

31st ANNUAL REPORT 2014-15



SHIVALIK BIMETAL CONTROLS LIMITED

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Important Communication to Members

The Ministry of Corporate Affairs has taken a 'Green Initiative in the Corporate Governance' by allowing paperless Compliances by the Companies and has issued circular stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to provide / update their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members holding shares in physical form are requested to fill the Registration Form (refer page 82 of the Annual Report) and register the same with the Company by sending the same at the Registered Office or Head Office of the Company. Members can also intimate / update their e-mail address to the Company by sending an e-mail at investor@shivalikbimetals.com.



COMPANY INFORMATION

The Board of Directors	: Mr. S.S. Sandhu, Chairman Mr. N.S. Ghumman, Managing Director Mr. D.J.S. Sandhu, Dy. Managing Director Mr. Rohit Kapur, Director Mr. G.S. Gill, Director Mr. N.J.S. Gill, Director Lt. Gen. Pradeep Khanna, Director Capt. Jitender Singh Mann, Director Mrs. Harpreet Kaur, Women Director
Chief Financial Officer	: Mr. Mukesh Kumar Verma
Company Secretary	: Mr. Ram Pravesh
Registered Office	: 16-18, New Electronics Complex, Chambaghat, Distt. Solan-173213 Himachal Pradesh. Phone : +91-1792-230578, 230175, 230243, 230567 Fax : +91-1792-230475 Email : nsghumman@shivalikbimetals.com Website: www.shivalikbimetals.com CIN: L27101HP1984PLC005862
Head Office	: H-2, Suneja Chambers, 2nd Floor, Alaknanda Commercial Complex, New Delhi-110019 Phone : +91-11-26027174, 26026362, 26028175 Fax : +91-11-26026776, 26020806 Email : investor@shivalikbimetals.com Website: www.shivalikbimetals.com
Statutory Auditors	: Malik S & Co., Chartered Accountants, 1/101, (L G F) Old Rajender Nagar, Sir Ganga Ram Hospital Marg, New Delhi- 110 060
Bankers	: Indian Bank Nehru Place, New Delhi-110019
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, 266387282 Fax: (91) (11) 26387384 Email: info@masserv.com
Secretarial Auditors	M/s. APAC & Associates, Company Secretaries
Internal Auditors	M/s. AMR & Co., Chartered Accountants



NOTICE TO THE MEMBERS

NOTICE is hereby given that the 31st Annual General Meeting of the Members of Shivalik Bimetal Controls Limited will be held on Wednesday, the 23rd day of September, 2015 at Plot No. 16-18, New Electronics Complex, Chambaghat, Distt. Solan (H.P.), at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2015, Statement of Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Lt. Gen. Pradeep Khanna (Retd.) (DIN: 06668919), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Rohit Kapur (DIN: 00007721), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s Malik S & Co., Chartered Accountants (Registration No. 00383N), New Delhi, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS :

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for Regularisation of Additional Director, Mrs. Harpreet Kaur (DIN 07012657) as an Independent Non-Executive Women Director:-

“RESOLVED THAT pursuant to the provisions of section 149, 150, 152 read with Schedule IV and all other applicable provisions 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 Clause 49 of the Listing Agreement, Mrs. Harpreet Kaur (DIN: 07012657), who was appointed as an Additional Director w.e.f. November 10, 2014 pursuant to the provisions of Section 161 of the Companies Act, 2013 and other applicable provisions and who hold office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Non-Executive Women Director, whose period of office shall be liable to retire by rotation.”

Place : New Delhi

Date : August 11, 2015

By order of the Board

For SHIVALIK BIMETAL CONTROLS LIMITED

Sd/-

N. S. Ghuman

Managing Director

DIN: 00002052

Village Basal, Chambaghat District Solan
173213, Himachal Pradesh, India

Registered Office:

16-18, New Electronics Complex,
Chambaghat, Distt. Solan (H. P.)
CIN: L27101HP1984PLC005862
e-mail: investor@shivalikbimetals.com

NOTES :

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of 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 carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. Disclosures pursuant to Clause 49 of the Listing Agreement with respect to Directors seeking re-appointment at forthcoming Annual General Meeting are given in Annexure.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 17.09.2015 to 23.09.2015 (both days inclusive) for the purpose of Annual General Meeting.
5. The relative Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013, in respect of the special business under item No. 5 is annexed hereto.
6. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the Meeting.
7. Members holding shares in physical form are advised to send all the requests regarding share transfer and correspondence in relation to share matters to the Company's Registrar and Share Transfer Agent (RTA) at the following address:

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

Members are also requested to intimate any change of their address to the Company's Head Office / Registered Office / RTA by quoting their Folio Number. Members must quote their Folio No. in all correspondence.

8. Members desirous of obtaining any information relating to accounts and operations of the Company may address their queries / questions to the Company's Head Office, so as to reach at least five days before the date of the meeting so that the information may be made available at the meeting to the best extent possible.
9. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Annual General Meeting.
10. In case of joint holders attending the Annual General Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Pursuant to Section 124 and 125 of the Companies Act, 2013 and other applicable provisions all unclaimed/unpaid dividend for the years prior to and including for the financial year 2007-08 (IInd Interim), have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

In case the Dividend has remained unclaimed for any of the financial year from 2007-08 (Final Dividend), the Shareholders may approach the Company with their dividend warrants for revalidation/ with the letter of undertaking for issue of revalidated/ duplicate dividend.

12. The Ministry of Corporate Affairs has taken a 'Green Initiative in the Corporate Governance' by allowing paperless Compliances by the Companies and has issued circular stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to provide / update their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants or send an e-mail at info@masserv.com or investor@shivalikbimetals.com to get the Annual Report and other documents on such e-mail address. Members holding shares in physical form are also requested to intimate their e-mail address to MAS Services Limited either by e-mail



at info@masserv.com or investor@shivalikbimetals.com or by sending a communication at the Registered Office or Head Office of the Company or at the address mentioned below:

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

13. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 31st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

The procedure and instructions for members for e-voting are as under:

- I. In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):
 - a. Open e-mail and open PDF file viz. "SBCL-remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
 - b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
 - c. Click on Shareholder-Login.
 - d. Put user ID and password as initial password noted in step (a) above. Click Login.
 - e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - g. Select "EVEN" of "Shivalik Bimetal Controls Limited".
 - h. Now you are ready for remote e-voting as Cast Vote page opens.
 - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - j. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - k. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to plawizard@gmail.com with a copy marked to evoting@nsdl.co.in.
- II. In case of Members receiving Physical copy of Notice of 31st Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)
 - a. Initial password is provided in the box overleaf.
 - b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.
- III. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- IV. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/ PIN for casting your vote.

- V. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- VI. 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 16th September, 2015.
- VII. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 16th September, 2015., may also obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA, MAS Services Limited.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- VIII. The e-voting period commences on 20th September, 2015 (9.00 a.m.) and ends on 22nd September, 2015 (5.00 p.m.). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- IX. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- X. 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.
- XI. Mr. Purshotam Lal Arora, Practicing Chartered Accountant (Membership No. 081294), Proprietor of M/s P L Arora & Co., Chartered Accountants has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XII. 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 scrutinizer, 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.
- XIII. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.shivalikbimetals.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited.



Annexure to Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

ITEM NO. 5

The Board of Directors have received a notice from the shareholder proposing the candidature of Mrs. Harpreet Kaur (DIN: 07012657) as a Women / Independent Director to be appointed under the provisions of Section 149 and 152 of the Companies Act, 2013. The Company has also received from Mrs. Harpreet Kaur (i) consent in writing to act as Women / Independent Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014 (ii) intimation in Form DIR- 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the companies Act, 2013.

The Resolution seeks the approval of members for the appointment of Mrs. Harpreet Kaur as Women / Independent Director of the Company in pursuance of Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made hereunder, whose period of office shall be liable to retire by rotation. In the opinion of the Board of Directors, Mrs. Harpreet Kaur proposed to be appointed, as a Women / Independent Director, fulfill the conditions specified in the Companies Act, 2013 and the Rules made hereunder and she is an independent.

A copy of the draft letter for the appointment of Mrs. Harpreet Kaur as a Women / Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's Registered Office during normal business hours on working days up to the date of the Annual General Meeting. Brief resume of Mrs. Harpreet Kaur is given in the annexure attached hereto.

None of the Directors, Key Managerial Personnel or their relatives, except Mrs. Harpreet Kaur for whom the Resolution relates, is interested or concerned in the Resolution.

The Board seeks approval of the members for the appointment of Mrs. Harpreet Kaur as Independent Director of the Company whose period of office shall be liable to retire by rotation.

Place : New Delhi
Date : August 11, 2015

By order of the Board
For Shivalik Bimetal Controls Limited

Registered Office:

16-18, New Electronics Complex,
Chambaghat, Distt. Solan (H. P.)
CIN: L27101HP1984PLC005862
e-mail: investor@shivalikbimetals.com

Sd/-
N. S. Ghuman
Managing Director
DIN: 00002052
Village Basal, Chambaghat District Solan
173213, Himachal Pradesh, India

DISCLOSURE PURSUANT TO CLAUSE 49 OF LISTING AGREEMENT WITH REGARD TO THE DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

(Refer Item Nos. 2,3 & 5 of notice)

Name of Director	Brief resume and nature of expertise in functional areas	List of Directorships / Committees memberships as on 31st March, 2015 in other Companies
Mr. Rohit Kapur	Mr. Rohit Kapur was born on 01st April, 1955 is a qualified B.Com. (Hons.) and has rich experience in processing industry and other related fields. He is on the Board of the Company since the year 2000 as non-executive and Independent Director of the Company. Since he has been in business for the last 37 years and accordingly well aware of intricacies of carrying on business, as such he provides useful guidance to the Company on critical issues	NIL
Lieutenant General Pradeep Khanna (Retd.)	Lieutenant General Pradeep Khanna was born on 7th February, 1951 at Modinagar (UP) having educational qualification of Defence Services Staff Collage Course (MSc in Defence Studies), Higher Command Course (HC-22), Royal Collage of Defence Studies (RCDS), united Kindgom. He was superannuated as General Officer Commanding-in-Chief, Southern Command, Pune on 28th February, 2011. He has been awarded Param Vishisht Seva Medal, Ati Vishisht Seva Meda, Vishisht Seva Medal and Aid-De-Camp during his service tenure in Indian Military.	NIL
Mrs. Harpreet Kaur	Mrs. Harpreet Kaur was born on 8th April, 1954 in Amritsar, Punjab is a qualified B.A.(Hons.) having more than 30 years' rich experience in retails business, and accordingly well aware of intricacies of carrying on business, as such she provides useful guidance to the Company on critical issues.	Nil



DIRECTORS' REPORT



Dear Shareholders,

Your Directors have pleasure in presenting their 31st Annual Report of the company, along with Audited Accounts for the financial year ended 31st March, 2015.

FINANCIAL RESULTS:

(Rs. in Lacs)

PARTICULARS	YEAR 2014-15	YEAR 2013-14
Sales & Other income	10,162.22	8,550.27
Exceptional Items- Expenses	103.91	58.91
Profit before Finance Cost, Depreciation and Tax	1,479.92	965.42
Finance Costs	319.84	317.04
Depreciation	317.05	234.98
Profit before Tax	843.03	413.40
Less: Tax Expenses	348.84	60.48
Profit for the Year	494.19	352.92
Balance brought forward from Previous Year	2,971.78	2,718.86
Profit available for Appropriation	3,465.97	3,071.78
Appropriations:		
General Reserve	100.00	100.00
Balance carried to Balance Sheet	3,365.97	2,971.78

KEY FINANCIAL RATIOS

PARTICULARS	YEAR 2014-15	YEAR 2013-14
PBDIT/Total Income (%)	14.56%	11.29%
Interest/Total Income(%)	3.15%	3.71%
Interest Cover (times)	4.63	3.04
PBDT/Total Income(%)	11.41%	7.58%
Net Profit/ Total Income(%)	4.86%	4.13%
Cash Profit/ Total Income(%)	8.96%	6.87%
Return on capital employed (%)	16.18%	10.46%

PER SHARE DATA

PARTICULARS	YEAR 2014-15	YEAR 2013-14
Basic EPS	2.57	1.84
Book Value per share	31.70	29.27

COMPANY'S PERFORMANCE IN FY 2014-15

Your Company has achieved 'Sales and other income' of Rs. 10,162.22 lacs during the Financial Year 2014-15 as compared to Rs. 8,550.27 lacs of the previous Financial Year 2013-14, thereby showing a growth of 18.85%. The total exceptional items - expenses of the Company during the Financial Year 2014-15 is Rs.103.91 lacs as compared to Rs. 58.91 lacs of the previous Financial Year.



Profit before exceptional & extraordinary items and tax for the F Y 2014-15 is Rs. 946.94 lacs against Rs. 472.31 lacs of previous year. After making a provision for doubtful debts of Rs. 99.40 lacs during FY 2014-15, your company has reported a net profit of Rs. 494.19 lacs against Rs. 352.92 lacs of previous year. The profit during FY 2014-15 has increased by 40% over the previous year.

DIVIDEND AND TRANSFER TO RESERVE

Keeping in view the requirements of the business, available growth potentials and for modernization/ automation of existing plant and machinery, the Board of Directors of your company have decided to recommend ploughing back the profits and thus, not recommended any dividend for the financial year under review.

The Company has transferred a sum of Rs. 100.00 Lacs in the General Reserve out of the amount available for appropriations and an amount of Rs. 3,365.97 Lacs has been retained in the Profit & Loss Account.

EXPORTS

Your Directors are pleased to report that the Company's exports are continuously growing. The company has registered a growth of 20.49% in exports during FY. 2014-15, which grew at a rate of 5.96% during FY. 2013-14. During FY. 2014-15, your company exported goods to the tune of Rs. 3,999.17 lacs as against Rs. 3,319.00 lacs during previous financial year.

EXPANSION

As informed last year, Unit- IV has been set up in the existing factory premises for the production of linear and disc grade bimetals. Regular sale is picking up, specifically of disc grade bimetal/ tri metal applications simultaneous with development activities. Disc grade bimetal/ tri-metal products have growth prospects in the coming years.

JOINT VENTURE & ASSOCIATES

There has been no material change in the nature of the business of the Companies wherein your Company has a Joint Venture and/ or is associated with.

The Investment of your Company in Checon Shivalik Contact Solutions Private Limited (CSCS-a joint venture company) as on 31.03.2015 stands at Rs. 221.45 Lacs (previous year Rs.198.95 Lacs) with addition of Rs. 22.50 Lacs in the form of allotment of 2,25,000 no. of Equity Shares to your Company.

The Investment of your Company in Innovative Clad Solutions Private Ltd. (ICS-a joint venture company) as on 31.03.2015 continues to be Rs. 1512.00 Lacs (previous year Rs. 1512.00 Lacs).

The Investment of your Company in Shivalik Bimetal Engineers Pvt. Ltd. (SBEPL-an associate company) as on 31.03.2015, stands at Rs. 22.28 Lacs (previous year Rs. 22.28 Lacs).

PUBLIC DEPOSITS

During the year under review, your Company did not accept any public deposits from the public under section 73 of the Companies Act, 2013.

DIRECTORS

In accordance with the requirements of Companies Act, 2013 and other applicable provisions, Mr. Rohit Kapur and Lieutenant General Pradeep Khanna (Retd.), Independent non-executive directors, are to retire by rotation at the ensuing Annual General Meeting and, being eligible, have offered themselves for re-appointment.

During the year under review, in accordance with provisions of Section 161, 149, 150, 152 read with Schedule IV and all other applicable provisions 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 Clause 49 of the Listing Agreement, Mrs. Harpreet Kaur was appointed as Additional Director (Women Director) of the company w.e.f. 10th November 2014 and who holds office up to the date of this Annual General Meeting.

The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, to be appointed as an Independent Non-Executive Director, whose period of office shall be liable to retire by rotation."



Pursuant to section 149 and other applicable provisions of the Act, Rules made thereunder, the Board seeks approval of the members for the appointment of Mrs. Harpreet Kaur as Independent Non-Executive Director of the Company, whose period of office shall be liable to retire by rotation.

KEY MANAGERIAL PERSONNEL

In pursuance to provisions of Section 2(51) read with Section 203 of the Companies Act, 2013 and rules made thereunder and other applicable provisions thereto, Mr. Mukesh Kumar Verma, who is already working in the Company as Chief Financial Officer, designated as Chief Financial Officer as well as Key Managerial Person of the Company by the Board in its meeting held on 28th May, 2014.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

In terms of the provisions of the Companies Act, 2013 read with Rules issued thereunder and Clause 49 of the Listing Agreement, the Board of Directors on recommendation of the Nomination and Remuneration Committee, have evaluated the performances of the Board/Director(s) for the financial year 2014-15.

NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

During the year, four (4) Board Meetings and four (4) Audit Committee Meetings were convened and held. The details are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DECLARATION OF INDEPENDENCE

Your Company has received declarations from all the Independent Directors u/s 149(6) of the Companies Act, 2013 confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Clause 49 of the Listing Agreement.

CORPORATE GOVERNANCE

Your Company is committed to adopting and adhering to the best Corporate Governance practices/requirements as set out by SEBI.

As per the requirements under Clause 49 of the listing agreement with Bombay Stock Exchange Limited, the Report on Corporate Governance incorporating, a separate section on 'Management Discussion and Analysis Report' - which is part of the Directors' Report together with Auditors' Certificate regarding Compliance of Corporate Governance, is annexed herewith as '**Annexure- A & B**'

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The details 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 given in the notes to Financial Statements.

AUDITORS

The Statutory Auditors, M/s Malik S & Co., Chartered Accountants (Registration No. 00383N), New Delhi, hold office till the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. The certificate from the Auditors have been received to the effect that their re-appointment, if made, would be within the prescribed limit under section 141(3)(g) of the Companies Act, 2013.

AUDITORS' REPORT

There are no qualifications, reservations, or adverse remarks or disclaimers made by M/s Malik S & Co., Statutory Auditors, in their report. Observations made in the Auditor's Report are self-explanatory and therefore do not call for any further comments under Section 134(1) of the Companies Act, 2013.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s APAC & Associates, Company Secretaries to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as 'Annexure-D' to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.



INTERNAL AUDIT

Pursuant to the Section 138 of the Companies Act, 2013, the Companies (Accounts) Rules, 2014 and other applicable provisions M/s. AMR & Co., Chartered Accountants, (Firm Registration No. 015422N) were appointed as Internal Auditors of the company for the F.Y. 2014-15.

Internal Audit is regularly conducted to evaluate the adequacy and effectiveness of internal controls and overall risk management. Internal Audit is staffed by professionals with varied skills and expertise. The Audit committee of the board provides directions and monitors the effectiveness of the Internal Audit function.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems to ensure operational efficiency, accuracy and promptness in financial reporting and compliance of various laws and regulations. The internal control system is supported by the internal audit process. An Internal Auditor has been appointed for this purpose. The Audit Committee of the Board reviews the Internal Audit Reports and the adequacy and effectiveness of internal controls periodically.

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of business including adherence to the Company's Policies, safeguarding of its assets, the prevention and detection of fraud, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT- 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as 'Annexure-C' to this Report.

RELATED PARTY TRANSACTIONS

During the financial year 2014-15, all transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no Material Related Party transactions during the year. Thus, disclosure in Form AOC-2 is not required.

There were no transactions with related parties, which qualify as material transactions under the Listing Agreement.

The Board has adopted Related Party Transaction Policy for determining the materiality of related party transactions and also on the dealings with related parties. This Policy has been displayed on the Company's website at <http://www.shivalikbimetals.com/images/pdf/related-party-transactions-policy.pdf>. All transactions with related parties during the year were in the ordinary course of business and at arm's length. There are no related party transactions that may have potential conflict with the interest of the Company at large. The details of the related party transactions as required under Accounting Standard - 18 are set out in Note 37 to the financial statements forming part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the Section 135 of the Companies Act, 2013, Schedule VII of the Act, Companies (Corporate Social Responsibility Policy) Rules, 2014 and other applicable provisions, CSR provisions are not applicable to your Company for the Financial Year 2014-15.

RISK MANAGEMENT

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

Your Company, through its risk management process, strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors. As per the requirements of Clause 49 of the Listing Agreement, your Company has constituted a Risk Management Committee to oversee the risk management efforts in the Company under the Chairmanship of Mr. S.S. Sandhu, Chairman & Whole-time Director of the Company.



The details of the Committee are set out in the Corporate Governance Report forming part of this Report. During the financial year 2014-15, the Board of Directors have approved the risk management policy and displayed on Company website at <http://www.shivalikbimetals.com/images/pdf/risk-mangement-policy.pdf>.

There are no risks, which in the opinion of the Board threaten the existence of your Company. However, some of the risks, which may pose challenges, are set out in the Management Discussion and Analysis that forms part of this Report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement and displayed at the Company website at <http://www.shivalikbimetals.com/images/pdf/whistle-blower-policy.pdf>. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them. More details on the vigil mechanism and the Whistle Blower Policy of your Company have been outlined in the Corporate Governance Report, which forms part of this report.

CREDIT RATING

M/s CARE Ratings has rated your company BBB for long-term facilities and A3+ for short-term facilities conveyed vide their letter-dated 12.01.2015.

DISCLOSURE 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 at Workplace. 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 in the Company's website.

There were no complaints received during the Financial Year 2014-15.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 134 (5) of the Companies Act, 2013, based on the information and representations received from the operating management, the 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 judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on 31st March, 2015;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (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 are operating effectively;
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

LISTING FEES

The annual listing fees for the year under review have been paid to BSE Limited, where your Company's shares are listed.

GENERAL SHAREHOLDER INFORMATION

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

NOMINATION AND REMUNERATION & BOARD DIVERSITY POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a Policy for selection, appointment and remuneration of Directors and Key Managerial Personnel, which is displayed at the Company website at <http://www.shivalikbimetals.com/images/pdf/nomination-and-remuneration-and-board-diversity-policy.pdf>.

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

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued thereunder and Clause 49 of the Listing Agreement, your Company has formulated the Nomination and Remuneration & Board Diversity Policy on the recommendations of the Nomination and Remuneration Committee. The salient aspects covered in the Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors and other matters has been outlined in the Corporate Governance Report, which forms part of this Report.

PARTICULARS OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report and given hereunder. In terms of Section 136(1) of the Companies Act, 2013, the same is open for inspection at the Registered Office of your Company. Copies of this statement may be obtained by the members by writing to the Company Secretary of your Company.

Further, the Company has no person in its employment drawing salary of Rs. 60 lacs per annum or Rs. 5.00 lacs per month (Excluding whole-time Directors- details of whom are given hereunder) as defined under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Name of Employee	Designation/ Nature of Duties	Remuneration (Rs. in lacs)	Qualification	Age (years)	Experience (No. of years)	Date of Commencement of employment	Particulars of previous employment
1	2	3	4	5	6	7	8	9
1.	Mr. S.S. Sandhu	Chairman	81.10	B.A. (Pass)	61	44	01/09/1992	N.A.
2.	Mr. N.S. Ghumman	Managing Director	81.16	B.E. (Hons.)	65	42	18/06/1984	M/s Tradex Gestion SA General of Switzerland
3.	Mr. D.J.S. Sandhu	Deputy Managing Director	69.28	B.Sc. (Hons.)	57	37	04/04/1996	N.A.

Notes:

1. Remuneration shown above includes Salary, Allowance, Medical, Leave Travel Assistance, Leave Encashment, Arrears of Salary, Bonus, Ex-Gratia, Company's contribution towards Provident Fund, Gratuity and Monetary value of perquisites calculated as per rules prescribed under Income Tax Law.

Other Disclosure:-

- (i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2014-15 :

Mr. S.S.Sandhu	Chairman	Median 1:42
Mr. N.S.Ghumman	Managing Director	Median 1:42
Mr. D.J.S.Sandhu	Dy Managing Director	Median 1:36

- (ii) the percentage increase in remuneration of each director, CFO, CEO, Company Secretary or Manager, if any, in the financial year 2014-15 :

Mr. S.S.Sandhu	Chairman	Nil
Mr. N.S.Ghumman	Managing Director	Nil
Mr. D.J.S.Sandhu	Dy Managing Director	Nil
Mr. Mukesh Kr Verma	CFO	11.7%
Mr. Ram Parvesh	Company Secretary	6.8%

- (iii) the percentage increase in the median remuneration of employees in the financial year 2014-15 :

Median - 6.7 %

- (iv) the number of permanent employees on the rolls of company - 265 nos.

- (v) the explanation on the relationship between average increase in remuneration and company performance:

The company's PAT has increased by 40% from Rs.352.92 lacs during F Y 2013-14 to Rs.494.19 lacs during F Y 2014-15 against which the average increase in remuneration is 7.8%

- (vi) comparison of the remuneration of the KMP against the performance of the company:

Your Company achieved 18.85% growth in 'Sales & other income' and 40% increase in the net profits during the year. There is a small increase of 0.86% in the remuneration of KMP's against the increase in Net Profit of 40%.

- (vii) variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

Date	Issued Shares	Closing Market Price per share(Rs)	EPS (Rs.)	PE Ratio	Market Capitalisation (Rs. In Cr.)
31.03.2014	1,92,01,400	8.25	1.84	4.48	15.84
31.03.2015	1,92,01,400	29.15	2.57	11.34	55.97
Increase/(Decrease)	Nil	20.90	0.73	6.86	
Increase/(Decrease)%	Nil	253.33%	39.67%	153.12%	
Issue Price of the Shares at the last Public Offer	*Rs. 2 per share	NA	NA	NA	NA

Date	Issued Shares	Closing Market Price per share(Rs)	EPS (Rs.)	PE Ratio	Market Capitalisation (Rs. In Cr.)
Increase in Market Price as on 31.03.2015 as compared to Issue Price at the last public offer	NA	27.15	NA	NA	NA
Increase in %	NA	1357.50	NA	NA	NA

* Adjusted to sub-division of shares in the ratio of 1:5 and issue of Bonus shares in the ratio of 1:1.

- (viii) 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-10.85% Average increase in the remuneration of KMP's- 0.86%

Justification: Increase in salary of KMP's is decided based on the company's performance, individual performance, inflation, prevailing Industry trends and benchmarks.

- (ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company:

Each KMP is granted Salary based on his qualification, experience, nature of job, industry benchmark, earlier salaries and many other factors, comparison of one against the other is not feasible.

- (x) the key parameters for any variable component of remuneration availed by the directors

There is no variable component of remuneration availed by the directors except sitting fee payable to non-working directors which is payable based on their attendance during Board Meetings.

- (xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

There is no such employee who received remuneration in excess of the highest paid director.

- (xii) affirmation that the remuneration is as per the remuneration policy of the company.

Remuneration paid to Whole Time Directors is as per the remuneration policy of the company

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 conservation of energy are;

- Energy conservation continues to be area of emphasis and is regularly monitored in every manufacturing unit of the company.
- Recycling of process water to conserve natural resources.
- Replacement of conventional inefficient bulbs with efficient CFL/LED lights. Reducing load during peak hours.



- Lowering the temperature to 350 degrees, when furnace do not have load, defining temperature range of annealing furnace to avoid major temperature change and reducing idle time for attaining required temperature,
- Installation of STP for recycling water for process use.

(ii) The steps taken by the company for utilizing alternate sources of energy; Improving sealing of furnaces.

(iii) The capital investment on energy conservation equipment; Rs 8.15 lacs.

(B) Technology absorption-

(i) the efforts made towards technology absorption;

The objective of R&D facility is to develop new products and study the customer needs and suggest them quality solutions which are cost effective and competitive for existing products.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution;

Disc Grade Bimetal /Tri-metal for better yield and performance, alternative process for snap disc manufacture, Edge round without material removal, deburring of material without removal of material.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - N.A.

(a) The details of technology imported - N.A.

(b) The year of import- N.A.

(c) Whether the technology been fully absorbed- N.A.

(d) 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. Rs. 16.78 lacs.

(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.

Earnings in Foreign exchange (FOB Value of Exports) Rs. 3,937.45 Lacs

Expenditure in Foreign currency Rs. 5,565.60 Lacs

Expenditure in Foreign currency on Capex Rs. 31.77 Lacs

SIGNIFICANT/ MATERIAL ORDERS PASSED BY THE REGULATORS

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

MATERIAL CHANGES AND COMMITMENTS

In terms of Section 134(3)(l) of the Companies Act, 2013, except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

REQUEST TO THE MEMBERS:

Your Directors invite the attention of all Members to note that pursuant to changes in applicable laws and regulations, in order to receive and participate in all corporate actions of the company, you are requested to: -

- Inform the Company / our registrar / Depository Participants, if not already done earlier, for updating details of your Permanent Account Number (PAN). The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar.



- Transferee(s) to furnish copy of their PAN Card to the Company / RTA's for registration of transfer of shares, for securities market transactions and off-market / private transactions involving transfer of shares in physical form.
- Inform your Depository Participant to reactivate your account for credit actions. Frozen Demat accounts may lead to non-credit / delayed credit of securities allotted to your account.
- Update your address with Registrar / Depository Participants to ensure timely receipt of shareholder communication. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandate to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company / Registrar and Share Transfer Agents, M/s MAS Services Limited.
- Investors are requested to kindly note that any dividend warrant which remains un-encashed for a period of seven years will be transferred to 'Investor Education and Protection Fund' in terms of section 125 of the Companies Act, 2013. Shareholders who have not en-cashed their dividend warrants may kindly contact the Company and lodge their warrants for revalidation. The schedule of transfer of unclaimed / unpaid dividend to the 'Investor Education and Protection Fund' is given in the Corporate Governance Report forming part of this Annual Report.
- The Ministry of Corporate Affairs has taken a 'Green Initiative in the Corporate Governance' by allowing paperless Compliances by the Companies and has issued circular stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to provide / update their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants or send an e-mail at info@masserv.com or investor@shivalikbimetals.com to get the Annual Report and other documents on such e-mail address. Members holding shares in physical form are also requested to intimate their e-mail address to MAS Services Limited either by e-mail at info@masserv.com or investor@shivalikbimetals.com or by sending a communication at the Company's Registered Office or Head Office or address mentioned below:

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

ACKNOWLEDGEMENTS

Your Directors would like to sincerely express their appreciation for co-operation received from the Company's Bankers, Indian Bank, during the year under review, from time to time.

Your directors place on record their deep sense of appreciation for the commitment and dedication of all the Company's executives, staff and workers.

Your Directors also thank all the Govt. authorities, business associates, customers, vendors and the shareholders and all stakeholders for their continuous support and co-operation to the Company during the year.

Place : New Delhi
Date : August 11, 2015

By order of the Board
For Shivalik Bimetal Controls Limited

Sd/-

Registered Office:

16-18, New Electronics Complex,
Chambaghat, Distt. Solan (H. P.)
CIN: L27101HP1984PLC005862
e-mail: investor@shivalikbimetals.com

S. S. Sandhu
Chairman

DIN: 00002312

302, Kings I, Royal Retreat,
Charmswood Village, Suraj Kund,
Faridabad, 121009, Haryana, India

ANNEXURE “A”

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Clause 49 of the Listing Agreement, a Management Discussion & Analysis Report covering performance and outlook is given below:

1. Economy and Industry Overview

The Indian Economy has turned around dramatically with the real GDP growth rate of 7.4%, making India the fastest growing large economy in the world. The growth in the next financial year is expected to be between 8 to 8.5% and aiming for a double digit rate seems feasible very soon.

Despite a stagnant industry and constrained demand environment, optimism about the mid and long-term growth prospects, remains. Global sentiment towards the Indian market has seen substantial improvement following the reforms initiated by the Indian government.

Recent government measures aimed at structural reforms in the Indian economy are in the right direction. Further, with inflation and other financial indicators such as monitoring of fiscal deficit and current account deficit, there are positive signs of higher growth numbers in the year ahead. Positive policies and lower global prices of various commodities have contributed to the marked decline in inflation and the comfortable external position in the country.

Given the increased government focus and policy initiatives to boost the infrastructure and construction segments, the growth rate is expected to pick up, moving forward. Overall, the Indian economy is expected to further strengthen through higher infrastructure spending, increased fiscal devolution to states and continued reforms in financial and monetary policy. The industrial segment, in particular, is likely to see a demand uptick, to trigger an all-round impact which could lead to greater revival in the sluggish consumer sentiment.

With the growth of infrastructure and construction segments, the bimetal business in India is poised for a good growth.

2. Opportunities & Threats

Additional capacities and the commitment to have zero defect quality products have provided substantial growth opportunities to your company in the global bimetal market. Your company has been closely working with various MNC's for the development of various products which will grow your company at a faster rate. Capability to produce disc grade bimetal is another weapon in the archery of your company. All out efforts for automation of the existing capabilities are being made to navigate through the changing technology and customer expectations.

The companies into export and import business do face a risk of loss due to exchange fluctuations in foreign currency. To mitigate this loss, your company has made a forex policy which is reviewed periodically more particularly w.r.t Natural hedging, increasing exports, need-based hedging of exposed portions. Other business threats are being handled as per the risk management policies of the company. Biggest challenge your company faces is stiff competition across the global markets.

3. Future Outlook

Your Directors are optimistic that with additional capacities and capabilities, your company can be a leader in global bimetal market. Your company is continuously taking various steps to face the challenging environment and customer expectations which are as under:

- Achieving customer satisfaction by providing zero defect quality product and services;
- Automation of existing capabilities;
- To provide safe working environment to workers;
- Skill Development;



MANAGEMENT DISCUSSION AND ANALYSIS



- Continuous efforts for cost reductions and optimal utilization of available resources of the company;
- Effective management of foreign exchange policy;
- In-house R & D facility for the purpose of product improvement & Development, product diversification, to explore new avenues for its product applications and new product development using same technology;
- To become a leader in global bimetal market.

4. Financial Performance

Equity Share Capital : The Equity Share Capital of the Company as on 31st March, 2015 stood at ₹384.03 Lacs. There was no fresh issue of capital during the year.

Finance Cost : Finance Cost for the financial year 2014-15 is ₹319.84 Lacs as compared to ₹317.04 Lacs in the previous year, as such there is an increase by 0.87 % in the current financial year.

Turnover: The Company's sales and other income has increased from ₹8,550.27 Lacs to ₹10,162.22 Lacs, an increase of 18.85% over the previous year.

Net Profit : Net profit available for appropriation for the year 2014-15 stood at ₹494.19 Lacs as compared to ₹352.92 Lacs in the previous year.

Earnings Per Share (EPS) : The Company's Earnings Per Share (EPS) during the current year is ₹2.57 (₹1.84 in the previous year).

5. Risks & Concerns

The Company has a Risk Management Policy in force to review and mitigate risks relevant to environmental, operational and business risks to safeguard its interest.

Risk Management Committee of the company is regularly monitoring the environmental, operational and business risks. In addition to this the company has internal audit systems which assesses the effectiveness of internal controls, risk identification and mitigation processes prevailing in the company. Audit Committee of the Board of Directors also reviews the internal audit reports and takes appropriate actions w.r.t deviations, if any.

The various heads of operations are having continuing interactions and communications at periodical intervals with the marketing head, employees and other stakeholders. They keep themselves abreast with the developments in the market, products, competition and other relevant areas.

6. Internal Control System and their Adequacy

Your Company has appropriate internal control systems for business processes, efficiency in its operations, and compliance with all the applicable laws and regulations. Regular internal checks and audits ensure that the responsibilities are being effectively executed. In-depth review of internal controls, accounting procedures and policies of Company is conducted. Your Company has adopted adequate internal control and audit system commensurate with its size and nature of business. Internal audit is carried on a quarterly basis. Internal auditors work with all levels of management and the report is placed before the Audit Committee. The Audit Committee after reviewing the findings and suggestions directs the respective departments to implement the same.

7. Occupational Health & Safety

The Company gives great importance to all the matters related to Health, Safety and Environment and ensures compliances of all statutory regulations. Training of employees on emergency response, firefighting, rescue and first aid are some of the regular features at manufacturing sites.

Occupational Health & Safety is an area concerned with protecting the safety, health and welfare of employees engaged in the company. The goals of occupational safety and health programs include to foster a safe and healthy work environment. Occupational Health & Safety has been recognized as an integral and key part of the Company's



MANAGEMENT DISCUSSION AND ANALYSIS



Business Process. The management believes that people working with the organization are of key resource for the success of the Organization. The sincere efforts put in by the employees have translated in to Quality improvements, Productivity improvements and Cost reduction etc. Management firmly believes in developing and nurturing its human resources and improving their talents which subsequently help in the growth of the Company. Proper care is taken for safety, health and welfare of the employees. The Company ensured employee safety through investments in pollution mitigating equipment, the selection of safe processes, adequate safety training and provision of safety equipment. Our aim is to remove unsafe situations and practices by any/all pre-emptive steps required. For the safe return of the employees to their homes all precautions are taken to avoid accidents.

8. Human resource and industrial Relations

Employees are the valuable assets and the strength of an organization in its growth, prosperity and development. Your Company has a team of qualified and dedicated personnel who have contributed to the growth and progress of the Company. Necessary training is being imparted to the employees and various seminars and workshops are being conducted to continuously hone their skills. Your Company is continuously striving to create appropriate environment, opportunities and systems to facilitate identification, development, and utilization of their full potential and inculcating a sense of belongingness. Your Company's industrial relations continued to be harmonious during the year under review.

9. Cautionary Statement

Statements in the "Management Discussion and Analysis" describing the Company's objectives, projections, estimates and expectations or predictions may be 'forward looking statement' within the meaning of applicable securities laws and regulations. Actual results could differ substantially and materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions effecting demand/supply and price conditions in the domestic and overseas markets in which the company operates, changes in the government regulations, tax laws and other statutes and other incidental factors.



REPORT ON CORPORATE GOVERNANCE (FORMING PART OF DIRECTORS' REPORT FOR THE YEAR 2014-15)



ANNEXURE "B"

1. Statement on Company's Philosophy on code of Corporate Governance

Introduction:

Clause 49 of the Listing Agreement executed with the Bombay Stock Exchange Limited inter alia, lists down various corporate governance related practices and requirements, which listed companies are required to adopt and follow. This Report outlines the governance practices followed by the Company in compliance with the said requirements of the Listing Agreement.

Philosophy on Corporate Governance:

The Corporate Governance philosophy of the Company is driven by the following fundamental principles which ensure:

- conduct of the affairs of the Company in an ethical manner;
- transparency in all dealings;
- highest level of responsibility and accountability in dealing with various stakeholders of the Company;
- compliance with applicable statutes and regulations;
- timely dissemination of all price sensitive information and matters of interest to stakeholders through proper channel.

The Company firmly believes in good corporate governance and endeavors to implement the Code of Corporate Governance in its true spirit. The philosophy of the Company in relation to corporate governance is to ensure transparency in all its operations, make disclosures, and enhance shareholder value without compromising in any way on compliance with the laws and regulations. The Company believes that good governance brings about sustained corporate growth and long-term benefits for stakeholders.

2. Board of Directors

The Board of Directors of the Company has an optimum combination of executive and non-executive directors and is in conformity with clause 49 of the Listing Agreement. The board members possess requisite skills, experience and expertise required to take decisions, which are in the best interest of the Company. The total strength of the Board as on 31st March, 2015, was Nine Directors as detailed herein below:

S. No.	Name	DIN	Designation	Category (Whole time/ Non-Executive/ Independent)
1.	Mr. S. S. Sandhu	00002312	Chairman	Whole time
2.	Mr. N. S. Ghuman	00002052	Managing Director	Whole time
3.	Mr. D. J. S. Sandhu	00002039	Dy. Managing Director	Whole time
4.	Mr. Gurmeet Singh Gill	00007393	Director	Independent
5.	Mr. Rohit Kapur	00007721	Director	Independent
6.	Mr. Nirmaljeet Singh Gill	00007425	Director	Independent
7.	Lt. Gen. Pradeep Khanna (Retd.)	06668919	Director	Independent
8.	Capt. Jitender Singh Mann (Retd.)	06659626	Director	Independent
9.	Mrs. Harpreet Kaur	07012657	Women Director	Independent

Out of the above Nine Directors, three are whole time directors comprising of Chairman, Managing Director, Deputy Managing Director and Six are independent directors.



REPORT ON CORPORATE GOVERNANCE (FORMING PART OF DIRECTORS' REPORT FOR THE YEAR 2014-15)



Evaluation of Board Effectiveness

In terms of provisions of the Companies Act, 2013 read with Rules issued thereunder and Clause 49 of the Listing Agreement, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees, was carried out for the financial year ended 31st March, 2015. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution.

The Directors expressed their satisfaction with the evaluation process.

Familiarisation Programme

Your Company has put in place a structured induction and familiarisation programme for all its Directors including the Independent Directors. The Company through such programme familiarizes not only the Independent Directors but any new appointee on the Board, with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, operations of the Company, etc. They are also informed of the important policies of the Company including the Code of Conduct for Board Members and Senior Management Personnel and the Code of Conduct to Regulate, Monitor and Report Trading by Insiders, etc.

The Chairman, Managing Director, CFO & Company Secretary, business heads and other senior officials of the Company make presentations to the Board members on a periodical basis, briefing them on the operations of the Company, strategy, risks, new initiatives, etc.

The familiarization programme for Independent Directors in terms of provisions of Clause 49 of the Listing Agreement is uploaded on the website of the Company and can be accessed through the following link:

<https://www.shivalikbimetals.com/images/pdf/familiarization-programme-for-independent-directors.pdf>

3. Board Meetings, its Committee Meetings and Procedures

3.1 Board Meetings

During the financial year 2014-15, Four Board Meetings were held on 28th May, 2014, 12th August, 2014, 10th November, 2014 and 11th February, 2015.

3.2 Attendance of each Director at the Board Meetings and the Last Annual General Meeting

Name of Director	No. of Board Meetings attended out of 4 Meetings held during the year 2014-15	Last AGM held on 25th September, 2014 (Attended – Yes / No)
Whole time Directors		
Mr. S. S. Sandhu	4	Y
Mr. N. S. Ghuman	4	Y
Mr. D. J. S. Sandhu	4	Y
Independent / Non-Executive Directors		
Mr. Gurmeet Singh Gill	4	N
Mr. Rohit Kapur	4	Y
Mr. Nirmaljeet Singh Gill	4	Y
Lt. Gen. Pradeep Khanna (Retd.)	4	Y
Capt. Jitender Singh Mann (Retd.)	4	N
Mrs. Harpreet Kaur	2	N

REPORT ON CORPORATE GOVERNANCE (FORMING PART OF DIRECTORS' REPORT FOR THE YEAR 2014-15)



4. Number of Directorship on the Board of other Companies as on 31.03.2015

The details of Directorship of other companies excluding Private Limited Companies, foreign companies and section 8 companies, Chairmanship and Committee Memberships held by the Directors as on 31st March, 2015, are given below:

Name of Director	No. of other Public Limited Companies in which Directorship/ Chairmanship is held		Committee Membership / Chairmanship of Board Committees in other companies	
	Directorship	Chairmanship	Membership	Chairmanship
Mr. S. S. Sandhu	1	Nil	Nil	Nil
Mr. N. S. Ghumman	Nil	Nil	Nil	Nil
Mr. D. J. S. Sandhu	1	Nil	Nil	Nil
Mr. G. S. Gill	Nil	Nil	Nil	Nil
Mr. Rohit Kapur	Nil	Nil	Nil	Nil
Mr. Nirmaljeet Singh Gill	Nil	Nil	Nil	Nil
Lt. Gen. Pradeep Khanna (Retd.)	Nil	Nil	Nil	Nil
Capt. Jitender Singh Mann (Retd.)	Nil	Nil	Nil	Nil
Mrs. Harpreet Kaur	Nil	Nil	Nil	Nil

5. Details of Remuneration paid to Directors & Key Managerial Personnel

5.1 Remuneration paid to Whole-time Directors during the year ended 31.03.2015

(in Rupees)

Sl. No.	Name	Designation	Salaries & Allowances	Contribution to PF	Other Benefits	Total*
1.	Mr. S. S. Sandhu	Chairman	74,78,400	5,60,880	70,975	81,10,255
2.	Mr. N. S. Ghumman	Mg. Dir.	74,78,400	5,60,880	76,886	81,16,166
3.	Mr. D. J. S. Sandhu	Dy. Mg. Dir.	63,36,000	4,75,200	1,16,414	69,27,614

* The payment of remuneration is within the limits as approved by the Shareholders in the Annual General Meeting held on 25th September, 2014 by way of Special Resolutions and in accordance with the provisions of the section 197, Schedule V of the Companies Act, 2013, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions.

5.2 Remuneration paid to Key Managerial Personnel during the year ended 31.03.2015

(in Rupees)

Sl. No.	Name	Designation	Salaries & Allowances	Contribution to PF	Other Benefits	Total
1.	Mr. M.K. Verma	CFO	15,47,411	73,346	1,33,651	17,54,408
2.	Mr. Ram Pravesh	Company Sec.	4,88,125	27,782	22,050	5,37,957



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5.3 Sitting fee paid to Non-Executive / Independent Directors during the year ended 31.03.2015

(in Rupees)

S. No.	Name	Designation	Sitting Fees
1.	Mr. Rohit Kapur	Director	8,000
2.	Mr. Gurmeet Singh Gill	Director	8,000
3.	Mr. Nirmaljeet Singh Gill	Director	8,000
4.	Lt. Gen. Pradeep Khanna (Retd.)	Director	8,000
5.	Capt. Jitender Singh Mann (Retd.)	Director	8,000
6.	Mrs. Harpreet Kaur	Director	4,000

6. Board Committees

A. Standing Committees

The Company has the following standing committees of the Board:

(i) Audit Committee

Composition, Name of Chairman and Members

In terms of Clause 49 of Listing Agreement read with Section 177 of the Companies Act, 2013, during the period under review, an Audit Committee initially, comprised 3 independent non-executive directors viz., Mr. Nirmaljeet Singh Gill, Chairman (having financial and accounting knowledge), Mr. Rohit Kapur, Member and Mr. Gurmeet Singh Gill, Member. The quorum of the Committee is two members. The Company Secretary is the Secretary of the Audit Committee.

During the period under review, Mr. Rohit Kapur was resigned as a member of the Audit Committee due to pre-occupations and Mr. S. S. Sandhu, Chairman and whole-time Director of the Company inducted as a member of the Audit Committee in place of Mr. Rohit Kapur.

The revised Composition w.e.f. 10th November, 2014 is as under:

In terms of Section 177 of the Companies Act, 2013, Clause 49 of Listing Agreement and other applicable provisions, an 'Audit Committee' is comprising 2 independent non-executive directors and one whole-time director viz., Mr. Nirmaljeet Singh Gill (having financial and accounting knowledge), Mr. Gurmeet Singh Gill and Mr. S. S. Sandhu. The quorum of the Committee is two members. The Company Secretary is the Secretary of the 'Audit Committee'.

Objective :

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practice of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and the remuneration of the statutory auditors, the performance of internal auditors and the Company's risk management policies.

Meetings and Attendance during the year

The Audit Committee should meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one-third of the members of the audit committee, whichever is greater, but there should be minimum of two independent members present.



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During the year under review, four Audit Committee meetings were held on 28th May, 2014, 12th August, 2014, 10th November, 2014 and 9th February, 2015.

S. No.	Name of Members	Designation	No. of Meeting held during the Year	No. of Meeting attended during the year
1	Mr. Nirmaljeet Singh Gill	Chairman	4	4
2	Mr. Rohit Kapur	Member	4	3
3	Mr. Gurmeet Singh Gill	Member	4	4
4	Mr. S. S. Sandhu	Member	4	1

The Finance Head and Internal Auditors were present in the Audit Committee Meeting as stipulated in terms of the Listing Agreement. The Company Secretary of the Company acts as the Secretary of the Committee.

Terms of Reference

The terms of reference of the Audit Committee are defined under the relevant provisions of the Companies Act as in force (with effect from the notification of the Companies Act, 2013, governing provisions are contained under section 177 in place of erstwhile section 292A of the Companies Act, 1956) and clause 49 of the Listing Agreement with BSE.

Accordingly, after the commencement of Companies, Act, 2013 the Board in its meeting held on 28th May, 2014 modified the following terms of reference of an Audit Committee.

The Committee has extensive powers and has access to all requisite information of the Company. The role of the Audit Committee includes:

- Review of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and removal of statutory auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing with the management the financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement as featured in the Board's Report in terms of sub-section (5) of section 134 of the Companies Act, 2013;
 - Any changes in accounting policies and practices and reasons thereof;
 - Major accounting entries based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Any related party transaction;
 - Qualifications in the draft audit report;
- 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 utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing with management, statutory and internal auditors, the adequacy of internal control systems and internal audit function.



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- Reviewing the adequacy of internal audit function 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.
- Discussion with internal auditors on any significant findings and follow up thereon.
- 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.
- Discussion with external/ 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.
- Reviewing the Company's financial and risk management policies.
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing the functioning of Whistle Blower mechanism in the Company.
- Considering and reviewing matters as specified in Section 177(4) of the Companies Act, 2013.
- Considering such other matters the Board may specify.
- Reviewing other areas that may be brought under the purview of role of Audit Committee as specified in Listing Agreement and the Companies Act, as and when amended.

(ii) Nomination and Remuneration Committee

Pursuant to provisions of Section 178 of the Companies Act, 2013, Clause 49 of the Listing Agreement and Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended from time to time and all other applicable provisions. The Board has constituted Nomination and Remuneration Committee in its Board meeting dated 28th May, 2014 in place of existing Remuneration Committee. Such Committee shall determine on behalf of Board and on behalf of the shareholders, the Company's policy governing remuneration payable to the Whole-time Directors as well as the nomination and appointment of Directors. The role of the Nomination and Remuneration Committee also covers such functions and scope as prescribed under section 178 of the Companies Act, 2013 read with allied Rules framed there under.

Composition, Name of Chairman and Members

In terms of section 178 of the Companies Act, 2013, Clause 49 of Listing Agreement and other applicable provisions, a 'Nomination and Remuneration Committee' has been constituted, comprising 3 independent non-executive directors viz., Mr. Nirmaljeet Singh Gill, Chairman (having financial and accounting knowledge), Mr. Rohit Kapur, Member and Mr. Gurmeet Singh Gill, Member. The quorum of the Committee is two members. The Company Secretary is the Secretary of the Nomination and Remuneration Committee.

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

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.



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- To devise a policy on Board diversity.
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
- To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme including, if required :-
 - o the quantum of options to be granted under Employees' Stock Option Scheme per employee and in aggregate;
 - o the conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
 - o the exercise period within which the employee should exercise the option, and that the option would lapse on failure to exercise the option within the exercise period;
 - o the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
 - o the right of an employee to exercise all options vested in him at one time or various points of time within the exercise period;
 - o the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions, such as rights issues, bonus issues, merger, sale of division and others;
 - o the granting, vesting and exercising of options in case of employees who are on long leave; and the procedure for cashless exercise of options
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

Meetings and Attendance during the year

During the year under review, two Nomination and Remuneration Committee meetings were held on 30th April, 2014 and 30th March, 2015.

S. No.	Name of Members	Designation	No. of Meeting held during the Year	No. of Meeting attended during the year
1	Mr. Nirmaljeet Singh Gill	Chairman	2	2
2	Mr. Rohit Kapur	Member	2	2
3	Mr. Gurmeet Singh Gill	Member	2	2

(iii) 'Stakeholders Relationship and Share Transfer Committee' (Previously named as 'Stakeholders Relationship/ Grievance Redressal Committee')

The 'Stakeholders Relationship/ Grievance Redressal Committee' (SR Committee) was initially constituted by the Board on 28th May, 2014 consequent to the dissolution of the 'Share Transfer Committee and Shareholders / Investors Grievance Committee'. The SR Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading. The SR Committee's composition and the terms of reference meet with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013.

Composition, Name of Chairman and Members

In terms of section 178 of the Companies Act, 2013, Clause 49 of Listing Agreement and other applicable provisions, a 'Stakeholders Relationship/ Grievance Redressal Committee' was constituted, with 3 independent non-executive directors viz., Mr. Nirmaljeet Singh Gill, Chairman (having financial and accounting knowledge), Mr. Rohit Kapur, Member and Mr. Gurmeet Singh Gill, Member. The quorum of the Committee is two members. The Company Secretary is the Secretary of the Committee.

The Board in its meeting held on 10th November, 2014 modified the name of Stakeholders Relationship/ Grievance Redressal Committee as 'Stakeholders Relationship and Share Transfer Committee'.

During the period under review, Mr. Rohit Kapur and Mr. G.S. Gill resigned as a member of the Committee due to pre-occupations and Mr. S. S. Sandhu, Chairman and whole-time Director and Mr. N. S. Ghuman, Managing Director of the Company were inducted as a member of the Committee in place of Mr. Rohit Kapur and Mr. G. S. Gill.

The revised Composition w.e.f. 10th November, 2014 is as under:

In terms of section 178 of the Companies Act, 2013, Clause 49 of Listing Agreement and other applicable provisions a 'Stakeholders Relationship and Share Transfer Committee' is comprising one non-executive director, Mr. Nirmaljeet Singh Gill, Chairman and two whole-time Directors, Mr. S.S. Sandhu and Mr. N.S. Ghuman as member. The quorum of the Committee is two members. The Company Secretary is the Secretary of the 'Stakeholders Relationship and Share Transfer Committee'.

Terms of Reference of the Committee to the extent applicable, inter alia, includes 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 / debenture certificates;
- Monitor redressal of investors' / shareholders' / security holders' grievances;
- Oversee the performance of the Company's Registrars and 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.

Meetings and Attendance during the year

During the year under review, two meetings of the Committee were held on 21st April, 2014, and 22nd December, 2014.

S. No.	Name of Members	Designation	No. of Meeting held during the Year	No. of Meeting attended during the year
1	Mr. Nirmaljeet Singh Gill	Chairman	2	2
2	Mr. Rohit Kapur	Member	2	1
3	Mr. Gurmeet Singh Gill	Member	2	1
4	Mr. S. S. Sandhu	Member	2	1
5	Mr. N. S. Ghuman	Member	2	1

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Details of queries / complaints received from Shareholders / Investors during the year 2014-15

The details of shareholders grievance are as follows:

No. of Complaints received during the year	2
No. of Complaints resolved during the year	2
Pending Complaints at the end of the Financial Year	Nil

(iv) Risk Management Committee & Risk Management

The Board of Directors have constituted a Risk Management Committee in their meeting held on 10th November, 2014 and also defined its roles and responsibilities in accordance with the provisions of Clause 49 of the Listing Agreement. The Risk Management Policy is structured so that potential risks may be identified and adequately assessed and reported so that timely and effective mitigation steps can be taken.

After identifying the risks and assessing the level of impact, controls are put in place to mitigate the risk by the officers of the Company who have been identified as "Risk Controllers" and are responsible to control the exposure and balance the impact of risk on a continuous basis.

As required under Clause 49 of the Listing Agreement, the Company has formulated a Risk Management Policy. The Policy is available on website of the Company at <http://www.shivalikbimetals.com/images/pdf/risk-mangement-policy.pdf>

During the year under review, one meeting of the Risk Management Committee was held on 30th March, 2015.

The composition of the Committee and attendance is given hereunder.

S. No.	Name of Members	Designation	No. of Meeting held during the Year	No. of Meeting attended during the year
1	Mr. S. S. Sandhu	Chairman	1	1
2	Mr. N. S. Ghumman	Member	1	1
3	Mr. D. J. S. Sandhu	Member	1	1
4	Mr. Angad Sandhu	Member	1	1
5	Mr. Mukesh Kumar Verma	Member	1	1

(v) Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a meeting of the Independent Directors of the Company was held on 11th February, 2015, without the attendance of Non-Independent Directors and members of the management.

Meetings and Attendance during the year

S. No.	Name of Director	Designation	No. of Meeting held during the Year	No. of Meeting attended during the year
1	Mr. Nirmaljeet Singh Gill	Independent Director	1	1
2	Mr. Gurmeet Singh Gill	Independent Director	1	1
3	Lt. Gen. Pradeep Khanna (Retd.)	Independent Director	1	1
4	Mr. Rohit Kapur	Independent Director	1	1
5	Capt. Jitender Singh Mann (Retd.)	Independent Director	1	1
6	Mrs. Harpreet Kaur	Independent Director	1	1



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7. Corporate Social Responsibility

Pursuant to the Section 135 of the Companies Act, 2013, Schedule VII of the Act, Companies (Corporate Social Responsibility Policy) Rules, 2014 and other applicable provisions, CSR provisions are not applicable to your Company for the Financial Year 2014-15.

8. Related Party Transactions (RPTs)

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year, 2014-15, were made in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no transactions with related parties which qualify as material transactions under the Listing Agreement. Thus, disclosure in Form AOC-2 is not required.

The Board has adopted Related Party Transactions Policy for determining the materiality of related party transactions and also on the dealings with related parties. This Policy has been displayed on the Company's website at <http://www.shivalikbimetals.com/images/pdf/related-party-transactions-policy.pdf>. All transactions with related parties during the year were in the ordinary course of business and at arm's length. There are no related party transactions that may have potential conflict with the interest of the Company at large. The details of the related party transactions as required under Accounting Standard - 18 are set out in Note 37 to the standalone financial statements forming part of this Annual Report.

9. Whistle Blower Policy / Vigil Mechanism

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement and displayed at the Company website at <http://www.shivalikbimetals.com/images/pdf/whistle-blower-policy.pdf>. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them.

No Person was denied access to the Audit Committee of the Company.

During the period under review there was no complaint received by the company under Whistle Blower / Vigil Mechanism

10. Code of Conduct

Your Company has adopted a Code of Conduct for all the employees including Board Members and Senior Management Personnel of the Company in accordance with the requirement under Clause 49 of the Listing Agreement. The Code of Conduct has been posted on the website of the Company at <http://www.shivalikbimetals.com/about-us.php?pageId=8>. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31st March, 2015. The declaration to this effect signed by Chairman of the Company forms part of the report.

11. Code of Conduct for Prevention of Insider Trading

In compliance with the SEBI regulation on prevention of insider trading, the company has instituted a comprehensive code of conduct for its Directors, management and staff. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of company, and cautioning them of the consequences of violations.

The code of fair disclosure practices and procedures for unpublished price sensitive information is available at <http://www.shivalikbimetals.com/about-us.php?pageId=32>.

The Company also affirms that no personnel have been denied access to the audit committee.



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12. General Meetings

12.1 Annual General Meetings (AGM)

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

Year	2011-12	2012-13	2013-14
Date	26th September, 2012	27th September, 2013	25th September, 2014
Time	10.00 A.M.	10.00 A.M.	10.00 A.M.
Venue	Plot No. 16-18, New Electronics Complex, Chambaghat, Distt. Solan (H.P.)	Plot No. 16-18, New Electronics Complex, Chambaghat, Distt. Solan (H.P.)	Plot No. 16-18, New Electronics Complex, Chambaghat, Distt. Solan (H.P.)

12.2 Extra-Ordinary General Meeting (EGM)

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

13. Disclosures

- (i) Details of transactions with related parties has been reported separately in Note No. 37 of Notes on Financial Statement attached with the financial statement for the year ended 31st March, 2015, in accordance with the requirements of Accounting Standard 18 – 'Related Party Disclosures'.
- (ii) 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.
- (iii) The Company had not made any transactions or pecuniary relationships with the non-executive directors and / or their relatives, promoters, management during the year under review that may have potential conflict with the interests of the company.
- (iv) The Company does not have any material listed / unlisted subsidiary companies as defined in Clause 49 of the Listing Agreement.
- (v) None of Directors of the Company is related to each other, except Mr. S.S. Sandhu and Mr. D.J.S. Sandhu, who are brothers and Mr. S.S. Sandhu and Mr. D.J.S. Sandhu are brother in law of Mr. N.S. Ghumman.
- (vi) In preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India.
- (vii) The Management Discussion & Analysis forms part of the Annual Report and includes various matters specified in Clause 49 of the Listing Agreement. Further, no material transaction has been entered into by the Company with the Senior Management Personnel that may have a potential conflict with the interest of the Company at large. The declarations to this effect have been submitted by all the Senior Management Employees.
- (viii) The Company has in place a mechanism to inform the Board members about the risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.
- (ix) The shares of the Company are listed on BSE which provide nationwide access to trade and deal in Company's equity shares across the country. The Company has paid the Annual Listing fee for the financial year 2015-16 to BSE where the shares of the Company continue to be listed.
- (x) Your Company has complied with the mandatory requirements of the Clause 49 of the Listing Agreement as applicable to it.



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- (xi) During the year under review, there was no audit qualification on the Company's financial statements.
- (xii) SEBI Complaints Redress System (SCORES) Securities and Exchange Board of India (SEBI) administers a centralised web based complaints redress system (SCORES). It enables investors to lodge and follow up complaints and track the status of redressal online on the website www.scores.gov.in. It also enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal.

All the activities starting from lodging of a complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time. The Company has registered itself on SCORES and endeavours to resolve all investor complaints received through SCORES or otherwise within 15 days of the receipt of the complaint.

14. Means of Communications

The company's quarterly, half yearly and annual results are regularly submitted to the Stock Exchange in accordance with the Listing Agreement, to enable them to put them on their respective websites. The company also has its website www.shivalikbimetals.com. The financial results are generally published in Financial Express (English) & Jansatta (Hindi) News Papers in terms of Listing Agreement. The Company also have exclusive e-mail ID i.e. investor@shivalikbimetals.com for investor's to contact the company in case of any information and grievances.

15. MD/CFO Certification

Managing Director and Chief Financial Officer (CFO) Certification, on financial statements is issued pursuant to the provisions of Clause 49 of the Listing Agreement and is annexed to the Corporate Governance report and forms part of the Annual Report.

16. General Shareholders' Information

16.1 Annual General Meeting (AGM)

Date & Time	23.09.2015 at 10.00 a.m.
Venue	Regd. Office: Plot No. 16-18, New Electronics Complex, Chambaghat, Distt. Solan (H.P.)

16.2 Financial calendar

First quarter	:	Latest by mid of August, 2015
Second / half yearly	:	Latest by mid of November, 2015
Third quarter	:	Latest by mid of February, 2016
Fourth quarter	:	Latest by end of May, 2016
Annual General Meeting	:	Latest by end of September, 2016

16.3 Date of Book Closure	:	17.09.2015 to 23.09.2015 (Both days inclusive)
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16.4 Listing on Stock Exchange	:	Bombay Stock Exchange Limited, Mumbai (BSE)
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16.5 (i) Stock Code	:	at BSE 513097
(ii) Demat ISIN No. in NSDL and CDSL for equity shares	:	ISIN No.: INE 386D01027



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16.6 Market Price Data: High and Low during each month in last financial year 2014-15

Share Price Movement at BSE

(₹ Per Share)			(₹ Per Share)		
Month	High	Low	Month	High	Low
April, 2014	9.60	7.45	Oct., 2014	28.50	21.75
May, 2014	13.48	8.25	Nov., 2014	36.35	23.10
June, 2014	16.65	12.90	Dec., 2014	30.10	27.90
July, 2014	15.34	12.05	Jan., 2015	44.00	32.25
Aug., 2014	20.59	12.15	Feb., 2015	43.50	28.65
Sep., 2014	27.19	18.50	Mar., 2015	31.00	26.00

16.7 Share Transfer System

The Company's shares are under demat form. The ISIN Number of the Company is INE 386D01027. Accordingly, the company had established connectivity with the depositories, viz. National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and presently the shares of the company are held both in demat and physical form.

Entire share transfer activities under physical segment are being carried out by Mas Services Limited. The share transfer system consist of activities like receipt of share along with transfer deed from transferees, its verification, preparation of Memorandum of transfers etc. Shareholders are requested to send their transfer registry in demat / physical form and any correspondence in relation thereto to the Company's Registrar and Share Transfer Agent (RTA) duly marked UNIT: SHIVALIK BIMETAL CONTROLS LIMITED at the following address:-

M/s MAS Services Ltd.

T – 34, IInd Floor, Okhla Industrial Area, Phase – II, New Delhi-110020,
Tel No.: (91) (11) 26387281, 266387282, Fax: (91) (11) 26387384
Email: info@masserv.com

Pursuant to clause 47-C of the Listing Agreement with Stock Exchanges, certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary have been submitted to Stock Exchange within stipulated time.

16.8 Dematerialisation of shares

Over 95.19% of the Company's paid-up equity share capital has been dematerialised upto 31st March 2015. Trading in equity shares of the Company is permitted only in dematerialised form as per notification issued by the Securities and Exchange Board of India (SEBI).

16.9 Share Capital Reconciliation Audit

During the Financial Year 2014-15, an independent practicing Company Secretary carried out the Share Capital Reconciliation audit on a quarterly basis to reconcile the total admitted equity share capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The secretarial audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. These reports are filed with Stock Exchanges quarterly.



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16.10 Shareholding Pattern as on 31st March, 2015

Category	No. of Shares held	% of total shareholding
Foreign Promoters	-	-
Banks	1,000	0.005 %
Financial Institutions	-	-
Mutual Funds	-	-
Domestic Companies	84,04,501	43.771 %
Non-Domestic Companies	-	-
Non-Resident Indians	58,069	0.302 %
Foreign Institutional Investors	-	-
Directors / Relatives of Directors	39,29,000	20.462 %
Individuals / Others	68,08,830	35.460 %
Total	1,92,01,400	100.00 %

16.11 Outstanding GDR / Warrants and convertible instruments

There are no issue of any GDR / Warrants and other outstanding instruments which are convertible into equity shares of the Company.

16.12 Major Plants / Units Location(s)

Plants Location

Plot No. 16-18,
New Electronics Complex,
Chambaghat,
Distt. Solan (HP)

Head Office:

H-2, 2nd Floor,
Suneja Chambers,
Alaknanda Commercial Complex,
New Delhi -110019

16.13 Address for correspondence

Investor correspondence: For transfers / dematerialisation of shares, payment of dividend of shares, and any other query relating to the shares of the Company.

- For shares held in physical form
M/s MAS Services Ltd.
T – 34, IInd Floor, Okhla Industrial Area, Phase – II,
New Delhi-110020,
- For shares held in Demat form
To the Depository Participant concerned

16.14 Electronic Clearing Service (ECS)

The Company avails of ECS facility for distribution of dividend in metropolitan cities in respect of those Shareholders who have opted for payment of dividend through ECS.

16.15 Action required regarding Unclaimed Dividends

Pursuant to Section 124 and 125 of the Companies Act, 2013 and other applicable provisions all unclaimed/unpaid dividend for the years prior to and including a sum of ₹1,90,255/- for the financial year 2006-07 (IInd Interim), ₹134,514/- for the financial year 2006-07 (Final) and ₹1,71,984/- for the financial year 2007-08 (Ist Interim) have been transferred to the Investor Education and Protection Fund (IEPF), established by the Central Government, as applicable.



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The Dividend for the undernoted years, if unclaimed for 7 years, will be transferred by the Company to IEPF in accordance with the schedule given below. Attention is drawn that the unclaimed dividend for the financial year 2007-08 (IInd Interim) and 2007-08 (Final) will be due for transfer to IEPF later this year. Communication has been sent by the Company to the concerned Shareholders advising them to lodge their claims with respect to unclaimed dividend.

Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.

Financial Year	Date of Declaration	Proposed Date for transfer to IEPF*
2007-08 (IInd Interim)	June 6, 2008	July 11, 2015**
2007-08 (Final)	September 30, 2008	November 5, 2015
2008-09 (Interim)	April 28, 2009	June 2, 2016
2008-09 (Final)	September 30, 2009	November 5, 2016
2009-10 (Interim)	May 5, 2010	June 10, 2017
2009-10 (Final)	September 24, 2010	October 30, 2017
2010-11 (Ist Interim)	January 31, 2011	March 7, 2018
2010-11 (IInd Interim)	May 12, 2011	June 17, 2018
2010-11 (Final)	September 28, 2011	November 3, 2018

*Indicative dates and actual dates may vary.

** ₹176,922/- for the financial year 2007-08 (IInd Interim) have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

16.16 Nomination facility of interest to shareholders holding shares in physical form

Shareholders, who hold shares in single name and wish to make/change the nomination in respect of their shares as permitted under Section 72 of the Act, may submit to the Registrar and Transfer Agents, the prescribed Form SH-13.

16.17 Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 31st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

Annexure to Report on Corporate Governance for the financial year ended 31st March, 2015

Declaration of Compliance with the Code of Conduct

In compliance to clause 49 II(E)(ii) to Listing Agreement, all the Board members and senior management personnel have, for the year ended 31st March 2015, affirmed compliance with the Code of Conduct laid down by the Board of Directors.

For Shivalik Bimetal Controls Limited

Sd/-

S. S. Sandhu

Chairman

DIN: 00002312

Place : New Delhi

Date : 11th August, 2015

302, Kings I, Royal Retreat,
Charmswood Village, Suraj Kund,
Faridabad, 121009, Haryana, India



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ANNEXURE "C"

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

CIN	L27101HP1984PLC005862
Registration Date	18/06/1984
Name of the Company	SHIVALIK BIMETAL CONTROLS LIMITED
Category/Sub-category of the Company	Public Company
Address of the Registered office & contact details	16-18, New Electronics Complex, Chambaghat, Distt. Solan-173213, Himachal Pradesh. Phone : +91-1792-230578,230175 Fax : +91-1792-230475,230578 E-mail : shivalik@shivalikbimetals.com Website: www.shivalikbimetals.com
Whether listed company	Yes (Bombay Stock Exchange)
Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s MAS Services Ltd. T – 34, IInd Floor, Okhla Industrial Area, Phase – II, New Delhi-110020, Tel No.: (91) (11) 26387281, 266387282 Fax: (91) (11) 26387384 Email: info@masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Thermostatic Bi-metal/Tri-metal Strips & Parts	24204	86.28%
2	Shunt (Resisters)	24201	12.58%
3	Job work for Indian Ordinance	24209	1.14%

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III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name and Address of the company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	CHECON SHIVALIK CONTACT SOLUTIONS PRIVATE LIMITED H-2, Suneja Chambers, Alaknanda Commercial Complex, New Delhi-110019	U31909DL2005PTC143154	Joint Venture	50.00	2(6)
2	SHIVALIK BIMETAL ENGINEERS PRIVATE LIMITED H-2, Suneja Chambers, Alaknanda Commercial Complex, New Delhi-110019	U29220DL2008PTC174607	Associate	45.00	2(6)
3	INNOVATIVE CLAD SOLUTIONS PRIVATE LIMITED H-2, Suneja Chambers, Alaknanda Commercial Complex, New Delhi-110019	U27310DL2008PTC173950	Joint Venture	17.30	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3930600	11000	3941600	20.53	3929000	0	3929000	20.46	(0.07)
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	7945134	0	7945134	41.38	7953134	0	7953134	41.42	0.04
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1):-	11875734	11000	11886734	61.91	11882134	0	11882134	61.88	(0.03)
(2) Foreign									
g) NRIs-Individuals	0	0	0	0	0	0	0	0	0
h) Other-Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any other	0	0	0	0	0	0	0	0	0



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Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total (A)(2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	11886734	11000	11875734	61.91	11882134	0	11882134	61.88	(0.03)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	1000	0	1000	0.01	1000	0	1000	0.01	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	1000	0	1000	0.01	1000	0	1000	0.01	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	319254	6001	325255	1.69	445366	6001	451367	2.35	0.66
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	5138301	959300	6097601	31.76	4853670	917800	5771470	30.06	(1.70)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	701236	0	701236	3.65	993813	0	993813	5.18	1.53
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	102297	0	102297	0.53	58069	0	58069	0.30	(0.23)
Overseas Corporate Bodies									
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	87277	0	87277	0.45	43547	0	43547	0.23	(0.23)
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0



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Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total (B)(2):-	6348365	965301	7313666	38.08	6394465	923801	7318266	38.11	0.03
Total Public Shareholding (B)=(B)(1)+ (B)(2)	6349365	965301	7314666	38.09	6395465	923801	7319266	38.12	0.03
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	18225099	976301	19201400	100	18277599	923801	19201400	100	100

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	MR. S. S. SANDHU	288000	1.50	0	288000	1.50	0	0
2	MR. D. J. S. SANDHU	101000	0.53	0	101000	0.53	0	0
3	MR. N. S. GHUMMAN	1465000	7.63	0	1465000	7.63	0	0
4	MANJIT KAUR	585000	3.05	0	585000	3.05	0	0
5	SHANA GHUMMAN	12000	0.06	0	12000	0.06	0	0
6	GURDIAL KAUR	32000	0.17	0	32000	0.17	0	0
7	TEJINDERJEET KAUR GHUMMAN	296000	1.54	0	296000	1.54	0	0
8	SARITA SANDHU	666000	3.47	0	666000	3.47	0	0
9	GURBIR SANDHU	323000	1.68	0	323000	1.68	0	0
10	ANGAD SANDHU	153600	0.80	0	152000	0.79	0	(0.01)
11	JASPAL SINGH DHILLON	2000	0.01	0	2000	0.01	0	0
12	SUMATI SOOD	10000	0.05	0	0	0	0	(0.05)
13	SUBHASH C. VERMA	1000	0.01	0	0	0	0	(0.01)
14	JIT MOHINDER SINGH	6000	0.03	0	6000	0.03	0	0
15	SUMER GHUMMAN	1000	0.01	0	1000	0.01	0	0
16	O D FINANCE AND INVESTMENT PVT. LTD.	1523989	7.94	0	1536989	8.00	0	0.06

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SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
17	ULTRA PORTFOLIO MANAGEMENT PVT. LTD.	983590	5.12	0	978590	5.10	0	(0.02)
18	TSL HOLDINGS LIMITED	2790200	14.53	0	2790200	14.53	0	0
19	B.S.SANDHU AND ASSOCIATES PVT. LTD.	285200	1.49	0	285200	1.49	0	0
20	Angad Estates Pvt. Ltd.	1655000	8.62	0	1655000	8.62	0	0
21	Amar Engineering Company Pvt. Ltd.	707155	3.68	0	707155	3.68	0	0
	Total	11886734	61.91	0	11882134	61.88	0	(0.03)

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	O D FINANCE AND INVESTMENT PVT. LTD.				
	At the beginning of the year	1523989	7.94	1523989	7.94
	Shares Bought from market dated 04/04/2014	13000	0.06	1536989	8.00
	At the end of the year	1536989	8.00	1536989	8.00
2.	ULTRA PORTFOLIO MANAGEMENT PVT. LTD.				
	At the beginning of the year	983590	5.12	983590	5.12
	Shares Sold dated 23/01/2015	(5000)	(0.02)	978590	5.10
	At the end of the year	978590	5.10	978590	5.10
3.	ANGAD SANDHU				
	At the beginning of the year	153600	0.80	153600	0.80
	Shares Sold dated 05/12/2014	(1200)	(0.01)	152400	0.79
	Shares Sold dated 19/12/2014	(400)	(0.00)	152000	0.79
	At the end of the year	152000	0.79	152000	0.79

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D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name of Shareholder	Date	No. of Shares Sold	% of total shares of the company	No. of Shares Brought	% of total shares of the company	Cumulative Holding	% of total shares of the company
1	LINCOLN P COELHO	1-Apr-2014					200000	1.04
		31-Mar-2015					200000	1.04
2	BHAVNA GOVINDBHAI DESAI	1-Apr-2014					42000	0.22
		12-Dec-2014	5000	0.03			37000	0.19
		9-Jan-2015	2500	0.01			34500	0.18
		27-Feb-2015			157000	0.82	191500	1.00
		31-Mar-2015					191500	1.00
3	ANGEL FINCAP PRIVATE LIMITED	1-Apr-2014					33922	0.18
		4-Apr-2014	14121	0.07			19801	0.10
		25-Apr-2014			3700	0.02	23501	0.12
		2-May-2014			9497	0.05	32998	0.17
		16-May-2014	8020	0.04			24978	0.13
		23-May-2014	1632	0.01			23346	0.12
		30-May-2014	4688	0.02			18658	0.10
		6-Jun-2014			12439	0.06	31097	0.16
		13-Jun-2014			2145	0.01	33242	0.17
		11-Jul-2014			1000	0.01	34242	0.18
		25-Jul-2014			5195	0.03	39437	0.21
		31-Jul-2014			505	0.00	39942	0.21
		8-Aug-2014			849	0.00	40791	0.21
		15-Aug-2014			3101	0.02	43892	0.23
		29-Aug-2014			50	0.00	43942	0.23
		12-Sep-2014	100	0.00			43842	0.23
		19-Sep-2014			1510	0.01	45352	0.24
		10-Oct-2014			2000	0.01	47352	0.25
		17-Oct-2014			2500	0.01	49852	0.26
		31-Oct-2014	10	0.00			49842	0.26
		14-Nov-2014			300	0.00	50142	0.26
		21-Nov-2014	50	0.00			50092	0.26
		28-Nov-2014			2500	0.01	52592	0.27
		12-Dec-2014			100	0.00	52692	0.27
		19-Dec-2014			975	0.01	53667	0.28
		26-Dec-2014	25	0.00			53642	0.28
		9-Jan-2015			4425	0.02	58067	0.30
		16-Jan-2015			10000	0.05	68067	0.35
		23-Jan-2015			12800	0.07	80867	0.42
		30-Jan-2015			7450	0.04	88317	0.46
		6-Feb-2015			2420	0.01	90737	0.47
		13-Feb-2015			16200	0.08	106937	0.56
		20-Feb-2015			35150	0.18	142087	0.74



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S. No.	Name of Shareholder	Date	No. of Shares Sold	% of total shares of the company	No. of Shares Brought	% of total shares of the company	Cumulative Holding	% of total shares of the company
		27-Feb-2015			16593	0.09	158680	0.83
		6-Mar-2015			200	0.00	158880	0.83
		13-Mar-2015			2650	0.01	161530	0.84
		20-Mar-2015			11850	0.06	173380	0.90
		27-Mar-2015	500	0.00			172880	0.90
		31-Mar-2015	1000	0.01			171880	0.90
4	BHARATI BHARAT DATTANI	28-Nov-2014					15000	0.08
		5-Dec-2014			16360	0.09	31360	0.16
		12-Dec-2014			43484	0.23	74844	0.39
		31-Dec-2014			8000	0.04	82844	0.43
		27-Feb-2015			7500	0.04	90344	0.47
		13-Mar-2015			9147	0.05	99491	0.52
		20-Mar-2015			5000	0.03	104491	0.54
		31-Mar-2015			1500	0.01	105991	0.55
5	SUNIL KUMAR GUPTA	9-Jan-2015					30000	0.16
		23-Jan-2015			20000	0.10	50000	0.26
		6-Feb-2015			10000	0.05	60000	0.31
		20-Feb-2015			20000	0.10	80000	0.42
		27-Feb-2015			10000	0.05	90000	0.47
		31-Mar-2015					90000	0.47
6	VANDANA DANI	21-Nov-2014					44650	0.23
		28-Nov-2014			4850	0.03	49500	0.26
		31-Dec-2014			150	0.00	49650	0.26
		2-Jan-2015			1527	0.01	51177	0.27
		9-Jan-2015			6951	0.04	58128	0.30
		16-Jan-2015			12873	0.07	71001	0.37
		23-Jan-2015			11144	0.06	82145	0.43
		30-Jan-2015			2123	0.01	84268	0.44
		31-Mar-2015					84268	0.44
7	BHARAT JAMNADAS DATTANI	28-Nov-2014					15000	0.08
		5-Dec-2014			16539	0.09	31539	0.16
		12-Dec-2014			19053	0.10	50592	0.26
		31-Dec-2014			6664	0.03	57256	0.30
		2-Jan-2015			2693	0.01	59949	0.31
		9-Jan-2015			20	0.00	59969	0.31
		27-Feb-2015			7500	0.04	67469	0.35
		20-Mar-2015			4706	0.02	72175	0.38
		31-Mar-2015			3452	0.02	75627	0.39
8	KAUSHAL HITESH PATEL	1-Apr-2014					70736	0.37
		31-Mar-2015					70736	0.37

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S. No.	Name of Shareholder	Date	No. of Shares Sold	% of total shares of the company	No. of Shares Brought	% of total shares of the company	Cumulative Holding	% of total shares of the company
9	BHAVANA GOVINDBHAI DESAI	1-Apr-2014					60500	0.32
		31-Mar-2015					60500	0.32
10	BHARAT JAMNADAS	12-Dec-2014					26564	0.14
		31-Dec-2014			19642	0.10	46206	0.24
		2-Jan-2015			635	0.00	46841	0.24
		13-Mar-2015			8350	0.04	55191	0.29
		20-Mar-2015			5000	0.03	60191	0.31
		31-Mar-2015					60191	0.31

E) Shareholding of Directors and Key Managerial Personnel:

S.N.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. S. S. Sandhu				
	At the beginning of the year	288000	1.50	288000	1.50
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	288000	1.50	288000	1.50
2.	Mr. N. S. Ghumman				
	At the beginning of the year	1465000	7.63	1465000	7.63
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	1465000	7.63	1465000	7.63
3.	Mr. D. J. S. Sandhu				
	At the beginning of the year	101000	0.53	101000	0.53
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	101000	0.53	101000	0.53



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V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in `000)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	322142.56	64731.17	-	386873.73
ii) Interest due but not paid	459.83	254.65	-	714.48
iii) Interest accrued but not due	1326.77	13.05	-	1339.82
Total (i+ii+iii)	323929.16	64998.87	-	388928.03
Change in Indebtedness during the financial year				
* Addition	135057.81	8235.18	-	143292.99
* Reduction	71677.18	18397.78	-	90074.96
Net Change	63380.63	(10162.60)	-	53218.03
Indebtedness at the end of the financial year				
i) Principal Amount	386114.89	54501.09	-	440615.98
ii) Interest due but not paid	690.76	151.78	-	842.54
iii) Interest accrued but not due	504.14	183.40	-	687.54
Total (i+ii+iii)	387309.79	54836.27	-	442146.06

- Addition and reduction includes an amount of ₹1530.07 thousands and ₹2054.29 thousands respectively towards the interest accrued but due/not due.

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in `000)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. S.S. Sandhu	Mr. N.S. Ghumman	Mr. D.J.S. Sandhu	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7478.40	7478.40	6336.00	21292.80
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	631.86	637.77	591.61	1861.24
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-

REPORT ON CORPORATE GOVERNANCE (FORMING PART OF DIRECTORS' REPORT FOR THE YEAR 2014-15)



SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. S.S. Sandhu	Mr. N.S. Ghumman	Mr. D.J.S. Sandhu	
4	Commission - as % of profit - others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	8110.26	8116.17	6927.61	23154.04
	Ceiling as per the Act				

B. Remuneration to other directors

(Amount in ₹)

SN.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. Rohit Kapur	Mr. G. S. Gill	Mr. N. S. Gill	Lt. Gen. Pradeep Khanna (Retd.)	Capt. J. S. Mann (Retd.)	Mrs. Harpreet Kaur	
1	Independent Directors	8000	8000	8000	8000	8000	4000	44000
	Fee for attending board committee meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	8000	8000	8000	8000	8000	4000	44000
2	Other Non-Executive Directors	-	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-
	Total (B) = (1 + 2)	8000	8000	8000	8000	8000	4000	44000
	Total Managerial Remuneration	8000	8000	8000	8000	8000	4000	44000
	Overall Ceiling as per the Act	Within Statutory Limits	Within Statutory Limits	Within Statutory Limits	Within Statutory Limits	Within Statutory Limits	Within Statutory Limits	Within Statutory Limits

REPORT ON CORPORATE GOVERNANCE (FORMING PART OF DIRECTORS' REPORT FOR THE YEAR 2014-15)



C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	NA			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	4,81,887	15,30,894	20,12,781
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	46,875	1,51,044	1,97,919
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option	NA	Nil	Nil	Nil
3	Sweat Equity	NA	Nil	Nil	Nil
4	Commission	NA	Nil	Nil	Nil
	- as % of profit	NA	Nil	Nil	Nil
	others, specify...	NA	Nil	Nil	Nil
5	Others, please specify-Contribution to G. Trust	NA	9,195	72,470	81,665
	Total		5,37,957	17,54,408	22,92,365

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Section 87 read with Section 77 of the Companies Act, 2013	Delay in filing of Form CHG-1, w.r.t. registration of charges for Vehicle Loans.	Rs. 40,000/-	RD	No.
	Section 87 read with Section 77 of the Companies Act, 2013	Delay in filing of Form CHG-1, w.r.t. registration of charges for Vehicle Loans.	Rs. 20,000/-	RD	No.
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					



REPORT ON CORPORATE GOVERNANCE (FORMING PART OF DIRECTORS' REPORT FOR THE YEAR 2014-15)



ANNEXURE "D"

Form No. MR-3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

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

To,
The Members,
SHIVALIK BIMETAL CONTROLS LTD.
16-18 NEW ELECTRONICS COMPLEX, CHAMBAGHAT,
DISTT. SOLAN,
HIMACHAL PRADESH- 173213

We were appointed by the Board of Directors of **M/s Shivalik Bimetal Controls Limited** (hereinafter called "the Company") in the Board Meeting held on May 27, 2015 to conduct the Secretarial Audit for the Financial Year 2014-15.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Management's Responsibility on Secretarial Compliances

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Auditor's Responsibility

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Opinion

Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015, 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. 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, Overseas Direct Investment and External Commercial Borrowings- Not applicable to the Company as no such transaction has been made;
- 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, 1992;



REPORT ON CORPORATE GOVERNANCE (FORMING PART OF DIRECTORS' REPORT FOR THE YEAR 2014-15)



- c) Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009 – Not Applicable as the Company did not issue any security during the financial year under review.
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in relation to Employee Stock Option Scheme- Not Applicable as the Company did not issue any security under Employee Stock Option Scheme during the financial year under review.
- e) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not applicable as the Company has not issued any debt securities during the financial year under review.
- 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 as the Company is not registered as Registrar to an Issue and Share transfer Agent during the financial year under review.
- g) Securities and Exchange Board of India (Delisting of Equity Shares) regulations, 2009 – Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- Not applicable as the Company has not made any Buy-back during the financial year under review.

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India (not applicable as effective from July 1, 2015).
- ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above either within time or with delay, if any, after complying with all the prescribed procedures.

However, there are two instances where Form CHG-1 has been filed with delay but the same has been condoned through Regional Director's (Northern Region) approval.

Based on Information received & records maintained, we 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 which was sent at least seven days in advance. The agenda and detailed notes on agenda were also sent before the meeting 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.
- 3. Majority decision is carried through while the dissenting directors' views are captured and recorded as part of the minutes, if any.

We 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.

We further report that during the audit period, there were no events/ actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having a major bearing on the company's affairs.

For APAC & Associates

Company Secretaries

Sd/-

Chetan Gupta

Partner

M No.: 6496

CP No.: 7077

Place: New Delhi

Date: August 6, 2015

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



**REPORT ON CORPORATE GOVERNANCE
(FORMING PART OF DIRECTORS' REPORT
FOR THE YEAR 2014-15)**



Annexure A of Form No. MR-3

To,
The Members,
SHIVALIK BIMETAL CONTROLS LTD.
16-18 NEW ELECTRONICS COMPLEX, CHAMBAGHAT,
DISTT. SOLAN,
HIMACHAL PRADESH- 173213

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as we 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

For APAC & Associates
Company Secretaries

Sd/-
Chetan Gupta
Partner
FCS No. 6496
CP No.: 7077

Place: New Delhi
Date: August 6, 2015



CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER



We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Shivalik Bimetal Controls Limited ("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 31.03.2015 and based on our knowledge and belief, we state that :
- these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
 - 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.

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.

- c) 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.
- d) We have indicated, based on our most recent evaluation, wherever applicable to the Auditors and Audit committee:
- Significant changes, if any, in the internal control over financial reporting during the year;
 - 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
 - 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.

Sd/-

N.S. Ghumman
Managing Director

Sd/-

Mukesh K. Verma
Chief Financial Officer

Place : New Delhi
Dated: May 27, 2015



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE



MALIK S & CO.
CHARTERED ACCOUNTANTS

1/101, (L.G.F.) Old Rajinder Nagar
Sir Ganga Ram Hospital Marg
New Delhi -110060
Tel.: 25862423, Tel/Fax: 25780911
E-mail: sm@mscompany.in

To the Shareholders of

SHIVALIK BIMETAL CONTROLS LTD.

We have examined the compliance of conditions of Corporate Governance by **SHIVALIK BIMETAL CONTROLS LTD.** for the year ended on 31st March, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with The Stock Exchange, Mumbai (BSE).

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as contained in the aforesaid Clause 49 to the extent applicable, and in the manner as stated in the report on Corporate Governance.

We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **MALIK S & CO.**
Chartered Accountants
Firm Registration No:- 00383N

Sd/-
SURESH MALIK
Proprietor
M.No. 080493

Place : New Delhi
Dated: May 27, 2015



INDEPENDENT AUDITORS' REPORT



To

The Members of Shivalik Bimetal Controls Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Shivalik Bimetal Controls Ltd. ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by 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 state of affairs of the Company as at March 31, 2015 and its profit and its cash flows for the year ended on that date.



INDEPENDENT AUDITORS' REPORT



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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;
 - 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 Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014.
 - e. on the basis of written representations received from the directors as on 31st March, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013.
 - f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - i. the company has disclosed the impact of pending litigations on its financial position in its financial statements-Refer Note 33 to the financial statements;
 - ii. the Company does 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.

For **MALIK S & CO.**
Chartered Accountants
Firm Registration No:- 00383N

Sd/-
SURESH MALIK
Proprietor
M.No. 080493

Place : New Delhi
Dated: May 27, 2015

(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. According to information and explanations given to us, the assets have been physically verified by the management during the year as per the regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) a. The management has conducted physical verification of inventory at reasonable intervals during the year.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. No material discrepancies were noticed on verification between the physical stocks and the book records.
- (iii) a,b,. The company has not granted any loans, to companies, firms or other parties covered in register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause (iii) (a) and (b), of the Companies (Auditor's Report) Order, 2015 (hereinafter referred to as the said Order) are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, with regards to the purchase of inventory, fixed assets and sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company.
- (v) The company has not accepted any deposit from the public.
- (vi) Company has maintained the cost records as prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act.
- (vii) a. According to the records of the Company and information and explanation given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
- b. According to the information and explanations given to us, there were no dues outstanding of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess on account of any dispute.
- c. According to the information and explanations given to us the amount which were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- (viii) The Company does not have accumulated losses at the end of the financial year and it has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institution, banks and debenture holders.



ANNEXURE TO INDEPENDENT AUDITORS' REPORT



(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

- (x) The company has furnished Corporate Guarantee to the tune of ₹746 Lakhs (Previous year ₹538 Lakhs) for loans taken by the Joint Venture Company (in which company holds 50% of issued share capital) and Associate Company (in which the company holds 45% of issued share capital) from bank, the terms and conditions whereof are not prima-facia prejudicial to the interest of the company.
- (xi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the year ended 31st March, 2015.

For **MALIK S & CO.**
Chartered Accountants
Firm Registration No:- 00383N

Sd/-
SURESH MALIK
Proprietor
M.No. 080493

Place : New Delhi
Dated: May 27, 2015



SHIVALIK BIMETAL CONTROLS LIMITED



BALANCE SHEET as at 31st March, 2015

CIN:L27101HP1984PLC005862

(₹ in '000)

	Note No.	As at 31st March 2015	As at 31st March 2014
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	3	38,403	38,403
(b) Reserves and surplus	4	570,361	523,598
Non-current liabilities			
(a) Long-term borrowings	5	89,891	116,491
(b) Deferred tax liabilities (Net)	6	17,916	18,561
(c) Long-term provisions	7	1,959	1,428
Current liabilities			
(a) Short-term borrowings	8	296,889	238,324
(b) Trade payables	9	125,930	81,586
(c) Other current liabilities	10	88,964	70,704
(d) Short-term provisions	11	40,876	45,460
TOTAL		1,271,189	1,134,555
II. ASSETS			
Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	346,234	199,491
(ii) Intangible assets	12	1,204	1,294
(iii) Capital work-in-progress	12	36,170	178,526
(iv) Intangible Assets Under Development	12	3,551	-
(b) Non-current investments	13	175,773	173,523
(c) Long-term loans and advances	14	6,340	8,157
(d) Other non-current assets	15	74,469	80,184
Current assets			
(a) Current Investments	16	1,757	1,757
(b) Inventories	17	287,967	186,068
(c) Trade receivables	18	240,787	217,372
(d) Cash and cash equivalents	19	3,651	3,942
(e) Short-term loans and advances	20	85,920	77,552
(f) Other current assets	21	7,366	6,689
TOTAL		1,271,189	1,134,555
III. Notes forming part of the Financial Statements			
	1 to 39		

As per our report of even date

For **MALIK S & CO.**

Chartered Accountants

Sd/-
SURESH MALIK
Proprietor

Sd/-
MUKESH K. VERMA
Chief Financial Officer

Sd/-
RAM PRAVESH
Company Secretary

For and on behalf of the Board

Sd/-
N.S. GHUMMAN
Managing Director
DIN00002052

Sd/-
S.S. SANDHU
Chairman
DIN00002312

Place : New Delhi
Dated : 27.05.2015



SHIVALIK BIMETAL CONTROLS LIMITED

STATEMENT OF PROFIT & LOSS ACCOUNT

for the year ended 31st March, 2015



CIN:L27101HP1984PLC005862

(₹ in '000, except per share data)

	Note No.	Year Ended March 15	Year Ended March 14
I. Revenue from operations	22	952,159	807,078
II. Other income	23	4,919	(7,601)
III. Total Revenue (I + II)		957,078	799,477
IV. Expenses			
(a) Cost of materials consumed	24	577,483	489,240
(b) Decrease/(Increase) in Stock	25	(19,857)	(8,592)
(c) Employee benefits expense	26	101,799	87,064
(d) Finance costs	27	31,984	31,704
(e) Manufacturing and other expense	28	139,270	129,332
(f) Depreciation expense	12	31,705	23,498
Total expenses		862,384	752,246
V. Profit before exceptional and extraordinary items and tax (III-IV)		94,694	47,231
VI. Exceptional items (Income)/Expenses	29	10,391	5,891
VII. Profit before extraordinary items and tax (V - VI)		84,303	41,340
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		84,303	41,340
X. Tax expense			
(a) Current tax		32,000	10,600
(b) MAT Credit Entitlement		-	(2,325)
(c) Current tax related to previous years		2,253	-
(d) Deferred tax		631	(2,227)
		34,884	6,048
XI. Profit (Loss) for the year (IX-X)		49,419	35,292
XII. Earnings per equity share			
(a) Basic	30	2.57	1.84
(b) Diluted	30	2.57	1.84
XIII. Notes forming part of the Financial Statements	1 to 39		

As per our report of even date

For **MALIK S & CO.**

Chartered Accountants

Sd/-
SURESH MALIK
Proprietor

Sd/-
MUKESH K. VERMA
Chief Financial Officer

Sd/-
RAM PRAVESH
Company Secretary

For and on behalf of the Board
Sd/-
N.S. GHUMMAN
Managing Director
DIN00002052

Sd/-
S.S. SANDHU
Chairman
DIN00002312

Place : New Delhi
Dated : 27.05.2015



SHIVALIK BIMETAL CONTROLS LIMITED

CASH FLOW STATEMENT for the year ended on 31st March, 2015



CIN:L27101HP1984PLC005862

(₹ in '000)

	Year ended March 2015	Year ended March 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	84,303	41,340
Adjustments for:		
Depreciation	31,705	23,498
Interest Paid	31,984	29,760
Interest Received	(593)	(678)
Amount Written Back	(1,439)	(1,412)
Debtors/ Unrecoverable Amount Written Off	410	77
Exchange Difference on translation of foreign currency cash & cash equivalent-Loss/(gain)	7	6
(Profit)/Loss on sale of Fixed Asset	1,894	2,109
Deferred Revenue Expenses written off	-	1,719
Operating Profit before Working Capital changes	148,271	96,419
Adjustment for :		
Trade and other receivables	(20,902)	(32,535)
Inventories	(99,107)	36,452
Trade Payables	44,255	(557)
Loans and Advances	(20,126)	2,087
Cash generated from operations	52,391	101,866
Direct taxes paid	(24,986)	(5,808)
Cash flow from Ordinary items	27,405	96,058
Net Cash flow from operating Activities	27,405	96,058
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(187,278)	(21,240)
Sale of Fixed Assets	3,095	7,641
Capital Work In Progress	138,805	(25,730)
Capital Advance	(1,910)	1,742
Interest Received	593	678
Long Term Investment	(2,250)	(8,000)
Other Investment	-	(145)
Net cash (used in)/ from investing activities	(48,945)	(45,054)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Bank Borrowings	58,565	(37,665)
Vehicle Loan	1,869	3,094
Term Loan Paid	762	(44,557)
Unsecured Loan	(7,455)	58,068
Interest Paid	(31,984)	(29,760)
Unpaid Dividend Transferred to Investor Education & Protection Fund	(500)	(215)
Net Cash (used in) from financing activities	21,257	(51,035)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(284)	(31)
Cash and Cash equivalents as on 1st April, 2014 (Opening Balance)	3,942	3,979
Exchange Difference on translation of foreign currency cash & cash equivalent	(7)	(6)
Cash and Cash equivalents as on 31st March,2015 (Closing Balance)	3,651	3,942
Cash and Cash equivalents as on 31st March,2015 as per books	3,651	3,942

As per our report of even date

For **MALIK S & CO.**

Chartered Accountants

Sd/-
SURESH MALIK
Proprietor

Sd/-
MUKESH K.VERMA
Chief Financial Officer

Sd/-
RAM PRAVESH
Company Secretary

For and on behalf of the Board

Sd/-
N.S. GHUMMAN
Managing Director
DIN00002052

Sd/-
S.S. SANDHU
Chairman
DIN00002312

Place : New Delhi
Dated : 27.5.2015



SIGNIFICANT ACCOUNTING POLICIES

(Forming part of Financial Statements for the year ended 31st March, 2015)



1. COMPANY'S OVERVIEW

Shivalik Bimetal Controls Limited referred to as “Shivalik” is a widely-held public limited Company which was incorporated in the year 1984 and has been in commercial production since October 1986. “Shivalik’s ” manufacturing Units are located at Chambaghat, Solan, in the state of Himachal Pradesh, India. The Company’s shares are listed on Bombay Stock Exchange.

“Shivalik” is engaged in the business of manufacturing & sales of Thermostatic Bimetal / Trimetal strips, components and other clad materials, EB welded products, Cold Bonded Clad Strips and Parts etc., The application of “Shivalik”’s Products are mainly in Switchgears, Circuit Breakers and various other Electrical and Electronic devices. The Company’s products are exported to over 40 Countries around the world.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

These financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards notified under the relevant provisions of the Companies Act, 2013. The Financial statements are presented in Indian Rupee rounded off to the nearest Rupees in thousands.

2.2 Use of Estimates

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

Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Accounting estimates could change from period to period.

2.3 Inventories

Inventories are valued at the lower of cost and net realizable value, after providing for obsolescence, wherever considered necessary as under:

- a. Raw materials, stores and spares: At cost, on “FIFO” basis;
- b. Work-in-progress /Semi-Finished: At cost plus related cost of conversion including appropriate overheads;
- c. Finished goods: At cost plus related cost of conversion including appropriate overheads and excise duty paid/ payable on such goods; and
- d. Saleable Scrap is valued at estimated realizable value

2.4 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.

2.5 Cash Flow Statements

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.

2.6 Research & Development Expenditure

Expenditure in the nature of revenue, incurred for Research & Development relating to business, is charged to profit & loss account.

2.7 Revenue Recognition

- a. Sales are recognized, net of returns and trade discount, on transfer of significant risks and rewards of ownership to the buyer, that coincides with the reliability and reasonableness to expect ultimate collection, which is generally on dispatch of goods. Sales include excise duty but excludes sales tax and value added tax.
- b. For other incomes, the Company follows the accrual basis of accounting except interest on delayed payment from customers where there is no reasonable certainty regarding the amount and / or its Collectability.

2.8 Export Benefits

- a. Imports entitlements/Export obligations under Advance Licenses are accounted for at the time of purchase of Raw Materials/ Export sales.
- b. Other export incentives are accounted for as and when the claims thereof have been admitted by the authorities, at a value which can be fetched in the market.

2.9 Fixed Assets, Intangible Assets, Capital Work-in-Progress and Depreciation

- a. Tangible Assets are stated at cost (Net of CENVAT/Value added tax, wherever applicable) less accumulated depreciation/amortization. Cost comprises the purchase price, freight, foreign exchange adjustments arising from exchange rate variations, borrowing cost attributable to the Qualifying Asset and any other directly attributable cost of bringing the asset to working condition for its intended use.

Subsequent expenditures related to an item of tangible assets are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance.

- b. Intangible assets are recorded at consideration paid for acquisition of such assets and are carried at cost less accumulated depreciation or amortization and impairment, if any.
- c. Capital work-in-progress represents the cost of tangible assets that are not yet ready for their intended use at the reporting date.
- d. Depreciation on Fixed Assets 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 Rs. 5,000/-	1 year
iv) Intangibles	6 years

* For certain Plant & Machineries where the useful life of assets is different from those prescribed under Part C of Schedule II of Companies Act 2013, an internal assessment & Independent technical evaluation has been carried out by external Chartered Engineer. The management believes that the useful lives as given above, best represents the period over which Company expects to use these assets.

- e. Depreciation for double shift/ Triple shift is charged/ provided additionally for the period during which the assets are used for double or triple shift, respectively in accordance with Part C of Schedule II of Companies Act 2013



SIGNIFICANT ACCOUNTING POLICIES

(Forming part of Financial Statements for the year ended 31st March, 2015)



2.10 Foreign Currency Transactions

- a. Foreign currency transactions are accounted for at the exchange rate prevailing on the transaction date.
- b. Foreign currency denominated monetary assets and liabilities are converted at the exchange rate prevailing on the Balance Sheet date and the resultant difference is charged/ credited to Profit & Loss account.
- c. Non-monetary assets and non-monetary liabilities denominated in a foreign currency, measured at historical cost are translated at the exchange rate prevalent at the date of transaction and any translation gain or losses are adjusted to the costs of the relevant assets according to newly inserted para 46A of Accounting Standard -11 vide notification issued by the Ministry of Corporate Affairs.

2.11 Forward Contracts

- a. The Company uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange forward contracts reduces the risk or cost to the Company and the company does not use those for trading or speculation purposes.
- b. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- c. In respect of Commodity Hedging transactions, gain/ losses on settlement are recognized in the profit & loss account.

2.12 Investments

Current investments are carried at lower of cost and fair value, computed category wise. Long -term Investments are stated at cost, unless there is a decline, other than temporary in the value of Investments.

2.13 Employees' Benefits

- a. 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 employee renders the related service.

- b. 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 Profit and Loss Account.

- c. Liability in respect of leave encashment is provided for based on Actuarial Valuation basis using the same projected unit credit method as above.
- d. Compensation to employees, who opted for retirement under the Voluntary Retirement Scheme of the company, is charged to the statement of Profit & Loss in the year of exercise of option by the employee.

2.14 Borrowing Costs

- a. Borrowing Costs that are attributable to the acquisition or construction of qualifying assets as defined in Accounting Standard-16 are capitalized as part of the cost of such asset till such time as the asset is ready for its 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 as expenses in the period in which they are incurred.

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

2.15 Inter unit Transactions

The Inter unit sale / purchase of materials/Job work transactions are accounted for at the prevailing market prices. Annual Accounts are reported excluding inter-unit transfers/transactions.

2.16 Earnings Per share

Basic Earnings per Share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the period.

2.17 Taxes on Income

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.

Deferred tax charge/ credit is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

2.18 Impairment

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 and value in use.

2.19 Provision, Contingent Liabilities and Contingent Assets

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.

Contingent assets are neither recognized nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.



Notes on Financial Statements for the year ended 31st March, 2015



The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current year's presentation.

3. Share Capital

(₹ in '000, except per share data)

Particulars	As at 31 st March 2015	As at 31 st March 2014
Authorised		
Equity Shares of ₹ 2/- each		
7,50,00,000 (Previous Year 7,50,00,000) equity shares	150,000	150,000
Issued, Subscribed and Paid up		
Equity Shares of ₹ 2/- each		
1,92,01,400 (Previous Year 1,92,01,400) equity shares	38,403	38,403
Total	38,403	38,403

3.1 Reconciliation of Number of Shares

Particulars	Equity Shares (Numbers) As at 31 st March 2015	As at 31 st March 2014
Shares as at beginning of the year	1,92,01,400	1,92,01,400
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares as at end of the year	1,92,01,400	1,92,01,400

3.2 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.

3.3 In the event of liquidation of the Company, the residual interest in the company's assets shall be distributed to the shareholders in the proportion to the equity shares held.

3.4 Shareholders holding more than 5% shares

Name of Shareholders	As at 31st March 2015		As at 31st March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. N. S. Ghumman	1,465,000	7.63	1,465,000	7.63
O D Finance and Investment Pvt. Ltd.	1,536,989	8.00	1,523,989	7.94
Ultra Portfolio Management Pvt. Ltd.	978,590	5.10	983,590	5.12
TSL Holdings Limited	2,790,200	14.53	2,790,200	14.53
Angad Estates Pvt. Ltd.	1,655,000	8.62	1,655,000	8.62



Notes on Financial Statements for the year ended 31st March, 2015



4. Reserves and Surplus

	(₹ in '000)	
Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Capital Reserve		
Opening Balance	57	57
Add: Transferred during the year	-	-
Less: Transferred to General reserve	-	-
	57	57
(b) General Reserve		
Opening Balance	226,363	216,363
Add: Transferred from Profit & Loss Account	10,000	10,000
Less: Adjustment for Depreciation on Fixed Assets (refer note no.-12)	2,656	-
	233,707	226,363
(c) Profit & Loss Account		
Opening balance	297,178	271,886
Add: Profit for the year	49,419	35,292
Amount available for Appropriations	346,597	307,178
Less: Appropriations		
- General Reserve	10,000	10,000
	336,597	297,178
	570,361	523,598

5. Long Term Borrowings

	(₹ in '000)	
Particulars	As at 31 st March 2015	As at 31 st March 2014
Secured		
From Banks(*)		
Foreign Currency Loan	13,950	30,989
Rupee Loan	25,015	22,400
Sub Total	38,965	53,389
Vehicle Loan	7,068	6,302
Unsecured		
From Others	43,858	56,800
Total ⁽¹⁾	89,891	116,491

(*)Comprise of Term loan which is secured by first charge on Plant & Machinery, both present and future and equitable mortgage of Company's Factory Leasehold Land and Building, situated at Chambaghat, Solan, (H.P.) and Vehicle loan which is secured by hypothecation of vehicles.

(1) Refer note no.-10 for Current Maturities of long term borrowings

6. Deferred Taxes

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
Deffered Tax Liabilities	18,561	20,789
Depreciation on Fixed Assets	(1,444)	(1,380)
	<u>17,117</u>	<u>19,409</u>
Deferred Tax Assets		
Employee Benefits	(767)	1,010
Others	(32)	(162)
	<u>(799)</u>	<u>848</u>
Deferred Tax Liabilities (Net)*	17,916	18,561

*The decrease in Deferred Tax liability by ₹ 645 thousand over the previous year, has resulted from netting off liability of ₹ 1276 thousand and assets of ₹ 631 thousand.

7. Long Term Provisions

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Provision for employee benefits		
– Unavailed Leave	1,883	1,343
(b) Other Provisions		
– Excise duty on Finished goods	76	85
	<u>1,959</u>	<u>1,428</u>

8. Short Term Borrowings

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
Secured		
Working Capital Loans		
From Banks⁽¹⁾		
Foreign Currency Loan	262,254	206,286
Rupee Loan	34,635	29,263
Unsecured		
From Others	-	2,775
	<u>296,889</u>	<u>238,324</u>

(1) Secured by hypothecation of stocks, movable properties and Book Debts, both present and future, and equitable mortgage of company's Factory Leasehold Land and Building situated at Chambaghat Solan, Himachal Pradesh.

Notes on Financial Statements for the year ended 31st March, 2015



9. Trade Payable

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
Micro, Small and Medium Enterprises ^(#)	84	77
Others	125,846	81,509
	125,930	81,586

(#) As required under "Micro, Small and Medium Enterprises Development Act, 2006", the information available with the company relating to amount overdue at the end of the period on account of principal amount due is ₹ 84 thousands (Previous year ₹ 77 thousands) and interest due thereon is Nil (Previous year Nil)

10. Other Current Liabilities

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Current maturities of long-term debt (refer note no. 5)	53,836	32,059
(b) Interest accrued but not due on borrowings	688	1,340
(c) Interest accrued and due on borrowings	843	714
(d) Unclaimed dividends	917	1,417
(e) Other Payables		
(i) Statutory Dues	4,706	5,066
(ii) Advance From Customers	14,339	18,854
(iv) Others	13,635	11,254
	88,964	70,704

11. Short Term provisions

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Provision for employee benefits		
i) Bonus	1,778	1,781
ii) Unavailed Leave	182	110
(b) Provision for Excise Duty on Finished Goods	1,790	901
(c) Taxation	37,126	42,668
	40,876	45,460



Notes on Financial Statements for the year ended 31st March, 2015



12. Non Current Assets- Fixed Assets

(' in '000)

	Fixed Assets	Gross Block						Accumulated Depreciation					Net Block			
		As at 1st April 2014	Additions during the year	Disposals during the year	Revaluations/ (Impairments)	Effect of Foreign Currency Difference	Borrowing Cost Capitalised	Other Adjustments	As at 31st March 2015	As at 1st April 2014	Depreciation charged for the year	Adjustments to Retained Earnings due to change in Useful life#	Other Adjustments	On disposals	As at 31st March 2015	As at 31st March 2014
	Tangible Assets															
(a)	Leasehold Land	367			-				367	-	-	-	-	-	367	367
	Land & Site Development	10,088	9,278						19,366	-	-	-	-	-	19,366	10,088
	Buildings	35,018	3,044		-				38,062	15,043	1,478	-	-	-	21,541	19,975
	Plant and Equipment	233,930	132,952		-	17,836	9,439	9,399	403,556	128,502	15,714	250	7,674	152,140	251,416	105,428
	Furniture and Fixtures	18,764	143	21	-				18,886	8,023	2,675	499	-	11	7,700	10,741
	Vehicles	64,561	11,243	8,409	-				67,395	18,329	9,391	12	-	3,453	24,279	46,232
	Office Equipment	16,910	1,382	118	-				18,174	10,250	2,121	3,171	-	96	15,446	6,660
	Total (a)	379,638	158,042	8,548	-	17,836	9,439	9,399	565,806	180,147	31,379	3,932	7,674	3,560	219,572	199,491
(b)	Intangible Assets*															
	Computer software	3,097	236	-	-				3,333	1,803	326				2,129	1,294
	Total (b)	3,097	236	-	-	-	-	-	3,333	1,803	326	-	-	-	2,129	1,294
	Total (a+b)	382,735	158,278	8,548	-	17,836	9,439	9,399	569,139	181,950	31,705	3,932	7,674	3,560	221,701	200,785
	Previous year	386,710	20,346	12,641	-	894	-	(12,574)	382,735	173,917	23,498	-	-	15,465	181,950	212,793
(c)	Capital Work In Progress :															
	Plant & Machinery under Installation															
	-Unit-I														1,269	3,851
	-Unit-IV														34,901	174,675
	Total														36,170	178,526
(d)	Intangible Assets under Development*:															
	ERP Server Under Development														3,551	-
	Total														3,551	-

* Other than internally generated

Pursuant to the enactment of Companies Act 2013, the estimated useful life has been applied as specified in Schedule II/ Certified by the Technical Expert. Accordingly the remaining carrying value of the assets shall be depreciated/ amortised over the remaining/ revised useful lives. The Written Down Value of the Assets whose lives have expired on 1st April 2014 have been adjusted (Net of deferred Tax), in the Opening Balance of retained earnings amounting ₹ 2656 Thousands (net of deferred Tax i.e., ₹3932 thousand less ₹1276 thousand)

12.1 Leasehold Land:

Leasehold Period: 95 years

Leasehold Installment: Nil

12.2 In compliance with newly inserted para 46A of the Accounting Standard (AS)- 11 “ The effect of changes in Foreign Exchange Rates”, vide notification issued by the Ministry of Corporate Affairs, the company has adjusted ₹17836 thousands (Previous year ₹894 thousands) to the cost of relevant fixed assets during the year.

12.3 Capital Work-in-Progress (Unit-IV)

(₹ in '000)

Particulars	As at 31st March 2015		As at 31st March 2014	
1) Expenses Pending Capitalisation				
Opening Balance	64,111		45,556	
<u>Add:</u>				
Transferred from Profit & Loss Account (refer note no.-26 & 28)	4,012		4,812	
Interest Capitalized (refer note no.-27)	7,737		5,914	
Exchange Rate Fluctuation	937		7,829	
Total (A)	76,797		64,111	
<u>Less:</u>				
Expenses Capitalized during the year				
i) Plant & Machinery under Installation	75,735		-	
ii) Site Development	1,062		-	
Total (B)	76,797		-	
Closing Balance (A-B)		-	-	64,111
 2) Plant & Machinery under Installation				
Opening Balance	102,348		102,348	
<u>Add:</u>				
Additions During the Year	7,749		-	
Expenses Capitalised During the year	75,735		-	
Total	185,832		102,348	
<u>Less:</u>				
P & M Capitalised During the Year	150,931		-	
Closing Balance		34,901		102,348
 3) Site Development				
Opening Balance	8,216		8,216	
<u>Add:</u>				
Expenses Capitalised During the year	1,062		-	
Total	9,278		8,216	
<u>Less:</u>				
Capitalised During the Year	9,278		-	
Closing Balance		-		8,216
Total		34,901		174,675

13. Non Current Investments

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
Other Investments		
Unquoted, fully paid up		
(a) In Equity Shares of Associate Companies		
222,750 shares in Shivalik Bimetal Engineers Pvt. Limited of ₹10/- each (Previous Year 222,750 shares of ₹10/- each)	2,228	2,228
(b) In Equity Shares of Joint Venture		
17,10,900 shares in Checon Shivalik Contact Solutions Pvt. Limited of ₹10/- each (Previous Year 14,85,900 shares of ₹10/- each)	22,145	19,895
15,120,000 shares in Innovative Clad Solutions Pvt. Limited of ₹ 10/- each (Previous Year 15,120,000 shares of ₹10/- each)	151,200	151,200
(c) In Equity Shares of Other Company		
20,000 shares in Shivalik Solid Waste Management Pvt. Limited of ₹ 10/- each (Previous Year 20,000 shares of ₹10/- each)	200	200
	175,773	173,523

14. Long term Loans and Advances

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Capital Advances		
Unsecured, considered good	2,687	777
	2,687	777
(b) Security Deposits		
Unsecured, considered good		
Balances with Government Authorities	1,382	1,044
Others	1,885	1,882
	3,267	2,926
(c) Other loans and advances		
Unsecured, Considered good		
Prepaid Expenses	386	38
MAT Credit Entitlement	-	4,416
	386	4,454
	6,340	8,157

Notes on Financial Statements for the year ended 31st March, 2015



15. Other Non Current Assets

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Long Term Trade Receivables		
Unsecured		
Considered good	70,899	73,821
Considered Doubtful [@]	9,940	
	80,839	73,821
Less: Provision for Doubtful Debts	9,940	-
	70,899	73,821
(b) Others		
Inventories	3,570	6,363
	3,570	6,363
	74,469	80,184

[@]The company has initiated recovery proceedings against three irregular parties/ debtors which have been issued winding up directions or are under BIFR. Every possible efforts are being made for the recovery and management is of the belief that substantial amount will be recovered. However as a Prudent accounting policy/ practice an estimated amount has been provided as doubtful of recovery, in the Books of Account.

16. Current Investments

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
Other Investments (valued at Cost)	1,757	1,757
	1,757	1,757

17. Inventories

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Raw Materials		
(i) At Store	68,042	58,618
(ii) At Bonded Warehouse	108,455	37,239
(iii) Material in transit	9,208	9,840
	185,705	105,697
(b) Work-in-Process	68,644	57,755
	68,644	57,755
(c) Finished goods		
(i) At Store	21,270	11,284
(ii) Material in transit*		12
	21,270	11,296
(d) Stores, Spares and Packing Material	12,214	11,213
	12,214	11,213
(e) Scrap	134	107
	134	107
	287,967	186,068

*Net of Unrealised Profit, if any.

Notes on Financial Statements for the year ended 31st March, 2015



18. Trade Receivables

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
Trade Receivables (Unsecured and Considered Good)		
(a) Over six months from the date they were due for payment	1,295	1,871
(b) Others	239,492	215,501
	240,787	217,372

19. Cash and Cash Equivalents

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Balances with banks in		
- Current Accounts	1,336	1,552
- Current Accounts in Foreign Currency	1,079	693
(b) Cash on hand	319	280
(c) Unpaid Dividend held in Bank Accounts	917	1,417
	3,651	3,942

20. Short Term Loans and Advances

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
Unsecured, considered good		
(a) Loans and advances to Employees	137	204
(b) Prepaid Expenses	2,958	1,389
(c) Balances with Revenue authorities	70,317	66,866
(d) MAT Credit Entitlement	895	8,000
(e) Security Deposits	40	245
(f) Other loans and advances	11,573	848
	85,920	77,552

21. Other Current Assets

(₹ in '000)

Particulars	As at 31 st March 2015	As at 31 st March 2014
a) Interest accrued but not due on FDR	1,063	654
c) Margin Money Deposit against Bank Guarantee (s) [#]	6,303	4,994
d) Export Incentives-SHIS	-	1,041
	7,366	6,689

[#] Margin Money deposit with banks include Fixed deposit of ₹6,20 thousands (Previous Year ₹ 3,58 thousands) with maturity of more than 12 months.

Notes on Financial Statements for the year ended 31st March, 2015



22. Revenue from Operations

(₹ in '000)

Particulars	2014-15	2013-14
Sale of products	1,000,487	852,838
Less: Excise duty	59,144	55,550
	941,343	797,288
Other Operating Revenues	10,816	9,790
	952,159	807,078

23. Other Income

(₹ in '000)

Particulars	2014-15	2013-14
(a) Interest on deposits with bank	593	403
(b) Interest on delayed Payment	200	71
(c) Rent Received	360	360
(d) Interest received on Income Tax refund	169	204
(e) Miscellaneous Income	71	172
(f) Export Incentives	-	1,041
(g) Foreign Exchange Fluctuation Gain/(Loss)	3,526	(9,852)
	4,919	(7,601)

24. Cost of Materials Consumed

Particulars	2014-15		2013-14	
	(₹ in '000)	% of Consumption	(₹ in '000)	% of Consumption
Imported	548,599	95%	461,651	94%
Indigenous	28,884	5%	27,589	6%
	577,483	100%	489,240	100%

25. Decrease/(Increase) in Finished Goods and Work-in Process

(₹ in '000)

Particulars	2014-15	2013-14
Inventory (at Beginning)		
– Finished Goods	11,451	20,704
– Work-in-Process	58,057	41,606
– Scrap	107	145
	69,615	62,455
Inventory (at Close)		
– Finished Goods	21,385	11,451
– Work-in-Process	68,834	58,057
– Scrap	134	107
	90,353	69,615
(Increase)/Decrease	(20,738)	(7,160)
Add/(Less): Excise duty variation on opening/closing stock	881	(1,432)
(Increase)/Decrease	(19,857)	(8,592)

26. Employee Benefit Expenses

(₹ in '000)

Particulars	2014-15	2013-14
(a) Salaries and Wages	86,264	75,930
(b) Contributions to -		
(i) Provident fund	5,004	4,555
(ii) ESI Contribution	705	717
(iii) Gratuity fund contributions	1,592	1,193
(c) Staff welfare expenses	9,215	4,669
TOTAL	102,780	87,064
Less: Transferred to Expenses Pending for Capitalization (Unit-IV) (refer note no.-12.3)	981	-
Employee Benefit Expenses transferred to Statement of Profit & Loss	101,799	87,064

26.1 Disclosure pursuant to Accounting Standard (AS) 15 (Revised) "Employee Benefits":

The disclosures required under Accounting Standard 15 (revised) "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, 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:

(₹ in '000)

Particulars	2014-15	2013-14
(a) Employer's Contribution to Provident Fund	3,214	3,132
(b) Employer's Contribution to Pension Scheme	1,790	1,423

(II) Defined Benefit Plan

- (a) Gratuity
- (b) Leave Encashment

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 obligation for leave encashment is recognized in the same manner as gratuity. The Actuary has carried out the valuation based on the following assumptions:

Notes on Financial Statements for the year ended 31st March, 2015



Particulars	2014-15		2013-14	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discounting Rate (per annum)	8.00%	8.00%	8.50%	8.50%
Rate of escalation in Salary (per annum)	6.00%	6.00%	6.50%	6.50%
Expected Rate of return on plan assets (per annum)	9.00%		8.75%	
Expected Average remaining working lives of employees in no. of years	21.24	21.24	21.82	21.82
Mortality Table (LIC)	IALM (2006-08)		(1994-96) duly modified	
			(₹ in '000)	

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2014-15	2013-14	2014-15	2013-14
(a) Changes in Present Value of Obligation				
Opening balance of Present value of obligation	10,713	10,367	1,453	1,580
Interest Cost	911	829	124	126
Current Service Cost	1,049	869	349	238
Benefits Paid	(479)	(1,662)	(268)	(485)
Actuarial (Gain)/Loss on Obligation	565	310	352	(6)
Closing Balance of Present value of obligation	12,759	10,713	2,010	1,453
(b) Changes in Fair Value of Plan Assets				
Opening balance of Fair Value of Plan Assets	10,244	9,758	-	-
Expected Return on Plan Assets	922	854	-	-
Employer's Contribution	989	1,333	-	-
Benefits paid	(479)	(1,662)	-	-
Actuarial Gain/ (Loss) on Plan Assets	12	(38)	-	-
Closing balance of Fair value of Plan Assets	11,688	10,244	-	-
Actual return on Plan Assets	934	816	-	-
(c) Percentage of each category of Plan Assets to total Fair value of Plan assets				
Adminstrated 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	12,759	10,713	2,010	1,453
Closing Balance of Fair Value of Plan Assets	11,688	10,244	-	-
(Asset)/ Liability recognised the Balance Sheet	1,071	469	2,010	1,453

Notes on Financial Statements for the year ended 31st March, 2015



(e) Amount Recognised in the Balance Sheet

Closing Balance of Present Value of Obligation	12,759	10,713	2,010	1,453
Closing Balance of Fair Value of Plan Assets	11,688	10,244	-	-
Funded (Asset)/ Liability recognized in the Balance Sheet	1,071	469		
Unfunded Liability recognised in the Balance Sheet	-	-	2,010	1,453

(f) Expenses recognised in the statement of Profit and Loss

Current Service Cost	1,049	869	349	238
Interest Cost	911	829	124	126
Expected Return on Plan Assets	(922)	(854)	-	-
Net Actuarial (Gain)/Loss recognised in the period	554	348	352	(6)
Expenses recognized in the statement of Profit and Loss	1,592	1,193	825	358

(g) Experience Adjustments

Experience adjustment on Plan Liabilities (loss)/gain	(579)	(303)	(355)	8
Experience adjustment on Plan Assets (loss)/ gain	37	(77)	-	-

(h) Expected employer contribution for the next year

	1,995	1,644	631	334
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27. Finance Costs

(₹ in '000)

Particulars	2014-15	2013-14
(a) Interest expense on		
(i) Borrowings	25,158	20,516
(ii) Others	674	972
(b) Other Borrowing costs	6,414	5,363
(c) Applicable Loss on foreign currency transactions and translation	7,475	10,767
TOTAL	39,721	37,618
Less: Transferred to Expenses Pending for Capitalization (Unit-IV) (refer note no.-12.3)	7,737	5,914
Finance Costs transferred to Statement of Profit & Loss	31,984	31,704

28. Manufacturing & Other Expenses

(₹ in '000)

Particulars	2014-15	2013-14
Stores & Spares Consumed (refer note no.-28.1)	13,717	11,580
Power & Fuel	11,769	10,449
Job Work Expenses	1,913	2,083
Custom /Excise Duty Paid	-	2,064
Machinery Repairs	12,365	12,271
Building Repairs	3,419	3,009
Other Repairs	8,637	9,134
Research & Development	1,678	1,806
Insurance	457	447
Rent, Rates and Taxes	7,042	6,232

Notes on Financial Statements for the year ended 31st March, 2015



Travelling & Conveyance	8,995	8,042
Electricity and Water Charges	1,096	1,557
Printing & Stationery	1,510	973
Communication Expenses	1,656	1,591
Professional and Consultancy Charges	5,276	5,321
Payment to Auditors (refer note no.-28.3)	2,856	3,108
Business Promotion /Development, Advertisement & Publicity	1,841	2,280
Commission on Sales	19,195	20,339
Packing Cost	15,907	13,386
Forwarding & Freight	16,154	13,519
Watch & Ward Expenses	1,264	1,047
Irrecoverable Debts Written Off	410	77
Miscellaneous Expenses	5,055	3,700
Prior Period Expense (refer note no.-28.4)	89	129
TOTAL	142,301	134,144
Less: Transferred to "Expenses Pending for Capitalization (Unit-IV)"	3,031	4,812
Manufacturing Expenses transferred to Statement of Profit & Loss	139,270	129,332

28.1. Stores & Spares consumed

Particulars	2014-15		2013-14	
	(₹ in '000)	% of Consumption	(₹ in '000)	% of Consumption
Imported	1,082	8%	659	6%
Indigenous	12,635	92%	10,921	94%
	13,717	100%	11,580	100%

28.2 Value of Imports on CIF basis in respect of

Particulars	(₹ in '000)	
	2014-15	2013-14
(a) Raw Material	540,618	351,975
(b) Spares parts	1,066	973
(c) Capital Goods	3,177	1,386

28.3 Payment to Auditors

Particulars	(₹ in '000)	
	2014-15	2013-14
(a) As Statutory Audit fee	1,400	1,200
(b) Taxation matters	200	800
(c) Certification and Consultation fee	1,256	1,108
	2,856	3,108

28.4 Prior Period Items

(₹ in '000)

Particulars	2014-15	2013-14
(a) Prior Period Expense	89	242
(b) Prior Period (Income)	-	(113)
	89	129

28.5 Expenditure in Foreign Currency

(₹ in '000)

Particulars	2014-15	2013-14
(a) Travelling	2,313	2,070
(b) Professional Fees	165	181
(c) Export Commission	3,019	3,558
(d) Interest Paid on Foreign Currency Borrowings	4,357	5,610
(e) Expenditure on account of Exchange Fluctuations	5,022	20,619

29. Exceptional Items (Income)/Expenses

(₹ in '000)

Particulars	2014-15	2013-14
(a) Exceptional Items Expenses		
- Provision for Doubtful Debts	9,940	-
- VRS Compensation	-	3,625
- Loss on Sale of Fixed Assets	1,977	2,109
- Rights Issue Expenses	-	1,719
	11,917	7,453
(b) Exceptional Items Income		
- Liabilities/Provisions Written Back	1,443	1,412
- Profit on Sale of Assets	83	150
	1,526	1,562
Net (Income)/Expenses	10,391	5,891

30. Earnings Per Share

Particulars	2014-15	2013-14
Net Profit attributable to shareholders (₹ in '000)	49,419	35,292
Weighted average number of equity Shares	19,201,400	19,201,400
Basic and Diluted Earnings per share (₹)	2.57	1.84
Face Value per Equity Share (₹)	2	2

Notes on Financial Statements for the year ended 31st March, 2015



31. Earnings in Foreign Exchange

(₹ in '000)

Particulars	2014-15	2013-14
FOB Value of Exports (Net of Returns)	393,745	324,816

32. Contingent Liabilities in respect of:

(₹ in '000)

Particulars	2014-15	2013-14
-------------	---------	---------

(A) Contingent Liabilities

(I) <u>Claim Against the Company Not Acknowledged as Debts</u>	-	-
(II) <u>Guarantees</u>		
a. Bank Guarantee(s) submitted	25,213	19,978
b. Letters of Credit established by the bank	-	5,524
c. Corporate Guarantee(s) on behalf of JV/ Associate Company	74,600	53,800
d. Surety with Sales Tax Department	500	500
(III) <u>Other Money for which the Company is Contingently Liable</u>		
a. Buyers Credit Interest payable	418	411
b. Interest on Customs/Excise Duty for surrender of import benefit on unrealised export proceeds	-	3,804
c. Customs duty on Material imported against Advance License /EPCG Scheme, for pending export obligation	8,685	52,808
d. Bills Discounted	-	10,862

(B) Commitments

(a) 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	33,396	14,051
---	--------	--------

- 33.** The Company was issued SCNs (Show Cause Notices) w.r.t. admissibility of Cenvat Credit amounting to ₹51,533 thousands of Service Tax availed (Previous Year ₹ 49,195 thousands) and ₹1,787 thousands (Previous Year ₹ 1,787 thousands) towards cenvat credit of excise duty and ₹345 thousands (Previous Year ₹ 345 thousands) towards demand of excise duty on "dies and tools written off" by the Company.

The Company has sought legal opinion on the stated issue and has been advised that the SCNs issued by the department are bad in Law as such not tenable. Accordingly, the company has submitted replies to the referred SCNs, however the final decision from the appropriate authority is pending.

- 34.** Customs Duty not provided for in respect of materials lying in Bonded Warehouses / Materials in Transit as on Balance Sheet date, is of ₹25,142 thousands inclusive of Cenvatable amount of ₹ 19,229 thousands (Previous Year ₹9,983 thousands inclusive of Cenvatable amount of ₹7,583 thousands). However, the above policy has no impact on the operating results of the Company.
- 35.** Foreign currency exposures (Net) that are not hedged by forward contracts as on 31st March, 2015 amount to ₹ 2,89,285 thousands (Previous year ₹2,21,802 thousands).
- 36.** The Company's activities involve predominantly one business segment i.e. Process and product Engineering, which are considered to be within a single business 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 AS 17- Segment Reporting, with respect to primary segments.

Notes on Financial Statements for the year ended 31st March, 2015



The Company has identified India and Rest of the World as geographical segments for secondary segmental reporting. Geographical sales are segregated based on the location of the customer who is invoiced or in relation to which the sale is otherwise recognized. Assets other than receivables used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as these are used interchangeably between segments. All assets other than receivables against exports and stocks lying in warehouse at Germany, are located in India. The details of reportable segments are as under:-

Secondary Segmental Information

(₹ in '000)

Particulars	India		Rest of world		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Segment Sales	541,425	465,388	399,918	331,900	941,343	797,288
Segment Assets	222,367	203,607	89,319	87,587	311,686	291,194

37. "Related Party Disclosure" for the year ended 31st March, 2015 in accordance with Accounting Standard-18 issued by the Institute of Chartered Accountants of India:

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of Related Party	Relationship
1.	Checon Shivalik Contact Solutions Pvt. Ltd.	Joint Venture
2.	Innovative Clad Solutions Pvt. Ltd.	
3.	Shivalik Bimetal Engineers Pvt. Ltd.	Associates
4.	Mr. S. S Sandhu	Key Managerial Personnel (KMP)
5.	Mr. N. S. Ghumman	
6.	Mr. D. J. S. Sandhu	
7.	Mr. Angad Sandhu	Relative of Key Managerial Personnel
8.	Mr. Kanav Anand	
9.	Mr. Kabir Ghumman	
10.	TSL Holdings Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence
11.	Angad Estates Pvt. Ltd.	
12.	Vishesh Credits Pvt. Ltd.	
13.	Amar Engineering Company Pvt. Ltd.	
14.	Ultra Portfolio Management Pvt. Ltd.	
15.	O.D.Finance and Investment Pvt. Ltd.	
16.	Solan Hotels Private Ltd.	

Notes on Financial Statements for the year ended 31st March, 2015



(ii) Transactions during the year with related parties:

(₹ in '000)

Sr. No.	Nature of Transactions	Joint Venture	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprises over which KMP are able to exercise significant influence
1.	Equity Shares	2,250 -	- -	- -	- -	- -
2.	Job Work Income	509 (898)	- -	- -	- -	- -
3.	Rent Received	- -	404 (404)	- -	- -	- -
4.	Job Work Expense	- -	2,181 (2,227)	- -	- -	- -
5.	Goods Sold	2,414 (175)	2,643 -	- -	- -	- -
6.	Goods Purchased	3,487 (1,216)	4,528 (3,025)	- -	- -	- -
7.	Reimbursement of Expenses(Net)	239 (487)	- (3)	- -	- -	- -
8.	Managerial Remuneration	-	-	22,994 (23,089)	- -	- -
9.	Remuneration in pursuant to Section 197 of the Companies Act 2013 for holding an office or place of profit.	- -	- -	- -	6,776 (4,190)	- -
10.	Rent Paid	-	-	-	-	5,679 (4,114)
11.	Boarding and Lodging Expenses	- -	- -	- -	- -	118 (65)
12.	Unsecured Loans					
	i) Taken					7,900 (71,550)
	ii) Repaid					18,130 (13,065)
13.	Finance Costs	- -	- -	- -	- -	7,523 (3,072)

Balances as at 31st March 2015

14.	Investments	173,345 (171,095)	2,228 (2,228)	- -	- -	- -
15.	Security Deposits	- -	- -	- -	- -	1,350 (1,350)
16.	Unsecured Loans	- -	- -	- -	- -	54,501 (64,731)
17.	Payable	290 -	289 -	- -	- -	4 (6)
18.	Receivable	147 -	- -	- -	- -	- -

Figures in () indicate previous year's figures.

38. Disclosure in respect of Associate

Name of Company	Country of Incorporation	% of Voting power held as at	
		31st March, 2015	31st March 2014
Shivalik Bimetal Engineers Pvt. Ltd.	India	45%	45%

39. Disclosure in respect of Joint Venture

The company's Interest in the Joint Venture are reported as Long Term Investment (refer note no.-13) and stated at cost. The Disclosure as per AS -27 in respect of Investment in Joint Venture is as under:

(₹ in '000)

Name of Company	% of shareholding	Amount of Interest based on accounts for the year ended 31st March 2015 (Unaudited)					
		Assets	Liabilities	Income	Expenditure	Contingent Liabilities	Capital commitments
Checon Shivalik Contact Solutions Pvt. Ltd.	50%	73,686	73,686	71,979	73,526	231	-
(Previous Year) Audited	50%	70,807	70,807	51,843	57,328	231	-
Innovative Clad Solutions Private Limited	17.30%	80,527	80,527	25,477	41,938	9,122	-
(Previous Year) Audited	19.33%	100,510	100,510	28,799	51,939	9,343	-



REGISTRATION FORM

To
Shivalik Bimetal Controls Limited
16-18, New Electronics Complex,
Chambaghat, Distt. Solan – 173213,
Himachal Pradesh

Dear Sir/Madam,

RE: Green Initiative in Corporate Governance

I agree to receive all communication from the Company in electronic mode. Please register my e-mail id in your records for sending communication through e-mail.

Folio No. : _____

DP ID : _____

Client ID : _____

PAN : _____

Name of 1st Registered Holder : _____

Name of Joint Holder(s) : _____

Registered Address : _____

E-mail ID : _____

Date: _____

Signature of the first holder : _____

Important Notes:

- 1) On registration, all the communication will be sent to the e-mail ID registered in the folio/DP ID & Client ID.
- 2) Shareholders are requested to keep company informed as and when there is any change in the e-mail address. Unless the email Id given above is changed by you by sending another communication in writing, the company will continue to send the notices/documents to you on the above mentioned email ID.

PROXY FORM

SHIVALIK BIMETAL CONTROLS LIMITED

Registered Office: 16-18, New Electronics Complex, Chambaghat, Distt. Solan -173213 (H.P.) (INDIA)

CIN: L27101HP1984PLC005862

Name of the member (s):
Registered Address:
..... E-mail ID:
Folio No. / Client Id: DP ID:.....

I/We, being the member (s) of shares of the Shivalik Bimetal Controls Limited, hereby appoint.

1. Name : Address :
Email Id : Signature :
2. Name : Address :
Email Id : Signature :
3. Name : Address :
Email Id : Signature :

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company, to be held on Wednesday, the 23rd September, 2015, at Plot No. 16-18, New Electronics Complex, Chambaghat, Distt. Solan -173213 (H.P.) at 10.00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Ordinary Business
1	To consider and adopt the Audited Balance Sheet as at 31st March, 2015, Statement of Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon
2	To appoint a Director in place of Lt. Gen. Pradeep Khanna (Retd.), who retires by rotation and being eligible offers himself for re-appointment
3	To appoint a Director in place of Mr. Rohit Kapur, who retires by rotation and being eligible offers himself for re-appointment.
4	To appoint Auditors and fix their remuneration
	Special Business
5	Regularisation of Additional Director, Mrs. Harpreet Kaur (DIN 07012657) as an Independent Non-Executive Women Director

Signed this day of 2015

Signature of Shareholder:

Signature of Proxy holder (s) :

Affix a
Revenue
Stamp of
Rs. 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.

NOTES

[illegible]

NOTES

[illegible]



SHIVALIK BIMETAL CONTROLS LIMITED

CIN: L27101HP1984PLC005862

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Fax : +91-11-26026776, 26020806

Email : investor@shivalikbimetals.com

Website: www.shivalikbimetals.com