view that the demand is not enforceable against the Company, being bad in law.		
(B) Commitments		
Estimated amount of contracts (net of advances) exceeding ₹ 1.00 lakh in each case remaining to be executed on capital account and not provided for	890.89	508.73

39. Details of Research and Development Expenditure

Particulars	As at 31 st March 2023	As at 31 st March 2022
Capital	191.10	-
Revenue	395.79	74.43
Total	586.89	74.43

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

40. Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Group, the following are the details:

Particulars	(₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	164.05	10.32
The amount of interest paid by the buyer in terms of section 16, of the micro, small and medium enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under micro, small and medium enterprise development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and 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 Enterprise Development Act, 2006	Nil	Nil

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Group.

41. Leases

The Group's significant operating lease arrangements are in respect of premises (residential, offices, godown etc.). These leasing arrangements, which are cancellable, range between 11 months to 3 years generally and are usually renewable by mutual agreeable terms. The aggregate lease rentals payable are charged as expenses. Rental payments under such leases amounting to ₹ 148.36 lakhs (Previous Year ₹ 92.89 lakhs) have been included under "Rent, Rates and Taxes" expense in note 35.

41.1 Assets Acquired under Long Term Lease:

Future Minimum lease payments and their present values under lease are as follows:

Particulars	Minimum Lease Payments		Present Value of Minimum Lease payments		Future Expense	
	Year Ended March 2023	Year Ended March 2022	Year Ended March 2023	Year Ended March 2022	Year Ended March 2023	Year Ended March 2022
Not later than one year	32.84	22.60	28.88	20.80	3.96	1.80
Later than one year but not later than five years	23.81	20.42	21.35	19.41	2.46	1.01
Later than five years	-	-	-	-	-	-

There is no element of contingent rent or sublease payments.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

- 42.** The Group's activities involve predominantly one operating segment i.e. Process and product Engineering, which are considered to be within a single operating segment since these are subject to similar risks and returns. Accordingly, Process and Product Engineering comprise the primary basis of segmental information as set out in these financial statements, which therefore reflect the information required by Ind AS 108- Segment Reporting has been disclosed as below.

Revenue from Operations

Particulars	India		Rest of world		Total	
	Year Ended March 2023	Year Ended March 2022	Year Ended March 2023	Year Ended March 2022	Year Ended March 2023	Year Ended March 2022
Segment Revenue	19,682.27	11,841.85	27,354.94	20,556.90	47,037.21	32,398.75

- 43.** “Related Party Disclosure” for the year ended 31st March, 2023 in accordance with Ind AS 24:

(i) Relationships with Related Parties:

Sr. No.	Name of Related Party	Relationship
1.	Innovative Clad Solutions Private Limited	Joint Venture
2.	Mr. S. S Sandhu (Chairman)	Key Managerial Personnel (KMP)
3.	Mr. N. S. Ghuman (Managing Director)	
4.	Mr. Rajeev Ranjan (Chief Financial Officer)	
5.	Mr. Sumer Ghuman (Managing Director of SEPPL)	
6.	Mrs. Aarti Sahni (Company Secretary)	
7.	Mr. Kabir Ghuman	Relative of Key Managerial Personnel
8.	TSL Holdings Private Limited	
9.	Angad Estates Private Limited	
10.	Amar Engineering Company Private Limited	
11.	Ultra Portfolio Management Private Limited	
12.	O D Finance and Investment Private Limited	
13.	K.S. Enterprises	
14.	ABS Foundation (Regd. Trust)	
15.	Mr. Swaranjit Singh	Independent Directors
16.	Mr. Nirmaljeet Singh Gill	
17.	Mr. Gurmeet Singh Gill	
18.	Mrs. Anu Ahluwalia	
19.	Lt. Gen. Pradeep Khanna	
20.	Mrs. Harpreet Kaur	

(ii) Transactions during the year with related parties:

Sr. No.	Nature of Transactions	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprises over which KMP are able to exercise significant influence	Directors
1.	Reimbursement of Expenses(Net)			2.05 (1.72)	
2.	Managerial Remuneration	880.50 (838.34)			
3.	Sitting Fees				3.78 (2.25)

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

(₹ in lakhs)					
Sr. No.	Nature of Transactions	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprises over which KMP are able to exercise significant influence	Directors
4.	Remuneration in pursuant to Section 197 of the Companies Act 2013 for holding an office or place of profit.		152.43 (124.37)		
5.	Rent Paid	7.61 (5.81)	5.66 (4.30)	91.20 (73.50)	
6.	Purchase of Equity Instruments			149.59 -	
7.	Technical Consultancy			48.00 (48.00)	
8.	CSR Expenditure			57.00 (34.50)	
9.	Unsecured Loans i) Taken ii) Repaid iii) Finance Costs			1,450.00 (1,265.00) 1,810.02 (455.18) 208.01 (134.61)	
Balances as at 31 st March 2023					
10.	Unsecured Loans			1,626.73 (1,986.74)	

Figures in () indicate previous year's figures.

44. FINANCIAL INSTRUMENTS

44.1 Capital Management

The Group's capital management objectives are;

- to maintain healthy Credit rating, Capital Ratios and Leverage.
- to maximise return to the Shareholders.

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Principal source of funding of the company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings.

Particulars	As at 31 st March 2023	As at 31 st March 2022
Long term Borrowings (Incl Current Maturities)	3,411.72	2,282.73
Short Term Borrowings	2,432.67	3,489.70
Less: Cash and cash equivalents	1,768.23	1,086.90
Less: Bank Balance other than Cash and Cash Equivalents	22.57	94.87
Less: Investment in Gold Coins & Gold Bonds	35.37	35.37
Net debt	4,018.22	4,555.29
Total equity (as shown on the face of balance sheet)	26,549.84	19,159.80
Net debt to equity ratio (Gearing Ratio)	15%	24%

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

44.2 Financial Instruments by categories

Particulars	As at 31 March 2023			As at 31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	6.61	-		5.72	-	-
Trade receivables	-	-	9,321.84	-	-	5,928.13
Cash and cash equivalents	-	-	1,768.23	-	-	1,086.90
Other bank balances	-	-	22.57	-	-	94.87
Other Financial Assets			7.56			5.28
Total	6.61	-	11,120.20	5.72	-	7,115.18
Financial liabilities						
Borrowings	-	-	5,844.39	-	-	5,772.44
Trade payable		-	4,230.76	-	-	4,177.71
Other financial liabilities	-	-	768.05	-	-	467.65
Total	-	-	10,843.20	-	-	10,417.80

Fair Value Measurement

- i) Carrying amount of Financial assets and financial liabilities recorded at amortized cost approximates their fair value.
- ii) Investment in Equity instrument of other companies is measured at its fair value using Level 3 valuation techniques.

44.3 Financial Risk Management

The Group's activities expose it to market risk, liquidity risk, Foreign Currency Risk and credit risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. 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 Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

44.4 Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. Credit risk encompasses both, direct risk of default and the risk of deterioration of creditworthiness.

a) Credit risk management

The Group assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. The company has a policy of only dealing with credit worthy parties and obtain sufficient collateral where appropriate as a means of mitigating the risk of financial loss from defaults.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

The Group closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Expected credit losses

The Group provides for expected credit losses based on the following:

The company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by 'analysing historical trend of default based on the criteria defined above. And such provision percentage determined have been 'considered to recognise life time expected credit losses on trade receivables.

Particulars	As at 31 March 2023		As at 31 March 2022	
	>3 Years	0-3 Years	>3 Years	0-3 Years
Gross amount of trade receivables where no default (as defined above) has occurred	-	9,326.00	-	5,931.58
Expected loss rate	-	0.04%	-	0.06%
Expected credit loss (loss allowance provision)	-	4.16	-	3.45
<hr/>				
Reconciliation of loss provision – lifetime expected credit losses				
Loss allowance as on 1 st April, 2021				24.02
Impairment loss recognised during the year				(20.43)
Amounts written off				0.14
Loss allowance on 31 st March, 2022				3.45
Impairment loss recognised during the year				0.07
Acquired in Business Combination				1.65
Amounts written off				1.01
Loss allowance on 31 st March, 2023				4.16

44.5 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management measures involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these obligations.

Maturities of financial liabilities

The tables below analyses the Group's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. For balances due within 12 months amounts equal their carrying values as the impact of discounting is not significant.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

As at 31 st March 2023	(₹ in lakhs)					Total
	Less than 1 year	1-2 years	2-3 year	More than 3 years		
Long term borrowings (including interest)	1,175.62	1,124.42	684.01	427.66	3,411.71	
Short term borrowings	2,432.67	-	-	-	2,432.67	
Trade payable	4,230.76	-	-	-	4,230.76	
Other financial liabilities	768.05	-	-	-	768.05	
Total	8,607.10	1,124.42	684.01	427.66	10,843.19	

As at 31 st March 2022	(₹ in lakhs)					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Long term borrowings (including interest)	754.21	663.11	365.52	499.90	2,282.74	
Short term borrowings	3,489.70				3,489.70	
Trade payable	4,177.71				4,177.71	
Other financial liabilities	467.65				467.65	
Total	8,889.27	663.11	365.52	499.90	10,417.80	

44.6 Market Risk

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. The company seeks to minimize the effects of these risks by minutely observing the variation and fluctuation on regular basis. Compliance of exposure volume is reviewed by the management on real time basis and taking corrective measures as and when required.

44.7 Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar and Euro. The exchange rate between the Indian rupees and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/depreciates against the currencies. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Group.

(i) Foreign currency risk exposure:

The Group's exposure to foreign currency risk at the end of the reporting period are as follows:

Particulars	FC	As at 31 March 2023		As at 31 March 2022	
		FC (Nos)	Amount	FC (Nos)	Amount
Financial Liabilities					
Loans	EUR	29,33,605	2,628.74	2,96,123	250.70
	USD	6,27,009	515.51	42,65,030	3,233.20
Creditors	EUR	3,81,164	341.55	2,45,294	207.67
	USD	25,35,487	2,087.63	25,05,509	1,899.35
	YEN	63,93,336	39.51	-	-
Others	EUR	5,907	5.29	860	0.73
	USD	3,660	3.01	6,275	4.76
	GBP	28,270	28.80	-	-

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

Particulars	FC	As at 31 March 2023		As at 31 March 2022	
		FC (Nos)	Amount	FC (Nos)	Amount
Financial assets					
Debtors	EUR	6,14,805	550.91	6,56,681	555.95
	USD	51,59,797	4,242.23	37,09,299	2,811.91
Cash & Bank Balance	EUR	9,254	8.29	369	0.31
	USD	9,296	7.64	11,546	8.75
Net exposure to foreign currency risk	EUR	26,96,617	2,416.38	(1,14,773)	(97.16)
	USD	(20,02,937)	(1,643.72)	30,55,969	2,316.65
	YEN	63,93,336	39.51	-	-
	GBP	28,270	28.80	-	-

Sensitivity analysis of 5% change in the exchange rate at the end of reporting period

Particulars	As at 31 st March 2023	As at 31 st March 2022	
		5% Depreciation in ₹	5% Appreciation in ₹
USD sensitivity	(1,643.72)	2,316.65	
Impact on Equity and Profit & Loss	82.19	(115.83)	
Euro Sensitivity	2,416.38	(97.16)	
Impact on Equity and Profit & Loss	(120.82)	4.86	
5% Appreciation in ₹			
USD sensitivity	(1,643.72)	2,316.65	
Impact on Equity and Profit & Loss	(82.19)	115.83	
Euro Sensitivity	2,416.38	(97.16)	
Impact on Equity and Profit & Loss	120.82	(4.86)	

44.8 Interest rate risk

i) Liabilities

Interest rate risk is the risk that the fair value or future cash flows of a financial Assets/Liabilities because of changes in market interest rates. The group is exposed to interest rate risk because 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 and US dollars with a mix of fixed and floating rates of interest. The Group has exposure to interest rate risk, arising principally on changes in marginal cost of fund based lending rate (MCLR) and SOFR rates.

ii) Assets

The Group's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
Variable rate borrowing	2,432.67	3,489.70
Fixed rate borrowing	3,411.72	2,282.74
Total borrowings	5,844.39	5,772.44

Sensitivity

Below is the sensitivity of profit & loss and equity changes in interest rates.

Particulars	₹ in lakhs)	
	As at 31 st March 2023	As at 31 st March 2022
	Equity and Profit & Loss Account	Equity and Profit & Loss Account
Interest sensitivity*		
Interest rates – increase by 1%	(24.33)	(34.90)
Interest rates – decrease by 1%	24.33	34.90

44.9 Price Risk

The Group does not have significant exposure to price risk on its financial assets and liabilities.

45. Business Combination

i) Acquisition of :

a) Shivalik Bimetal Engineers Private Limited (SBEPL)

b) Shivalik Engineered Products Private Limited (SEPPL) (Formerly known as Checon Shivalik Contact Solutions Private Limited)

a. Summary of acquisition

During the year ended 31st March, 2023, two of the group companies vis SBEPL & SEPPL have been converted into wholly owned subsidiary (s) by purchasing balance number of equity shares. Before acquisition SBEPL was Associate and SEPPL was Joint venture.

Details of the purchase consideration, the net asset acquired and goodwill are as follows:

Particulars	₹ in lakhs)		
	SBEPL	SEPPL	Total
Cash paid	149.74	1,178.58	1,328.31
Fair value of previously held interest	122.51	1,178.58	1,301.09
Purchase consideration (A)	272.25	2,357.15	2,629.40
The assets and liabilities recognised as a result of the acquisition are as follows:			
Property, Plant & Equipment (Including CWIP)	122.49	879.65	1,002.14
Right-of-use-Assets	-	8.40	8.40
Intangible Assets	0.36	404.72	405.08
Other Non Current Assets	1.08	8.27	9.35
Inventories	33.90	1,014.83	1,048.73
Trade Receivables	33.86	1,212.41	1,246.27
Cash and Cash equivalents	116.35	142.83	259.18
Other Financial Assets	-	12.00	12.00
Current Assets	7.63	32.96	40.59
Current Tax Assets	-	2.40	2.40
Borrowings	-	(598.09)	(598.09)

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

Particulars	SBEPL	SEPPL	Total
Other Financial Liabilities	(5.50)	(42.78)	(48.28)
Lease Liabilities	(2.26)	(9.38)	(11.64)
Provisions	(4.32)	(15.38)	(19.70)
Trade Payables	(19.06)	(620.14)	(639.20)
Current Liabilities	(2.46)	(54.27)	(56.73)
Current Tax Liabilities	(0.70)	-	(0.70)
Deferred Tax Liabilities*	(9.85)	(224.61)	(234.46)
Identifiable net assets acquired (B)	271.52	2,153.82	2,425.34
Non-controlling interest in the acquired entity (C)	-	-	-
Goodwill (A-B-C)	0.73	203.33	204.06

* Impact of Ind AS 103-Business Combination

The acquired business from SEPPL contributed revenue of ₹ 5,012.68 Lakhs and profit of ₹ 183.04 Lakhs during the year ended 31st March, 2023 and SBEPL contributed revenue of ₹ 240.04 Lakhs and profit of ₹ 28.67 Lakhs during the year ended 31st March, 2023

46. Additional regulatory information not disclosed elsewhere in the Consolidated Financial Statement

- (a) The Group does not have any Benami property, further no proceeding has been initiated or pending against the group for holding any Benami Property.
- (b) The Group does not have any transactions with Companies struck off.
- (c) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (d) The Group has not traded or invested in Crypto Currency or Virtual Currency during the respective financial years period.
- (e) 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:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries.
- (f) 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 group shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries.
- (g) The Group does not have any transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961 (Such as, Search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (h) The Group has not been declared wilful defaulter by any bank or financial Institution or other lender.
- (i) The Group does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of Sections 230 to 237 of the Act.
- (j) The Group has complied with the number of layers prescribed under of section 2(87) of the Act read with the companies (Restriction on number of layers) Rules, 2017.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

47. Interest in Subsidiary(s) and Joint Ventures

Annexure-A :-Statement pursuant to Section 129 (3) of the Companies Act,2013 related to Subsidiary(s) and Joint Ventures

Sr.No	Name of Subsidiary(s)/Joint Ventures	Latest Balance Sheet Date	The Date on which the Subsidiary(s) or joint ventures was associated or acquired	Shares of Subsidiary(s)/Joint Ventures held by the Company on the year end No.	Extent of investment in Subsidiary(s)/ Joint Ventures	Holding %	Net Worth attributable to Shareholding as per latest audited Balance Sheet (₹ in Lakhs)	Profit/Loss for the Year Considered in Consolidation (₹ in Lakhs)	Description of how there is significant influence	Reason why the Subsidiary(s)/ Joint Ventures is not Consolidated
Wholly Owned Subsidiary (s)										
1	Shivalik Engineered Products Private Limited (Formerly known as Checon Shivalik Contact Solutions Private Limited).	31-03-2023	01-12-2005	3,421,800	1400.03	100.00%	1,796.19	183.08	-	N.A.
2	Shivalik BiMetal Engineers Private Limited	31-03-2023	27-02-2008	495,000	172.01	100.00%	189.65	28.67	-	Due to percentage (100%) of Voting Power.
Joint Ventures										
1	Innovative Clad Solutions Private Limited	31-03-2023	04-03-2008	16,086,003	780.02	16.01%	794.27	106.16	556.90	In accordance with terms of JV Agreement and the constitution of Board

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

Annexure “B”
ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY(S)/JOINT VENTURES

Sr.No	Name of the Enterprise	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive income		Share in Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)	As % of Consolidated other	Amount (₹ in Lakhs)	As % of Consolidated Total	Amount (₹ in Lakhs)
Wholly Owned Subsidiary (s)									
1	Shivalik Engineered Products Private Limited* (Formerly known as Checon Shivalik Contact Solutions Private Limited)	6.77%	1,796.19	2.31%	183.08	0.10%	(0.04)	100.00%	183.04
2	Shivalik Bimetal Engineers Private Limited	0.71%	189.65	0.36%	28.67	0.00%	-	100.00%	28.67
Joint Ventures									
1	Innovative Clad Solutions Private Limited	18.69%	4,961.11	1.34%	106.16	0.00%	-	16.01%	106.16

Annexure “C”

Enterprises consolidated as Subsidiary(s) and Joint Ventures in accordance with Ind AS-28

Name of The Enterprises	Country of Incorporation	Proportionate Interest
Wholly Owned Subsidiary (s)		
Shivalik Engineered Products Private Limited (Formerly known as Checon Shivalik Contact Solutions Private Limited).	India	100%
Shivalik Bimetal Engineers Private Limited	India	100%
Joint Ventures		
Innovative Clad Solutions Private Limited	India	16.01%

Notes on Consolidated Financial Statements

for the year ended 31st March, 2023 *continued*

48. Additional Regulatory Information

Ratios

S.No.	Particulars	Numerator	Denominator	As at 31 st March 2023	As at 31 st March 2022	Variance
1)	Current Ratio (in times)*	Current Assets	Current Liabilities	2.66	2.09	27.27%
2)	Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.09	0.08	12.50%
3)	Debt service coverage ratio (in times) (DSCR)	Earnings Available For Debt Service #	Debt Service	10.09	10.07	0.20%
4)	Return on Equity Ratio (in %) (ROE)	Net Profit After Taxes	Average Shareholder's Equity	34.61%	33.29%	3.97%
5)	Inventory turnover ratio (in times)	Cost of Good Sold	Average Closing Inventory	3.81	3.50	8.86%
6)	Trade Receivable turnover ratio (in times)	Revenue	Average Trade Receivable	6.17	6.35	-2.83%
7)	Trade Payable turnover ratio (in times)	Purchases	Average Trade Payable	6.29	5.53	13.74%
8)	Net Capital Turnover Ratio (in times)	Revenue	Working Capital	2.97	3.11	-4.50%
9)	Net Profit ratio (in %) (NPR)	Net profit after taxes	Revenue	16.82%	17.01%	-1.12%
10)	Return on capital employed (in %) (ROCE)	Earning before interest and taxes	Capital Employed	36.21%	35.54%	1.89%

Earnings Available For Debt Service stands for Net profit after taxes + Non-cash operating expenses + Interest + Other adjustments like Profit/(loss) on sale of fixed assets etc.

* Improvement in Current Ratio is due to availability of funds in current assets generated from internal accruals accompanied by optimal use of resources.

Notice to Shareholders

NOTICE is hereby given that the 39th (Thirty-Ninth) Annual General Meeting ("AGM") of the Members of Shivalik Bimetal Controls Ltd. ("The Company") will be held on Tuesday, the September 26, 2023 at Hotel Namastasya, Bye Pass Road, near New Bus Stand, Lawi Khurd, Solan, Himachal Pradesh 173212 at 10.30. AM. (IST), to transact the following business:

ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Financial Statements (both Standalone and Consolidated Financial Statements) of the Company for the financial year ended March 31, 2023 together with Director's Report and the Auditors Report thereon;
2. To confirm the payment of Interim Dividend and to declare Final Dividend on equity shares for the financial year ended March 31, 2023;
3. To appoint a Director in place of Mr. N.S. Ghumman (DIN: 00002052), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSES:

4. **RATIFICATION OF REMUNERATION OF RAMAWATAR SUNAR, COST AUDITORS' OF THE COMPANY FOR THE FINANCIAL YEAR ENDING MARCH 31, 2024.**

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014 framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the remuneration of ₹ 1,50,000 (Rupees One Lakh Fifty Thousand Only) per annum plus applicable taxes and out of pocket expenses payable to Mr. Ramawatar Sunar, Cost and Management Accountant, (Firm Registration No. 100691), re-appointed by the Board of Directors on the recommendation of the Audit Committee, as Cost Auditor of the Company to conduct Audit of cost records of the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014 for the financial year ending March 31, 2024.

RESOLVED FURTHER THAT the approval of the Company be and hereby accorded to the Board of Directors of the Company (including any Committee thereof) to do all the acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution."

5. **CONTINUATION OF DIRECTORSHIP OF MR. SWARNJIT SINGH (DIN: 07409567), AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

"RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Company be and is hereby accorded for continuation of Directorship of Mr. Swarnjit Singh (DIN: 07409567), as a Non-Executive Independent Director of the Company from the day he attains the age of 75 years, with the same terms and conditions as already approved by the members.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **RE-APPOINTMENT OF MS. ANU AHLUWALIA (DIN: 07254059) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in

force) and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations')(including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), Ms. Anu Ahluwalia (DIN: 07254059), who was appointed as a Non-Executive Independent Director of the Company and who holds office of Independent Director up to 11th August, 2024 and being eligible and fulfilling the criteria of independence as provided in the Act and the Listing Regulations and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Independent Director of the Company, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, and to hold office for a second term of five consecutive years with effect from August 12, 2024 up to August 11, 2029."

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

7. APPOINTMENT OF MR. SUDHIR MEHRA (DIN: 07424678), AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations')(including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), Mr. Sudhir Mehra (DIN: 07424678),who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director and in accordance with the recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Director of the Company who has attained the age of 75 years, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years commencing from September 26, 2023.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

8. APPOINTMENT OF MR. NAND PARKASH SAHNI (DIN: 00037478), AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations')(including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), Mr. Nand Parkash Sahni (DIN: 00037478),who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director and in accordance with the recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Director of the Company who has attained the age of 75 years, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years commencing from September 26, 2023.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

For Shivalik Bimetal Controls Ltd.

Sd/-

Aarti Sahni

Company Secretary

M.No. A25690

Place: New Delhi
Date: August 29,2023

Registered Office: 16-18, New Electronics Complex, Chambaghat,
Distt. Solan, Himachal Pradesh - 173213
CIN: L27101HP1984PLC005862
E-mail: investor@shivalikbimetals.com

NOTES:

1. The Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013 ("The Act"), setting out material facts concerning the special business under Item No. 4 to 8 of the Notice is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI ("Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director(s) seeking appointment/re- appointment at this Annual General Meeting ("AGM") is also annexed .
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself/herself. Such proxy need not be a member of the company. Proxies in order to be effective must be received at the registered office of the company not less than 48 hours before the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company. A member holding more than ten percent of the total share capital of the company may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. Relevant documents referred in the accompanying Notice and the Statement pursuant to Section 102 of the Act, shall be available for inspection at the Registered Office of the Company during normal business hours (between 11.00 A.M. to 1.00 P.M.) on all working days and including the date of the Annual General Meeting (AGM).
4. 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/Authorization, authorizing their representative to attend the AGM on their behalf and to vote through remote e-voting, to the Scrutinizer through e-mail at amitsaxenacs@yahoo.com with a copy marked to NSDL at evoting@nsdl.co.in.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, the September 20, 2023 to Tuesday, the September 26, 2023 (both days inclusive) for the purpose of determining entitlement of Members for the payment of dividend for the financial year ended March 31, 2023, if declared at the AGM.
6. Electronic copy of the Annual Report for the Financial Year (FY) 2022-23, the Notice of the 39th AGM of the Company along with Attendance Slip and Proxy Form are being emailed to all the members whose email addresses are registered with the Company/Depository Participants. Physical copy of the aforesaid documents may be sent on request by any such Member.

Physical copy of the Annual Report for the FY 2022-23, the Notice of the 39th AGM of the Company along with Attendance Slip and Proxy Form are being sent to those members who have not registered their email addresses with the Company/ Depository Participants. The Annual Report for the FY 2022-23 and the Notice of the 39th AGM will also be available on the Company's website – www.shivalikbimetals.com and websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The Notice of AGM is also available on the website of National Securities Depository Limited (NSDL) i.e. www.evoting.nsdl.com. Company's web-link on the above will also be provided in advertisement being published in Financial Express (English edition) and Jansatta (Hindi edition).

7. The route map as per the requirement of SS-2 and prominent landmark of the venue of the Meeting as well as Attendance Slip and Proxy Form are annexed to this Notice. Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting, as the Annual Report will not be available for distribution at the Meeting.
8. In terms of SEBI Circular dated December 09, 2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders atleast 2 days prior to the date of commencement of e-voting, members are requested to update the mobile no. /email ID with their respective depository participants.
9. The Securities and Exchange Board of India ('SEBI') vide its circular dated November 03, 2021 read with circular dated December 14, 2021 and March 16, 2023 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC (complete address with pin-code, bank detail with MICR-CODE & IFS CODE, Email-ID, Mobile Number) and Nomination details to the Registrar and Transfer Agent ('RTA') of the Company. Effective from January 01, 2022, Registrar will not process any service requests or complaints received from the member until unless above KYC and nomination will not be completed by shareholder and such shareholders holding will be freeze by RTA on or after October 01, 2023.

The shareholders holding shares in physical form are requested to note that in case of failure to provide required documents and details as per aforesaid SEBI circular, all folios of such shareholders shall be frozen on or after October 01, 2023 by the RTA. In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA:

- i. PAN; (using ISR-1)
- ii. Nomination in Form No. SH-13 or submit declaration to 'Opt-out' in Form ISR-3;
- iii. Contact details including Postal address with PIN code, Mobile Number, E-mail address;
- iv. Bank Account details including Bank name and branch, Bank account number, IFS code;
- v. Specimen signature. (using ISR-2)

Any cancellation or change in nomination shall be provided in Form No. SH-14

All of above required documents/details to be sent at the address of registered office of the RTA. The shareholders can download the forms mentioned in SEBI circular from the website of the Company or RTA website i.e. www.masservcom.

A separate communication has already been sent to the respective shareholders.

10. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. To enable the Company to determine the appropriate TDS / withholding tax rate applicability, shareholders are requested to send the requisite documents with the Registrar and Share Transfer Agent viz. MAS Services Limited ("RTA") at investor@masserv.com. The shareholders are requested to update their PAN with the Company / MAS Services Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode) at the earliest.

However, no tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received during FY 22-23 does not exceed ₹5,000/-.

A resident individual shareholder with PAN who is not liable to pay income tax submit a yearly declaration in Form 15G/15H, to avail the benefit of non-deduction of tax at Company's RTA at investor@masserv.com. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

11. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Securities of Listed Companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Share Transfer Agents, MAS Services Limited for assistance in this regard.

In accordance with SEBI (Listing Obligations and Disclosure Requirements) (4th amendment) Regulations, 2018 notified on June 07, 2018 and further notification dated November 30, 2018 any request for physical transfer of shares shall not be processed w.e.f. April 01, 2019

Further, in compliance with SEBI vide its circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only:-

- i) Issue of duplicate share certificate
- ii) Claim from unclaimed suspense account
- iii) Renewal/Exchange of securities certificate
- iv) Endorsement
- v) Sub-division / splitting of securities certificate
- vi) Consolidation of securities certificates/folios
- vii) Transmission
- viii) Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of

the company as well as on the website of MAS Services Ltd, Registrar and share transfer agent (RTA). The aforementioned form shall be furnished in hard copy.

Members holding shares in physical form are requested to dematerialize their holdings at the earliest.

12. Members who wish to claim Dividends, which remain unclaimed, are requested to either correspond with the Corporate Secretarial Department at the Head office or the Company's Registrar and Share Transfer Agent (MAS Services Limited) for claim them before the due date. The details of such unclaimed dividends are available on the Company's website at www.shivalikbimetal.com. Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF Authority within a period of thirty days of such shares becoming due to be transferred to the IEPF.

In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF Authority by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5.

13. In case of joint holders, the Member whose name appears as the first holder in order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
14. 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 on or before September 23, 2023 through email on investor@shivalikbimetal.com The same will be replied by the Company suitably.

15. Voting through electronic means:

- a) In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (i.e. facility to cast vote prior to the AGM), for which purpose the Board of Directors of the Company ('the Board') have engaged the services of National Securities Depository Limited ('NSDL').
- b) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- c) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- d) The remote e-voting period commences on Saturday, September 23, 2023 (9:00 am) and ends on Monday, the September 25, 2023 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 19, 2023, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

Instructions for remote e-voting

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to the NSDL e-voting system

Step 2: Cast your vote electronically on NSDL e-voting system.

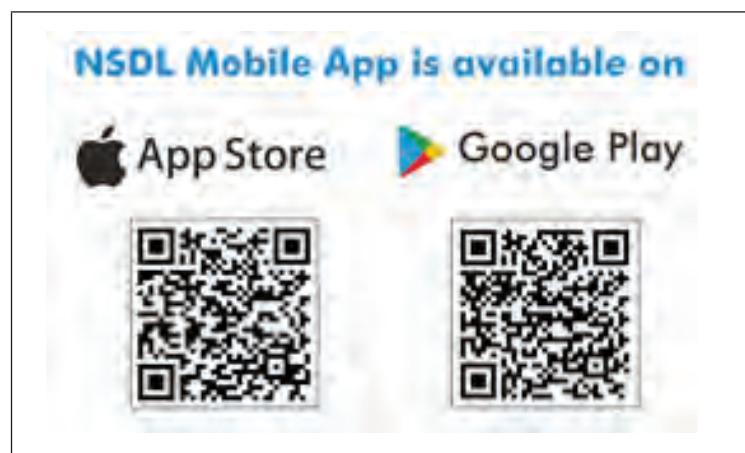
Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies and as part of increasing the efficiency of the voting process, the e-voting process has been enabled to all Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts 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.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen 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. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.



Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing easi username & password.
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2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdsindia.com and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from e-Voting link available on www.cdsindia.com home page. The system will authenticate the user by sending OTP on registered Mobile No. & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository website after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
5. Password details for shareholders other than Individual shareholders are given below:	
a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.	
b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.	
c) How to retrieve your 'initial password'?	
(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.	
(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.	
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:	
a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com .	
b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com .	
c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.	
d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.	
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.	
8. Now, you will have to click on "Login" button.	
9. After you click on the "Login" button, Home page of e-Voting will open.	

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@shivalikbimetal.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@shivalikbimetal.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **Step: 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
5. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
6. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call at 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.co.in.

General Information

1. There will be one vote for every Client ID / registered folio number irrespective of the number of joint holders.
2. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 19, 2023.
3. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e September 19, 2023, may generate the login ID and password as per e-voting instruction given above
4. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
5. Mr. Amit Saxena, Practicing Company Secretary (Membership No. 29918), Proprietor of M/s Amit Saxena & Associates has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the remote e-voting process in a fair and transparent manner.
6. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutineer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

7. The Results of voting will be declared within two working days from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's corporate website www.shivalikbimetals.com under the section 'Investor Relations' and on the website of NSDL, such Results will also be forwarded to the National Stock Exchange of India Limited and BSE Limited, where the Company's shares are listed.

For Shivalik Bimetal Controls Ltd.

Sd/-

Aarti Sahni

Company Secretary

M.No. A25690

Place : New Delhi

Date : August 29, 2023

Registered Office:

16-18, New Electronics Complex, Chambaghat, Distt. Solan, Himachal Pradesh - 173213

CIN: L27101HP1984PLC005862

E-mail: investor@shivalikbimetals.com

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified and confirmed by the shareholders of the Company.

In this regard, the Board on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of Mr. Ramawatar Sunar, Cost and Management Accountant, (Firm Registration No. 100691) as Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2024.

None of the Directors /Key Managerial Personnel of the Company /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. Swarnjit Singh was appointed as non-executive Independent Director of the Company by the members at the 37th Annual General Meeting of the Company held on September 15, 2021 for a period of four consecutive years commencing from November 11, 2020 to November 10, 2024.

In terms of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 effective from April 01, 2019, consent of members by way of special resolution is required for continuation of directorship of Non-Executive Independent Director, who is going to attain the age of 75 years. In this regards is was informed to the Board Members, Mr. Swarnjit Singh will attain the age of 75 years with effect from June 22, 2024 and therefore, the approval of members is being required for the continuation of his directorship for the remaing term till November 10, 2024.

In this regard, the Board on recommendation of Nomination & Remuneration Committee considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Swarnjit Singh as an Independent Director. The Board also considers that the Company will be benefited by his continuation, as his contribution is likely to be immense for valuable experience, knowledge and counsel. Accordingly, the Board recommends this Special Resolution in relation to continuation of directorship of Mr. Swarnjit Singh as an Independent Director till the expiry of the current term for the approval by the shareholders of the Company.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in this Resolution.

All the documents referred to are open for inspection at the Company's Registered Office on all working days, except Saturdays, between 10.00 A.M. to 1.00 P.M. till September 22, 2023 and will also be available for inspection at the Meeting.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval of the Members.

ITEM No. 6

Ms. Anu Ahluwalia (DIN: 07254059) was appointed as a Non-Executive Independent Director of the Company by the members at the 35th AGM of the Company held on September 11, 2019 for a period of five consecutive years commencing from August 12, 2019 to August 11, 2024. In terms of the provisions of Section 149, 150, 152 read with Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) and 17 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment for another term of five years, by passing of a special resolution by shareholders.

Based on the recommendation of Nomination and Remuneration Committee Ms. Anu Ahluwalia (DIN: 07254059) being eligible for re-appointment as an Independent Director not retire by rotation, is proposed to be re-appointed as an Independent Director, for second term of five consecutive years from August 12, 2024 to August 11, 2029 (both days inclusive).

In this regard, Company has received declaration from her stating that she meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation16(1)(b) of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015. She has also given her consent to continue to act as an Independent Director of the Company, if so appointed by the members. She is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act. She is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

The details required as per the provisions of the SEBI (LODR), Regulations, 2015 and Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India have been provided in the "Annexure" to the Notice.

In the opinion of the Board, she fulfills the conditions for re-appointment as an Independent Director as specified in the Act and Rules made thereunder and SEBI (LODR), Regulations, 2015 and is independent of the management.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Anu Ahluwalia as a non-executive Independent Director. The Board recommends this special resolution for the approval of members.

All the documents referred to are open for inspection at the Company's Registered Office on all working days, except Saturdays, between 10.00 A.M. to 1.00 P.M. till September 22, 2023 and will also be available for inspection at the Meeting.

Except Ms. Anu Ahluwalia, the appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

ITEM NO. 7

Pursuant to Regulation 17(1A) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the "Act") and the Rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, No listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

The Company has received relevant declaration under Section 164, 184 and 149 of the Companies Act, 2013 from Mr. Sudhir Mehra (DIN: 07424678), who has already attained the age of seventy-five (75) year. In terms of provisions of section 149(6) read with Companies (Appointment and Qualification of Directors), Rules, 2014 and regulation 16(1)(b), 25 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Mr. Sudhir Mehra meets the specified criteria mentioned in the provisions to become the Independent Director. Accordingly, it is proposed to appoint Mr. Sudhir Mehra as an Independent Director to hold office for a period of five(5) consecutive years w.e.f September 26, 2023 up to September 25, 2028. The Board recommends this special resolution for the approval of members.

On recommendation of Nomination & Remuneration Committee and in the opinion of the Board, Mr. Sudhir Mehra fulfills the conditions for appointment as non-executive Independent Director, as specified in the Act, and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board also considers that the Company will be benefited by his appointment, as his contribution is likely to be immense for valuable experience, knowledge and counsel.

Brief resume of Mr. Sudhir Mehra, nature of his expertise in specific functional areas and names of Companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between Directors inter-se are provided in Annexure to this Notice.

All the documents referred to are open for inspection at the Company's Registered Office on all working days, except Saturdays, between 10.00 A.M. to 1.00 P.M. till September 22, 2023 and will also be available for inspection at the Meeting.

None of the Directors /Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

ITEM NO. 8

Pursuant to Regulation 17(1A) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the "Act") and the Rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, No listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

The Company has received relevant declaration under Section 164, 184 and 149 of the Companies Act, 2013 from Mr. Nand Parkash Sahni (DIN; 00037578), who has already attained the age of seventy-five (75) year. In terms of provisions of section 149(6) read with Companies (Appointment and Qualification of Directors), Rules, 2014 and regulation 16(1)(b), 25 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Mr. Nand Parkash Sahni meets the specified criteria mentioned in the provisions to become the Independent Director. Accordingly, it is proposed to appoint Mr. Nand Parkash Sahni as an Independent Director to hold office for a period of five(5) consecutive years w.e.f September 26, 2023 up to September 25, 2028. The Board recommends this special resolution for the approval of members.

On recommendation of Nomination & Remuneration Committee and in the opinion of the Board, Mr. Nand Parkash Sahni fulfills the conditions for appointment as non-executive Independent Director, as specified in the Act, and Regulation 16(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Board also considers that the Company will be benefited by his appointment, as his contribution is likely to be immense for valuable experience, knowledge and counsel.

Brief resume of Mr. Nand Parkash Sahni, nature of his expertise in specific functional areas and names of Companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between Directors inter-se are provided in Annexure to this Notice.

All the documents referred to are open for inspection at the Company's Registered Office on all working days, except Saturdays, between 10.00 A.M. to 1.00 P.M. till September 22, 2023 and will also be available for inspection at the Meeting.

None of the Directors /Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

For Shivalik Bimetal Controls Ltd.

Sd/-

Aarti Sahni

Company Secretary

M.No. : A25690

Place : New Delhi

Date : August 29, 2023

Registered Office:

16-18, New Electronics Complex, Chambaghat, Distt. Solan, Himachal Pradesh - 173213
CIN: L27101HP1984PLC005862 E-mail: investor@shivalikbimetals.com

Annexure-A

Details of the Directors seeking re-appointment/appointment in the 39th Annual General Meeting pursuant to Regulation 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Particulars	Mr. N.S. Ghuman	Mr. Swarnjit Singh	Ms. Anu Ahluwalia	Mr. Sudhir Mehra	Mr. Nand Parkash Sahni
DIN	00002052	07409567	07254059	07424678	00037478
Date of Birth	24/08/1950	22/06/1949	01/02/1962	06/11/1947	15/04/1941
Age	73 Years	74 Years	61 Years	76 Years	82 Years
Date of appointment/ Reappointment	01/04/2021	11/11/2020	11/08/2024	26/09/2023	26/09/2023
Date of first appointment on Board	Since inception	11/11/2020	12/08/2019	26/09/2023	26/09/2023
Terms and Conditions of Appointment	As approved earlier by the Shareholders	As stated in the Item No. 5 of the Notice.	As stated in the Item No. 5 of the Notice.	As stated in the Item No. 7 of the Notice.	As stated in the Item No. 8 of the Notice.
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil	Nil	Nil	Nil	Nil
Remuneration sought to be paid	As approved earlier by the Shareholders	Nil	Nil	Nil	Nil
Remuneration Last Drawn	As approved earlier by the Shareholders	Nil	Nil	Nil	Nil

Particulars	Mr. N.S. Ghuman	Mr. Swarnjit Singh	Ms. Anu Ahluwalia	Mr. Sudhir Mehra	Mr. Nand Parkash Sahni
Brief Resume including the skill and capabilities	Mr. N. S. Ghuman is one of the promoter Directors of the Company and holds the position of Managing Director in the Company. He is a highly qualified and a widely experienced technocrat having experience of over 50 years in the field of engineering, manufacturing operations, Research & Development/ Product Development activities etc., During this period under his stewardship, the Company has undertaken many challenging initiatives, implemented critical expansion programs and has enhanced manufacturing capabilities and capacities with the result that the Company's products find more and more acceptability world over.	Captain Swarnjit Singh has over 53 years of experience in the aviation sector. He has been working in the capacity of a commander, trainer, instructor, examiner and incident investigation and pilot counselling. Capt. Swarnjit Singh started his career in Indian Airlines in 1973 as a commercial pilot. He then moved to Malaysian Airlines in 1989 as a commander. In 1995, Capt. Swarnjit Singh moved to Singapore Airlines. Finally, Capt. Swarnjit Singh was monumental in establishing the early flight operations of Indigo from 2010 to 2014. Since 2015, Capt. Swarnjit Singh has been an advisor to the board to several innovative technology companies including Eirene Systems. Capt.	Ms. Anu Ahluwalia is qualified MA (Economics) from Rajasthan university and B. Ed from Annamalai University. She is an educationist with over 30 years of experience. She is a social worker, working in the local area for the immediate betterment of the people and infrastructure, through awareness and direct engagement with local populace. She has been a member of Army Women Welfare Association at various levels from 1984 to 2008.	Mr. Sudhir Mehra has over 30 years of experience in Banking and Finance. He has also served 17 years in Alchem International Pvt. Ltd. as Finance Consultant. He has also working experience with SBI Cards, a JV, with Ge Capital as Country Head Sales and Marketing.	Mr. Nand Parkash Sahni is a well educated person and is a retired civil servant belonging to 1965 batch of Indian Revenue Service. He held senior position in Government of India and during his service he was involved in many foreign assignments as well. His vast experience in the realm of Corporate Governance will greatly benefit the Company. He worked in the field of Direct Taxation during his tenure as IRS Officer. Mr. Nand Parkash Sahni holds a Masters degree in Administration and Graduation in Law. He also holds the degree in MSc from the University of Bath, U.K.

Particulars	Mr. N.S. Ghuman	Mr. Swarnjit Singh	Ms. Anu Ahluwalia	Mr. Sudhir Mehra	Mr. Nand Parkash Sahni
Directorships held in other listed companies*	Nil	Nil	Nil	Nil	1. Mohan Meakin Ltd. 2. Hindustan Tin Works Ltd.
Memberships / Chairmanships of Committee in other public limited companies (includes only Audit & Shareholders' / Investors' Grievance Committee)	Nil	Nil	Nil	Nil	1. Hindustan Tin Works Ltd. – Member of Audit Committee and Nomination & Remuneration Committee.
No. of shares held in Company	44,91,000	4,500	Nil	Nil	Nil
Details of listed entities from which the person has resigned in the past three years	Nil	Nil	Nil	Nil	Nil

In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements

* excluded Section 8 Companies and Private Limited Companies

SHIVALIK BIMETAL CONTROLS LIMITED

Registered Office: 16 18, New Electronics Complex, Chambaghat, Distt. Solan,
Himachal Pradesh - 173213 (INDIA) CIN:L27101HP1984PLC005862
Phone: +91-1792-230578
Email: investor@shivalikbimetals.com, Website: www.shivalikbimetals.com

ATTENDENCE SLIP

(to be handed over at the registration counter)

Name of the member (s):

Address:

.....
Folio No. / Client Id: DP ID:

No. of shares:

I/We hereby record my/our presence at the 39th Annual General Meeting of the Company on Tuesday, September 26, 2023 at Hotel Namastasya, Bye Pass Road, near New Bus Stand, Lawi Khurd, Solan, Himachal Pradesh 173212 at 10.30 A.M. (IST)

.....
First/sole holder/Proxy

.....
Second holder/Proxy

.....
Third holder/Proxy

**Form No MGT 11
PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

SHIVALIK BIMETAL CONTROLS LIMITED

Registered Office: 16 18, New Electronics Complex, Chambaghat, Distt. Solan, Himachal Pradesh - 173213 (INDIA)

CIN: L27101HP1984PLC005862 Phone: +91-1792-230578

Email: investor@shivalikbimetals.com, Website: www.shivalikbimetals.com

Name of the member (s):
Registered Address:
..... E-mail ID:
Folio No . / Client Id: DP ID:

I/We, being the member (s)shares of the Shivalik Bimetal Controls Ltd, hereby appoint

1.	Name : Email Id:	Address : Signature:
2.	Name : Email Id:	Address : Signature:
3.	Name : Email Id:	Address : Signature:

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39th Annual General Meeting of the Company, to be held on Tuesday, the September 26, 2023 at Hotel Namastasya, Bye Pass Road, near New Bus Stand, Lawi Khurd, Solan, Himachal Pradesh 173212 at 10.30 A.M. (IST) and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Ordinary Business(es):
1.	To receive, consider and adopt the Audited Financial Statements (both Standalone and Consolidated Financial Statements) of the Company for the financial year ended March 31, 2023 and the Report of the Board of Directors and the Auditors thereon;
2.	To confirm the payment of Interim Dividend and to declare a Final Dividend on Equity Shares for the financial year ended March 31, 2023;
3.	To appoint a Director in place of Mr. N.S. Ghuman (DIN: 00002052) who retires by rotation and being eligible, offers himself for re-appointment;
	Special Business(es):
4.	Ratification of remuneration of Mr. Ramawatar Sunar, Cost Auditors' of the company for the financial year ending March 31, 2024.
5.	Continuation of Directorship of Mr. Swarnjit Singh (DIN: 07409567), as an Independent Director of the Company
6.	Re-appointment of Ms. Anu Ahluwalia (DIN: 07254059) as an Independent Director of the Company
7.	Appointment of Mr. Sudhir Mehra (DIN: 07424678), as an Independent Director of the Company
8.	Appointment of Mr. Nand Parkash Sahni (DIN: 00037478), as an Independent Director of the Company

Signed this day of2023

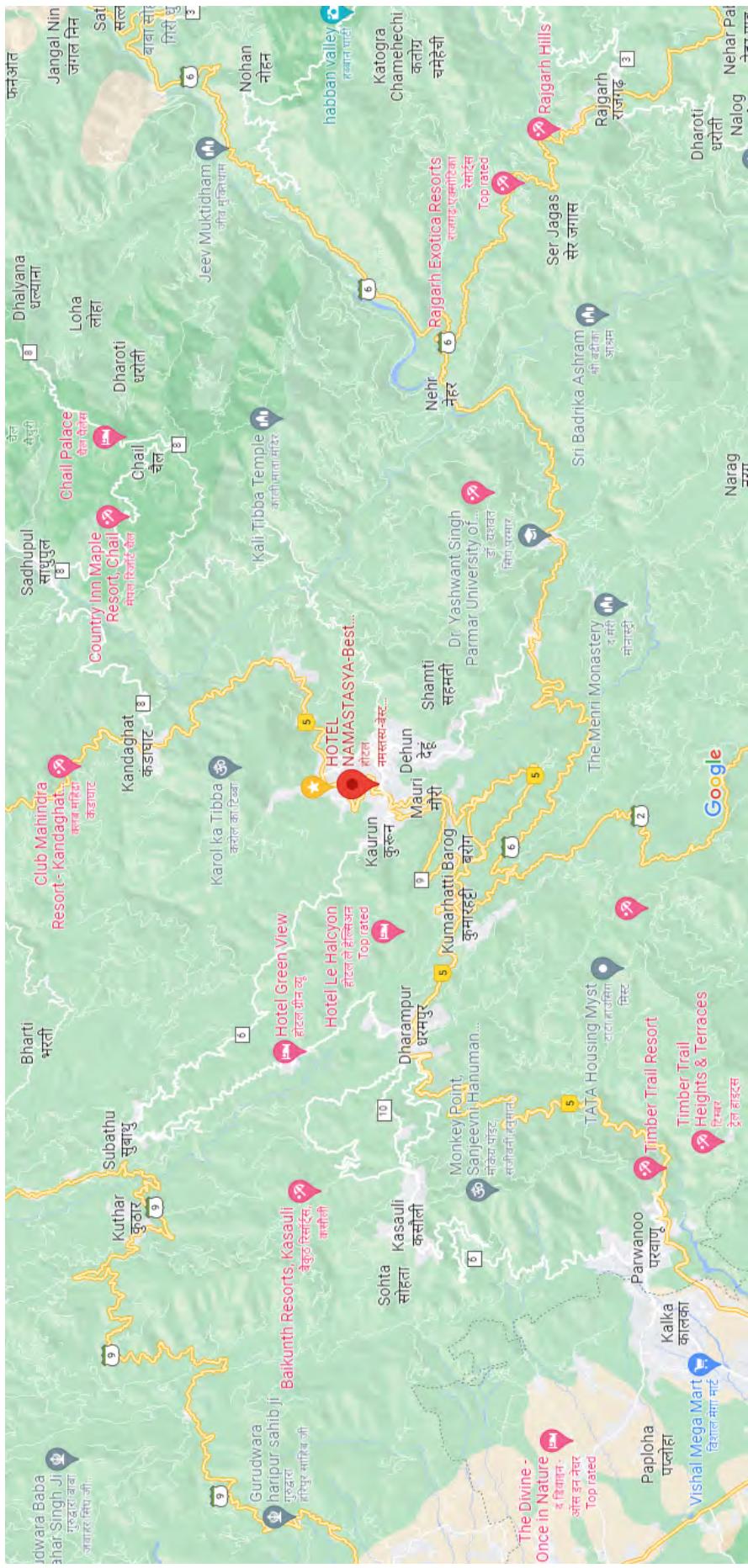
Signature of Shareholder:.....

Signature of Proxy holder (s) :

Affix a
Revenue
Stamp of
₹ 1.00

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

Route Map





**SHIVALIK BIMETAL
CONTROLS LIMITED**

Registered Office

16-18, New Electronics Complex, Chambaghat,
Distt. Solan-173213, Himachal Pradesh

Phone: +91-1792-230578
Fax: +91-1792-230475

Email: investor@shivalikbimetals.com
Website: www.shivalikbimetals.com

CIN: L27101HP1984PLC005862