

**38<sup>th</sup>**  
**ANNUAL**  
**REPORT**  
**2021-22**



**SHIVALIK BIMETAL**  
**CONTROLS LIMITED**





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## COMPANY INFORMATION

### Board of Directors

Mr. S.S. Sandhu, Chairman  
Mr. N.S. Ghuman, Managing Director  
Mr. Swarnjit Singh, Independent Director  
Mr. N.J.S. Gill, Independent Director  
Lt. Gen. Pradeep Khanna (Retd.), Independent Director  
Ms. Anu Ahluwalia, Women Independent Director  
Ms. Harpreet Kaur, Non-Executive Women Director  
Mr. G.S. Gill, Non-Executive Director

### Chief Financial Officer

Mr. Rajeev Ranjan

### Company Secretary

Ms. Aarti Sahni

### Registered Office

16-18, New Electronics Complex, Chambaghat,  
Distt. Solan-173213, Himachal Pradesh  
Phone: +91-1792-230578  
Fax: +91-1792-230475  
Email: [investor@shivalikbimetals.com](mailto:investor@shivalikbimetals.com)  
Website: [www.shivalikbimetals.com](http://www.shivalikbimetals.com)  
CIN: L27101HP1984PLC005862

### Head Office

H-2, Suneja Chambers, 2<sup>nd</sup> Floor, Alaknanda  
Commercial Complex, New Delhi-110019  
Phone: +91-11-26027174, 26028175  
Fax: +91-11-26026776

### Statutory Auditors

M/s. Arora Gupta & Co.,  
Chartered Accountants  
(Firm Registration No. 021313C)  
HO: T2 Gole Market, Rudrapur, Udham Singh  
Nagar, Uttarakhand 263153

### Bankers

Indian Bank  
DBS Bank India Limited

### Registrar & Share Transfer Agent

M/s MAS Services Ltd.  
T - 34, II<sup>nd</sup> Floor, Okhla Industrial Area, Phase- II,  
New Delhi-110020  
Tel No.: (91) (11) 26387281, 26387282, 26387283  
Fax: (91) (11) 26387384  
Email: [info@masserv.com](mailto:info@masserv.com)  
Website: <http://www.masserv.com>



## NOTICE TO THE MEMBERS

NOTICE is hereby given that the 38<sup>th</sup> Annual General Meeting (“AGM”) of the Members of Shivalik Bimetal Controls Limited (“SHIVALIK”) will be held on Tuesday, the 27<sup>th</sup> day of September, 2022 at 10.30 AM Indian Standard Time (IST) at 4<sup>th</sup> Floor Hotel City Heights, City Centre Plaza, The Mall (Opposite District Courts), Solan (H.P.)-173212, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (both Standalone and Consolidated Financial Statements) of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the Reports of the Board of Directors and the Auditors thereon;
2. To confirm the payment of Interim Dividend and to declare Final Dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2022;
3. To appoint a Director in place of Mr. G.S. Gill (DIN: 00007393) who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s. Arora Gupta & Co., Chartered Accountants, (Firm Registration No. 021313C), as Statutory Auditors of the Company and to fix their remuneration.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force] and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s. Arora Gupta & Co., Chartered Accountants, (Firm Registration No. 021313C), be and are hereby re-appointed as Statutory Auditors of the Company for terms of five consecutive years, who shall hold office from the conclusion of the Thirty Eight (38<sup>th</sup>) Annual General Meeting to hold such office for an another period of five (5) years till the conclusion of the Forty Third (43<sup>rd</sup>) Annual General Meeting to be held in year 2027, at a remuneration as may be decided and fixed by the Board of directors of the Company from time to time.”

### SPECIAL BUSINESS

#### 5. RATIFICATION OF REMUNERATION PAYABLE TO MR. RAMAWATAR SUNAR, COST AUDITORS’ OF THE COMPANY FOR THE FINANCIAL YEAR ENDING 31<sup>ST</sup> MARCH, 2023

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with the Companies (Audit and Auditors) Rules, 2014 framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the remuneration of Rs. 1,25,000/- per annum plus applicable taxes and out of pocket expenses payable to Mr. Ramawatar Sunar, Cost Accountant, (Firm Registration No.100691), re-appointed by the Board of Directors on the recommendation of the Audit Committee, as Cost Auditor of the Company to conduct Audit of cost records of the Company for the financial year ending 31<sup>st</sup> March, 2023.

**“RESOLVED FURTHER THAT** the approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all the acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution.”

#### 6. TO APPROVE THE RE-APPOINTMENT OF LT. GENERAL PRADEEP KHANNA AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of sections 149, 152, and other applicable provisions of the Companies Act, 2013 (‘the Act’) and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company

be and is hereby accorded to re-appoint Lt. General Pradeep Khanna (DIN: 06668919), as an Independent Director of the Company for second and final term of five years commencing from the date of members' approval at this 38<sup>th</sup> Annual General Meeting till the conclusion of 43<sup>rd</sup> Annual General Meeting proposed to be held in the year 2027;

**RESOLVED FURTHER THAT** any Director or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things which may be necessary for re-appointment of Lt. General Pradeep Khanna (DIN: 06668919), as an Independent Director of the Company.

#### 7. TO APPROVE THE RE-APPOINTMENT OF MR. NIRMALJEET SINGH GILL AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of sections 149, 152, and other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Mr. Nirmaljeet Singh Gill (DIN: 00007425), as an Independent Director of the Company for second and final term of five years commencing from the date of members' approval at this 38<sup>th</sup> Annual General Meeting till the conclusion of 43<sup>rd</sup> Annual General Meeting proposed to be held in the year 2027;

**RESOLVED FURTHER THAT** any Director or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things which may be necessary for re-appointment of Mr. Nirmaljeet Singh Gill (DIN: 00007425), as an Independent Director of the Company.

#### 8. TO APPROVE THE RE-APPOINTMENT OF MR. S.S. SANDHU, AS CHAIRMAN AND WHOLE-TIME DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable Regulations under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the 'Listing Regulations') and subject to the provisions of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee, the approval of the Members be and is hereby accorded to the re-appointment of Mr. S.S. Sandhu (DIN: 00002312), as a Chairman & Whole-Time Director of the Company for a period of five (5) years w.e.f. 1<sup>st</sup> August, 2023 to 31<sup>st</sup> July, 2028.

**RESOLVED FURTHER THAT** the ratification of the existing remuneration (*amount of Rs. 3.00 Crore, as already approved by the shareholders in its meeting held on 11<sup>th</sup> September, 2019*) of Mr. S.S Sandhu (DIN: 00002312), as a Chairman and Whole time Director of the Company for further period of three years w.e.f 1<sup>st</sup> January, 2022.

**RESOLVED FURTHER THAT** Mr. S. S. Sandhu as Chairman & Whole -Time Director shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of the Directors or Company Secretary of the Company be and are hereby severally authorised to sign all such documents, letters, papers as may be required, to file requisite forms with the registrar of companies and to do all such acts, deeds, matters and things as are incidental thereto or as may be deemed necessary or desirable and to settle any question or difficulty that may arise in such manner as it may deem fit.”

#### 9. CONSIDERATION AND APPROVAL OF THE RATIFICATION OF THE EXISTING REMUNERATION OF MR. N. S. GHUMMAN, AS MANAGING DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other

applicable provisions, if any, of the Companies Act, 2013 as amended, and the rules framed thereunder (including any statutory modification or re-enactment(s) thereof, for the time being in force) (“the Act”) and Regulation 17(6) (e) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and in accordance with the Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded to the ratification of the existing remuneration (amount of Rs. 3.00 Crore, as already approved by the shareholders in its meeting held on 11<sup>th</sup> September, 2019) of Mr. N.S. Ghumman (DIN: 00002052), as Managing Director of the Company for further period of three years w.e.f 1<sup>st</sup> January, 2022.

**10. TO APPROVE THE ENHANCEMENT IN PRESCRIBED LIMIT OF REMUNERATION PAYABLE TO RELATED PARTIES, APPOINTMENT TO ANY OFFICE OR PLACE OF PROFIT IN THE COMPANY, ITS SUBSIDIARY COMPANY OR ASSOCIATE COMPANY;**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) and all other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modifications(s) or re-enactment thereof, for the time being in force) and provisions of Regulation 23(4) of the SEBI (LODR) Regulations, 2015, the approval/ratification of the shareholders be and is hereby accorded to the Board of Directors to enhance the prescribed limit of remuneration payable to related parties appointment to any office or place of profit in the Company, its Subsidiary Company or Associate Company, as computed under applicable provisions of Companies Act, 2013 and its allied rules from Rs. 30 Lakhs (Rupees Thirty Lakhs only) to 400 Lakhs (Rupees Four Hundred Lakhs only) per annum.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company and Company Secretary of the Company be and are hereby severally authorised to do, all such acts, matters, deeds and things, settle any queries/ difficulties/ doubts arise from it, as may be considered necessary, proper or expedient to give effect to this resolution and for matters connected herewith or incidental thereto in the best interest of the Company.”

**11. TO APPROVE THE ISSUE OF BONUS SHARES**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Ordinary Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 63 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (“SEBI”) (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] and other applicable regulations, rules and guidelines issued by SEBI and the Reserve Bank of India (“RBI”) from time to time, the enabling provisions of the Articles of Association of the Company and subject to such approvals, consents, permissions, conditions and sanctions as may be necessary from appropriate authorities and subject to such terms and modifications, if any, as may be specified while according such approvals and subject to acceptance of such conditions or modifications by the Board of Directors of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (“the Board”, which term shall include any Committee authorized by the Board to exercise its powers including powers conferred on the Board by this resolution) for capitalization of a sum not exceeding Rs. 3,84,02,800/- (Rupees Three Crore Eighty Four Lacs Two Thousand Eight Hundred only) from and out of the retained earnings for the purpose of issue of bonus equity shares of Rs.2/- (Rupees Two only) each, credited as fully paid-up to the eligible members of the Company holding equity shares of Rs. 2/- (Rupees Two only) each of the Company whose names appear in the Register of Members on a ‘Record Date’ to be determined by the Board for this purpose, in the proportion of 1 (One) new fully paid-up equity share of Rs. 2/- (Rupees Two only) each for every 2 (Two) existing fully paid-up equity shares of Rs. 2/- (Rupees Two only) each held by them and that the new bonus equity shares so issued and allotted shall, for all purposes, be treated as an increase in the paid-up capital of the Company held by each such Member.

**RESOLVED FURTHER THAT** the bonus equity shares so allotted shall rank pari-passu in all respects with the fully paid-up equity shares of the Company as existing on the Record Date.



**RESOLVED FURTHER THAT** in case of fractional shares, if any, arising out of the issue and allotment of the bonus equity shares, the Board be and is hereby authorized to make suitable arrangements to deal with such fractions for the benefit of the eligible Members, including but not limited to, allotting the total number of new equity shares representing such fractions to a person(s) to be appointed by the Board of Directors who would hold them in trust for such Members and shall, as soon as possible, sell such equity shares at the prevailing market rate and the net sale proceeds of such equity shares, after adjusting the cost and the expense in respect thereof, be distributed among such Members who are entitled to such fractions in the proportion of their respective fractional entitlements.

**RESOLVED FURTHER THAT** the bonus equity shares so allotted shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company.

**RESOLVED FURTHER THAT** in the case of Members who hold equity shares or opt to receive equity shares in dematerialized form, the bonus equity shares shall be credited to the respective beneficiary accounts of the Members with their respective Depository Participant(s) and in the case of Members who hold equity shares in physical form, the share certificate(s) in respect of the bonus equity shares shall be dispatched, within such time as prescribed by law and the relevant authorities.

**RESOLVED FURTHER THAT** the issue and allotment of the bonus equity shares to the extent they relate to Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) and other Foreign Investors, shall be subject to the compliance of Foreign Exchange Management Act / RBI / other regulatory approvals as may be necessary in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of such bonus equity shares on the Stock Exchanges where the shares of the Company are presently listed as per the provisions of the SEBI LODR Regulations and other applicable regulations, rules and guidelines.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary, proper, expedient or desirable and to settle any question, difficulty or doubt whatsoever that may arise with regard to issue, allotment, distribution and listing of shares as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

**For Shivalik Bimetal Controls Limited**

Sd/-

**Aarti Sahni**

**Company Secretary**

**M.No. A25690**

Place : New Delhi  
Date : 29.08.2022

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

## NOTES:

1. The Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013 ("The Act"), setting out material facts concerning the special business under Item No. 5, 6, 7, 8, 9, 10 & 11 of the Notice is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director(s) seeking appointment/re-appointment at this Annual General Meeting ("AGM") is also annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

3. Relevant documents referred to in the accompanying Notice and the Statement pursuant to Section 102 of the Act, shall be available for inspection at the Registered Office and the copies thereof at the Administrative Office of the Company during normal business hours (between 11.00 A.M. to 1.00 P.M.) on all working days up to and including the date of the Annual General Meeting (AGM).
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned certified copy (PDF/JPG Format) of their Board or governing Body's Resolution/Authorization, authorizing their representative to attend the AGM on their behalf and to vote through remote e-voting, to the Scrutinizer through e-mail at [amitsaxenacs@yahoo.com](mailto:amitsaxenacs@yahoo.com). with a copy marked to NSDL at [evoting.nsdl.co.in](http://evoting.nsdl.co.in).
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, the 21<sup>st</sup> day of September, 2022 to Tuesday, the 27<sup>th</sup> September, 2022 (both days inclusive) for the purpose of determining entitlement of Members for the payment of dividend for the financial year ended March 31, 2022, if declared at the AGM.
6. Electronic copy of the Annual Report for the financial year (FY) 2021- 22, the Notice of the 38<sup>th</sup> AGM of the Company along with Admission Slip and Proxy Form are being emailed to all the members whose email addresses are registered with the Company/Depository Participants. Physical copy of the aforesaid documents may be sent on request by any such Member.

Physical copy of the Annual Report for the FY 2021-22, the Notice of the 38<sup>th</sup> AGM of the Company along with Admission Slip and Proxy Form are being sent to those members who have not registered their email addresses with the Company/Depository Participants. The Annual Report for FY 2021-22 and the Notice of the 38<sup>th</sup> AGM will also be available on the Company's website – [www.shivalikbimetals.com](http://www.shivalikbimetals.com) and websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. The Notice of AGM is also available on the website of National Securities Depository Limited (NSDL) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Company's web-link on the above will also be provided in advertisement being published in Financial Express (English edition) and Jansatta (Hindi edition).

7. The route map as per the requirement of SS-2 and prominent landmark of the venue of the Meeting as well as Attendance Slip and Proxy Form are annexed to this Notice. Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting, as the Annual Report will not be available for distribution at the Meeting.
8. In terms of SEBI Circular dated 09/12/2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders atleast 2 days prior to the date of commencement of e-voting. Hence members are requested to update the mobile no./email ID with their respective depository participants.



9. The Securities and Exchange Board of India ('SEBI') vide its circular dated November 03, 2021 read with circular dated December 14, 2021 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC (complete address with pin-code, bank detail with MICR-CODE & IFS CODE, Email-ID, Mobile Number) and Nomination details to the Registrar and Transfer Agent ('RTA') of the Company. Effective from 1st January 2022. Registrar will not process, any service requests or complaints received from the member until unless above KYC and nomination will not be completed by shareholder and such shareholders holding will be fridge by RTA on or after 1st April 2023.

The shareholders holding shares in physical form are requested to note that in case of failure to provide required documents and details as per aforesaid SEBI circular, all folios of such shareholders shall be frozen on or after April 01, 2023 by the RTA. In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA:

- i. PAN; (using ISR-1)
- ii. Nomination in Form No.SH-13 or submit declaration to 'Opt-out' in Form ISR-3;
- iii. Contact details including Postal address with PIN code, Mobile Number, E-mail address;
- iv. Bank Account details including Bank name and branch, Bank account number, IFS code;
- v. Specimen signature. (using ISR-2)

Any cancellation or change in nomination shall be provided in Form No.SH-14

All of above required documents/details to be sent at the address of registered office of the RTA. The shareholders can download the forms mentioned in SEBI circular from the website of the Company or RTA website i.e www.masserv.com.

A separate communication has already been sent to the respective shareholders.

10. Members who have not registered their email addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.

Procedure for registering the email addresses and obtaining the Annual Report, AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case the shareholders holding shares in physical form):

Physical Holding	Please refer Point No. 9 of Notes of the AGM Notice.
DEMAT Holding	<p>Please contact your Depository Participant (DP) and register your email address as per the process advised by DP.</p> <p>Please also update your bank detail with your DP for dividend payment by NACH, if declare by Company.</p> <p><b>PLEASE UPDATE THE SAME ON OR BEFORE 24/09/2022</b></p>

11. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. To enable the Company to determine the appropriate TDS / withholding tax rate applicability, shareholders are requested to send the requisite documents with the Registrar and Share Transfer Agent viz. MAS Services Limited ("RTA") at [info@masserv.com](mailto:info@masserv.com). The shareholders are requested to update their PAN with the Company / MAS Services Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode) at the earliest. A communication providing information and detailed instructions with respect to Tax on the final dividend for the Financial Year ended 31<sup>st</sup> March, 2022 is being sent separately to the members.

However, no tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received during FY 21-22 does not exceed Rs.5,000/-.

A resident individual shareholder with PAN who is not liable to pay income tax submit a yearly declaration in Form 15G/15H, to avail the benefit of non-deduction of tax at Company's RTA at [investor@masserv.com](mailto:investor@masserv.com). Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

12. As per Regulation 40 of "SEBI Listing Regulations", as amended, Securities of Listed Companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Share Transfer Agents, MAS Services Limited for assistance in this regard.

In accordance with SEBI LODR (Listing Obligations and Disclosure Requirements) (4th amendment) Regulations, 2018 notified on June 07, 2018 and further notification dated 30/11/2018 any request for physical transfer of shares shall not be processed w.e.f. April 01, 2019

Further, in compliance with SEBI vide its circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January 2022, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only:-

- i) Issue of duplicate share certificate
- ii) Claim from unclaimed suspense account
- iii) Renewal/Exchange of securities certificate
- iv) Endorsement
- v) Sub-division / splitting of securities certificate
- vi) Consolidation of securities certificates/folios
- vii) Transmission
- viii) Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the company as well as on the website of MAS Services Ltd, Registrar and share transfer agent (RTA) The aforementioned form shall be furnished in hard copy form.

Members holding shares in physical form are requested to dematerialize their holdings at the earliest.

13. Members who wish to claim Dividends, which remain unclaimed, are requested to either correspond with the Corporate Secretarial Department at the Head office or the Company's Registrar and Share Transfer Agent (MAS Services Limited) for claim them before the due date. The details of such unclaimed dividends are available on the Company's website at [www.shivalikbimetals.com](http://www.shivalikbimetals.com). Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF Authority within a period of thirty days of such shares becoming due to be transferred to the IEPF.

In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5.

14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company on or before 22<sup>nd</sup> September, 2022, through email on [investor@shivalikbimetals.com](mailto:investor@shivalikbimetals.com). The same will be replied by the Company suitably.

## 16. Voting through electronic means:

- In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (i.e. facility to cast vote prior to the AGM), for which purpose the Board of Directors of the Company ('the Board') have engaged the services of National Securities Depository Limited ('NSDL').
- The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- The remote e-voting period commences on Saturday, 24<sup>th</sup> day of September, 2022 (9:00 am) and ends on Monday, 26<sup>th</sup> day of September, 2022 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20<sup>th</sup> day of September, 2022, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

### Instructions for remote e-voting

#### How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### **Step 1: Access to NSDL e-Voting system**

##### **A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider – NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>

	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR Code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type Helpdesk details	
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 1 2 * * * * * then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example if folio number is 1*** and EVEN is 120663 then user ID is 1 2 0 6 6 3 0 0 0 0 0 1 , if folio number is B-1 then user id is 120663B000001.

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
    - a) Click on “[Forgot User Details/Password?](#)” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  8. Now, you will have to click on “Login” button.
  9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2. How to cast your vote electronically on NSDL e-Voting system ?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting;
2. Select “EVEN” 121602 (e-voting even number) of “Shivalik Bimetal Controls Limited”;
3. Now you are ready for e-Voting as Cast Vote page opens;
4. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted;
5. Upon confirmation, the message “Vote cast successfully” will be displayed;
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page;
7. Once you have voted on the resolution, you will not be allowed to modify your vote;

## **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode then please refer point no. 9 of this notice.
2. In case shares are held in demat mode, please update your email id with your depository participant. However, if you are an individual shareholder, you can generate your password as explained above in e-voting instructions.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
  1. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
  2. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.



### Other Instructions:

- Corporate and Institutional members (Companies, Societies, Trust etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [amitsaxenacs@yahoo.com](mailto:amitsaxenacs@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/ Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. : 1800-222-990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

### General Information

- There will be one vote for every Client ID / registered folio number irrespective of the number of joint holders.
- 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 20<sup>th</sup> September, 2022.
- Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e Tuesday, September 20, 2022, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA, MAS Services Limited.
- 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.
- Mr. Amit Saxena, Practicing Company Secretary (Membership No. 29918), Proprietor of M/s Amit Saxena & Associates has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the remote e-voting process in a fair and transparent manner.
- 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.
- The Results of voting will be declared within two working days from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, along with the Scrutinizer’s Report, will be available forthwith on the Company’s corporate website [www.shivalikbimetals.com](http://www.shivalikbimetals.com) under the section ‘Investor Relations’ and on the website of NSDL, such Results will also be forwarded to the National Stock Exchange of India Limited and BSE Limited, where the Company’s shares are listed.

**For Shivalik Bimetal Controls Limited**

Sd/-

**Aarti Sahni**

**Company Secretary**

**M.No. A25690**

Place : New Delhi  
Date : 29.08.2022

### Registered Office:

**16-18, New Electronics Complex, Chambaghat,**

**Distt. Solan, Himachal Pradesh - 173213**

**CIN: L27101HP1984PLC005862**

**E-mail: [investor@shivalikbimetals.com](mailto:investor@shivalikbimetals.com)**



## **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **ITEM NO.5**

The Board, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of Mr. Ramawatar Sunar, Cost Accountant, (Firm Registration No. 100691), Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2023.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified and confirmed by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31<sup>st</sup> March, 2023.

None of the Directors /Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

### **ITEM NO. 6**

In accordance with Section 149(10) and (11) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such re-appointment in the Boards' Report.

Lt. General Pradeep Khanna (DIN: 06668919) was appointed as an Independent Director of the Company with the approval of shareholders at the Annual General Meeting ('AGM') of the Company held on 27<sup>th</sup> September, 2017, for a tenure of 5 years until the conclusion of the 38<sup>th</sup> AGM.

Based on his skills, experience, knowledge and performance evaluation and recommendation of the Nomination and Remuneration Committee at its meeting held on August 29, 2022, the Board, in line with the Company's policy on Director's appointment and remuneration has proposed the re-appointment of Lt. General Pradeep Khanna (DIN: 06668919) as an Independent Director for a second and final term of five years from the conclusion of this 38<sup>th</sup> AGM up to the conclusion of 43<sup>rd</sup> AGM to be held in the year 2027.

The Company has received a notice in writing pursuant to Section 160 of the Act, from a Member signifying his intention to propose the candidature of Lt. General Pradeep Khanna (DIN: 06668919) as an Independent Director, to be re-appointed under the provisions of Section 149(10) of the Act.

The Company has received requisite consent/declarations for appointment of Lt. General Pradeep Khanna as an Independent Director as required under the Act and rules made thereunder.

In the opinion of the Board and based on the Board's evaluation, Lt. General Pradeep Khanna fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for his re-appointment as an Independent Director from the Company and he is independent of the Management.

A copy of the draft letter for the re-appointment of Lt. General Pradeep Khanna as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on all working days except Saturdays and Sundays up to the date of ensuing AGM.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Lt. General Pradeep Khanna as an Independent Director, the Board recommends the resolution set forth in Item No. 6 relating to the re-appointment of Lt. General Pradeep Khanna as an Independent Director of the Company, who shall not be liable to retire by rotation, by way of Special Resolution.

In compliance with the general circular number 20/2020 dated May 5, 2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

A brief profile and other information as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 issued by ICSI is provided as Annexure to this Notice.

Except Lt. General Pradeep Khanna, no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.



## ITEM NO. 7

In accordance with Section 149(10) and (11) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such re-appointment in the Boards' Report.

Mr. Nirmaljeet Singh Gill (DIN: 00007425), was appointed as an Independent Director of the Company with the approval of shareholders at the Annual General Meeting ('AGM') of the Company held on 27<sup>th</sup> September, 2017, for a tenure of 5 years until the conclusion of the 38<sup>th</sup> AGM.

Based on his skills, experience, knowledge and performance evaluation and recommendation of the Nomination and Remuneration Committee at its meeting held on August 29, 2022, the Board, in line with the Company's policy on Director's appointment and remuneration has proposed the re-appointment of Mr. Nirmaljeet Singh Gill (DIN: 00007425), as an Independent Director for a second and final term of five years from the conclusion of this 38<sup>th</sup> AGM up to the conclusion of 43<sup>rd</sup> AGM to be held in the year 2027.

The Company has received a notice in writing pursuant to Section 160 of the Act, from a Member signifying his intention to propose the candidature of Mr. Nirmaljeet Singh Gill (DIN: 00007425), as an Independent Director, to be re-appointed under the provisions of Section 149(10) of the Act.

The Company has received requisite consent/declarations for appointment of Mr. Nirmaljeet Singh Gill as an Independent Director as required under the Act and rules made thereunder.

In the opinion of the Board and based on the Board's evaluation, Mr. Nirmaljeet Singh Gill Khanna fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for his re-appointment as an Independent Director from the Company and he is independent of the Management.

A copy of the draft letter for the re-appointment of Mr. Nirmaljeet Singh Gill as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on all working days except Saturdays and Sundays up to the date of ensuing AGM.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Nirmaljeet Singh Gill as an Independent Director, the Board recommends the resolution set forth in Item No. 7 relating to the re-appointment of Mr. Nirmaljeet Singh Gill as an Independent Director of the Company, who shall be not liable to retire by rotation, by way of Special Resolution.

In compliance with the general circular number 20/2020 dated May 5, 2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

A brief profile and other information as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 issued by ICSI is provided as Annexure to this Notice.

Except Mr. Nirmaljeet Singh Gill, no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

## ITEM NO. 8

Keeping in view the contribution made by Mr. S.S. Sandhu (DIN: 00002312) for sustaining the growth of the business of the Company futuristically, with the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on 29<sup>th</sup> August, 2022, decided to re-appoint Mr. S.S. Sandhu as Chairman and Whole Time Director of the Company for another term of 5 years effective from 01<sup>st</sup> August, 2023 subject to approval of the Shareholders in General Meeting.

Mr. S. S. Sandhu is one of the Executive Directors of the Company and is associated with the Company since inception. He Graduated with a Bachelor of Arts. He has more than 50 years of experience in varied spheres of Entrepreneurship functions including Finance, Banking, legal, commercial (domestic as well as international), administrative and Corporate financial management functions of the Company as well as looking after the Company's interests in JV's/ Associates. His well-defined path-oriented initiatives with long term vision, leadership and strategic decision makings have contributed immensely to the overall growth of the Company, during this period.

Section 196 (3) of the Act read with Part-1 of Schedule V provides that no Company shall appoint or continue the employment of any person as Chairman and Whole-time Director or Manager who has attained the age of 70 years



unless it is approved by the Shareholders as a Special Resolution. During the second year of his appointment as Chairman and Whole Time Director of the Company, Mr. S.S. Sandhu would be attaining the age of seventy years (70 yrs.) on 20<sup>th</sup> April, 2024. In accordance with the provisions of section 196 of the Companies Act, 2013, Mr. S.S. Sandhu's appointment as Chairman and Whole Time Director beyond the age of seventy years (70yrs.) would need Special resolution to be passed by the members in the forthcoming General Meeting.

Mr. S.S. Sandhu enjoys good health and is actively associated in the development of the Company. The Board recommends the resolution to be passed as special resolution by the Shareholders as per the requirements Companies Act, 2013.

None of the Directors, except Mr. S. S. Sandhu itself, is concerned or interested in the proposed resolution.

#### **ITEM NO. 9**

Keeping in view the contribution made by Mr. N.S. Ghumman (DIN: 00002052) for sustaining the growth of the business of the Company futuristically, with the recommendation of the nomination and remuneration committee, the Board of Directors in their meeting held on 29<sup>th</sup> August, 2022, decided to ratify the existing remuneration of Mr. N.S. Ghumman, Managing Director of the Company for a further period of three years w.e.f 01<sup>st</sup> January, 2022, subject to approval of the Shareholders in the ensuing Annual General Meeting as per the provisions of the Schedule V of the Companies Act, 2013.

Mr. N.S. Ghumman enjoys good health and is actively associated in the development of the Company. The Board recommends the resolution to be passed as special resolution by the Shareholders as per the requirements Companies Act, 2013.

None of the Directors, except Mr. N.S. Ghumman itself, is concerned or interested in the proposed resolution.

#### **ITEM NO. 10**

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings with related parties of the Company. The provisions of Section 188(1)(f) of the Companies Act, 2013 that govern the related party's appointment to any office or place of profit in the Company, its Wholly Owned Subsidiary Company or Associate Company. Mr. Kabir Ghumman and Mr. Sumer Ghumman son of Shri N.S. Ghumman (Managing Director) appointed as officers holding a place of profit under the erstwhile Section 314(1B) of the Companies Act, 1956.

By virtue of the Companies Act, 2013 ("Act") which has replaced the Companies Act, 1956, approval of the Central Government is now not required for appointment of a related party to an office or place of profit in the Company. However, in terms of Section 188(1)(f) of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 ("Rules") in aggregate maximum Permissible limit for Remuneration payable to related parties is Rs. 30 Lakhs (Rupees Thirty Lacs only) per annum; irrespective of the no. of persons employed; and General Circular No. 30/2014, the Company now seeks prior approval of the shareholders to, enhance the prescribed limit of remuneration payable to related parties appointment to any office or place of profit in the company, its wholly owned subsidiary company or associate company as computed under applicable provisions of Companies Act, 2013 and its allied rules from Rs. 30 Lakhs (Rupees Thirty Lakhs) to 400 Lakhs (Rupees Four Hundred Lakhs Only) per annum ("Maximum Remuneration") in a Financial Year starting from the Financial Year 01st April, 2022. This Maximum Remuneration shall be inclusive of perquisites as defined in the Companies Act, 2013 and such other benefits which are payable or applicable to employees in similar senior management cadre and same position in the Company as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

In terms of Regulation 23 of the SEBI (LODR) Regulations, 2015 and Section 188(1)(f) of the Companies Act, 2013 read with applicable rules, the Company has sought and obtained the approval and consent of the Nomination and Remuneration Committee and the Board respectively for enhancement in prescribed limit of remuneration payable to related parties appointment to any office or place of profit in the Company. The Audit Committee and Board considered the said Maximum Remuneration payable to the related parties appointment to any office or place of profit in the Company, are in the ordinary course of business and at arms' length basis transaction.

Mr. Kabir Ghumman is a qualified Engineer holding Bachelors-Mech. Engineering. He was made responsible for the supervision of all technical and process engineering aspects of the Company at the manufacturing unit. With his exposure and experience in the designing and optimisation of use of machinery has developed good understanding of manufacturing processing. His scope of work covers his full involvement in the mechanical engineering aspects of the



Company at plant.

Mr. Kabir Ghumman associated with the Company from last 14 years and meanwhile gave his best for its immense growth.

Mr. Sumer Ghumman

Mr. Sumer Ghumman is a qualified Graduate in Accounting & Finance having experience in Corporate Strategy, Governance, Finance, Regulatory/Legal and Risk management. He has more than 14 years of association with the company and has been responsible in setting up and growing 'Shivalik Engineered Products Private Ltd.' (SEPPL) (a subsidiary of 'the company'), currently Serving as Managing Director of the SEPPL.

His experience and present role prescribed limit of Companies Act is not commensurate, hence requires approval of the shareholders.

Except from Mr. N.S. Ghumman (Managing Director) a respectively, none of the other Directors, Key Managerial Personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

#### **Item No. 11**

In appreciation of continuing support from shareholders of the Company, as recommended by the Audit Committee, the Board of Directors at its meeting held on August 29, 2022, subject to consent of the Members of the Company, approved and recommended issue of bonus equity shares of Rs. 2/- (Rupees Two only) each credited as fully paid-up to eligible members of the Company in the proportion of 1 (One) new fully paid-up equity share of Rs. 2/- (Rupees Two only) each for every 2 (Two) existing fully paid-up equity shares of Rs. 2/- (Rupees Two only) each held by them, by capitalizing a sum not exceeding Rs. 3,84,02,800/- (Rupees Three Crore Eighty Four Lacs Two Thousand Eight Hundred only) out of retained earnings of the Company.

Pursuant to the Articles of Association of the Company permits capitalization out of retained earnings for the purpose of issue of bonus equity shares.

In case of fractional entitlements arising out of the issue of bonus equity shares, the Board will make suitable arrangements to deal with such fractions for the benefit of the eligible Members, including but not limited to allotment of total number of new equity shares representing such fractions to a person(s) to be appointed by the Board who would hold them in trust for such Members and shall, as soon as possible, sell such equity shares at the prevailing market rate and the net sale proceeds of such shares, after adjusting the cost and the expense in respect thereof, shall be distributed among such Members who are entitled to such fractions in the proportion of their respective fractional entitlements.

Pursuant to the provisions of Section 63 and other applicable provisions, if any, of the Companies Act, 2013 and subject to applicable statutory and regulatory approvals, the issue of bonus shares of the Company requires approval of the Members of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 11 of this Annual General Meeting Notice except to the extent of their shareholding in the Company. The Board of Directors of the Company recommends the resolution set out at Item No. 11 of this Annual General Meeting Notice for approval of the Members as an Ordinary Resolution.

**For Shivalik Bimetal Controls Limited**

Place : New Delhi  
Date : 29.08.2022

Sd/-  
**Aarti Sahni**  
**Company Secretary**  
**M.No. A25690**

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



**STATEMENT PURSUANT TO THE PROVISIONS OF PART II SECTION II (B) (iv) OF SCHEDULE V OF THE COMPANIES ACT, 2013 IN RESPECT TO ITEM NOS. 9 -10 OF THE NOTICE**

**I. GENERAL INFORMATION:**

- 1. Nature of Industry:** “Shivalik” is engaged in the business of manufacturing & sales of Thermostatic Bimetal / Trimetal strips, components, Spring Rolled Stainless Steels, Electron Beam Welded Shunt Materials (Strip & Finished Components), Cold Bonded Bimetal Strips and Parts, Snap Action Discs, CNC Formed Coils of Bimetals / Trimetals etc. “The Company” is specialized in joining of materials through various methods such as Diffusion Bonding/Cladding, Electron Beam welding, continuous brazing and Resistance Welding etc., and offers precision manufactured components specific to the application requirements and is a single vendor to many prestigious OEM’s and have successfully met the most stringent of demands set by multiple large global organizations. “Shivalik’s Products find application primarily in manufacturing of Switchgears, Circuit Breakers, Automotive, Energy Meters and various other Electrical and Electronic devices.
- 2. Date or expected date of commencement of commercial production:** 15<sup>th</sup> October 1986.
- 3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable
- 4. Financial performance based on given indicators:**

(₹ in Lakhs, except EPS)

Particulars	FY 21-22	FY 20-21	FY 19-20	FY 18-19	FY 17-18
Total Income	32,943.43	20,776.77	19,162.67	19,877.81	16,399.36
Operating Expenses	25,045.98	16,766.91	16,641.11	15,788.01	13,420.31
<b>EBITDA</b>	<b>7,897.45</b>	<b>4,009.86</b>	<b>2,521.56</b>	<b>4,089.80</b>	<b>2,979.05</b>
EBITDA Margin	23.97%	19.30%	13.16%	20.57%	18.17%
Finance Cost	276.36	162.87	293.69	357.73	331.13
Depreciation	637.83	589.90	600.62	484.86	461.58
<b>Profit Before Tax</b>	<b>6,983.26</b>	<b>3,257.09</b>	<b>1,627.25</b>	<b>3,247.21</b>	<b>2,186.34</b>
Taxes	1,781.04	850.41	370.91	942.07	587.30
<b>Profit after Tax*</b>	<b>5,202.22</b>	<b>2,406.68</b>	<b>1,256.34</b>	<b>2,305.14</b>	<b>1,599.04</b>
PAT Margin	15.79%	11.58%	6.56%	11.60%	9.75%
EPS	13.55	6.27	3.27	6.00	4.16

\*includes Other Comprehensive Income

- a) Foreign Investments or collaborations, if any:** The Company has two Joint Ventures with large entities engaged in the similar activities, overseas. One is Shivalik Engineered Products Private Limited (SEPPL) (Formerly known as Checon Shivalik Contact Solutions Private Limited)\* and another one is Innovative Clad Solutions Private Limited

\* Since 12th April, 2022 onwards – SEPPL become the Wholly owned Subsidiary of the Shivalik Bimetal Controls Limited

**II. INFORMATION ABOUT THE APPOINTEE(s):**

**A) Mr. S.S. Sandhu**

- (1) Background details:** As stated in the explanatory statement of Item Nos. 8 of the Notice.
- (2) Past remuneration:** During his present tenure as the Chairman & Whole Time Director of the Company, the remuneration paid to Mr. S.S. Sandhu for the Financial Year 2021-22 is as per the limits prescribed in the Schedule V to the Companies Act, 2013.
- (3) Recognition or Awards:** Under the leadership of Mr. S.S. Sandhu, Chairman & Whole time Director of the Company has won many prestigious awards and has been recognized for its contribution to the society.
  - SHIVALIK awarded by Emerging India-Award 2008 in the category of Auto, Ancillaries & Engineering, organized by CNBC TV-18 AND ICICI Bank.

- Registered with DUNS & Bradstreet
- Awarded best Vendor in the category Of Competitiveness by Schneider in 2011
- Preferred Supplier for Siemens, Schneider & Legrand and other leading electrical companies
- Awarded best Supplier in the Chennai Plant Supplier meet by Schneider Electric in March, 2019.
- Recognition towards significant contribution made by SHIVALIK in Electrical Standard Product during the FY 2018-19 by L&T Electrical & Automation.
- Awarded by SIEMENS in September, 2018 as Long Term Business Relationship.
- Awarded Supplier Quality Award -2019 (Gold) by L&T Electrical & Automation.

**(4) Job profile and his suitability:** The Shareholders and Board of Directors has bestowed Mr. S.S. Sandhu with substantial powers of the management subject to supervision and control of professional Board of Directors. Under his superior effort and pragmatic leadership, the Company has progressed steadily since his appointment. In view of his enriched experience, appreciable contribution and enlarged leadership, the Board proposes for the re-appointment of Mr. S.S. Sandhu as Chairman & Whole Time Director for a further period of 5 (Five) Years w.e.f. 01<sup>st</sup> day of August, 2023 to 31<sup>st</sup> day of July, 2028 and the Board further proposes to ratify the existing remuneration of Mr. S.S. Sandhu, Chairman for a further period of 3 (years) Years, as per the details stated in the explanatory statement of Item No.8 of the Notice.

**(5) Remuneration proposed:** Ratification of the existing Remuneration.

**(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of her origin):** The proposed remuneration is comparable and competitive, considering the industry, size of the company, the managerial position and the credentials of the Chairperson.

**(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any:** Mr. S.S. Sandhu is Promoter Director of the Company, holding 576000 Equity Shares of the face value of Rs. 2 Each representing 1.50 % of the total paid up capital of the Company. In addition to this Mrs. Sarita Sandhu, wife of Mr. S.S. Sandhu, holds 432000 Equity Shares, Mr. Angad Sandhu, son of Mr. S.S. Sandhu, holds 304000 and Mr. D.J.S Sandhu, Brother of Mr. S.S. Sandhu, holds 76000 equity shares of the face value of Rs. 2 Each representing 1.12.%, 0.79% and 0.19 % of the total paid up capital of the Company.

## B) Mr. N.S. Ghumman

**1) Background details:** Mr. N. S. Ghumman (DIN: 00002052) is the Managing Director of the Company. He holds a Bachelor of Technology (Hons.) degree in Mechanical Engineering in first division from Birla Institute of Technology & Science (B. I. T. S.), Pilani. He was Chief Engineer with Tradax Gestion SA. of Geneva, Switzerland. He is one of the promoter Directors of the Company and is associated with the Company since inception. He is a highly qualified and a widely experienced technocrat having experience of over 49 years in the field of engineering, manufacturing operations, Research & Development/ Product Development activities etc.

During this period, under his stewardship the Company has undertaken many challenging initiatives, implemented critical expansion programs and has enhanced manufacturing capabilities and capacities with the result that the Company's products find more and more acceptability, world over.

**2) Past remuneration:** During his present tenure as Managing Director of the Company, the remuneration paid to Mr. N.S. Ghumman for the Financial Year 2021-22 is as per the limits prescribed in the Schedule V to the Companies Act, 2013.

**(1) Recognition or Awards:** Under the leadership of Mr. N.S. Ghumman, Managing Director of the Company has won many prestigious awards and has been recognized for its contribution to the society.

- SHIVALIK awarded by Emerging India-Award 2008 in the category of Auto, Ancillaries & Engineering, organized by CNBC TV-18 AND ICICI Bank.
- Registered with DUNS & Bradstreet
- Awarded best Vendor in the category Of Competitiveness by Schneider in 2011



- Preferred Supplier for Siemens, Schneider & Legrand and other leading electrical companies.
- Awarded best Supplier in the Chennai Plant Supplier meet by Schneider Electric in March, 2019.
- Recognition towards significant contribution made by SHIVALIK in Electrical Standard Product during the FY 2018-19 by L&T Electrical & Automation.
- Awarded by SIEMENS in September, 2018 as Long Term Business Relationship.
- Awarded Supplier Quality Award -2019 (Gold) by L&T Electrical & Automation.

**(4) Job profile and his suitability:** The Shareholders and Board of Directors has bestowed Mr. N.S. Ghumman with substantial powers of the management subject to supervision and control of professional Board of Directors. Under his superior effort and pragmatic leadership, the Company has progressed steadily since his appointment. In view of his enriched experience, appreciable contribution and enlarged leadership, the Board proposes to ratify the remuneration of Mr. N.S. Ghumman, Managing Director for a further period of three years as per the details stated in the explanatory statement of Item No. 9 of the Notice.

**(5) Remuneration proposed:** Ratification of the existing Remuneration.

**(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of her origin):** The proposed remuneration is comparable and competitive, considering the industry, size of the company, the managerial position and the credentials of the Managing Director.

**(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any:** Mr. N.S. Ghumman is Promoter Director of the Company, holding 2994000 Equity Shares of the face value of Rs. 2 Each representing 7.80% of the total paid up capital of the Company. In addition to this Mrs. Tejinderjeet Kaur Ghumman, wife of Mr. N.S. Ghumman holds 616000 Shares and Sumer Ghumman son of Mr. N.S. Ghumman, holds 2000 equity shares of the face value of Rs. 2 each representing 1.60% and 0.01% of the total paid up capital of the Company.

### III. OTHER INFORMATION:

**(1) Reasons of loss or inadequate profits:** The Company has performed well in the financial year 2021-22. The revenues have increased from Rs. 20,776.77 Lakhs (including other income) in FY 2020-21 to Rs. 32,943.43 Lakhs (including other income) in FY 2021-22 at a growth rate of more than 58.56%. The profit before tax has also increased from Rs. 4,018.36 Lakhs in FY 2020-21 to Rs. 7,892.83 Lakhs in FY 2021-22 which is 96.41% increase from the last FY 2020-21. The current profitability at present is inadequate for the ratify the existing remuneration as it may exceed the limits as prescribed in Schedule V of the Companies Act, 2013. There is no loss in the Company.

**(2) Steps taken or proposed to be taken for improvement:** The Company has adopted the following measures to improve the profitability:

- Focus on high quality performance delivery and good relationship with existing customers to generate rapid new order flows.
- Widening of customer base for growth of business both from private and public sector.
- Conscious efforts for the development of customer base in the respective business segments.
- Company has not only focused on securing new orders but also efficiently executed existing orders to the satisfaction of various customers
- Use of the Equipments of latest technology for enhancing quality and reducing time
- Focus on significant improvements in operating costs.
- Cost control in all areas.

**(3) Expected increase in productivity and profits in measurable terms:** It is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that productivity and profitability may improve and would be comparable with the industry average.

## Annexure-A

### Details of the Directors seeking re-appointment/ appointment in the 38<sup>th</sup> Annual General Meeting pursuant to Regulation 26(4) read with 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Particulars	Lt. General Pradeep Khanna	Mr. N.J.S. Gill	Mr. G.S. Gill	Mr. S.S. Sandhu
DIN No .	06668919	00007425	00007393	00002312
Date of Birth	07/02/1951	11/05/1949	19/09/1950	20/04/1954
Age	71 years	73 years	71 Years	68 Years
Date of appointment/ Reappointment	27 <sup>th</sup> September, 2017	27 <sup>th</sup> September, 2017	11 <sup>th</sup> September, 2019	11 <sup>th</sup> September, 2019
Date of first appointment on Board	08/08/2013	28/05/2003	28/09/1998	01/08/2003
Terms and Conditions of Appointment	5 years	5 years	His office as director shall be liable to retire by rotation.	5 years
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Lt. General Pradeep Khanna is not related to any Director/KMP of the Company	Mr. Nirmaljeet Singh Gill is not related to any Director/KMP of the Company	-	-
Remuneration sought to be paid	Nil	Nil	Nil	As stated in item no. 8 of the Notice
Remuneration Last Drawn	Nil	Nil	Nil	As stated in item no. 8 of the Notice
Qualification & Experience in specific functional area	Pradeep Khanna (Retd.) was born on 7 <sup>th</sup> February, 1951 and 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 28 <sup>th</sup> February, 2011. He has been awarded Param Vishisht Seva Medal, Ati Vishisht Seva Medal, Vishisht Seva Medal and Aid-DeCamp during his service tenure in Indian Military.	Mr. N.J.S. Gill is a Businessman and joined the Board in the year 2003 as Non-executive and Independent Director of the Company. He is a member of Association of Accounting Technicians, London. Mr. Gill served as Finance Director with M/s Amita Affiliates Ltd., London for 5 years. Since he has been in business for the last 49 years and accordingly well aware of intricacies of carrying on business, as such he provides useful guidance to the Company on critical issues.	Mr. Gurmeet Singh Gill is qualified MBA having vast business experience in various Commercial Areas. He is on the Board of the Company since the year 1998 as Non-executive Director of the Company. Since he has been in business for the last 42 years and accordingly well aware of intricacies of carrying on business, as such he provides useful guidance to the Company on critical issues.	Mr. S. S. Sandhu (DIN: 00002312) is the Whole-time Director and Executive Chairman of the Company. He has over 50 years of experience in varied spheres of Entrepreneurship including Finance, Banking, legal, commercial (domestic as well as international), administrative and Corporate financial management functions of the Company as well as looking after the Company's interests in JV's/Associates. His well-defined path-oriented initiatives with long term vision, leadership and strategic decision-makings have contributed immensely to the overall growth of the Company, during this period.



Directorships held in other companies*	Nil	Nil	Nil	Nil
M e m b e r s h i p s / Chairmanships of Committee in other public limited companies (includes only Audit & Shareholders' / Investors' Grievance Committee)	Nil	Nil	Nil	Nil
No of shares held in Company	Nil	Nil	Nil	576000

\* excluded Section 8 Companies and Private Limited Companies



## DIRECTORS' REPORT



To the Members,

Your Directors have pleasure in presenting the 38<sup>th</sup> Annual Report of ('the Company') for the financial year ('Year') ended 31<sup>st</sup> March 2022.

### FINANCIAL HIGHLIGHTS (STANDALONE)

(Rs. in Lakhs)

PARTICULARS	FY 2021-22	FY 2020-21
Revenue from Operations	32,398.75	20,372.17
Other Income	544.68	404.60
<b>Total Revenue</b>	<b>32,943.43</b>	<b>20,776.77</b>
Operating Expenditure	25,050.60	16,758.41
Profit/(Loss) before Interest, Depreciation, Tax & Exceptional Items	7,892.83	4,018.36
Finance Cost	276.36	162.87
Depreciation	637.83	589.90
Profit/ (Loss) before Taxes & Exceptional items	6,978.64	3,265.59
Profit/ (Loss) before Tax	6,978.64	3,265.59
Tax Expense	1,781.04	850.41
<b>Profit/ (Loss) after Tax</b>	<b>5,197.60</b>	<b>2,415.18</b>
Other comprehensive income	<b>4.62</b>	(8.50)
<b>Total Comprehensive Income for the Period</b>	<b>5,202.22</b>	<b>2,406.68</b>

### PER SHARE DATA

Particulars	FY 2021-22	FY 2020-21
Book Value per share	48.74	36.00

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

### COMPANY'S PERFORMANCE

Standalone performance

Your Company's revenue increased to Rs. 32,943.43 Lakhs for the current year as against Rs. 20,776.77 Lakhs in the previous year, recording an increase of 58.56%.

The Company successfully delivered on the Profitability front with Core EBIDTA 96.41% at about Rs. 7,892.83 Lakhs as against Rs. 4,018.36 Lakhs in the previous year.

Your Company's net profits increased to Rs. 5202.22 Lakhs in the current year as against Rs. 2406.68 Lakhs in the previous year, recording an increase of 116.16%.

The members are advised to refer to the separate section on the Management Discussion and Analysis in this report for a detailed understanding of the operating results and business performance.

### STATUS UPDATE ON EXPANSION PROJECT

#### UNIT I

Construction of the Building and equipment installation on the adjoining land has been completed and commercial production has commenced.

#### UNIT IV

Construction of the UNIT-IV Building is completed, and the Phase-wise equipment installation/commissioning process is expected to be fully operational by the end of September 2022.

## CONSOLIDATED

The Annual Report includes the Audited Consolidated Financial Statements, prepared in compliance with the Companies Act, 2013 and the applicable Accounting Standards, its Joint Venture and Associate Companies. The Consolidated Financial Statements shall be laid before the ensuing 38<sup>th</sup> Annual General Meeting of the Company along with the laying of the Company's Standalone Financial Statements.

Additional details regarding the performance of the Associate Company & Joint Venture Companies have been mentioned in the succeeding paragraphs.

## PERFORMANCE OF THE JOINT VENTURE / WHOLLY OWNED SUBSIDIARY COMPANIES

Your Company has one Associate Company and two Joint Venture Companies as on 31<sup>st</sup> March 2022. After 31<sup>st</sup> March 2022, our associate and one of our joint venture companies have become wholly owned subsidiary Companies. The members may refer to the financial statements forming part of the Annual Report as required under Section 129(3) of the Companies Act, 2013. The key highlights of these Associate/Joint Venture Companies are as under:

### a) Associate Company

#### i) Shivalik Bimetal Engineers Private Limited (Wholly Owned Subsidiary w.e.f 12<sup>th</sup> April 2022)\*

This Company recorded a turnover of Rs. 177.76 Lakhs for the year ended 31<sup>st</sup> March 2022 (Previous year of Rs. 126.43 Lakhs) and a profit of Rs. 30.09 Lakhs for the year ended 31<sup>st</sup> March 2022 (Previous year of Rs. 22.05 Lakhs).

### b) Joint Venture Companies

#### i) Innovative Clad Solutions Private Limited

This Company recorded a turnover of Rs. 15,951.62 Lakhs for the year ended 31<sup>st</sup> March, 2022 (Previous year of Rs. 7,311.61 Lakhs) and recorded a Profit of Rs. 1,336.70 Lakhs for the year ended 31<sup>st</sup> March, 2022 (Previous year Profit of Rs. 205.24 Lakhs).

#### ii) Shivalik Engineered Products Private Limited (Formerly known as Checon Shivalik Contact Solutions Private Limited) (Wholly Owned Subsidiary w.e.f 12<sup>th</sup> April, 2022)\*\*

This Company recorded a turnover of Rs. 4,822.05 Lakhs for the year ended 31<sup>st</sup> March, 2022 (Previous year of Rs. 3,936.35 Lakhs) and recorded a profit of Rs. 273.78 Lakhs for the year ended 31<sup>st</sup> March 2022, (Previous year of Rs. 241.33 Lakhs)

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

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

Further, in accordance with the provisions of Section 136 of the Companies Act, 2013, the Annual Report of the Company, containing the Standalone and the Consolidated Financial Statements, have been placed on the website of the Company i.e. [www.shivalikbimetals.com](http://www.shivalikbimetals.com).

## \*KEY DEVELOPMENTS

### • Acquisitions and Investments

#### \*i) Acquisition of entire stake of Checon Corporation, USA

On April 12, 2022, the Company executed a Share Purchase Agreement with Checon Corporation, USA for acquisition of the entire equity stake of Checon Corporation, USA (50%) held in Shivalik Engineered Products Private Limited (SEPPL) (Formerly known as Checon Shivalik Contact Solutions Private Limited). On April 12, 2022, the said acquisition was completed, and SEPPL ceased to be a joint venture of the Company and became its wholly-owned subsidiary.

#### \*\*ii) Acquisition of entire stake held by Ultra Portfolio Management Private Limited and O D Finance and Investment Private Limited



On April 12, 2022, the company executed a Share Purchase Agreement with Ultra Portfolio Management Private Limited and O D Finance and Investment Private Limited for the acquisition of the entire equity stake of Ultra Portfolio Management Private Limited and O D Finance and Investment Private Limited (55%) held in Shivalik Bimetal Engineers Private Limited (SBEPL). On April 12, 2022, the said acquisition was completed, and SBEPL ceased to be associate of the Company and became its wholly-owned subsidiary.

## **DIVIDEND**

Based on the Company's performance, the Directors have recommended a final dividend of Rs. 0.50 (i.e., @ 25 % of the nominal value of the share) per Equity Share of the face value of Rs. 2/- each for the year ended 31<sup>st</sup> March, 2022. If the members approve, the final dividend on equity shares would entail a cash outflow of Rs. 192.01 Lakhs.

This is in addition to the Interim Dividend of Rs. 0.50 (i.e., @ 25 % of the nominal value of the share) per equity share of Rs. 2/- each in its Board Meeting held on 02<sup>nd</sup> February, 2022, and which was paid on 25<sup>th</sup> February, 2022, amounting to Rs. 192.01 Lakhs.

The total dividend per equity share for the year ended 31<sup>st</sup> March 2022 is Rs. 1 (i.e., @ 50 % of the nominal value of the share), and the total dividend payout is Rs. 384.02 Lakhs. The Register of Members and Share Transfer Books will remain closed from 21<sup>st</sup> day of September, 2022 to 27<sup>th</sup> day of September, 2022 (both days inclusive).

## **TRANSFER TO RESERVE**

The Company does not proposed to transfer any amount to the reserve.

## **PUBLIC DEPOSITS**

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

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Act, Mr. G.S. Gill (DIN: 00007393), Director, retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

The Board of Directors, in their meeting held on 29<sup>th</sup> August, 2022, have re-appointed Mr. S.S. Sandhu (DIN No. 00002312) as Whole Time Director designated as Chairman of the Company for a further period of five years w.e.f. 01<sup>st</sup> August 2023 to 31<sup>st</sup> July 2028, subject to the approval of the shareholders of the Company. The resolutions pertaining to their re-appointment are set out in Item No. 8 of the Notice of the forthcoming Annual General Meeting.

The Nomination and Remuneration Committee, at their meeting held on 29<sup>th</sup> day of August, 2022, has recommended the re-appointment of Lt. General Pradeep Khanna (DIN: 06668919) and Mr. N.J.S. Gill (DIN: 00007425), as the Independent Directors for another term of five consecutive years with effect from 27<sup>th</sup> September 2022, not liable to retire by rotation, subject to the members' approval.

The resolutions on the above re-appointments as Independent Directors are set out at Item Nos.6 to 7 of the Notice of the forthcoming Annual General Meeting.

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

## **INDEPENDENT DIRECTOR'S DECLARATION**

The Company has received declarations from all the Independent Directors confirming that they meet with the criteria of independence as prescribed both under section 149(6) of the Companies Act, 2013 along with the Rules framed thereunder and under Regulation 16(1)(b) read with Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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



## ANNUAL EVALUATION OF BOARD'S PERFORMANCE

According to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has carried out the Annual Performance Evaluation of its performance, the Directors individually, as well as the evaluation of the working of its Board Committees.

The performance evaluation of the Independent Directors and fulfilment of their independence criteria as specified in SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and their independence from the management was made by the entire Board, excluding the Directors being evaluated. The Board carried out the performance evaluation of the Chairman, Board as a whole and the Non-Independent Directors, excluding the Directors being assessed.

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

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

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

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

## NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

During the year under review, Four (4) Board Meetings and Four (4) Audit Committee Meetings were convened and held; the details of the meetings as mentioned earlier are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## 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 provided in the notes to Financial Statements.

## AUDITORS

### Statutory Auditors

The Members of the Company, at the 33<sup>rd</sup> Annual General Meeting ('AGM'), held on 27<sup>th</sup> September 2017, approved the appointment of M/s. Arora Gupta & Co., Chartered Accountants (Firm Registration No .021313C), as Statutory Auditors for a period of five years from the conclusion of the said AGM. M/s. Arora Gupta & Co., Chartered Accountants (Firm Registration No .021313C) will complete their present term on conclusion of the forthcoming AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('Act') read with the Companies (Audit and Auditors) Rules, 2014.

On the recommendation of the Audit Committee, the Board of Directors has recommended to the members for the re-appointment of M/s. Arora Gupta & Co., Chartered Accountants (Firm Registration No .021313C), as the Statutory Auditors for a further period of five years from the conclusion of the forthcoming AGM till the conclusion of the 43<sup>rd</sup> AGM of the Company. The members are requested to re-appoint M/s. Arora Gupta & Co., Chartered Accountants (Firm Registration No .021313C), as Statutory Auditors of the Company as stated in Item no. 4 of the Notice of the forthcoming Annual General Meeting.

### Auditors Report

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



## Cost Auditors

The Company is required to maintain the cost records as specified by the Central Government under section 148(1) of the Act, and accordingly, such accounts and records are made and maintained. As per the requirement of the Central Government and under Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company has been carrying out an audit of cost records.

Being eligible, Mr. Ramawatar Sunar has consented to act as the Cost Auditor of the Company for the financial year 2022-23. Mr. Ramawatar Sunar has further certified that his re-appointment is within the limits as prescribed under Section 141(3)(g) of the Act and that he is not disqualified from such re-appointment within the meaning of the said Act. The remuneration proposed to be paid to Mr. Ramawatar Sunar, subject to ratification by the Company's shareholders at the AGM, has been set out in the Notice of the next AGM.

As required under the Act, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the forthcoming 38<sup>th</sup> Annual General Meeting.

## Secretarial Auditor and Secretarial Standards

The Board has re-appointed M/s R Miglani & Co., Company Secretaries, to conduct the Secretarial Audit of the Company for the financial year 2022-23, as required under Section 204 of the Act and the rules made thereunder. The Secretarial Audit Report for the financial year 2021-22 is annexed herewith as '**Annexure-B**' to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. Observations made in the Secretarial Auditor's Report are self-explanatory and therefore do not call for further comments under Section 134(1) of the Companies Act, 2013.

During the Year, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## Reporting of frauds by Auditors

During the financial year 2021-22, the Statutory Auditors, Secretarial Auditor and Cost Auditor of the Company, according to the provisions of Section 143(12) of the Act, including rules made thereunder, have confirmed that they have not come across any event indicating the commitment of any fraud by the officers or employees of the Company. Therefore, no reporting under the said provision was required.

## INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Company has an Internal Financial Control system commensurate with the size and complexity of its operations to ensure proper recording of financial or operational information, compliance with various internal controls, and other regulatory and statutory compliances. During the year under review, no material or profound observation has been received from the Company's Internal Auditors for inefficiency or inadequacy of such controls.

Internal Auditors comprised of external professional Chartered Accountants firm monitor & evaluate the efficacy of the Internal Financial Control system in the Company, its compliance with the operating system, accounting procedures & policies at all the locations of the Company. Based on their report on the Internal Audit function, corrective actions in the respective area are undertaken & controls are strengthened. Significant audit observations & disciplinary action suggested are presented to the Audit Committee.

## EXTRACT OF ANNUAL RETURN

According to the provisions of Section 134(3)(a) and 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, as amended, the Annual Return of the Company is available on the website of the Company at [https://www.shivalikbimetals.com/annual\\_reports.php](https://www.shivalikbimetals.com/annual_reports.php)

## CORPORATE GOVERNANCE REPORT INCLUDING MANAGEMENT AND DISCUSSION ANALYSIS REPORT

At Shivalik, we ensure that we evolve and follow the corporate governance guidelines and best practices diligently, not just to boost long-term shareholder value but also to respect the rights of the minority. We consider it our inherent responsibility to disclose timely and accurate information regarding the company's operations and performance, leadership, and



governance. As per the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a detailed Corporate Governance Report together with the Practicing Company Secretary Certificate on the Compliance of conditions of Corporate Governance and Management Discussion & Analysis Report formed part of the Annual Report and annexed as '**Annexure – C & D**' to this Report.

The Corporate Governance Report forming part of this Report also covers the following:

- Particulars of the Board Meeting(s) held during the Financial Year 2021-22;
- Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management, including, among other things, the criteria for the performance evaluation of Directors;
- The details concerning the composition of Committees and establishment of Vigil Mechanism (including Whistle Blower Mechanism/Policy).

### **PARTICULARS OF CONTRACTS /ARRANGEMENTS WITH RELATED PARTIES**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arms' length basis.

During the year, the Company has not entered into any contract/arrangement/transaction with related parties, which could be considered material following the policy of the Company on the materiality of related party transactions.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board may be accessed on the Company's website under the head of the investor relation/Shivalik corporate policy tab at [www.shivalikbimetals.com](http://www.shivalikbimetals.com).

There were no materially significant related party transactions that could have potential conflict with the Company's interest at large. Therefore, disclosure in Form AOC-2 is not required. Members may refer to Note No. 41 to the standalone financial statements, which sets out related party disclosures according to Ind AS.

### **CORPORATE SOCIAL RESPONSIBILITY**

Following the requirements of Section 135 of the Act, your Company has constituted a Corporate Social Responsibility Committee. The Corporate Social Responsibility Committee's composition and terms of reference are provided in the Corporate Governance Report.

The Corporate Social Responsibility Committee has formulated and recommended to the Board a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which the Board has approved. The CSR Policy may be accessed on the Company's website under the head of investor relation/Shivalik corporate policy tab at [www.shivalikbimetals.com](http://www.shivalikbimetals.com). During the year, the Company has focused on the following areas:

- Promotion of education,
- Promotion of sports.
- Women Empowerment
- Infrastructure Facilities
- Rural Development
- Healthcare Services

The Company would also undertake other need-based initiatives in compliance with Schedule VII of the Act. During the Year, the Company has spent an amount of Rs. 56.72 Lakhs on CSR activities. The financial data on the Company's CSR activities for 2021-22 is annexed in the prescribed format in '**Annexure-E**' to the Board's Report. The Company is undertaking the CSR activities directly and through the trust 'ABS Foundation'.

### **CREDIT RATINGS**

The Credit Rating Agency CRISIL has upgraded its ratings on the bank facilities of Shivalik Bimetal Controls Limited (SBCL) to 'CRISIL A/Stable/CRISIL A1' from 'CRISIL A/Stable/CRISIL A2+'.



## Rating Action

Total Bank Loan Facilities Rated	Rs.71 Crore
Long Term Rating	<b>CRISIL A/Stable</b> (Upgraded from 'CRISIL A-/Stable')
Short Term Rating	<b>CRISIL A1</b> (Upgraded from 'CRISIL A2+')

## DETAILS OF THE NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL IN TERMS OF SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

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

There were no complaints received during the Financial Year 2021-22.

## DIVIDEND DISTRIBUTION POLICY

As per regulation 43A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), the top 1000 listed companies shall formulate a dividend distribution policy. Accordingly, the policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividends to its shareholders and/or retained profits earned by the Company. The policy is also available on the Company's website: [www.shivalikbimetals.com](http://www.shivalikbimetals.com)

## BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective, specified format is being given separately and forms part of this Annual Report. The said report is also available on the website of the Company. Information on the Business Responsibility Report is placed in **Annexure-F** of this Report.

## RISK MANAGEMENT

Pursuant to the Regulation 21 of SEBI (LODR) Regulations, 2015, Shivalik has been covered under top 1000 listed entities w.e.f. 01<sup>st</sup> April, 2022 onwards, therefore the Company has established Enterprise Risk Management Policy to manage risks with the objective of maximizing shareholders value.

The Board of Directors of the Company has formed a Risk Management Committee to implement and monitor the risk management Policy of the Company vide its meeting held on 30<sup>th</sup> day of May, 2022.

## DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the annual accounts, the applicable accounting standards have been followed, and there are no material departures;
- they have selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on 31<sup>st</sup> March, 2022;
- they have taken proper and sufficient care for the maintenance of adequate accounting records following the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;



- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively

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

Under Section 178 of the Companies Act, 2013, read with the Rules issued thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, your Company has already formulated the Nomination and Remuneration & Board Diversity Policy. The salient aspects covered in the Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors and other matters, have been outlined in the Corporate Governance Report, which forms part of this Report.

### **PARTICULARS OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES**

Disclosure pertaining to remuneration and other details as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in **Annexure [G]** Statement of Disclosure of Remuneration to this Report.

In accordance with the provisions of Sections 197(12) & 136(1) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the list pertaining to the names and other particulars of employees drawing remuneration in excess of the limits as prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is available on Company's website and as set out in Annexure G.

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

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

#### **(A) Conservation of energy-**

- i) Some of the steps taken for the conservation of energy are;
  - Reorganising of Production and Process Layouts to reduce material movement.
  - Replacing Older Drives with newer drives that are application specific with correcting rating.
  - Automatic power factor controller (APFC) to maintain power factor closer to unity in order to ring down the energy bills.
  - Renewal of pneumatic piping with the latest leak proof systems
  - As much as possible all new motors installed are of energy efficient types
  - Convention light replaced with LED Lights
  - Installation of new compressors
  - Inter-Plant movement of material done using Electric Vehicle.
  - Monitoring of Carbon Footprint has begun, with a plan being devised in order to offset our Carbon Footprint in the coming years.
- ii) The steps taken by the Company for utilizing alternate sources of energy;
  - The bulk of the energy used in all operations is from renewable sources, mainly hydroelectric power.
- iii) The capital investment in energy conservation equipment: 19.33 Lakhs.

## (B) Technology Absorption

- i) the efforts made towards technology absorption;
  - Further improvements made in custom-built machines for automatic inspection of components;
  - Additional Automated systems for high-speed measurement and dimensional checks;
  - In-house development and building of additional electron beam welding machines;
  - High-Speed automatic packing machines for electronic parts – Further improvements made in production throughput.
  - Design and building of custom machines for measuring and calibrating shunt resistors.
  - Improved heat treatment process to improve performance of resistors
  - Installed Energy efficient Vacuum systems
- ii) The benefits derived like product improvement, cost reduction, product development or import substitution;
  - Reduction in internal rejections and external customer complaints;
  - Reduction in production lead time;
  - Improvement of production efficiency;
  - Development of new products;
  - Development and validation of new processes and process enhancements.
- iii) In the case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - N. A.
  - The details of technology imported - N. A.
  - The year of import - N. A.
  - Whether the technology has been fully absorbed- N. A.
  - If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N. A
- iv) The expenditure incurred on Research and Development.
  - Capital Expenditure: NIL
  - Recurring Expenditure: Rs. 74.43 Lakhs
  - Total: Rs. 74.43 Lakhs
  - Total R & D expenditure as a percentage of total turnovers: 0.23 %

## (C) Foreign exchange earnings and Outgo

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

i)	Earnings in FC	Rs. 18940.67 Lakhs
ii)	Expenditure FC	Rs. 15411.38 Lakhs
iii)	Expenditure in FC (Capex)	Rs. 630.34 Lakhs

## SIGNIFICANT/ MATERIAL ORDERS PASSED BY THE REGULATORS

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



## GENERAL SHAREHOLDER INFORMATION

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

## ACKNOWLEDGEMENTS/ APPRECIATION

Your Directors would like to sincerely express their appreciation for co-operation received from the Company's Bankers, 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 Shareholders and all Stakeholders for their continuous support and cooperation with the Company during the year.

**For Shivalik Bimetal Controls Limited**

Sd/-

**S. S. Sandhu**  
**Chairman**

**DIN:00002312**

Place : New Delhi  
Date : 29-08-2022

302, Kings I, Royal Retreat, Charmwood  
Village. Suraj Kund, Faridabad, Haryana-121009, India

Registered Office:  
16-18, New Electronics Complex, Chambaghat,  
Distt . Solan, Himachal Pradesh - 173213  
CIN: L27101HP1984PLC005862  
E-mail: [investor@shivalikbimetals.com](mailto:investor@shivalikbimetals.com)



## “ANNEXURE-A”

### Form AOC-1

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

#### Part “B”: Associate and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Joint Venture and Wholly Owned Subsidiaries

S. No	Name of Joint Ventures/ Associates	Joint Ventures		Associate
		<b>Shivalik Engineered Products Private Limited (Formerly Known as Checon Shivalik Contact Solutions Private Limited)</b>	<b>Innovative Clad Solutions Private Limited</b>	<b>Shivalik Bimetal Engineers Private Limited</b>
1	<b>Latest audited Balance Sheet Date</b>	<b>31<sup>st</sup> March, 2022</b>	<b>31<sup>st</sup> March, 2022</b>	<b>31<sup>st</sup> March, 2022</b>
2	<b>Date on which the Associate or Joint Venture was associated or acquired</b>	<b>01/12/2005</b>	<b>04/03/2008</b>	<b>27/02/2008</b>
3	<b>Shares of Associate/Joint Ventures held by the Company on the year end</b>			
	No.	17,10,900	1,60,86,003	2,22,750
	Amount of Investment in Associates/Joint Venture Rs. In Lakhs)	221.45	780.02	22.28
	Extend of Holding (%)	50%	16 .01%	45%
4	<b>Description of how there is significant influence</b>	2(6)	2(6)	2(6)
5	<b>Reason why the joint venture /wholly owned subsidiaries is not consolidated</b>	<b>Consolidated</b>	<b>Consolidated</b>	<b>Consolidated</b>
6	<b>Net worth attributable to shareholding as per latest audited Balance Sheet</b>	<b>(Rs. In Lakhs)</b>		
		1,613.15	4,298.04	259.98
7	<b>Profit/Loss for the year</b>	273.78	1,336.70	30.09
	Considered in Consolidation	136.89	214.00	13.54
	Not Considered in Consolidation	136.89	1122.70	16.55

For and on behalf of the Board

Sd/-  
**Rajeev Ranjan**  
CFO

Sd/-  
**Aarti Sahni**  
Company Secretary  
M. No .A25690

Sd/-  
**N.S. Ghumman**  
Managing Director  
DIN: 00002052

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

Place : New Delhi  
Date : 29.08.2022



**“ANNEXURE-B”**

**Form MR-3**

**SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

for the financial year ended 31<sup>st</sup> March, 2022

**To,**

**The Members,**

**SHIVALIK BIMETAL CONTROLS LIMITED**

**16-18, New Electronics Complex, Chambaghat,**

**Distt. Solan, Himachal Pradesh-173213**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SHIVALIK BIMETAL CONTROLS LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31<sup>st</sup> March, 2022 and made available to me, according to the provisions of:

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



h. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period);

VI. As informed to us, there are no laws which have specific applicability to the Company other than general laws applicable to the industry generally, namely;

- a) Factories Act, 1948
- b) Payment of Wages Act, 1936, and rules made thereunder,
- c) The Minimum Wages Act, 1948, and rules made thereunder,
- d) Employees' State Insurance Act, 1948, and rules made thereunder,
- e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,
- f) The Payment of Bonus Act, 1965, and rules made thereunder,
- g) Payment of Gratuity Act, 1972, and rules made thereunder,
- h) The Water (Prevention and Control Pollution) Act, 1974.
- i) The Air (Prevention and Control Pollution) Act, 1981,
- j) Industrial Dispute Act, 1947,

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

- a) The Secretarial Standards issued by the Institute of Company Secretaries of India.
- b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 already entered into by the Company with BSE Limited and NSE India Limited.

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

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

**I further report that;**

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent within prescribed limit, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that;**

*The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below :-*

- (i) *The Company has submitted the secretarial compliance report for the financial year ended 31<sup>st</sup> March, 2021, after stipulated period of 60 days as prescribed Regulation 24A of SEBI (LODR) Regulation, 2015.*

*However, the Company has made due compliance of said Regulation by filing the same with the stock exchange (BSE & NSE) on 05<sup>th</sup> July, 2021.*



- (ii) One of Company's Designated Person has violated Clause 9 (iv) of the Company's code of conduct by Execution of Contra Trade under Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Audit Committee & Board of Directors of the Company taken prompt action and imposed a fine after considering the explanation furnished by the Designated Person regarding inadvertently purchase & sale of shares.

Further the Audit Committee & Board of Directors also considered the quantum of shares involved and it being the first instance of non-compliance of Code of Conduct by the Designated Person.

The Audit Committee and Board of Directors of the Company also issued a warning to take utmost care in future to avoid further stringent action.

**I further report that,**

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

- i. Public/Right/Preferential issue of shares/debentures/sweat equity etc.;
- ii. Redemption/Buy Back of securities;
- iii. Major decision taken by the members in pursuance to Section 180 of the Companies Act, 2013;
- iv. Merger/Amalgamation/Reconstruction etc. ;
- v. Foreign Technical Collaborations.

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

Sd/-

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

Date : August 17, 2022  
Place : New Delhi  
UDIN : A030016D000805043

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



## Annexure- A of Form No. MR-3

To,

**The Members,**

**SHIVALIK BIMETAL CONTROLS LIMITED**

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

Report is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The Verification was done on test basis to ensure that correct facts are reflected in secretarial records.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and any other financial law applicable to the Company.
4. Whenever required, I have obtained the Management representation about the compliance of Laws, rules and regulation and happening of events etc.
5. The Compliance of the provision of Corporate and other applicable laws, rules, regulation, Standards is the responsibility of Management. My Examination was limited to the Verification of Procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Sd/-

**CS Rajni Miglani**

Proprietor

M. No.: 30016

C.O.P No: 11273

PCR N: 2392/2022

Date : August 17, 2022  
Place : New Delhi  
UDIN : A030016D000805043

## CORPORATE GOVERNANCE REPORT

### The Directors present the Company's Report on Corporate Governance for the year ended 31<sup>st</sup> March 2022

#### 1. Company Philosophy on Code of Corporate Governance

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

Corporate Governance involves a commitment to conduct the business in a fair, transparent and ethical manner, aimed at promoting sustainable business and enhancing shareholders' value in the long term. SHIVALIK is committed to achieving and maintaining the highest standards of Corporate Governance. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability across all business practices. We believe that Corporate Governance is a continuous journey for sustainable value creation for all the stakeholders driven by our values of Integrity, Commitment, Passion, Seamlessness and Speed.

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

#### 2. Board of Directors

The Company is managed and controlled by a professional Board comprising a blend of Executive and Non-executive Directors. The Board comprises Eight (8) Directors out of which Two (2) are Executive Directors and Six (6) are Non-Executive Directors including Two (2) Women Directors as on 31<sup>st</sup> March, 2022. The composition of the Board conforms with Regulation 17 of the LODR Regulations, 2015.

- a) The names and categories of the Directors on the Board along with their attendance at the Board meetings held during the year ended 31<sup>st</sup> March 2022 and at the last Annual General Meeting, and the number of other Directorship and Chairmanship /Membership of Committees held by them in both listed and unlisted companies is given below:

Name and Designation	Category (i.e. Promoter, Executive, Non-Executive, Independent Non-Executive, Nominee Director)	No. of Board Meetings attended (Out of 4 meetings held)	*Number of other Boards in which he / she is a Director or Chairperson	**Number of other Board Committee(s) in which he/she is a Member or Chairperson		Attendance at the last AGM (held on 15 <sup>th</sup> September 2021)
					Committee Chairperson	
Mr . S . S . Sandhu (Chairman)	Executive Director	4	-	-	-	Yes
Mr . N . S . Ghuman (Managing Director)	Executive Director	4	-	-	-	Yes
Mr . Gurmeet Singh Gill (Director)	Non-Executive and Non Independent	4	-	-	-	Yes
Mrs . Harpreet Kaur (Director)	Non-Executive and Non Independent	4	-	-	-	No
Mr . Nirmaljeet Singh Gill (Director)	Non-Executive and Independent	4	-	-	-	Yes
Lt .Gen .Pradeep Khanna (Retd.) (Director)	Non-Executive and Independent	4	-	-	-	Yes

Mrs . Anu Ahluwalia (Director)	Non-Executive and Independent	4	-	-	-	No
Mr. Swarnjit Singh (Director)	Non-Executive and Independent	3	-	-	-	Yes

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

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

**Notes:**

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

**b) Number of Board Meetings**

The Board meets at regular intervals to review the performance of the Company. During the year under review, besides the meeting of the Committee of Directors, Four (4) Board Meetings were held on 29<sup>th</sup> June 2021, 12<sup>th</sup> August 2021, 02<sup>nd</sup> November 2021 and 02<sup>nd</sup> February 2022. The maximum gap between any two Board meetings was less than 120 days.

**c) Board Procedure**

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

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

**d) Separate Meeting of Independent Directors**

A separate meeting of Independent Directors was held on 02<sup>nd</sup> February 2022, without the attendance of Non-Independent Directors and members of the Management as required under Schedule IV to the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Independent Directors:

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

All Independent Directors attended the meeting.

**e) Familiarization Programme**

The Company, through its Managing Director/Executive Directors/Senior Management Personnel, makes presentations regularly to the Board, Audit Committee or such other Committees, as may be required, covering,

inter alia, business environment, business strategies, operations review, quarterly and annual results, review of Internal Audit Report and Action Taken, statutory compliance, risk management etc.

The Board members are updated from time to time, on the Company's procedures and policies as per the familiarization program devised in that behalf by the Company, copy of the same is available on company's website [www.shivalikbimetals.com](http://www.shivalikbimetals.com)

#### **f) Performance Evaluation**

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

#### **g) Code of Conduct**

The Board of Directors has adopted and laid down the Code of Conduct for all Directors and Senior Management Personnel. The Code is posted and available on the website of the Company <https://www.shivalikbimetals.com/about-us.php?pageId=8>. The members of the Board and Senior Management Personnel have affirmed the compliance with the Code applicable to them during the year ended on 31<sup>st</sup> March 2022. The Annual Report of the Company contains a declaration by the Chairman and Whole Time Director in terms of para D of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, based on the compliance declarations received from the Board and Senior Management.

#### **h) Core skills / expertise / competencies of Directors**

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

1. Organizational: Ability to comprehend the socio-economic, political, regulatory and competitive environment, both domestic and global, in which the Company is operating and insight to identify opportunities and threats for the Company's businesses.
2. Leadership: Extended leadership experience for a significant enterprise, practical understanding of organizational systems and processes, strategic planning and risk management. Demonstrated strength in developing talent, planning succession, and driving change and long-term growth.
3. Global Business: Experience in driving business success in markets around the world with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks, and understanding of emerging local and global trends.
4. Finance and Accounting Expertise: Management of finance functions of an enterprise, capital allocation and understanding of accounting and financial statements.
5. Technology: A significant background in technology, knowledge of how to anticipate technological trends, and extend or create a new business model.
6. Board Service and Governance: Develop insights about maintaining Board and management accountability, protecting shareholders' interests and observing appropriate governance practice.
7. Risk Management and Compliance: Ability to appreciate key risks impacting the Company's businesses and contribute towards the development of systems and controls for risk mitigation & compliance management and review and refine the same periodically.

#### **i) Compliance Reports**

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

**j) Code of Conduct for Prevention of Insider Trading**

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

One of the Company's Designated Person has violated Clause 9 (iv) of the Company's code of conduct by Execution of Contra Trade. The Audit Committee & Board of Directors of the Company imposed a fine after considering the explanation furnished by the Designated Person regarding the inadvertent purchase & sale of shares and issued a warning letter as well.

**k) Materially Significant Related Party Transactions**

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

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

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

**m) Policy for Preservation of Documents**

Under the requirements under Regulation 9 of the Listing Regulations, the Board has formulated and approved a Document Retention Policy prescribing the manner of retaining the Company's documents and the period up to certain documents are to be retained. The policy has been uploaded on the website of the Company under the head of investor relation/Shivalik corporate policy tab at [www.shivalikbimetals.com](http://www.shivalikbimetals.com).

**n) Disclosure Policy**

In line with requirements under regulation 30 of the SEBI Listing Regulations, the Company has framed a policy on disclosure of material events and information as per the listing Regulations, which is available on our website under the head of investor relation/Shivalik corporate policy tab at [www.shivalikbimetals.com](http://www.shivalikbimetals.com).

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

**o) Role of Company Secretary in the overall governance process**

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

**3. Committees of the Board of Directors**

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

- i. Audit Committee
- ii. Stakeholders Relationship & Share Transfer Committee

- iii. Nomination & Remuneration Committee
- iv. Corporate Social Responsibility Committee

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

#### i. AUDIT COMMITTEE

Composition and attendance of the members of the Audit Committee as on 31<sup>st</sup> March 2022, the Audit Committee comprised of Mr. Nirmaljeet Singh Gill, Chairman (Non-Executive & Independent Director), Lt. Gen. Pradeep Khanna (Retd.), Mrs. Anu Ahluwalia and Mr. S.S. Sandhu, as members.

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

The Audit Committee meets at least Four (4) times a year and not more than 120 days gap between two meetings. Accordingly, the Audit Committee during the FY 2021-22 met Four (4) times on 29<sup>th</sup> June 2021, 12<sup>th</sup> August 2021, 02<sup>nd</sup> November 2021 and 02<sup>nd</sup> February 2022.

The composition and attendance record of the members of the Audit Committee for the FY 2021-22 is as follows:

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

#### Terms of Reference

Terms of Reference and role of the Audit Committee include the matters specified under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Broad terms of reference include: oversights of the financial reporting process, review of financial results and related information, approval of related party transactions, review of internal financial controls and risk management, evaluation performance of statutory and internal auditors, audit process, relevant compliances, appointment and payments to statutory auditors etc.

The Committee has extensive powers and has access to all requisite information of the Company. The role of the Audit Committee in detail 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.
- Reviewing with management, statutory and internal auditors the adequacy of internal control systems and internal audit function.
- 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 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, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing the functioning of the Whistle Blower mechanism in the Company.
- Considering such other matters, the Board may specify.

## ii. **STAKEHOLDERS' RELATIONSHIP AND SHARE TRANSFER COMMITTEE**

The 'Stakeholders Relationship and Share Transfer Committee' (Stakeholder Committee) was constituted under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Stakeholder Committee is primarily responsible for reviewing all matters connected with the Company's transfer of Securities and redressal of shareholders' / investors' / security holders' complaints. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.

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

As on 31<sup>st</sup> March 2022, the Stakeholder Relationship Committee comprised of Mrs. Anu Ahluwalia, Chairperson (a Non-Executive & Independent Director), Mrs. Harpreet Kaur, Mr. S.S. Sandhu and Mr. N. S. Ghumman as members. The quorum of the Committee is two members. The Company Secretary is the Secretary of the 'Stakeholder Committee'.

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

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

During the FY 2021-22, Four (4) Stakeholder Committee meetings has been held on 29<sup>th</sup> June 2021, 12<sup>th</sup> August 2021, 02<sup>nd</sup> November 2021 and 02<sup>nd</sup> February 2022. Attendance at the Stakeholders Relationship Committee is as follows:

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

MAS Services Limited, New Delhi, is the Registrar & Share Transfer Agent of the Company. Mrs. Aarti Sahni, Company Secretary, is the Compliance Officer of the Company.

Details of queries /complaints received from Shareholders/Investors during the year 2021-22. The details of shareholders' grievance are as follows:

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

### iii. NOMINATION & REMUNERATION COMMITTEE

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

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

- To identify persons who are qualified to become Directors and who may be appointed in senior management following the criteria laid down and to recommend to the Board their appointment and/ or removal;
- To evaluate 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;
- To devise a policy on Board diversity;
- To recommend/review the remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria;
- 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.

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

As on 31<sup>st</sup> March 2022, the NRC comprised Mr. Nirmaljeet Singh Gill, Chairman (Non-Executive Independent Director), Mrs. Anu Ahluwalia and Lt. Gen. Pradeep Khanna (Retd.) as members. The quorum of the Committee is two members. The Company Secretary is the Secretary of the ‘NRC’.

During the Financial Year 2021-22, One (1) NRC meeting was held on 30<sup>th</sup> March 2022. Attendance at the Nomination & Remuneration Committee Meeting is as follows:

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

### iv. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

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

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

As on 31<sup>st</sup> March 2022, the CSR Committee comprised of Mr. S. S. Sandhu, Chairman, Mr. N. S. Ghumman and Lt. Gen. Pradeep Khanna (Retd.) as members. The Company Secretary of the Company acts as the Secretary of the Committee.

During the FY 2021-22, 1 (One) CSR Committee Meeting was held on 29<sup>th</sup> June 2021. Attendance at CSR Committee Meeting is as follows:

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

#### 4. Remuneration of Directors

Your Company has Two (2) Executive Directors. The Board of Directors decides the remuneration of the Managing Director and Chairman & Whole Time Director.

The Company has a system where all the Directors or senior management of the Company are required to disclose all pecuniary relationships or transactions with the Company. No significant material transactions have been made by the Non-Executive Directors with the Company during the year.

Executive Director is paid remuneration within the limits envisaged under Schedule V of the Companies Act, 2013. The said remuneration is approved by the Board in the Board Meeting held on 12<sup>th</sup> February, 2019 and approved by the shareholders in the Annual General Meeting held on 11<sup>th</sup> September 2019.

The details of Remuneration, fees paid etc. to Directors for the year ended 31<sup>st</sup> March, 2022 are as under:

##### a) Non-Executive Directors

S. No.	Name of the Director	Sitting fees
1	Mr. Nirmaljeet Singh Gill	40,000
2	Lt. Gen. Pradeep Khanna (Retd .)	42,500
3	Mrs. Anu Ahluwalia	50,000
4	Mrs. Harpreet Kaur	40,000
5	Mr. Gurmeet Singh Gill	30,000
6	Capt. Swarnjit Singh	22,500

##### b) Paid to Executive Directors (In Rs.)

S. No	Name of the Director	Salaries & Allowances	Contribution to PF	Other Benefits	Total
1	Mr. S. S. Sandhu	2,97,00,000	24,12,000	63,937	3,21,75,937
2	Mr. N. S. Ghumman	2,97,00,000	24,12,000	1,37,459	3,22,49,459

All Directors have disclosed their shareholding in the Company. Details of Shareholding of Directors as on 31<sup>st</sup> March, 2022 are as follows:

S. No.	Name of the Director	No. of shares holds	% of shareholding
1	Mr. S. S. Sandhu	576000	1.50
2	Mr. N. S. Ghumman	2994000	7.80

Details of Equity shares of the Company held by the Independent Directors as on 31<sup>st</sup> March 2022 are given below: None of the Independent Directors held any Shares in SHIVALIK as on 31<sup>st</sup> March 2022 except Mr. Swarnjit Singh who holds 3000 Equity Shares.

## 5. DISCLOSURES

### a) Non-Compliances/Strictures/penalties Imposed

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

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

### b) Disclosure of Accounting Treatment

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on 31<sup>st</sup> March 2022, have been prepared following the Indian Accounting Standards (Ind-AS) notified under Section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014. The estimates and judgments relating to the Financial Statements are made on a prudent basis, to reflect truly and fairly, the form and substance of transactions are reasonably present the Company's state of affairs, profits and cash flows for the year ended 31<sup>st</sup> March 2022.

### c) "Material" subsidiary

The Company does not have any material listed/unlisted subsidiary companies as defined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 31<sup>st</sup> March, 2022. However, the Company has acquired a stake of another 50% in Shivalik Engineered Products Pvt. Ltd. ("SEPPL") (Formerly known as Checon Shivalik Contact Solutions Private Limited) from Checon Corporation USA. Post-acquisition SEPPL became its wholly-owned subsidiary w.e.f 12<sup>th</sup> April 2022 ("Material Subsidiary").

### d) Management Discussion and Analysis

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

### e) Disclosure of commodity price risks and commodity hedging activities

None

### f) Certificate from a Company Secretary in practice

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

### g) Total fees paid to Statutory Auditors

During the year, the total fees for all services paid by the Company to M/s. Arora Gupta & Co., Chartered Accountants (Firm Registration No. 021313C), Statutory Auditors of the Company, and all entities in the network firm/network entity of which the statutory auditor is a part, aggregate to Rs. 14 Lakhs.

### h) Compliances

All Returns/Reports were generally filed within the stipulated time with the Stock Exchange and other authorities. This Corporate Governance Report of the Company for the year ended 31<sup>st</sup> March 2022, complies with the requirements of Part C of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

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

- The Board: the Chairman of the Company is the Executive Chairman;
- Positions of the Chairman and Managing Director are held by separate individuals;

- c) Shareholder Rights: Half-yearly and other quarterly financial statements are published in Newspapers, and uploaded on the Company's Website [www.shivalikbimetals.com](http://www.shivalikbimetals.com).
- d) Modified opinion(s) in the audit report: the Audit Report does not contain any qualifications;
- e) Reporting of Internal Auditor: The Internal Auditors of the Company report to the Audit Committee.

## 6. GENERAL MEETINGS

### A. Annual General Meetings (AGM)

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

Year	2018-19	2019-2020	2020-2021
Date	11 <sup>th</sup> September 2019	29 <sup>th</sup> September 2020	15 <sup>th</sup> September 2021
Time	10.30 AM	11.00 AM	10:30 AM
Venue	4 <sup>th</sup> Floor, Hotel City Heights, City Centre Plaza, The Mall (Opposite District Courts) Solan (H.P.) - 173212	Video Conferencing	Video Conferencing
Special Resolutions	<ol style="list-style-type: none"> <li>Approval of revision in Remuneration of Mr. S. S. Sandhu, as Chairman &amp; Whole Time Director of the Company.</li> <li>Approval of revision in Remuneration of Mr. N.S. Ghumman, as Managing Director of the Company.</li> </ol>	<ol style="list-style-type: none"> <li>The reappointment of Mr. N. S. Ghumman (DIN: 00002052), who has already attained the age of 70 years, as Managing Director of the Company for five (5) years w.e.f. 01<sup>st</sup> April 2021 to 31<sup>st</sup> March 2026.</li> </ol>	-

### Extra-Ordinary General Meeting (EGM)

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

## 7. MEANS OF COMMUNICATION

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

## 8. MD/CFO Certification

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

## 9. GENERAL SHAREHOLDERS' INFORMATION

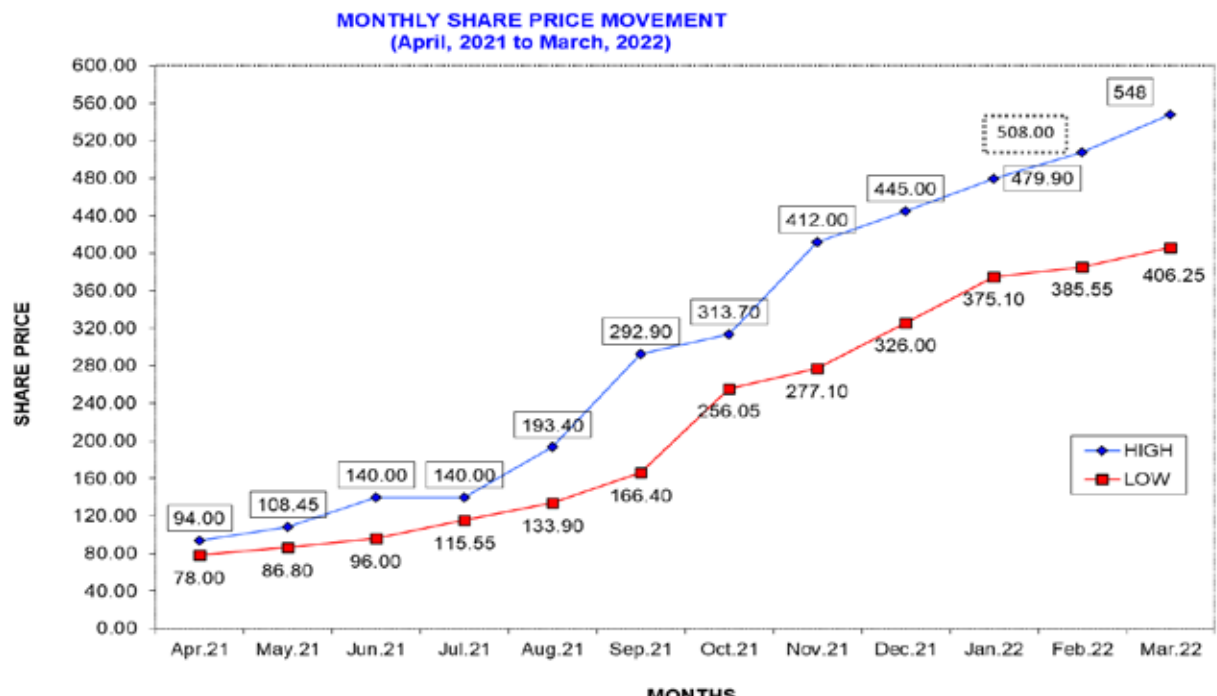
a)

1.	Annual General Meeting Day, Date, Time and Venue	Tuesday, 27 <sup>th</sup> day of September 2022, at 10.30 AM Indian Standard Time at 4th Floor Hotel City Heights, City Centre Plaza, The Mall (Opposite District Courts), Solan (H.P.)-173212
2.	Financial Year	April 01 to March 31
3.	Dates of Book Closure	September 21, 2022 to September 27, 2022 (both days inclusive)
4.	Dividend	Interim Dividend- (25%) Rs. 0.50/- for one equity share of Rs. 2/- each. Final Dividend- (25%) Rs. 0.50/- for one equity share of Rs. 2/- each.
5.	Dividend Payment date	Interim: 22 <sup>nd</sup> February, 2022 Final: on or before 26 <sup>th</sup> October, 2022
6.	Financial Calendar	Financial reporting for the quarter ending June 30, 2021 -Within 45 days from the end of the quarter Sep 30, 2021 – Within 45 days from the end of the quarter Dec 31, 2021 – Within 45 days from the end of the quarter Mar 31, 2022 – Within 60 days from the end of the year
7.	Listing on Stock Exchanges	a) BSE Limited. The Listing fees for the Financial Year 2021-22 have been paid to the Exchange. b) National Stock Exchange of India Limited. The Listing fees for the Financial Year 2021-22 have been paid to the Exchange.
8.	Corporate Identification Number (CIN) of the Company	L27101HP1984PLC005862
9.	Payment of Depository Fees	The annual Custody/Issuer fee for the year 2021-22 has been paid by the Company to Central Depository Services Limited (CDSL) and National Securities Depository Limited (NSDL).
10.	Stock Code	BSE Limited- 513097 ISIN of the Company- INE386D01027 NSE Symbol: SBCL

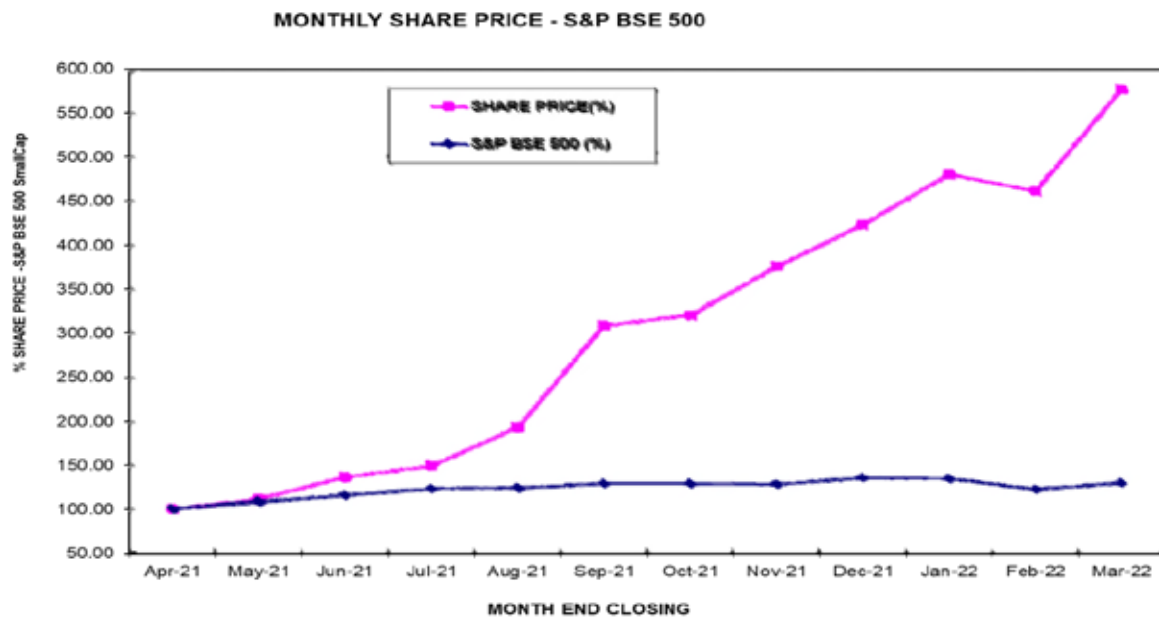
b) **Market Price Data: High, Low on BSE during each month in the last Financial Year 2021-22**

Month	Price per equity share of the face value of Rs. 2/- each		Month	Price per equity share of the face value of Rs. 2/- each	
	High	Low		High	Low
April 2021	94.00	78.65	Oct. 2021	313.70	256.05
May 2021	108.45	86.80	Nov ., 2021	412.00	277.10
June 2021	140.00	96.00	Dec ., 2021	445.00	326.00
July 2021	140.00	115.55	Jan ., 2022	479.90	375.10
Aug ., 2021	193.40	133.90	Feb ., 2022	508.00	385.55
Sep ., 2021	292.90	166.40	Mar ., 2022	548.00	406.25

**c) Performance of Shivalik Bimetal Controls Ltd. (“Shivalik”) share price (Monthly High & Low)**



**d) Performance of Shivalik Bimetal Controls Ltd. (“Shivalik”) share prices in comparison to S&P BSE 500 SmallCap (Monthly Closing)**



**e) Registrar & Share Transfer Agent:**

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

**f) Share Transfer System**

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

**f) Distribution of Shareholding as on 31<sup>st</sup> March 2022:**

Shareholding of Nominal value of	Shareholders		No. of shares	Share Capital (Amount)	
	No.	% to total		In Rs.	% to total
<b>up to – 5000</b>	18,890	95.505	3501324	7002648	9.117
<b>5001 – 10000</b>	463	2.340	1673843	3347686	4.358
<b>10001 – 20000</b>	224	1.132	1602915	3205830	4.173
<b>20001- 30000</b>	70	0.353	893882	1787764	2.327
<b>30001- 40000</b>	30	0.151	539790	1079580	1.405
<b>400001-50000</b>	18	0.091	399445	798890	1.040
<b>50001-100000</b>	34	0.171	1189400	2378800	3.097
<b>100001 and above</b>	50	0.252	28602201	57204402	74.479
<b>Total</b>	<b>19779</b>	<b>100.00</b>	<b>38402800</b>	<b>76805600</b>	<b>100.00</b>

**h) Shareholding Pattern as on 31<sup>st</sup> March 2022**

Category	No. of Shares held	% of total Shareholding
Promoters	23274920	60.61
Indian Bodies Corporate	782136	2.04
Banks/AFI's	130767	0.34
Indian Public	12630286	32.89
Others - (Clearing members, trust, unclaimed, NRI, IEPF, NBFC Regd. with RBI etc.)	1584691	4.12
<b>Total</b>	<b>38402800</b>	<b>100</b>

**i) Dematerialization of shares and liquidity**

As on 31<sup>st</sup> March 2022, a total of 38402800 equity shares with the face value of Rs. 2/- each is listed at BSE and NSE.

As on 31<sup>st</sup> March 2022, 98.21%% of the Company's total Share Capital was held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL).

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

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

**k) Commodity price risk or foreign exchange risk and hedging activities**

None

**l) Major Plants /Units Location(s)**

<b>Plants Location:</b> <b>Plot No. 16-18, New Electronics Complex, Chambaghat, Distt. Solan, Himachal Pradesh - 173213</b>	<b>Head Office:</b> <b>H-2, 2<sup>nd</sup> Floor, Suneja Chambers, Alaknanda Commercial Complex, New Delhi - 110019</b>
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**Address for Correspondence**

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

MAS Services Limited,

T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020

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

Fax: (91) (11) 26387384

Email: [info@masservu.com](mailto:info@masservu.com)

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

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

Tel No.: 011-26027174, Fax No.: 011-26026776

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

**m) Reconciliation of Share Capital**

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

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

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

**o) Investor Education and Protection Fund (IEPF)**

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

The Company had also uploaded the details of such shareholders and shares transferred to IEPF on the website of the Company under the head of investor relation/Transfer of shares to IEPF account tab at [www.shivalikbimetals.com](http://www.shivalikbimetals.com).

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

**p) Shivalik Bimetal Controls Ltd.- Unclaimed Suspense Account (“Unclaimed Suspense Account”).  
The details of equity shares (“shares”) held in an Unclaimed Suspense Account are as follows:**

S. No.	Particulars	Details
1	The aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the Financial Year 2021- 22	<ul style="list-style-type: none"> <li>• Aggregate number of shareholders - 93</li> <li>• Number of outstanding shares - 124000</li> </ul>
2	Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the Financial Year 2021-22	Nil
3	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the Financial Year 2021-22	Nil
4	The aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the Financial Year 2021-22	<ul style="list-style-type: none"> <li>• Aggregate number of shareholders - 93</li> <li>• Number of outstanding shares -124000</li> </ul>

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

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

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



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## **Annexure to Report on Corporate Governance for the financial year ended 31<sup>st</sup> March 2022.**

### **Declaration of Compliance with the Code of Conduct**

Under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm and declare that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company laid down for them, for the financial year ended 31<sup>st</sup> March 2022.

**For Shivalik Bimetal Controls Limited**

Sd/-

**S. S. Sandhu**

Chairman DIN:00002312

302, Kings I, Royal Retreat, Charmwood

Village. Suraj Kund, Faridabad, Haryana-121009, India

Place : New Delhi  
Date : 29.08.2022



### CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

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

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2022 and based on our knowledge and belief, we state that:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
  - ii. these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company’s code of conduct.
- c) We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the code of conduct as adopted by the Company.
- d) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- e) We have indicated, based on our most recent evaluation, wherever applicable to the Auditors and Audit Committee:
  - i. Significant changes, if any, in the internal control over financial reporting during the year;
  - ii. Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company’s internal control system over financial reporting.

Place : New Delhi  
Date : 30.05.2022

Sd/-  
**N.S. Ghuman**  
Managing Director

Sd/-  
**Rajeev Ranjan**  
Chief Financial Officer



## CERTIFICATE

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

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of **SHIVALIK BIMETAL CONTROLS LIMITED** (CIN: L27101HP1984PLC005862) I hereby certify that, On the basis of the written representation/declaration received from the directors and taken on record by the Board of Directors, as on 31<sup>st</sup> March, 2022, none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

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

Sd/-

**CS Rajni Miglani**

Proprietor

M. No.: 30016

C.O.P No: 11273

PCRN: 2392/2022

Date : August 17, 2022

Place : New Delhi

UDIN : A030016D000805021

## PRACTICING COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE

### To the Shareholders of

### SHIVALIK BIMETAL CONTROLS LIMITED

1. I have examined the compliance of the conditions of Corporate Governance by **SHIVALIK BIMETAL CONTROLS LIMITED** ('the Company') for the financial Year ended on 31<sup>st</sup> of March, 2022, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination has been limited to the review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial statements of the Company.
3. In my opinion and to the best of my information and according to the explanations given to me and the representation made by the directors and the management, I hereby certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Sd/-

**CS Rajni Miglani**

Proprietor

M. No.: 30016

C.O.P No: 11273

PCRN: 2392/2022

Date : August 17, 2022

Place : New Delhi

UDIN : A030016D000805021



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### ECONOMIC REVIEW

#### Global Review

In 2021, the global economy made a strong comeback as it grew by 6.1%, the highest growth rate recorded in more than four decades. The major drivers of this growth were an increase in output, improved consumer spending, higher investments, and an unprecedented increase in trade of goods, exceeding pre-pandemic trade levels. The early recovery in 2021 was marred by the new Omicron variant of Covid-19 which led to the reimposition of restrictions, disrupting supply chains, causing bottlenecks and higher than expected inflation. The Omicron variant had a short-lived impact on the economy, and the projected global economic recovery is majorly affected by the Russia Ukraine crisis.

Due to the heightened geopolitical tensions, there has been a sharp increase in fuel and food prices across the globe. As per the latest IMF estimates, the global economy is expected to grow by 3.6% in 2022 and 2023. The deceleration in 2022 is primarily due to the elevated inflation levels on account of supply chain disruptions and high energy prices. Further, escalation in conflict, may deteriorate Global supply demand balances and further increase in commodity prices. Central Banks have started interest rate hike and are expected to remain aggressive throughout the year 2022.

#### Indian Economy

After contracting in FY21, the Indian economy grew by 8.7% in FY22, according to revised estimates, as compared to the contraction of 6.6% in FY21 suggesting that economic activity in India has surpassed pre-pandemic levels. Early in FY22, India was impacted by the “second wave” of the Covid-19 pandemic; however, its economic impact was modest vis-a-vis FY21. This was partly supported by timely interventions and relief measures announced by the government and regulators like an extension of the Emergency Credit Line Guarantee Scheme in May 2021 to certain impacted industries, creation of employment and building of healthcare infrastructure.

The three key sectors that support the Indian economy; agriculture and allied industries, industry and services are estimated to grow by 3.9%, 11.8% and 8.2% respectively in FY22. Additional factors contributing to the high growth rate in FY22 include an increase in demand for consumption by 7.0%, an increase in exports by 16.5% and imports by 29.4%.

As recovery efforts continue, supply-side reforms, simplification of processes, removal of legacy issues like retrospective taxation, and policies such as the Production-linked Incentive (PLI) scheme have created the right investment climate. Boosted by government incentives, the real estate sector has seen a strong revival. The year also saw a strong push across the sunrise sectors such as digital finance, electronics manufacturing, electric vehicles, renewable energy, data centres, and digital connectivity amongst others. The RBI's accommodative policy stance during the year helped the economic recovery. The government's strong emphasis on domestic manufacturing through the mission of Aatmanirbhar Bharat and the infrastructure push through a massive 35% higher Capex outlay, announced in the FY23 Union Budget, is expected to drive economic growth in the near to medium term. We believe India's immense consumption potential, underlined by its favourable demographics, rising incomes, urbanisation, and technological advancements ensure long-term structural growth.

India is expected to remain one of the fastest-growing major economies in the world. Pegged at USD 3.1 trillion in 2022, based on the current price in dollar terms, India is chasing a target of becoming a USD 5 trillion economy by 2025, as the government pushes ahead with various economic reforms to drive manufacturing capacity and domestic consumption. The global supply chain vacuum caused by geo-political changes work in India's favour and expected to add impetus to economic growth trajectory as India becomes a key natural choice for sourcing.

We continue to believe that companies with strong values and purpose, solid fundamentals, robust governance practices and innovation capabilities can leverage the favourable economic environment to create long-term competitive advantages as well as greater value for all stakeholders.

### INDUSTRY OVERVIEW

SHIVALIK caters to a broad spectrum of applications which include Switchgears, Energy Meters, Industrial, Electrical applications, Automotive & Electronic Devices. Our growth is directly connected with the Electrical, Electronics and Automotive Industries.



**Electrical Industry:** Domestic electrical equipment market is expected to grow at an annual rate of 12 per cent to reach USD 72 billion by 2025. We are at USD 48-50 billion and shall grow at a CAGR of 11 to 12 per cent. So, by 2025 it shall be around USD 72 billion.

In May 2021, the cabinet, chaired by Prime Minister Mr. Narendra Modi, approved a proposal by the Department of Heavy Industries and Public Enterprises to implement the production-linked incentive (PLI) scheme 'National Programme on Advanced Chemistry Cell (ACC) Battery Storage' to achieve manufacturing capacity of 50 GWh (Giga Watt Hour) of ACC and 5 GWh of 'Niche' ACC, with an outlay of Rs. 18,100 crores (US\$ 2.47 billion).

About 80% of the Production-Linked Incentive scheme (PLI) to encourage manufacturing in the country, which covers 14 industries and has a total investment of Rs 3 lakh crore (US\$ 38.99 billion), is mainly focused on three major sectors: electronics, automobiles, and solar panel production.

**Smart Meter:** The global smart electric meter market size is projected to reach USD 36.00 billion by 2028, exhibiting a CAGR of 8.1% during the forecast period. Rapid urbanization, the development of multiple smart cities, and the increasing adoption of renewable energy resources are likely to fuel market growth. Fortune Business Insight provides this information in its report titled "Smart Electric Meter Market, 2021-2028."

Smart Meter National Programme aims to replace 25 crore conventional meters with smart meters in India. Smart meters are connected through a web-based monitoring system which will help to reduce commercial losses of utilities, enhance revenues and serve as an important tool in power sector reforms.

According to the recent data released by the National Smart Grid Mission, Ministry of Power, 3.73 million smart meters have been installed across the country out of the total allocated quantity of 11.16 million smart meters as of January 2022.

**Automotive Industries:** The global electric vehicle market size is projected to grow from 4,093 thousand units in 2021 to 34,756 thousand units by 2030, at a CAGR of 26.8%. Factors such as growing demand for low-emission commuting and governments supporting long-range, zero-emission vehicles through subsidies & tax rebates have compelled the manufacturers to provide electric vehicles around the world. This has led to a growing demand for electric vehicles in the market. Countries around the world have set up targets for emission reductions according to their capacity.

According to NITI Aayog and Rocky Mountain Institute (RMI), India's EV finance industry is likely to reach Rs. 3.7 lakh crore (US\$ 50 billion) in 2030. A report by India Energy Storage Alliance estimated that the EV market in India is likely to increase at a CAGR of 36% until 2026. In addition, the projection for the EV battery market is forecast to expand at a CAGR of 30% during the same period.

**Switchgear Industry:** According to 6Wresearch, India's Switchgear Market size is projected to grow at CAGR of 7.17% during 2021-27. The government of India plans to reduce the emissions caused by thermal energy plants and increase its renewable energy production to 220 GW by 2022 to meet its commitment made toward Paris Agreement.

The infrastructure development schemes initiated by the Indian government, like Smart Cities, Make in India, Digital India, Deen Dayal Upadhyaya Gram Jyoti Yojana, Integrated Power Development Scheme, Green energy corridor, Housing for all and Atal Mission for Rejuvenation and Urban Transformation, among others, have significantly contributed to the growth of the switchgear market in India.

India's switchgear market is projected to grow at a CAGR of over 15% through 2023, on account of rising development across residential, commercial and industrial end-use sectors. Moreover, electrification programs running across the country and the development of transmission and distribution networks are further fueling growth in the Indian switchgear market. Additionally, with rising per capita income, demand for various electrical appliances like air conditioners, fridges, etc., is also growing, which in turn, is increasing the electricity consumption and the need for switchgears to regulate and control these appliances.

## COMPANY OVERVIEW

"Shivalik" is engaged in the business of manufacturing & sales of Thermostatic Bimetal/Trimetal strips and Components, Current Sense Metal Strip Shunts/Resistors, SMD Current Sense Resistors and other electron beam welded products. The Company specializes in the joining of metals by various methods such as diffusion bonding, electron beam welding, continuous brazing and resistance welding. The Company offers precision manufactured components specific to the application requirements of our customers. The Company is a single vendor to many prestigious OEMs since 1986



and has successfully met the most stringent of demands set by multiple large global organizations. The application of “Shivalik”'s Products are mainly in Switchgear, Protective Relays, Metering, Various Automotive Energy Devices and Battery Management Systems and various other Electrical Electronic and Automotive Devices. The Company's products are exported to about 40 industrialized countries around the world.

Our vision for our business is “To earn our clients' trust and maximize the value of their business by providing solutions using our knowledge and technology.” We seek to emphasize our core values of being passionate about our clients' success, treating each person with respect, being global and responsible and maintaining unyielding integrity in everything we do.

The third wave of COVID-19 that is impacting the nation along with the increasing commodity prices as expected to pose challenges for your Company in the period under review. However, your Company's adequate liquidity position, surplus cash and operational efficiencies enabled it to protect its profitability and meet all statutory requirements and obligations.

For FY22, our revenue stood at 32,943.43 Lakhs up 58.56% to become the highest ever total. Our robust growth is a reflection of the disciplined execution of our strategy. Our net profit stood at Rs. 5202.22 Lakhs up by 116%. This consistent performance demonstrates our ability to deliver profitable growth despite unprecedented times and our commitment to maximize shareholders value.

### **Key highlights for year ended March 31, 2022**

- Revenues grew by 58.56% YoY to Rs. 32943.43 Lakhs, on account of robust volume growth over last year and higher realization on consolidated basis
- Shunt Resistors comprised 51.94% of total revenues and grew by 69.73 % YoY
- Thermostatic bimetal/trimetal strips comprised 46.24% of total revenues and grew by 48.64% YoY
- Operating Margin stood at 23.97% increasing by 467 bps YoY, led by higher operating leverage and increased sales volume
- PAT grew by 116.16% YoY to reach Rs. 5202.22 Lakhs, driven by high growth in revenue from operations and product mix

Shivalik Bimetal Controls Ltd., one of the global leaders in next-generation thermostatic bimetal/trimetal strips and shunt resistors, delivered a robust performance in FY2022 with YoY growth at 58.56%.

We are strengthening the quality of our earnings by optimising various cost levers and driving efficiency in our operations. We are also focusing on our established clients' evolving needs in line with market trends, by making sure we remain technologically relevant. Higher volumes, coupled with tighter cost management has resulted into 116.16% YoY increase in our bottom line.”

### **FUTURE OUTLOOK**

The year 2021 was characterised by volatility, cost inflation and continued pandemic-led disruptions. In the face of these challenges, we steered ahead with agility, minimising the impact on our customers.

We are strongly optimistic about the growth in the Bimetal and Shunt businesses given the probability of good government spending in the Real Estate and Infrastructure sector. Rising inflation and an increase in crude prices can dampen the sentiments and recovery of the economy. However, your company is optimistic about its prospects with all the steps taken over the last 2 years. Business across most of its product groups has been very strong throughout the year and this is expected to continue of the new financial year as well. Sales from the new product range of shunts (SMART Metering, EVs) market have picked up swiftly during the financial year. The Company plans to make this product range one of its future growth drivers.

Further, with the implementation of our ongoing capacity enhancement, your company is well positioned in the world market, considering that it possess the longest value chain as compared to its Competitors.

Expansion is on going to meet the demand that is emerging as the world moves rapidly into smart meters, EVs, EVs charging stations, intelligent battery systems, solar energy farms with battery storage and also demands from the 5G telecom networks. In its expansions, your company is utilising the excellent schemes of the government of India such as SPECS and PLI.



There is a strong thrust from the management to develop a strong R&D and technical service team to develop new products, explore new applications and understand better the changing customer needs. With the Company's continuous endeavour to introduce new products and improve efficiencies and performance, your Directors view the prospects for the financial year 2022-23 with optimism.

The rapidly globalising world is opening newer opportunities for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe, and reliable modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers.

## **Opportunities & Threats**

### **Opportunities**

- 1) Introduction of new ELECTRIC vehicle models in the Global market.
- 2) Affordable housing projects of the government and government stress on infrastructure building will stimulate further demand for switchgear
- 3) Continuing Government's plan to convert traditional meters into smart meters and replace them with retrofitting programmes.
- 4) Continuing Favourable Government Schemes and Programmes
- 5) Growing global recognition of Shivalik as a reliable and innovative partner in new systems development
- 6) Mandatory requirements for battery management systems even in ICE Vehicles.

### **Threats**

- Supply disruptions of nickel and copper due to Geo-political effects of the continuing UKRAINE conflict.
- General inflation: Sharp increase in prices could lead to lower purchasing power which could impact on demand in due course;
- Continued Supply chain Disruptions

### **Risks & Concerns**

The Company adopts a comprehensive and integrated risk appraisal, mitigation, and management process. The risk appraisal and risk mitigation measures of the Company are periodically reviewed.

The Company has internal audit systems which assess the effectiveness of internal controls, risk identification, and mitigation processes. The 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 have regular interactions and communications to keep themselves abreast with the developments in the market, products, and with competition and other relevant areas.

### **Internal Control System and their Adequacy**

SHIVALIK has an adequate system of internal controls in place which has been designed to provide reasonable assurance concerning the maintenance of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliance with regulations, and ensuring reliability of financial reporting. The Company has documented procedures covering all financial and operating functions.

We have a robust internal audit programme, where the Internal Auditors, an independent firm of chartered accountants, conduct a risk-based audit with a view to not only test adherence to laid down policies and procedures, but also to suggest improvements in processes and systems. Internal audit observations and recommendations are reported to the Audit Committee which monitors the implementation of such recommendations.

### **Occupational Health & Safety**

SHIVALIK gives great importance to all matters related to Health, Safety and the Environment and ensures compliance with all statutory regulations. Training of employees in 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 fostering a safe and healthy work environment. Occupational Health & Safety has been recognized as an integral and key part of the Company's Business Process. The management believes that people working with the organization are a key resource in the success of the Organization. The sincere effort put in by the employees has translated into Quality improvements, Productivity improvement Cost reduction etc. Our 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 the safety, health and welfare of our people. The Company ensure employee safety through investments in pollution mitigating equipment, the selection of safe processes, and adequate safety training alongside the provision of safety equipment. We aim 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.

### **Human Resource and Industrial Relations**

The organisation aims to achieve sustained growth through developing a skilled, motivated, and committed workforce. Your Company is continuously striving to create the appropriate environment opportunities, and systems to facilitate the identification, development, and utilization of their full potential. We are motivated to inculcate a sense of belongingness. Your Company's industrial relations continued to be harmonious during the year under review.

### **Cautionary Statement**

Statements in the "Management Discussion and Analysis" describing the Company's objectives, projections, estimates and expectations or predictions may be 'forward-looking statements 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 affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, currency (forex) fluctuations, changes in government regulations, and tax laws, other statutes and other incidental factors.

## “ANNEXURE - E”

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

- 1) A brief outline of the Company’s CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes

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

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

- a) Directly by SHIVALIK;
- b) Through trust ‘ABS Foundation’
- c) CSR primarily focuses on the following programs:
  - i) Promotion of education,
  - ii) Promotion of sports.
  - iii) Women Empowerment
  - iv) Infrastructural Facilities
  - v) Rural Development
  - vi) Healthcare Services

- 2) Composition of the CSR Committee:-

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

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

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

- a) Composition of CSR Committee: <http://www.shivalikbimetals.com/about-us.php?pageId=25>
- b) CSR Policy: <http://www.shivalikbimetals.com/about-us.php?pageId=32>
- c) CSR projects: <http://www.shivalikbimetals.com/about-us.php?pageId=32>

- 4) Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

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

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2019-20	Nil	Nil
2	2020-21	Nil	Nil
3	2021-22	Nil	Nil

- 6) Average net profit of the Company as per section 135(5): - Rs. 27,60,86,211/-
- 7) A) Two percent of average net profit of the company as per section 135(5): Rs. 55,21,724/-
- B) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- C) Amount required to be set off for the financial year, if any: Nil
- D) Total CSR obligation for the financial year (7a + 7b - 7c): Rs. 55,21,724/-
- 8) (a) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
56,72,323/-	NA	NA	NA	NA	NA

- (b) Details of CSR amount spent against ongoing projects for the financial year: During the year under review there were no ongoing CSR projects of the Company.

S. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Project Duration	Amount allocated for the Project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State	District						Name CSR Registration No.

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

S. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
1	Promoting Education: Construction of School Building, Govt. Middle School, SER Jagas – Pabina, Sirmaur	Schedule 7(ii), Promoting Education	Yes	Himachal Pradesh	Sirmaur	9,50,197/-	Yes	Direct	-
2	Promoting Education: Construction of School Building, Govt. Middle School, SER Jagas – Pabina, Sirmaur	Schedule 7(ii), Promoting education	Yes	Himachal Pradesh	Sirmaur	5,04,231/-	Yes	Direct	-

3	Promoting Education: Students' School Fee, Books & Aid to "Mangalakara Education Trust"	Schedule 7(ii), Promoting education	Yes	Haryana / Andhra Pradesh	Nuh / Anantpur / Faridabad	28,00,000/-	No	ABS Foundation	CSR00001701
4	Promoting Health: Salary of Doctor and Nurse for handicapped old age people to "The Earth Saviours Foundation"	Schedule 7(i), Promoting Health Care	Yes	Haryana	Gurugram	5,40,000/-	No	ABS Foundation	CSR00001701
5	Promotion of Sports:	Schedule 7(vii), Promotion of Sports	Yes	Himachal Pradesh	Solan	1,25,000	Yes	Direct	-
6	Women Empowerment: Sponsors to a woman for mountaineering.	Schedule 7(iii), Women Empowerment	Yes	Himachal Pradesh	Solan	3,00,000/-	Yes	Direct	-
7	The Company has provided infrastructural support for refurbishment/ renovation of Ploice Line Conference Room	Social	Yes	Himachal Pradesh	Solan	3,42,895/-	Yes	Direct	-
8	Rural Development Projects: Drinking water pipe line provided in village Biwan	Rural Development	Yes	Haryana	Village Biwan, Nuh	1,10,000/-	No	ABS Foundation	CSR00001701
	Total					56,72,323/-			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: N.A

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): 56,72,323/-

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
i.	Two percent of average net profit of the company as per section 135(5)	55,21,724/-
ii	Total amount spent for the Financial Year	56,72,323/-
iii	Excess amount spent for the financial year [(ii)-(i)]	1,50,599/-
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	1,50,599/-

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

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding Financial years. (in Rs.)
				Name of the fund	Amount (in Rs.)	Date of transfer	
		Nil	Nil	Nil	Nil	Nil	Nil

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

Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project-Completed /Ongoing
	NA	NA	NA	NA	NA	NA	NA	NA

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

(a) Date of creation or acquisition of the capital asset(s): NA

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

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

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

Sd/-  
**N. S. Ghumman**  
 Managing Director  
 DIN: 00002052

## Business Responsibility Report

### Section A: General information about the Company

Sl. No.	Particulars	Details
1	Corporate Identity Number (CIN) of the Company	L27101HP1984PLC005862
2	Name of the Company	Shivalik Bimetal Controls Ltd.
3	Registered address	16 18, New Electronics Complex, Chambaghat, Dist. Solan, Himachal Pradesh - 173213.
4	Website	<a href="http://www.shivalikbimetals.com">www.shivalikbimetals.com</a>
5	E-mail id	<a href="mailto:investor@shivalikbimetals.com">investor@shivalikbimetals.com</a>
6	Financial Year reported	1 <sup>st</sup> April 2021 to 31 <sup>st</sup> March 2022
7	Sector(s) that the Company is engaged in (industrial activity code wise)	Thermostatic Bi-metal/Tri-metal Strips & Parts - 24204 Shunt (Resisters) - 24201 Job work - 24209
8	List three key products / services that the Company manufactures / provides (as in balance sheet)	Thermostatic Bi-metal/Tri-metal Strips & Parts Shunt (Resisters) Job work
9	Total number of locations where business activity is undertaken by the Company	-
	(i) Number of International Locations (Provide details of major 5)	The Company operates from India with its one manufacturing plant and two Offices across the country.
	(ii) Number of National Locations	
10	Markets served by the Company – Local / State / National / International	The Company serves in both national and international markets.

### Section B: Financial details of the Company

Sl. No.	Particulars	Details
1	Paid up Capital	Rs. 768.06 Lakhs
2	Total Turnover	Rs. 32,943.43 Lakhs
3	Total profit after taxes	Rs. 5,202.22 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Rs. 56.72 Lakhs 1.09% of profit after tax of Financial Year 2022
5	List of activities in which expenditure in 4 above has been incurred	Please refer Annexure – E to the Board’s Report

## Section C: Other details

Sl. No.	Particulars	Details
1	Does the Company have any Subsidiary Company/ Companies?	No
2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company is working towards including its supply chain in their BR initiatives. However, at present none of Company's suppliers or distributors are part of BR Initiatives

## Section D: Business Responsibility information

- 1. Details of Director/Directors responsible for BR:** The CSR Committee of the Board of Directors is responsible for implementation of BR policies. The members of the CSR Committee are as follows:

S. No.	Name of Director	Designation / Nature of Directorship	DIN No.
1.	Mr. S. S. Sandhu	Chairman	00002312
2.	Mr. N. S. Ghumman	Member	00002052
3.	Ltd. Gen. Pradeep Khanna (Retd.)	Member	06668919

### Details of the BR head

1	DIN	-
	Name	Mr. Rajeev Ranjan
	Designation	Chief Financial Officer
	Telephone Number	011-26036509
	E-mail id	rranjan@shivalikbimetals.com

## 2. Principle wise (as per NVGs) BR Policy/Policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine principles of Business Responsibility. These briefly are as follows:

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the wellbeing of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Business should respect, protect, and make efforts to restore the environment
P7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

### 3. Details of Compliance (Reply in Y/N)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for....	Y	N*	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify?	The company's policies are aligned with various standards in order to practice national or international benchmarks such as ISO 9001, ISO 14001, ISO 45001, IATF 16949 and NVG Guidelines issued by Ministry of Corporate affairs, Government of India.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	N*	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online	<a href="http://www.shivalikbimetals.com/about-us.php?pageId=7">http://www.shivalikbimetals.com/about-us.php?pageId=7</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	N*	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?#	Y	Y	Y	Y	Y	Y	Y	Y	Y

\* Policy development is under process

# The Company has initiated Business Responsibility in Financial Year 2021-22 itself. Business Responsibility initiative of the Company is in the nascent stage and it will take some time to implement the BR Policy completely. The Company is in process of engaging different stakeholders such as suppliers, customers etc. to be part of Business Responsibility initiative of the Company. The Company will carry out independent audit/ evaluation of working of BR Policies as and when it is deemed necessary.

### 4. Governance related to BR

Sl. No.	Particulars	Details
1.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The Business Responsibility performance of the Company is assessed annually by the CSR Committee
2.	Does the Company publish a BR or Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Business Responsibility Report of the Company is published annually for the first time as a part of the Annual Report.

## Section E: Principle-wise performance

### Principle 1:

Sl. No.	Particulars	Details
1.	Does the policy relating to ethics, bribery, and corruption cover only the company? Yes/No	Ethics, Transparency and Accountability Policy is applicable to the Directors and employees of the Company across all its functions, units and branches.
2.	Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?	No
3.	How many stakeholder complaints have been received in the past Financial Year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	For details on investor complaints, refer to “Investor Grievances/ Complaints” section of Corporate Governance Report in the Annual Report.

### Principle 2:

#### 1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:

- Thermostatic Bimetal components play a vital role in safety of electrical systems. When used in low and medium voltage applications, bimetals are crucial in avoiding over-load and short circuit scenarios, which can ultimately lead to power losses and/or injury.
- One of the largest applications of Shunt Resistors are within Battery Management Systems (BMS) and Intelligent Battery Systems (IBS), which are core products for all EV and Hybrid Vehicle applications, an application area that is gaining moment with respect to its positive impact on the environment.

In order to reduce the Company's environmental footprint, the Company is improving efficiencies, especially on critical resources such as water, fuel and energy, optimizing the resource consumption and minimizing wastages, increasing green cover in manufacturing plants and also developing outside establishments. The Company has implemented the guidelines provided by international standards such as Environment Management System ISO 9001, ISO 14001, ISO 45001, IATF 16949. We are working on re-cycling our entire water usage in the coming years.

Further, the Company uses renewable energy in the form of Hydroelectric Power for all its electric operations.

The Company tries to embed the principles of sustainability into various stages of product, procurement of raw material, manufacturing of products, transportation of raw materials and supply of finished goods. The Company is committed to reduce fossil fuel, Energy Processes as much as possible to reduce the carbon footprints of our products.

#### 2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

##### (a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

The Company follows number of key Environmental Indicators to monitor the efficiency and consumption of natural resources in manufacturing such as water consumption and recycling, fuel consumption, energy consumption, raw materials yield and waste generation. The Company is installing equipment's to re-cycle 100% of its water consumption.

##### (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

- 25% of older Control Drives in machines have been replaced with newer, more energy efficient drives.
- 100% of incoming panels have been upgraded to include Automatic power factor controller (APFC)
- 30% of pneumatic piping layouts have been upgraded to the latest leak proof versions.

**3. Does the Company have procedures in place for sustainable sourcing (including transportation)? Yes**

**(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

The Company endeavours to follow the sustainability principles, as far as practicable, at various stages of product life-cycle, including procurement of raw materials /services, manufacturing of products or delivery of service, transportation of raw materials and finished goods. The company will be collecting data from its suppliers to establish the carbon footprints of its input. Subsequently the Company will work with its suppliers to reduce their existing carbon footprints.

**4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? Yes**

**(a) If yes, what steps have been taken to improve the capacity and capability of local and small vendors?**

Yes, local sourcing is an important part of sustainable procurement, and we make efforts to encourage and enable our suppliers to meet quality norms and standards. Two small local suppliers are used for various job work activities on our products. Various types of packing material is also sourced from local suppliers.

**5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Yes. The Company is committed towards reduction of environmental footprint of its products, waste and packaging materials. The Company focuses on the 3R's: REDUCE, RECYCLE and RECOVER. 100% of metal scrap is recycled as is > 50% of packaging materials. 100% of incoming wood packaging is recycled into outgoing boxes.

**Principle 3:**

Sl. No.	Particulars	Details
1.	Please indicate the total number of employees	656 employees as on March 31, 2022
2.	Please indicate the total number of employees hired on temporary/contractual/casual basis	322 employees as on March 31, 2022
3.	Please indicate the number of permanent women employees	6 employees as on March 31, 2022
4.	Please indicate the number of permanent employees with disabilities	None
5.	Do you have an employee association that is recognized by management	Yes
6.	What percentage of your permanent employees are members of this recognized employee association?	1.5 %
7.	Please indicate the number of complaints relating to child Labour, forced Labour, involuntary labour, sexual harassment, discriminatory employment in the last financial year and pending, as on the end of the Financial Year	Nil
8.	What percentage of your employees were given safety & skill upgradation training in the last year? (a) Permanent Employees (b) Permanent Women Employees (c) Casual/Temporary/Contractual Employees (d) Employees with Disabilities	Safety Training : 80% Skill Upgradation Training : 80%

#### Principle 4:

Sl. No.	Particulars	Details
1.	Has the Company mapped its internal and external stakeholders?	Yes. Details of Shareholders/ Investors, Banks, Employees and Business Partners are available with the Company.
2.	Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders	Yes
3.	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable, and marginalized stakeholders? If so, provide details thereof, in about 50 words or so	These are covered under the CSR policy of our Company.

#### Principle 5:

Sl. No.	Particulars	Details
1.	Does the policy of the Company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?	The company ensures that neither the company nor any of its stakeholders indulge in any form of Human rights violations. The policy on Human rights is applicable to employees, directors, customers, suppliers, vendors and investors.
2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	During the reporting period, no complaints were received

#### Principle 6:

**1) Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/ others.**

The Policy applies to the directors and employees of the Company across all its directors, employees, suppliers, vendors etc

**2) Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? If yes, please give hyperlink for webpage etc.**

As per our EHS Policy, we commit ourselves to operate our Plants and facilities with the utmost care to minimize impact on the Environment and on the Health and Safety of our employees, the community and our customers. We have committed to combat climate change by improving energy efficiency and use of renewable energy. For hyperlink, please refer <http://www.shivalikbimetals.com/about-us.php?pageId=14>

**3) Does the Company identify and assess potential environmental risks?**

Yes. SHIVALIK is certified under ISO 14001: 2015 standards and has laid down procedure for risk identification, assessment and mitigation (Impact and Aspect Assessment) .

**4) Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

Our effluents are fully treated and clean. They are continuously monitored and reported to the regulators and the public on regular basis. The Company is also installing new equipment to recycle the output of its effluent treatment plant and Sewage Treatment plant.



**5) Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. If yes, please give hyperlink for web page etc.**

In addition to the company's initiatives in this area, as mentioned in the Director's Report Section (under Conservation Of Energy), the company is also using 100% renewal electric power and is starting the project of achieving 100% recycling of waste water.

**6) Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes. Our emissions are well within the prescribed standards by Pollution Control Board and wastes are being disposed to authorized recyclers and disposal agencies.

**7) Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

Nil

**Principle 7:**

Sl. No.	Particulars	Details
1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with	The Company has member of: ✓ Indian Electrical and Electronics Manufacturers Association (IEEMA) vide membership number SBC-M-07-1989-0453 ✓ Indo - German Chamber of Commerce ✓ Engineering Export Promotional Council India vide EPC/D/R-4108/ENGG. (LS)
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	No.

**Principle 8:**

**1. Does the Company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes, details thereof?**

The Company, as part of its CSR Policy, has been undertaking projects / activities in the areas of Education, Rural Development etc.

**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

All the community development initiatives were undertaken by in-house team of professionals and often with the help of external agencies/ organizations.

**3. Have you done any impact assessment of your initiative?**

Yes. Informal feedback is being taken and the impact assessment of the work done by the foundation is periodically undertaken to check whether the programs were implemented as envisaged and achieved their desired results. This assessment is undertaken once in a year.



**4. What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?**

During the financial year 2021-22, the Company has spent Rs. 56.23 Lakhs under CSR activities. For details of projects undertaken, please refer Annexure-E of the Board Report.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.**

In terms of its CSR policy, the company is undertaking various activities. During the year under review, we have undertaken activities like Construction of Building classrooms and toilets in schools, Sports facility, Supply of classroom furniture and rural development etc. These initiatives are implemented by the Company directly to support initiatives that benefit the society at large. The details are provided in the annexure to the Boards' report.

**Principle 9:**

Sl. No.	Particulars	Details
1.	What percentage of customer complaints/consumer cases are pending as on the end of financial year?	All the genuine customer complaints are addressed expeditiously.
2.	Does the company display product information on the product label, over and above what is mandated as per local laws?	Yes.
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.	There are no cases alleging unfair trade practice, irresponsible advertising and/ or anti-competitive behavior.
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes.

For and on behalf of the Board of Directors  
Shivalik Bimetal Controls Limited

Date : 29.08.2022  
Place : New Delhi

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

## Annexure-G

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

- (i) the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2021-22:

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

- (ii) the percentage increase in remuneration of each director, CFO, CEO, Company Secretary or Manager, if any, in the financial year 2021-22:

Mr. S. S. Sandhu	Chairman	Nil
Mr. N. S. Ghumman	Managing Director	Nil
Mr. Rajeev Ranjan	CFO	49.81%
Ms. Aarti Sahni	Company Secretary	22.36%

- (iii) the percentage increase in the median remuneration of employees in the financial year 2021-22: Median: 10.31

- (iv) the number of permanent employees on the rolls of Company - 334

- (v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Average increase in the remuneration of all the employees excluding KMP's: Justification: Increase in the salary of KMPs is decided based on the Company's performance, individual performance, inflation, prevailing Industry trends and benchmarks.

- (vi) Affirmation that the remuneration is as per the remuneration policy of the Company: The Company hereby affirms that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

### B) Statement of particulars under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2022 (also includes the details of top ten employees of the Company)

S. No.	Name	Designation	Remuneration (Rs. in Lakhs)	Age	Qualification	Experience in years	Last Employment	Date of Commencement of Employment
1	Mr. S.S. Sandhu	Chairman and Whole Time Director	321.75	68	B.A. (Pass)	50	NA	01/09/1992
2	Mr. N.S. Ghumman	Managing Director	322.49	72	B.E. (Hons.)	49	M/s Tradex Gestion SA General of Switzerland	18/06/1984
3	Mr. Kabir Ghumman	Head of Manufacturing & Engineering	124.71	37	B.Tech, Mechanical Engineering	14	NA	20/08/1985
4	Mr. Kanav Anand	Head of Sales & Marketing	125.55	40	B.Sc. (Hons.) in Business Management	15	NA	29/09/1982

Notes:

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



## INDEPENDENT AUDITORS' REPORT

To the Members of

Shivalik Bimetal Controls Limited

### Report on the Audit of Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **Shivalik Bimetal Controls Limited** ("the Company"), which comprise the Standalone Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows, the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, and profit and loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

The Key audit matters	How our audit addressed the key audit matters
<b>1. Capitalisation of Property, Plant and Equipment</b>	
<p>During the year ended 31<sup>st</sup> March, 2022, the Company has incurred significant capital expenditure. Further the total additions to Property, Plant and Equipment (including capitalized amount of Capital Work in Progress) at various locations of the Company was Rs 4037.44 lakhs in the current year as set out in Note No. 3.</p> <p>Significant level of judgement is involved to ensure that the aforesaid capital expenditure/additions meet the recognition criteria of Ind AS 16 - Property, Plant and Equipment. As a result, the aforesaid matter was determined to be a key audit matter.</p>	<p>We as Auditors,</p> <ol style="list-style-type: none"> <li>assessed the mechanism of capitalisation and tested the design and operating effectiveness of the controls in the process.</li> <li>assessed the nature of the additions/ capitalisation carried out in Property, Plant and Equipment and capital work-in-progress on a test check basis to test that they meet the recognition criteria as set out in para 16 to 22 of Ind AS 16.</li> <li>reviewed the asset capitalization details provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management.</li> </ol> <p>Based on the above procedures, management's assessment in respect of capitalisation of "Property, Plant and Equipment" in the Standalone Financial Statements, we are of the opinion that capitalization of Property, Plant and Equipment, the procedures adopted are considered adequate.</p>



## INDEPENDENT AUDITORS' REPORT

### 2. Contingent Liabilities- Contingencies & Capital Commitments:

The Company has material contingencies related to Guarantee(s) given, Capital Commitments and Indirect tax matters as detailed in Note 36 to the Standalone financial statements. The Company makes a determination for recording or alternatively disclosing them as contingencies. We identified this as a key audit matter because the estimation on which these amounts are based involve a reasonable degree of assessment by the management.

We have obtained an understanding of the Company's internal instructions, and procedures in respect of assessment and disclosure of contingent liabilities & capital commitments and adopted the following audit procedures: -

1. understood and tested the operating effectiveness of controls as established by the management for obtaining all relevant information;
2. discussing with the management any material developments and latest status;
3. reviewing the adequacy and completeness of disclosures;

Based on the above procedures performed, the assessment and disclosures of Contingent liabilities & Capital Commitments are considered to be adequate and reasonable.

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

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

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

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

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

### Management's Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management and Board of Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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



## INDEPENDENT AUDITORS' REPORT

### Auditor's Responsibilities for Audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## INDEPENDENT AUDITORS' REPORT



### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Standalone Balance Sheet, Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flow with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - e. On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g. In our opinion, the managerial remuneration for the year ended 31st March, 2022 has been paid / provided by the company to its directors in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013; and
  - h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. there are Nil pending litigations as on date of financial statements, against the company as such there is no impact thereof to be considered;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
3. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the



## INDEPENDENT AUDITORS' REPORT

Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
4. The interim dividend paid and also the final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

**For Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: - 0021313C

Sd/-

**Amit Arora**

Partner

Membership No:- 514828

ICAI UDIN No: 22514828AJWKGK2584

Place : New Delhi

Dated : May 30, 2022



## ANNEXURE- A TO THE INDEPENDENT AUDITORS' REPORT



The Annexure referred to in Independent Auditor's Report of even date to the members of Shivalik Bimetal Controls Limited on the Standalone financial statements for the year ended 31<sup>st</sup> March 2022.

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

- (i) a. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
- b. The Company has a program of physical verification of Property, Plant and Equipment which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the Property, Plant and Equipment have been physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of company.
- d. The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year accordingly reporting requirement under clause 3(i)(d) is not applicable to the company.
- e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) a. Physical verification of inventory has been conducted at reasonable intervals by the management and no Material discrepancies were noticed on such verification.

In our Opinion, the coverage and procedure of such verification by the management is appropriate.
- b. The Company has been sanctioned/ renewed working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from bank(s) on the basis of security of current assets and quarterly returns or statements filed by the company with such bank(s) are in agreement with books of account.
- (iii) During the year the Company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other party, hence reporting requirements under clause 3(iii)(a) to (f) are not applicable to the company.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 to the extent applicable in respect of loans granted, investments made and guarantees and securities provided.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) In respect of statutory dues:
  - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from



## ANNEXURE- A TO THE INDEPENDENT AUDITORS' REPORT



the date they became payable.

- (b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix)
  - a. The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
  - b. The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
  - c. The company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
  - d. On an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
  - e. The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
  - f. The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x)
  - (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
  - (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi)
  - (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
  - (c) There are Nil whistle blower complaints received by the Company during the year (and upto the date of this report).
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv)
  - (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
  - (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)
  - (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) & (c) of the Order is not applicable.
  - (b) In our Opinion, there is no Core Investment Company within the group (as defined in the Core Investment Companies (Reserve Bank) Directions 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is also not applicable



## ANNEXURE- A TO THE INDEPENDENT AUDITORS' REPORT



- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) a. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b. There is Nil amount remaining unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, which is required to be transferred to special account in compliance with provision of sub section (6) of section 135 of the said Act.

**For Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: - 0021313C

Sd/-

**Amit Arora**

Partner

Membership No:- 514828

ICAI UDIN No: 22514828AJWKGK2584

Place : New Delhi  
Dated : May 30, 2022



## ANNEXURE- B TO THE INDEPENDENT AUDITORS' REPORT



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

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Shivalik Bimetal Controls Limited** ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future



## ANNEXURE- B TO THE INDEPENDENT AUDITORS' REPORT



periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, based on criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: - 0021313C

Sd/-

**Amit Arora**

Partner

Membership No:- 514828

ICAI UDIN No: 22514828AJWKGK2584

Place : New Delhi  
Dated : May 30, 2022



# SHIVALIK BIMETAL CONTROLS LIMITED

CIN:L27101HP1984PLC005862

## STANDALONE BALANCE SHEET as at 31<sup>st</sup> March, 2022



(₹ in lakhs)

	Notes	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant & Equipment	3	7,676.59	4,320.23
(b) Capital Work-In-Progress	3.1	652.61	2,411.56
(c) Right-of-Use Assets	3.2	14.37	43.46
(d) Intangible Assets	3.3	13.98	8.53
(e) Intangible Assets Under Development	3.3	102.18	67.27
(f) Financial Assets			
(i) Investments	4	1,029.47	1,028.78
(ii) Investment Property	5	191.86	191.86
(g) Other Non Current Assets	6	504.88	261.64
<b>Total Non Current Assets</b>		<b>10,185.94</b>	<b>8,333.33</b>
<b>Current assets</b>			
(a) Inventories	7	11,488.48	7,014.17
(b) Financial Assets			
(i) Trade receivables	8	5,928.13	4,281.99
(ii) Cash and cash equivalents	9	1,086.90	1,565.73
(iii) Other Bank Balances	10	94.87	27.47
(iv) Others Financial Assets	11	0.46	0.27
(c) Other current assets	12	1,367.68	588.58
(d) Current Tax Assets	13	3.59	3.59
<b>Total Current Assets</b>		<b>19,970.11</b>	<b>13,481.80</b>
<b>TOTAL ASSETS</b>		<b>30,156.05</b>	<b>21,815.13</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	14	768.06	768.06
(b) Other Equity	15	17,950.40	13,055.40
<b>Total Equity</b>		<b>18,718.46</b>	<b>13,823.46</b>
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	1,528.53	846.16
(ii) Lease Liabilities	17	19.72	40.21
(b) Provisions	18	50.94	48.25
(c) Deferred Tax Liabilities (Net)	19	299.28	287.32
<b>Total Non-Current Liabilities</b>		<b>1,898.47</b>	<b>1,221.94</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	4,225.08	1,995.67
(ii) Lease Liabilities	21	20.49	42.32
(iii) Trade payables			
a) Outstanding dues of micro enterprises and small enterprises	22	10.32	7.28
b) Outstanding dues of creditors other than micro enterprises and small enterprises	22	4,167.39	3,524.63
(iv) Other Financial Liabilities	23	467.07	316.99
(b) Other current liabilities	24	451.65	707.25
(c) Provisions	25	4.80	26.25
(d) Current Tax Liabilities	26	192.32	149.34
<b>Total Current Liabilities</b>		<b>9,539.12</b>	<b>6,769.73</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>30,156.05</b>	<b>21,815.13</b>

The accompanying notes form an integral part of the standalone financial statements. 1 to 43

As per our report of even date

For and on Behalf of the Board

**For Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: 021313C

Sd/-

**(Amit Arora)**

Partner

Membership No.514828

Place : New Delhi

Date : May 30,2022

Sd/-

**(N.S. Ghuman )**

Managing Director

DIN 00002052

Sd/-

**(Rajeev Ranjan)**

Chief Financial Officer

Sd/-

**(S.S. Sandhu)**

Chairman

DIN 00002312

Sd/-

**(Aarti Sahni)**

Company Secretary



# SHIVALIK BIMETAL CONTROLS LIMITED

CIN:L27101HP1984PLC005862

## STANDALONE STATEMENT OF PROFIT & LOSS

for the year ended 31<sup>st</sup> March, 2022



(₹ in lakhs, except per share data)			
	Notes	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
I Revenue from operations	27	32,398.75	20,372.17
II Other income	28	544.68	404.60
<b>III Total Income (I + II)</b>		<b>32,943.43</b>	<b>20,776.77</b>
<b>IV Expenses</b>			
(a) Cost of materials consumed	29	17,206.39	11,288.64
(b) Changes in Inventories of Finished Goods and Work-In-Progress	30	(1,100.20)	(1,160.97)
(c) Employee benefit expense	31	2,711.43	2,222.58
(d) Finance costs	32	276.36	162.87
(e) Depreciation & Amortisation	3	637.83	589.90
(f) Manufacturing & Other expenses	33	6,232.98	4,408.16
<b>Total expenses</b>		<b>25,964.79</b>	<b>17,511.18</b>
<b>V Profit/(loss) before Exceptional items and tax (III-IV)</b>		<b>6,978.64</b>	<b>3,265.59</b>
VI Exceptional Items (Income)/Expense		-	-
<b>VII Profit/(loss) before tax (V-VI)</b>		<b>6,978.64</b>	<b>3,265.59</b>
<b>VIII Tax expense</b>			
(a) Current tax	34	1,785.45	885.71
(b) Current tax related to previous years	34	(16.37)	19.29
(c) Deferred tax	34	11.96	(54.59)
<b>Total</b>		<b>1,781.04</b>	<b>850.41</b>
<b>IX Profit/(Loss) for the years (VII-VIII)</b>		<b>5,197.60</b>	<b>2,415.18</b>
<b>X Other Comprehensive Income</b>			
i. Items that will not be reclassified to Statement of Profit and Loss			
'- Remeasurement of defined benefit obligation		6.17	(11.36)
'- Income tax on above		(1.55)	2.86
		<b>4.62</b>	<b>(8.50)</b>
<b>XI Total Comprehensive Income for the Period (IX+X)</b>		<b>5,202.22</b>	<b>2,406.68</b>
<b>XII Earnings per equity share</b>			
(a) Basic (₹)	35	13.55	6.27
(b) Diluted (₹)	35	13.55	6.27
The accompanying notes form an integral part of the standalone financial statements.	1 to 43		

As per our report of even date

For and on Behalf of the Board

**For Arora Gupta & Co.**  
Chartered Accountants  
Firm Registration No: 021313C

Sd/-  
**(Amit Arora)**  
Partner  
Membership No.514828

Sd/-  
**(N.S. Ghuman )**  
Managing Director  
DIN 00002052

Sd/-  
**(S.S. Sandhu)**  
Chairman  
DIN 00002312

Place : New Delhi  
Date : May 30,2022

Sd/-  
**(Rajeev Ranjan)**  
Chief Financial Officer

Sd/-  
**(Aarti Sahni)**  
Company Secretary

# SHIVALIK BIMETAL CONTROLS LIMITED

CIN:L27101HP1984PLC005862

## STANDALONE CASH FLOW STATEMENT for the year ended on 31<sup>st</sup> March, 2022



		(₹in lakhs)	
		Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>Net Profit before tax</b>	<b>6,978.64</b>	<b>3,265.59</b>
	Adjustments for:		
	Depreciation and amortisation expense	637.83	589.90
	Interest Expense	276.36	162.87
	Interest Income	(47.90)	(23.17)
	Net (Gain)/loss arising on financial instruments designated as FVTPL	(0.69)	(0.94)
	Liabilities/Provisions Written Back	(26.18)	(1.47)
	Unrealised foreign exchange loss/(gain) on borrowings	14.88	0.98
	Loss Allowance for doubtful receivables	-	3.36
	(Profit)/Loss on sale of Property, Plant and Equipment	(17.73)	(12.04)
	Dividend received	(0.30)	(0.30)
	<b>Operating Profit before Working Capital changes</b>	<b>7,814.91</b>	<b>3,984.78</b>
	Adjustment for :		
	Trade receivables	(1,625.71)	(1,190.65)
	Inventories	(4,474.31)	(1,962.44)
	Trade Payables	651.55	2,341.79
	Other Assets	(852.71)	(28.45)
	Other Liabilities	(121.10)	559.70
	Provisions	(12.59)	(2.94)
	<b>Cash generated from operations</b>	<b>1,380.04</b>	<b>3,701.79</b>
	Income Tax paid	(1,727.65)	(752.80)
	<b>Net Cash generated from operating Activities (A)</b>	<b>(347.61)</b>	<b>2,948.99</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Payment for Purchase of Property Plant and Equipment, Intangible assets & CWIP	(2,323.97)	(1,329.30)
	Capital Advances	(231.56)	(177.17)
	Proceeds from Sale of Property, Plant and Equipment	95.19	23.04
	Interest Income	42.24	10.97
	Dividend Received	0.30	0.30
	<b>Net cash (used in)/ from investing activities (B)</b>	<b>(2,417.80)</b>	<b>(1,472.16)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from long term Borrowings*	1,469.08	424.85
	Repayment of long term Borrowings*	(612.97)	(496.00)
	Proceeds from short term Borrowings (net)*	2,040.79	427.05
	Principal payment of lease liability	(42.32)	(16.13)
	Interest Paid	(264.95)	(164.41)
	Dividend Paid	(303.05)	(113.48)
	<b>Net Cash generated from financing activities (C )</b>	<b>2,286.58</b>	<b>61.88</b>
	<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(478.83)</b>	<b>1,538.71</b>
	Cash and Cash Equivalents (Opening Balance)	1,565.73	27.02
	Cash and Cash equivalents (Closing Balance)	1,086.90	1,565.73

\* Refer note no. 20.1 for changes in liabilities arising from financing activities

The accompanying notes form an integral part of the standalone financial statements. 1 to 43

As per our report of even date

For and on Behalf of the Board

**For Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: 021313C

Sd/-

**(Amit Arora)**

Partner

Membership No.514828

Sd/-

**(N.S. Ghuman )**

Managing Director

DIN 00002052

Sd/-

**(S.S. Sandhu)**

Chairman

DIN 00002312

Place : New Delhi

Date : May 30,2022

Sd/-

**(Rajeev Ranjan)**

Chief Financial Officer

Sd/-

**(Aarti Sahni)**

Company Secretary



# SHIVALIK BIMETAL CONTROLS LIMITED

CIN:L27101HP1984PLC005862

## STANDALONE STATEMENT OF CHANGES IN EQUITY



### A. Equity Share Capital

(₹ in lakhs)

Balance as at 1 <sup>st</sup> April 2021	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2021	Changes in equi- ty share capital during the year*	Balance as at March 31, 2022
768.06	-	768.06	-	768.06
Balance as at 1 <sup>st</sup> April 2020	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2020	Changes in equi- ty share capital during the year*	Balance as at March 31, 2021
768.06	-	768.06	-	768.06

\*Refer note 14.1

### B. Other Equity

(₹ in lakhs)

Particulars	Capital Reserve	Retained Earnings	Other Comprehensive Income	Total
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>0.57</b>	<b>10,792.94</b>	<b>(29.58)</b>	<b>10,763.93</b>
Profit for the year	-	2,415.18	-	2,415.18
Other Comprehensive income for the year	-	-	(8.50)	(8.50)
<b>Transactions with owners</b>				
Dividends Paid	-	(115.21)	-	(115.21)
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>0.57</b>	<b>13,092.91</b>	<b>(38.08)</b>	<b>13,055.40</b>
Profit for the year	-	5,197.60	-	5,197.60
Other Comprehensive income for the year	-	-	4.62	4.62
<b>Transactions with owners</b>				
Dividends Paid	-	(307.12)	-	(307.22)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>0.57</b>	<b>17,983.29</b>	<b>(33.46)</b>	<b>17,950.40</b>

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

1 to 43

As per our report of even date

For and on Behalf of the Board

**For Arora Gupta & Co.**  
Chartered Accountants  
Firm Registration No: 021313C

Sd/-  
**(Amit Arora)**  
Partner  
Membership No.514828

Place : New Delhi  
Date : May 30,2022

Sd/-  
**(N.S. Ghumman )**  
Managing Director  
DIN 00002052

Sd/-  
**(Rajeev Ranjan)**  
Chief Financial Officer

Sd/-  
**(S.S. Sandhu)**  
Chairman  
DIN 00002312

Sd/-  
**(Aarti Sahni)**  
Company Secretary



## SIGNIFICANT ACCOUNTING POLICIES

(Forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022)



### 1. COMPANY'S OVERVIEW

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

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

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

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

The Standalone Financial Statements are approved for issue by the Company's Board of Directors on May 30, 2022.

### 2. SIGNIFICANT ACCOUNTING POLICIES

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

#### 2.1 Compliance with Ind AS

The Standalone financial statements of the Company have been prepared in accordance with the Indian Accounting standards ('Ind AS'), notified under Section 133 read with rule 3 of Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) Amendment Rules, 2016, and the relevant provisions of the Companies Act, 2013 (Collectively, "Ind ASs").

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

#### 2.2 Basis of Preparation of Standalone Financial Statements

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

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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

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

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

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

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

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

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

All other liabilities are classified as non-current.

The Company has ascertained its operating cycle as 8 months for the purpose of current and non-current classification of assets and liabilities.

### 2.3 Use of Estimates

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

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

#### a) Useful Life of Property Plant and Equipment

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

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

#### b) Employee Benefits

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

#### c) Leases

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

#### d) Provisions and Contingent Liabilities

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



## SIGNIFICANT ACCOUNTING POLICIES

(Forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022)



### e) Revenue

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

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

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

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

### 2.4 Revenue Recognition

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

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

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

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

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

All other incomes are accounted on accrual basis.

### 2.5 Foreign Currency Transactions

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

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

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

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

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

### 2.6 Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are added to the cost



## SIGNIFICANT ACCOUNTING POLICIES

(Forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022)



of those assets, until such time as the assets are substantially ready for their intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use.

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

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

### 2.7 Government Grant and Assistance

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

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

### 2.8 Employees' Benefits

#### Defined Contribution Plans:

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

#### Defined Benefit Plans:

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

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

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

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

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

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

### 2.9 Taxes on Income

#### Current Tax

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

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

## Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to same taxation authority.

Current and deferred tax are recognized in profit or loss, except when they are relating to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

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

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

The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts, if any and rebates, import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing cost attributable to the Qualifying Asset in compliance with IND AS 23.

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

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

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

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

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

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Standalone Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

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

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



## SIGNIFICANT ACCOUNTING POLICIES

(Forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022)



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

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

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

### 2.11 Intangible Assets

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

Estimated useful life of Intangible Assets as follows:

i)	Computer Software	3 Years
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### 2.12 Inventories

Basis of valuation of Inventories;

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

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

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

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

### 2.13 Impairment of non-financial assets

The Carrying amounts of assets are reviewed at each Balance Sheet date and if there is any indication to the effect that the recoverable amount of the Asset/ CGU (Cash Generating Unit) is less than its carrying amount, the difference is treated as “Impairment Loss”. The recoverable amount is greater of the asset’s net selling price less cost to sell and value in use.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired, the impairment loss is recognized in the Standalone Statement of Profit and Loss account.

### 2.14 Leases

The Company’s lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a

period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i) the contract involves the use of an identified asset
- ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and;
- iii) the Company has the right to direct the use of the asset.

## **Company as Lessee**

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

## **Right-of-Use Assests (ROU)**

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

## **Lease Liabilities**

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Standalone Financial Statements and lease payments have been classified as financing cash flows.

## **Company as Lessor**

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

## **Short Term Leases are Leases for Low Value Assets**

The Companies apply the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term 12 months and less from the commencement date and do not contain a purchase options).

It also applies the leave of low-value assets recognition exemption to leases that are considered of low values. Leases payments on such leases are recognised as expense on straight line basis over the lease term.

## **2.15 Non-Current Assets Held for sale**

Non-Current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and their fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in the Standalone Statement of Profit and Loss.



## SIGNIFICANT ACCOUNTING POLICIES

(Forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022)



Once Classified as held for sale, property, plant and equipment and intangible assets are no longer amortized or depreciated.

Non-current assets and disposal group that ceases to be classified as “Held for Sale” shall be measured at the lower of carrying amount before the non-current asset and disposal group was classified as “Held for Sale” and its recoverable amount at the date of the subsequent decision not to sell.

### 2.16 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### 2.17 Cash Flow Statements

Standalone Cash flows are reported using the indirect method, whereby Profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

### 2.18 Financial Instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial Assets

##### A. Initial Recognition and Measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

##### B. Subsequent Measurement

###### a) Financial assets carried at amortized cost (AC)

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### b) Financial assets at fair value through other comprehensive income (FVTOCI).

A financial asset is measured at FVTOCI, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. This includes equity investment in other than Joint Ventures and Associates.

##### C. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses ‘Expected Credit Loss’ (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or



## SIGNIFICANT ACCOUNTING POLICIES

(Forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022)



Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rate are reviewed and changes in the forward-looking estimates are analysed.

### Financial Liabilities

#### A. Initial Recognition and Measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognized in the Standalone Statement of Profit and Loss as finance cost.

#### B. Subsequent Measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### Derivative Financial Instruments

The Company enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, in the form of foreign exchange forward contracts. Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in Standalone Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Standalone Statement of Profit and Loss depends on the nature of the hedge item.

#### Derecognition of Financial Instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

The carrying value and fair value of financial instruments by categories as at March 31, 2022 are disclosed at Note No. 43.

### 2.19 Investment in Associates and Joint Ventures

The Company has accounted for its investments in associates and joint ventures at cost less accumulated impairment loss, if any.

### 2.20 Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Standalone Statement of Profit and Loss. Development costs of products are charged to the Standalone Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalized.

### 2.21 Earnings Per share

#### (i) Basic Earnings Per Share.

Basic Earnings per Share is computed by dividing:

- a. net profit or loss for the period attributable to equity shareholders
- b. by the weighted average number of Equity Shares outstanding during the period

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account:



## SIGNIFICANT ACCOUNTING POLICIES

(Forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022)



- a. the after-income tax effect of interest and other financing costs associated with dilutive potential equity and;
- b. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### 2.22 Provision and Contingent Liabilities

Provisions are recognized for liabilities that can be measured only by using substantial degree of estimation, if

- a. the company has a present obligation as a result of past event,
- b. a probable outflow of resources is expected to settle the obligation; and
- c. the amount of the obligation can be reliably estimated.

Contingent liability is disclosed in case of

- i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- ii. a present obligation arising from past events, when no reliable estimate is possible; and
- iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.

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

### 2.23 Recent accounting pronouncements

#### Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

**Ind AS 16 – Property Plant and Equipment** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its Standalone Financial Statements.

**Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets** – The amendment specifies that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



3. Property, Plant & Equipment									(₹ in Lakhs)
Particulars	Leasehold land*	Freehold Land	Buildings	Plant and Machines	Furniture and Fixtures	Vehicles	Office Equipments	Total	
Cost/Deemed Cost									
As at 1 <sup>st</sup> April 2020	476.03	330.06	445.16	5,034.95	220.34	540.35	136.95	7,183.84	
Additions	28.54	-	-	452.19	2.35	97.94	21.24	602.26	
Less: Disposals	-	-	-	-	-	74.00	0.54	74.54	
As at 31 <sup>st</sup> March 2021	504.57	330.06	445.16	5,487.14	222.69	564.29	157.65	7,711.56	
Additions	-	-	2,219.08	1,678.96	26.61	69.05	43.74	4,037.44	
Less: Disposals	-	-	-	94.20	-	34.29	3.76	132.25	
As at 31 <sup>st</sup> March 2022	504.57	330.06	2,664.24	7,071.90	249.30	599.05	197.63	11,616.75	
Accumulated depreciation									
As at 1 <sup>st</sup> April 2020	26.60	-	289.85	2,005.61	169.30	343.46	83.78	2,918.60	
Depreciation charged for the year	7.06	-	32.18	416.89	11.55	46.47	22.12	536.27	
Less: Depreciation on disposals	-	-	-	-	-	63.10	0.44	63.54	
As at 31 <sup>st</sup> March 2021	33.66	-	322.03	2,422.50	180.85	326.83	105.46	3,391.33	
Depreciation charged for the year	7.36	-	34.00	473.87	13.53	48.06	26.80	603.62	
Less: Depreciation on disposals	-	-	-	28.34	-	23.73	2.72	54.79	
As at 31 <sup>st</sup> March 2022	41.02	-	356.03	2,868.03	194.38	351.16	129.54	3,940.16	
Net block									
As at 31 <sup>st</sup> March 2022	463.55	330.06	2,308.21	4,203.87	54.92	247.89	68.09	7,676.59	
As at 31 <sup>st</sup> March 2021	470.91	330.06	123.13	3,064.64	41.84	237.46	52.19	4,320.23	
*Leasehold Land represents Land on long term lease basis.(refer note no. 39.1)									
3.1 Capital Work-In-Progress									
(₹ in Lakhs)									
Particulars									
As at 31 <sup>st</sup> March 2022			As at 31 <sup>st</sup> March 2021			As at 31 <sup>st</sup> March 2021			
Opening Balance			2,411.56			1,686.71			
Additions during the year*			1,539.72			929.65			
Capitalised during the year			3,298.67			204.80			
Closing Balance			652.61			2,411.56			
* Includes Borrowing Cost transferred during the year aggregated to ₹100.88 Lakhs (Previous Year: ₹103.85 Lakhs). (refer note no.32)									

**Capital work-in-progress ageing schedule for the year ended March 31, 2022 and March 31, 2021 is as follows:**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Capital work-in-progress	230.03 (708.99)	16.79 (1,174.44)	40.79 (163.13)	365.00 (365.00)	652.61 (2,411.56)

Figures in ( ) represents previous year figures

Refer note 36(B) for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

Refer note no.16 and 20 for information on Property, plant and equipment hypothecated as security by the company against borrowings.

### 3.2 Right-of-Use Assets (Buildings) (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Opening Balance</b>	<b>43.46</b>	<b>72.04</b>
Additions	-	19.73
Deletions	-	-
Depreciation	29.09	48.31
<b>Closing Balance</b>	<b>14.37</b>	<b>43.46</b>



## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 3.3 Intangible Assets\*

Particulars	Computer Software	Intangible Assets Under Development
<b><u>Cost/Deemed Cost</u></b>		
<b>As at 1<sup>st</sup> April 2020</b>	<b>51.79</b>	<b>66.97</b>
Additions	1.89	0.30
Less: Disposals	-	-
<b>As at 31<sup>st</sup> March 2021</b>	<b>53.68</b>	<b>67.27</b>
Additions	10.57	34.91
Less: Disposals	-	-
<b>As at 31<sup>st</sup> March 2022</b>	<b>64.25</b>	<b>102.18</b>
<b><u>Accumulated amortisation</u></b>		
<b>As at 1<sup>st</sup> April 2020</b>	<b>39.83</b>	-
Amortisation for the year	5.32	-
Less: Amortisation on disposals	-	-
<b>As at 31<sup>st</sup> March 2021</b>	<b>45.15</b>	-
Amortisation for the year	5.12	-
Less: Amortisation on disposals	-	-
<b>As at 31<sup>st</sup> March 2022</b>	<b>50.27</b>	-
<b><u>Carrying Value</u></b>		
<b>As at 31<sup>st</sup> March 2022</b>	<b>13.98</b>	<b>102.18</b>
<b>As at 31<sup>st</sup> March 2021</b>	<b>8.53</b>	<b>67.27</b>

\*Other than internally generated

Intangible assets under development ageing schedule for the year ended March 31, 2022 and March 31, 2021 is as follows:

(₹ in Lakhs)

Intangible Assests under development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Capital work-in-progress	34.91	0.30	4.95	62.02	102.18
	(0.30)	(4.95)	-	(62.02)	(67.27)

Figures in ( ) indicates previous year figures



## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 4. Investments (Non Current)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Investment(s) (at Cost)</b>		
<b>In Equity Instruments of ;</b>		
<b>(a) Associate Company*</b>		
i) Unquoted Equity Instrument of "Shivalik Bimetal Engineers Private Limited" of face value Rs. 10/- each fully paid up (No . Of Shares) *has become wholly Owned Subsidiary (WOS) subsequent to "the Statement" date.	22.28 (222,750)	22.28 (222,750)
<b>(b) Joint Venture Companies*</b>		
i) Unquoted Equity Instrument of "Shivalik Engineered Products Pvt. Ltd. (Formerly known as Checon Shivalik Contact Solutions Pvt. Ltd.)" of face value Rs. 10/- each fully paid up (No . Of Shares) *has become wholly Owned Subsidiary (WOS) subsequent to "the Statement" date.	221.45 (1,710,900)	221.45 (1,710,900)
ii) Unquoted Equity Instrument of "Innovative Clad Solutions Private Limited" of face value Rs. 10/- each fully paid up. (No . Of Shares)	780.02 (16,086,003)	780.02 (16,086,003)
<b>Investments (at Fair Value Through Profit &amp; Loss)</b>		
<b>(a) In Equity Shares of Other Company</b>		
ii) Unquoted Equity Instrument of "Shivalik Solid Waste Management Limited" of face value Rs. 10/- each fully paid up. (No . Of Shares)	5.72 (20,000)	5.03 (20,000)
	<b>1,029.47</b>	<b>1,028.78</b>

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Aggregate amount of unquoted investments	1,029.47	1,028.78
Aggregate amount of quoted investments	-	-
Aggregate amount of impairment in the valuation of Investment	-	-
	<b>1,029.47</b>	<b>1,028.78</b>

### 5. Investment Property

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Freehold Land at Kandaghat, Solan (Fair Market Value ₹ 413.07 Lakhs)*	191.86	191.86
	<b>191.86</b>	<b>191.86</b>

\*Based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.



## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 6. Other Non Current Assets

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Capital Advances	466.14	234.58
Prepaid Expenses	1.39	2.09
Security Deposits ;		
Government Undertakings /Authorities	27.73	15.13
Others	9.62	9.84
	<b>504.88</b>	<b>261.64</b>

### 7. Inventories

(Refer note no. 2.12 for basis of valuation)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Raw Materials	6,826.12	3,529.68
Work-in-Progress	2,974.60	1,640.56
Finished goods	1,371.50	1,614.88
Stores, Spares and Packing Material	274.41	196.74
Scrap	41.85	32.31
	<b>11,488.48</b>	<b>7,014.17</b>
<b>Material in Transit (included in Inventories, above )</b>		
i) Raw Material	933.20	249.08
ii) Stores, Spares and Packing Material	8.48	5.36
	<b>941.68</b>	<b>254.44</b>

Refer note 20 for hypothecation/charge created.

### 8. Trade Receivables

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Considered Good- Unsecured		
Others	5,928.13	4,281.99
Considered Doubtful	3.45	24.02
Less: Allowances for Credit Losses*	(3.45)	(24.02)
	<b>5,928.13</b>	<b>4,281.99</b>

### Trade Receivables ageing schedule

(₹ in lakhs)

Particulars		Outstanding for following period from the due date of payment						Total
		No Due	Less than 6 months	6 Months to 1 year	1-2 years	2-3 years	More than 3 years	
i)	Undisputed Trade Receivables-considered good	4,688.78	1,238.21	0.34	0.23	-	0.57	5,928.13
		(3,417.72)	(846.75)	(15.81)	(1.11)	(0.10)	(0.50)	(4,281.99)
ii)	Undisputed Trade Receivables-considered doubtful	3.45	-	-	-	-	-	3.45
		(24.02)	-	-	-	-	-	(24.02)
iii)	Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
iv)	Disputed Trade Receivables- considered doubtful	-	-	-	-	-	-	-

Figures in ( ) indicates previous year figures

Refer note 20 for hypothecation/charge created.

\*In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

(i) Movements in allowance of credit losses of receivables; (₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Balance at the beginning of the Year</b>	<b>24.02</b>	<b>21.99</b>
Charge/(Reverse) in Statement of Profit and Loss	(20.43)	3.36
Utilised during the Year*	0.14	1.33
<b>Balance at the end of the Year</b>	<b>3.45</b>	<b>24.02</b>

\*During the year, the Company has written off Irrecoverable trade receivables aggregating to ₹ 0.14 lacs (Previous Year ₹1.33 Lacs).

### 9. Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Balances with banks in		
- Current Accounts	668.03	1,152.47
- Fixed Deposits	417.21	411.42
Cash on hand	1.66	1.84
	<b>1,086.90</b>	<b>1,565.73</b>

There are no repatriation restrictions with respect to cash and bank balances as at the end of the reporting period and prior periods.



## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 10. Other Bank Balances

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Unpaid Dividend held in Bank Accounts#	15.79	11.62
Margin Money Deposit against Bank Guarantee (s)*	79.08	15.85
	<b>94.87</b>	<b>27.47</b>

# Balance in Unpaid Dividend account has restricted use.

\*Deposits with maturity more than three months but less than 12 months, held by the Company are not available for use, as these are pledged with Banks against guarantee(s) given to Government authorities.

### 11. Others Financial Assets

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Advances to Employees	0.46	0.27
	<b>0.46</b>	<b>0.27</b>

### 12. Other Current Assets

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Prepaid Expenses	152.54	111.82
Balances with Revenue authorities	1,142.11	348.89
Export Incentive*	14.82	85.78
Investment in Gold Coin	22.37	17.57
Investment in Gold Bonds	13.00	13.00
Advances to suppliers	17.82	9.78
Others	0.20	0.19
Security Deposits:		
Others	4.82	1.55
	<b>1,367.68</b>	<b>588.58</b>

\* Includes Rs. 12.52 Lakhs (Previous Year Rs. 0.91 Lakhs) on account of scripts in hand

### 13. Current Tax Assets

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Income Tax Refundable	3.59	3.59
	<b>3.59</b>	<b>3.59</b>



## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 14. Equity Share Capital

(₹ in lakhs, except per share data)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Authorised Share Capital:</b>		
Equity Shares of ₹ 2/- each (No. Of Shares)	1,500.00 (75,000,000)	1,500.00 (75,000,000)
<b>Issued Subscribed and Paid Up:</b>		
Equity Shares of ₹ 2/- each fully paid up (No. Of Shares)	768.06 (38,402,800)	768.06 (38,402,800)
<b>Total</b>	<b>768.06</b>	<b>768.06</b>

### 14.1 Reconciliation of Number of Shares

Particulars	Number of Shares	Amount (₹ in lakhs)
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>38,402,800</b>	<b>768.06</b>
Shares Issued during the year	-	-
Shares Bought back during the year	-	-
Shares Issued as Bonus Shares	-	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>38,402,800</b>	<b>768.06</b>
Shares Issued during the year	-	-
Shares Issued as Bonus Shares	-	-
Shares Bought back during the year	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>38,402,800</b>	<b>768.06</b>

**14.2** 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.

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

**14.4** During the year, the company has paid a final dividend of ₹ 0.30 per share for FY 20-21 and an interim dividend of ₹ 0.50 per share for FY 21-22 which resulted in a cash outflow of ₹307.22 lakhs (previous year ₹ 115.21 Lakhs).

**14.5** The Company does not have a holding company.

**14.6** Shareholders holding more than 5% shares

Name of Shareholders	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Narinder Singh Ghumman	2,994,000	7.80	2,994,000	7.80
O D Finance and Investment Private Limited	5,070,781	13.20	5,070,781	13.20
TSL Holdings Private Limited	5,580,400	14.53	5,580,400	14.53
Angad Estates Private Limited	3,310,000	8.62	3,310,000	8.62

### 14.7 Shares held by promoters at the end of the year

S. No.	Promoter Name	No. of Shares	% of total shares	% Change during the year
1.	Satinderjeet Singh Sandhu	576,000	1.50	Nil
2.	Devinderjeet Singh Sandhu	76,000	0.20	Nil
3.	Manjit Kaur	176,000	0.46	Nil
4.	Tejinderjeet Kaur Ghumman	616,000	1.60	Nil
5.	Sarita Sandhu	432,000	1.12	Nil
6.	Jaspal Singh Dhillon	4,000	0.01	Nil
7.	Narinder Singh Ghumman	2,994,000	7.80	Nil
8.	Angad Sandhu	304,000	0.79	Nil
9.	Sumer Ghumman	2,000	0.01	Nil
10.	Gurbir Sandhu	244,849	0.64	Nil
11.	Amar Engineering Company Private Limited	1,414,310	3.68	Nil
12.	Angad Estates Private Limited	3,310,000	8.62	Nil
13.	OD Finance & Investment Private Limited	5,070,781	13.20	Nil
14.	TSL Holdings Private Limited	5,580,400	14.53	Nil
15.	Ultra Portfolio Management Private Limited	1,904,180	4.96	Nil
16.	B.S.Sandhu and Associates Private Limited	570,400	1.49	Nil
<b>Total</b>		<b>23,274,920</b>	<b>60.61</b>	

### 15. Other Equity (₹ in lakhs)

Particulars	Capital Reserve	Retained Earnings	Other Comprehensive Income	Total
<b>Balance as at 1<sup>st</sup> April,2020</b>	<b>0.57</b>	<b>10,792.94</b>	<b>(29.58)</b>	<b>10,763.93</b>
Profit for the year	-	2,415.18	-	2,415.18
Other Comprehensive income for the year (net of tax)	-	-	(8.50)	(8.50)
<b>Transactions with owners</b>				
Dividends paid	-	(115.21)	-	(115.21)
<b>Balance as at 31<sup>st</sup> March,2021</b>	<b>0.57</b>	<b>13,092.91</b>	<b>(38.08)</b>	<b>13,055.40</b>
Profit for the year	-	5,197.60	-	5,197.60
Other Comprehensive income for the year (net of tax)	-	-	4.62	4.62
<b>Transactions with owners</b>				
Dividends paid	-	(307.22)	-	(307.22)
<b>Balance as at 31<sup>st</sup> March,2022</b>	<b>0.57</b>	<b>17,983.29</b>	<b>(33.46)</b>	<b>17,950.40</b>

**Capital Reserve :** Reserve is primarily created due to interest received in calls in arrears.



## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 16. Borrowings (Non-Current)

( ₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Secured</b>		
From Banks(*)		
Ruppee Loan	117.19	64.12
Vehicle Loan(s)	4.14	11.16
From Others(*)		
Vehicle Loan(s)	17.53	-
<b>Unsecured</b>		
From Related Parties	1,389.67	770.88
<b>Total<sup>(1)</sup></b>	<b>1,528.53</b>	<b>846.16</b>

(\*)Comprise of Term loan from Indian Bank which is secured by exclusive charge on Plant & Equipment, both present and future and equitable mortgage of Company's Factory Leasehold Land and Building, situated at Chambaghat, Solan, (H.P.) and Vehicle loans from HDFC Bank and Kotak Mahindra Prime Limited (NBFC) which are secured by hypothecation of vehicles.

<sup>(1)</sup> Refer note no. 20 for Current Maturities of long term borrowings

Ruppee loan from banks is repayable in equal instalments ending in June, 2024 and Unsecured Loan from related party ends in March, 2027.

### 17. Lease Liabilities (Non Current)

( ₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Lease Liabilities	19.72	40.21
	<b>19.72</b>	<b>40.21</b>

### 18. Provisions (Non Current)

( ₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Compensated absence	50.94	48.25
	<b>50.94</b>	<b>48.25</b>

### 19. Deferred Tax Liabilities (Net)

( ₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Deferred Tax Liabilities/ (Assets) in relation to</b>		
Property, Plant and Equipment & Intangible assets	327.70	320.19
Employee Benefits	(30.14)	(27.46)
Debtors	(0.87)	(6.05)
Others	(5.33)	(5.58)
Right-to-Use assets	7.92	6.22
<b>Total</b>	<b>299.28</b>	<b>287.32</b>

## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### Movement in deferred tax account for the year

Particulars	Charged to P&L during the year ended March 2022	Charged to P&L during the year ended March 2021
Property, Plant and Equipment & Intangible assets	7.51	(42.46)
Employee Benefits	(2.68)	(15.61)
Debtors	5.18	(0.51)
Unabsorbed Loss	-	1.75
Others	0.25	0.80
Right-to-Use assets	1.70	1.44
<b>Total</b>	<b>11.96</b>	<b>(54.59)</b>

### 20. Borrowings (Current)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Secured</b>		
From Banks		
- Foreign Currency Loan	3,483.89	1,434.03
- Rupee Loan	5.81	-
Current Maturities of Long Term Borrowings (refer note no.16)	735.38	561.64
	<b>4,225.08</b>	<b>1,995.67</b>

Foreign Currency Loan of ₹ 1,645.79 Lacs (Previous Year ₹ Nil Lacs) and Rupee Loan of ₹ 5.81 Lacs (Previous Year ₹ Nil Lacs) from Indian Bank are secured by First pari-passu charge with DBS Bank by way of Hypothecation of current assets and First and exclusive charge on company's Factory Leasehold Land and Building situated at 16-18, New Electronics Complex, Chambaghat, Solan, H.P.

Foreign Currency Loan of ₹ 1,838.10 Lacs (Previous Year ₹ 1,434.03 Lacs) from DBS Bank are secured by First pari-passu charge with Indian Bank on current assets and First and exclusive charge by way of Equitable Mortgage of factory land and building situated at Kather, Chambaghat, Solan, H.P.

### 20.1 Changes in Liabilities arising from Financing Activities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Borrowings at the beginning of the year</b>		
Borrowings (Non Current) (refer note no.16)	846.16	1,011.26
Borrowings (Current) (refer note no.20)	1,995.67	1,473.69
<b>Total Borrowings at the beginning of the year</b>	<b>2,841.83</b>	<b>2,484.95</b>
<b>Movement due to cash transactions as per the Statement of Cash flows</b>	2,896.90	355.90
<b>Movement due to non cash transactions</b>		
Foreign Exchange Movement	14.88	0.98
<b>Borrowings at the end of the year</b>		
Borrowings (Non Current) (refer note no.16)	1,528.53	846.16
Borrowings (Current) (refer note no.20)	4,225.08	1,995.67
<b>Total Borrowings at the end of the year</b>	<b>5,753.61</b>	<b>2,841.83</b>

## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 21. Lease Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Lease Liabilities	20.49	42.32
Refer note no. 39.1	<b>20.49</b>	<b>42.32</b>

### 22. Trade Payables

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Micro, Small and Medium Enterprises (refer note no.38)	10.32	7.28
Related Parties	295.63	130.11
Others	3,871.76	3,394.52
	<b>4,177.71</b>	<b>3,531.91</b>

#### Trade Payables ageing schedule

(₹ in lakhs)

Particulars		Outstanding for following periods from the due date of payment					Total
		Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
i)	MSME	10.32	-	-	-	-	10.32
		(7.28)	-	-	-	-	(7.28)
ii)	Others	3,861.61	300.62	1.76	2.22	1.18	4,167.39
		(3,427.13)	(89.22)	(3.29)	(0.48)	(4.51)	(3,524.63)
iii)	Disputed Dues- MSME	-	-	-	-	-	-
		-	-	-	-	-	-
iv)	Disputed Dues-others	-	-	-	-	-	-

Figures in ( ) indicates previous year figures

### 23. Other Financial Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Interest accrued but not due on borrowings	9.42	5.75
Interest accrued and due on borrowings	9.41	1.67
Unclaimed dividends	15.79	11.62
Employee Benefits Payable	235.47	222.90
Expenses Payable	192.14	70.60
Security Deposit Received	3.05	3.54
Others	1.79	0.91
	<b>467.07</b>	<b>316.99</b>



## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 24. Other Current Liabilities (₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Statutory Dues	132.30	156.26
Advance from Customers	319.35	550.99
	<b>451.65</b>	<b>707.25</b>

### 25. Provisions- Current (₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Compensated absence	4.80	3.30
Gratuity	-	22.95
	<b>4.80</b>	<b>26.25</b>

### 26. Current Tax Liabilities (₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Provision for Tax (Net of Advance Tax)	192.32	149.34
	<b>192.32</b>	<b>149.34</b>

### 27. Revenue from Operations (₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Sale of Products	32,344.28	20,329.77
Sale of Services	54.47	42.40
	<b>32,398.75</b>	<b>20,372.17</b>

Revenue disaggregation by geography is as follows:

#### Geography

America	11,354.53	6,677.29
Europe	4,344.97	2,726.38
India	11,841.85	8,138.90
Others	4,857.40	2,829.60
	<b>32,398.75</b>	<b>20,372.17</b>

### 28. Other Income (₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Other Operating Revenues	13.86	88.06
Interest Income	47.90	23.17
Rental Income	10.45	10.45
Miscellaneous Income	5.58	4.34
Exchange Fluctuation Gain (Net)	421.84	264.09
Income from fair value changes	0.69	0.94
Liabilities/Provisions Written Back	26.18	1.47
Profit on Sale of Property, Plant & Equipment	18.18	12.08
	<b>544.68</b>	<b>404.60</b>



## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 29. Cost of Materials Consumed (₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Raw Material Consumed	17,206.39	11,288.64
	<b>17,206.39</b>	<b>11,288.64</b>

### 30. Changes in Inventories of Finished Goods and Work-in Progress (₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
<b>Inventory (at Beginning)</b>		
-Finished Goods	1,614.88	867.21
-Work-in-Progress	1,640.56	1,247.75
-Scrap	32.31	11.82
	3,287.75	2,126.78
<b>Inventory (at Close)</b>		
-Finished Goods	1,371.50	1,614.88
-Work-in-Progress	2,974.60	1,640.56
-Scrap	41.85	32.31
	4,387.95	3,287.75
<b>(Increase)/Decrease</b>	<b>(1,100.20)</b>	<b>(1,160.97)</b>

### 31. Employee Benefit Expense (₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Salaries and Wages	2,347.62	1,935.86
Contributions to -		
(i) Provident fund	130.18	116.06
(ii) ESI Contribution	11.65	10.26
(iii) Gratuity Expenses	22.79	21.69
Staff welfare expenses	199.19	138.71
	<b>2,711.43</b>	<b>2,222.58</b>

#### 31.1 Disclosure pursuant to Ind AS 19 “Employee Benefits”:

The disclosures required under Ind AS 19 “Employee Benefits” notified in the Companies (Accounting Standards) Rules 2006, are given below:

##### (I) Defined Contribution Plan

- Provident Fund
- 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.



## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



Contribution to Defined Contribution Plan, recognized are charged off for the year are as under:

(₹ in lakhs)

Particulars	2021-22	2020-21
(a) Employer's Contribution to Provident Fund	87.18	76.72
(b) Employer's Contribution to Pension Scheme	43.00	39.34

### (II) Defined Benefit Plan

#### (a) Gratuity

The employees' Gratuity fund scheme has been managed by Life Insurance Corporation of India and the present value of obligation is determined by Independent Actuary using the Projected Unit Credit (PUC) Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Actuary has carried out the valuation based on the followings assumptions:

Particulars	2021-22	2020-21
Discounting Rate (per annum)	7.22%	6.80%
Rate of escalation in Salary (per annum)	6.00%	6.00%
Expected Average remaining working lives of employees in no. of years	18.61	18.52
Mortality Table	IALM (2012-14)	IALM (2012-14)

(₹ in lakhs)

Particulars	Gratuity (Funded)	
	2021-22	2020-21
<b>(a) Changes in Present Value of Obligation</b>		
Opening balance of Present value of obligation	305.25	273.85
Interest Cost	20.76	18.63
Current Service Cost	21.22	20.37
Benefits Paid	(7.61)	(19.17)
Actuarial (Gain)/Loss arising from change in financial assumption	(13.58)	-
Actuarial (Gain)/Loss arising from experience adjustment	9.28	11.57
Closing Balance of Present value of obligation	335.32	305.25
<b>(b) Changes in Fair Value of Plan Assets</b>		
Opening balance of Fair Value of Plan Assets	282.29	254.52
Expected Return on Plan Assets	19.20	17.31
Employer's Contribution	41.11	29.42
Benefits paid	(7.61)	(19.17)
Actuarial Gain/ (Loss) on Plan Assets	1.87	0.21
Closing balance of Fair value of Plan Assets	336.86	282.29
Actual return on Plan Assets	21.06	17.51

**(c) Percentage of each category of Plan Assets to total Fair value of Plan assets**

Administrated by Life Insurance Corporation of India	100%	100%
--	------	------

**(d) Reconciliation of Present Value of Defined Present obligations and the Fair Value of Assets**

Closing Balance of Present Value of Obligation	335.32	305.25
Closing Balance of Fair Value of Plan Assets	336.86	282.29
(Asset)/ Liability recognised the Balance Sheet	(1.54)	22.96

**(e) Amount Recognised in the Balance Sheet**

Closing Balance of Present Value of Obligation	335.32	305.25
Closing Balance of Fair Value of Plan Assets	336.86	282.29
Funded (Asset)/ Liability recognized in the Balance Sheet	(1.54)	22.96
Unfunded Liability recognised in the Balance Sheet	-	-

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

Current Service Cost	21.22	20.37
Interest Cost	20.76	18.63
Expected Return on Plan Assets	(19.20)	(17.31)
Expenses recognized in the statement of Profit and Loss	22.78	21.69

**Remeasurement of Defined Benefit Obligation**

Actuarial (Gain)/Loss arising from change in financial assumption	(13.58)	-
Actuarial (Gain)/Loss arising from experience adjustment	9.28	11.57
Return on plan assets	(1.87)	(0.21)
Expenses recognized in the statement of Other Comprehensive Income	(6.17)	11.36

**(g) Experience Adjustments**

Experience adjustment on Plan Liabilities (loss)/gain	4.30	(11.57)
Experience adjustment on Plan Assets (loss)/ gain	1.87	0.21

**(h) Sensitivity Analysis of the defined benefit obligation**

a) Impact of the change in discount rate		
Present value of the obligation at the end of the period	335.32	305.25
Impact due to increase of 0.50%	(15.15)	(14.77)
Impact due to decrease of 0.50%	16.35	15.98
b) Impact of the change in salary increase		
Present value of the obligation at the end of the period	335.32	305.25
Impact due to increase of 0.50%	14.87	14.36
Impact due to decrease of 0.50%	(13.91)	(13.41)



## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### i) Maturity Profile of Defined Benefit Obligation

(₹ in lakhs)

Year	Amount
0 to 1 Year	28.91
1 to 2 Year	7.67
2 to 3 Year	12.39
3 to 4 Year	15.15
4 to 5 Year	40.78
5 to 6 Year	30.17
6 Year onwards	200.24

### (b) Compensated Absence

The obligation for compensated absence is recognised in the same manner as Gratuity.

### 32. Finance Costs

(₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Interest expense on		
(i) Borrowings	193.89	154.86
(ii) Others	1.38	1.25
(iii) Interest on Income Tax	24.33	21.84
Other Borrowing costs	92.85	65.86
Exchange difference regarded as an adjustment to borrowing cost	64.79	22.91
<b>Total</b>	<b>377.24</b>	<b>266.72</b>
Less: Transferred to CWIP (refer note no. 3.1)	100.88	103.85
	<b>276.36</b>	<b>162.87</b>

### 33. Manufacturing & Other Expenses

(₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Stores & Spares Consumed	500.50	296.54
Power & Fuel	264.65	199.56
Job Work Expenses	58.94	30.03
Machinery Repairs	228.48	207.83
Research & Development (refer note no.37)	74.43	76.41
Electricity and Water Charges	25.23	16.44
Watch & Ward Expenses	31.73	28.46
Building Repairs	58.71	53.78
Other Repairs	163.99	150.91
Insurance	47.69	40.38
Processing Charges	502.94	611.22
Rent, Rates and Taxes	321.02	73.99
Travelling & Conveyance	35.51	16.71
Printing & Stationery	19.51	14.30
Communication Expenses	18.28	17.79
Professional and Consultancy Charges	180.58	150.21



## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



Payment to Auditors (refer note no.-33.1)	14.00	18.00
CSR Expenditure (refer note no.-33.2)	56.72	47.98
Miscellaneous Expenses	69.78	47.00
Business Promotion /Development, Advertisement & Publicity	22.85	14.39
Commission on Sales	1,498.75	1,002.27
Packing Cost	602.82	467.79
Forwarding & Freight	1,435.42	822.76
Loss on Sale of Property, Plant & Equipment	0.45	0.05
Expected Credit Losses (refer note. 8)	-	3.36
	<b>6,232.98</b>	<b>4,408.16</b>

### 33.1 Payment to Auditors as:

(₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Statutory Audit fees	10.00	10.00
Tax Audit Fees	4.00	4.00
GST Audit Fees	-	4.00
	<b>14.00</b>	<b>18.00</b>

### 33.2 CSR Expenditure

As per Section 135 of the Companies Act, 2013 (ACT), a Company, which meets the applicable threshold limits as prescribed, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promotion of education, promotion of sports, women empowerment, Infrastructure facilities and rural development projects. A CSR committee has been formed by the Company as per the Act.

The funds were primarily allocated to a corpus and utilized during the year on these activities which are specified in Schedule VII of the Act:

(₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
i) Amount required to be spent by the company during the year	55.25	47.35
ii) Amount of expenditure incurred;	56.72	47.98
iii) Shortfall at the end of the year;	-	-
iv) Total previous years shortfall;	-	-
v) Reason for shortfall;	N.A	N.A
vi) Nature of CSR activities;	Promotion of education, Promotion of sports, Women empowerment, Infrastructure facilities and Rural development projects.	
vii) Details of related party transactions, i.e., contribution to a trust; by the company in relation to CSR expenditure as per relevant Accounting Standard;*	34.50	34.50
viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year.	N.A	N.A

\* Represents contribution to ABS Foundation.



## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 34. Income Tax Expense recognised in the profit and loss account. (₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
<b>Current Tax:</b>		
In respect of the Current Year	1,785.45	885.71
In respect of the Previous Year	(16.37)	19.29
<b>Deferred Tax:</b>		
In respect of the Current Year	11.96	(54.59)
<b>Income Tax Expense recognised in the Statement of Profit &amp; Loss</b>	<b>1,781.04</b>	<b>850.41</b>
<b>Other Comprehensive Income Section</b>		
Tax related to items that will not be reclassified to profit and loss account	(1.55)	2.86

### Effective Tax Reconciliations (₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Profit before tax</b>	<b>6,978.64</b>	<b>3,265.59</b>
Applicable Tax rate	25.17%	25.17%
Computed tax expense	1,756.38	821.88
<b>Tax effect of;</b>		
Income Exempt from taxation	(0.17)	(0.24)
Expense Disallowed	39.76	18.25
Deductions Allowed under Income Tax	(0.86)	(5.77)
Effect of change in tax rate	-	-
Earlier year tax	(16.37)	19.29
Others	2.29	(3.00)
Tax Expense recognised in Statement of Profit and Loss	1,781.04	850.41

### 35. Earnings Per Share

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Net Profit attributable to shareholders (₹ in lakhs)	5,202.22	2,406.68
Weighted average number of equity Shares (in nos.)	38,402,800	38,402,800
Basic and Diluted Earnings per share (₹)	13.55	6.27
Face Value per Equity Share (₹)	2	2



## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 36. Contingent Liabilities in respect of:

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>(A) Contingent Liabilities</b>		
(I) <u>Claim Against the Company Not Acknowledged as Debts*</u>	17.87	35.40
(II) <u>Guarantees</u>		
a. Letters of Credit/Bank Guarantee established by the bank	349.16	755.30
b. Corporate Guarantee(s) on behalf of Joint Venture/ Associate Company	1,314.00	1,314.00
c. Surety with Sales Tax Department	4.00	4.00
(III) <u>Other Money for which the Company is Contingently Liable</u>		
a. Buyers Credit Interest payable	14.94	6.02
b. Customs duty on Material imported against Advance License /Annexure, for pending export obligation	896.15	897.61
c. Custom Duty in respect of Material Lying in Bonded Warehouse and Material in Transit.	686.09	40.08

\*Demand raised by Central Excise & Service Tax Commissionerate towards Cenvat Credit of excise duty ₹17.87 lacs (Previous Year ₹ 17.87 lacs) and demand raised by Excise & Taxation Officer, Solan towards the demand of VAT of ₹ Nil (Previous Year ₹ 17.53 lacs). However the management of the Company is of the view that the demand is not enforceable against the Company, being bad in law.

### (B) Commitments

Estimated amount of contractual (net of advances) exceeding ₹ 1.00 lakh in each case remaining to be executed on capital account and not provided for	493.49	410.01
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### 37. Details of Research and Development Expenditure

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Capital	-	-
Revenue	74.43	76.41
<b>Total</b>	<b>74.43</b>	<b>76.41</b>

### 38. Details of dues to Micro and Small and Medium Enterprises as defined under the MSMED Act, 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	10.32	7.28
The amount of interest paid by the buyer in terms of section 16, of the micro, small and medium enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under micro, small and medium enterprise development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

### 39. Leases

The Company's significant operating lease arrangements are in respect of premises (residential, offices, godown etc.). These leasing arrangements, which are cancellable, range between 11 months to 3 years generally and are usually renewable by mutual agreeable terms. The aggregate lease rentals payable are charged as expenses. Rental payments under such leases amounting to Rs. 92.89 lakhs (Previous Year Rs. 68.62 lakhs) have been included under "Rent, Rates and Taxes" expense in note 33.

#### 39.1 Lease Payments:

Future Minimum lease payments and their present values under lease are as follows: (₹ in lakhs)

Particulars	Minimum Lease Payments		Present Value of Minimum Lease payments		Future Expense	
	Year Ended March 2022	Year Ended March 2021	Year Ended March 2022	Year Ended March 2021	Year Ended March 2022	Year Ended March 2021
Not later than one year	22.29	47.53	20.49	42.32	1.80	5.21
Later than one year but not later than five years	20.73	43.03	19.72	40.21	1.01	2.82
Later than five years	-	-	-	-	-	-

There is no element of contingent rent or sublease payment.

## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



40. The Company's activities involve predominantly one operating segment i.e. Process and product Engineering, which are considered to be within a single operating segment since these are subject to similar risks and returns. Accordingly, Process and Product Engineering comprise the primary basis of segmental information as set out in these financial statements, which therefore reflect the information required by Ind AS 108- Segment Reporting has been disclosed as below.

**a) Revenue from Operations**

(₹ in lakhs)

Particulars	India		Rest of world		Total	
	Year Ended March 2022	Year Ended March 2021	Year Ended March 2022	Year Ended March 2021	Year Ended March 2022	Year Ended March 2021
Segment Revenue	11,841.85	8,138.90	20,556.90	12,233.27	32,398.75	20,372.17

**b) Non Current Operating assets**

All Non Current Assets other than financial instruments, deferred tax assets of the company are located in India.

**41. "Related Party Disclosure" for the year ended 31<sup>st</sup> March, 2022 in accordance with Ind AS 24:**

- (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.	Shivalik Engineered Products Pvt. Ltd.* (Formerly known as Checon Shivalik Contact Solutions Pvt. Ltd.)	Joint Venture
2.	Innovative Clad Solutions Pvt. Ltd.	
3.	Shivalik Bimetal Engineers Pvt. Ltd.*	Associate
4.	Mr. S. S Sandhu	Key Managerial Personnel (KMP)
5.	Mr. N. S. Ghumman	
6.	Mr. Rajeev Ranjan	
7.	Ms. Aarti Sahni	
8.	Mr. Kabir Ghumman	Relative of Key Managerial Personnel
9.	Mr. Sumer Ghumman	
10.	TSL Holdings (P) Ltd.	Enterprises over which Key Managerial Persons are able to exercise significant influence
11.	Angad Estates Pvt. Ltd.	
12.	Amar Engineering Company Pvt. Ltd.	
13.	Ultra Portfolio Management Pvt. Ltd.	
14.	O.D. Finance and Investment Pvt. Ltd.	
15.	ABS Foundation (Regd. Trust)	Directors
16.	Mr. Swaranjeet Singh	
17.	Mr. Nirmaljeet Singh Gill	
18.	Mr. Gurmeet Singh Gill	
19.	Ms. Anu Ahluwalia	
20.	Lt. Gen. Pradeep Khanna	
21.	Ms. Harpreet Kaur	

\*has become wholly Owned Subsidiary (WOS) subsequent to "the Statement" date.

## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### (ii) Transactions during the year with related parties:

(₹ in lakhs)

Sr. No.	Nature of Transactions	Joint Ventures	Associate	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprises over which KMP are able to exercise significant influence	Directors
1.	Job Work Income	1.68 (5.71)					
2.	Rent Received		4.36 (4.36)				
3.	Job Work Expense	0.07 -	42.32 (38.65)				
4.	Other Income	3.06 (3.06)	- -				
5.	Goods Purchased	1,424.06 (260.69)	121.29 (78.33)				
6.	Goods Sold	6.64 -	- -				
7.	Sale of Property, Plant & Equipment	- -	78.00 -				
8.	Purchase of Property, Plant & Equipment	- -	17.20 -				
9.	Reimbursement of Expenses(Net)	1.61 (0.22)	0.31 (0.20)			1.72 (1.41)	
10.	Managerial Remuneration			748.53 (716.28)			
11.	Sitting Fees						2.25 (2.25)
12.	Remuneration in pursuant to Section 197 of the Companies Act 2013 for holding an office or place of profit.				124.37 (91.89)		
13.	Rent Paid				10.11 (5.07)	69.90 (76.88)	
14.	CSR Expenditure					34.50 (34.50)	

## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



15.	Unsecured Loans						
	i) Taken					1,265.00 (330.00)	
	ii) Repaid					455.18 (309.98)	
	iii) Finance Costs					134.61 (100.73)	
<b>Balances as the end of the year 31<sup>st</sup> March 2022</b>							
16.	Investments	1,001.47 (1,001.47)	22.28 (22.28)				
17.	Unsecured Loans					1,986.74 (1,176.92)	
18.	Payables	261.78 (105.78)	33.86 (24.33)		- -		

Figures in ( ) indicate previous year's figures.

## 42. FINANCIAL INSTRUMENTS

### 42.1 Capital Management

The Company's capital management objectives are;

- to maintain healthy Credit rating, Capital Ratios and Leverage.
- to maximise return to the Shareholders.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Principal source of funding of the company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings.

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Long term Borrowings ( Including Current Maturities)	2,282.74	1,415.21
Short Term Borrowings	3,489.70	1,434.03
Less: Cash and cash equivalents	1,086.90	1,565.73
Less: Bank Balance other than Cash and Cash Equivalents	94.87	27.47
Less: Investment in Gold Coins and Gold Bonds	35.37	30.57
Net debt	4,555.30	1,225.47
Total equity (as shown on the face of balance sheet)	18,718.46	13,823.46
Net debt to equity ratio (Gearing Ratio)	24%	9%

## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 42.2 Financial Instruments by categories

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022			As at 31 <sup>st</sup> March 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	5.72	-		5.03	-	-
Trade receivables	-	-	5,928.13	-	-	4,281.99
Cash and cash equivalents	-	-	1,086.90	-	-	1,565.73
Other bank balances	-	-	94.87	-	-	27.47
Other Financial Assets			0.46			0.27
<b>Total</b>	<b>5.72</b>	<b>-</b>	<b>7,110.36</b>	<b>5.03</b>	<b>-</b>	<b>5,875.46</b>
Financial liabilities						
Borrowings	-	-	6,507.82	-	-	3,410.89
Trade payable	-	-	4,177.71	-	-	3,531.91
Other financial liabilities	-	-	467.96	-	-	349.78
<b>Total</b>	<b>-</b>	<b>-</b>	<b>11,153.49</b>	<b>-</b>	<b>-</b>	<b>7,292.58</b>

#### Fair Value Measurement

- Carrying amount of Financial assets and financial liabilities recorded at amortized cost approximates their fair value.
- Investment in Equity instrument of other companies is measured at its fair value using Level 3 valuation techniques.

### 42.3 Financial Risk Management

The Company's activities expose it to market risk, liquidity risk, Foreign Currency Risk and credit risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the company. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

### 42.4 Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. Credit risk encompasses both, direct risk of default and the risk of deterioration of creditworthiness.

#### a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. The company has a policy of only dealing with credit worthy parties and obtain sufficient collateral where appropriate as a means of mitigating the risk of financial loss from defaults.

### Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

### Trade receivables

The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due.

### Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

### b) Expected credit losses

The Company provides for expected credit losses based on the following:

The company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by 'analysing historical trend of default based on the criteria defined above. And such provision percentage determined have been 'considered to recognise life time expected credit losses on trade receivables.

Particulars	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	>3 Years	0-3 Years	>3 Years	0-3 Years
Gross amount of trade receivables where no default (as defined above) has occurred	-	5,931.58	-	4,306.01
Expected loss rate	-	0.06%	-	0.56%
Expected credit loss (loss allowance provision)	-	3.45	-	24.02
Reconciliation of loss provision – lifetime expected credit losses				
Loss allowance as on 1 <sup>st</sup> April 2020				21.99
Impairment Loss/(Gain) recognised during the year				3.36
Amounts written off				1.33
Loss allowance on 31 <sup>st</sup> March 2021				24.02
Impairment Loss/(Gain) recognised during the year				(20.43)
Amounts written off				0.14
Loss allowance on 31 <sup>st</sup> March 2022				3.45

## 42.5 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management measures involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these obligations.

## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



### Maturities of financial liabilities

The tables below analyses the Company's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. For balances due within 12 months amounts equal their carrying values as the impact of discounting is not significant.

(₹ in lakhs)

As at 31 <sup>st</sup> March 2022	Less than 1 year	1-2 years	2-3 year	More than 3 years	Total
Long term borrowings (including interest)	754.21	663.11	365.52	499.90	2,282.74
Short term borrowings	3,489.70	-	-	-	3,489.70
Trade payable	4,177.71	-	-	-	4,177.71
Other financial liabilities	467.96	-	-	-	467.96
<b>Total</b>	<b>8,889.58</b>	<b>663.11</b>	<b>365.52</b>	<b>499.90</b>	<b>10,418.11</b>

As at 31 <sup>st</sup> March 2021	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Long term borrowings (including interest)	569.06	444.74	314.98	86.44	1,415.22
Short term borrowings	1,434.03				1,434.03
Trade payable	3,531.91				3,531.91
Other financial liabilities	349.78				349.78
<b>Total</b>	<b>5,884.78</b>	<b>444.74</b>	<b>314.98</b>	<b>86.44</b>	<b>6,730.94</b>

### 42.6 Market Risk

The company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates. The company seeks to minimize the effects of these risks by minutely observing the variation and fluctuation on regular basis. Compliance of exposure volume is reviewed by the management on real time basis and taking corrective measures as and when required.

### 42.7 Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar and Euro. The exchange rate between the Indian rupees and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/depreciates against the currencies. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company.

- (i) Foreign currency risk exposure:

## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



The Company's exposure to foreign currency risk at the end of the reporting period are as follows:-

(₹ in lakhs)

Particulars	FC	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
		FC (Nos)	Amount	FC (Nos)	Amount
<b>Financial Liabilities</b>					
Loans	EUR	296,123	250.70	423,430	364.57
	USD	4,265,030	3,233.20	1,454,959	1,069.46
Creditors	EUR	245,294	207.67	69,890	60.17
	USD	2,505,509	1,899.35	2,717,669	1,997.62
	GBP	-	-	495	0.50
Others	EUR	860	0.73	483	0.42
	USD	6,275	4.76	3,496	2.57
<b>Financial assets</b>					
Debtors	EUR	656,681	555.95	600,801	517.28
	USD	3,709,299	2,811.91	2,023,892	1,487.66
Cash & Bank Balance	EUR	369	0.31	3,656	3.15
	USD	11,546	8.75	9,020	6.63
<b>Net exposure to foreign currency risk</b>	<b>EUR</b>	<b>(114,773)</b>	<b>(97.16)</b>	<b>(110,654)</b>	<b>(95.27)</b>
	<b>USD</b>	<b>3,055,969</b>	<b>2,316.65</b>	<b>2,143,212</b>	<b>1,575.36</b>
	<b>GBP</b>	<b>-</b>	<b>-</b>	<b>495</b>	<b>0.50</b>

Sensitivity analysis of 5% change in the exchange rate at the end of reporting period

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>5% Depreciation in INR</b>		
USD sensitivity	2,316.65	1,575.36
Impact on Equity and Profit and Loss	(115.83)	(78.77)
Euro Sensitivity	(97.16)	(95.27)
Impact on Equity and Profit and Loss	4.86	4.76
<b>5% Appreciation in INR</b>		
USD sensitivity	2,316.65	1,575.36
Impact on Equity and Profit and Loss	115.83	78.77
Euro Sensitivity	(97.16)	(95.27)
Impact on Equity and Profit and Loss	(4.86)	(4.76)

### 42.8 Interest rate risk

#### i) Liabilities

Interest rate risk is the risk that the fair value or future cash flows of a financial Assets/Liabilities because of changes in market interest rates. The company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in marginal cost of fund based lending rate (MCLR) and LIBOR rates.

#### ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk: (₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Variable rate borrowing	3,489.70	1,434.03
Fixed rate borrowing	2,282.74	1,415.22
<b>Total borrowings</b>	<b>5,772.44</b>	<b>2,849.25</b>

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates. (₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
	Equity and Profit & Loss Account	Equity and Profit & Loss Account
Interest sensitivity*		
Interest rates – increase by 1%	(34.90)	(14.34)
Interest rates – decrease by 1%	34.90	14.34

### 42.9 Price Risk

The Company does not have significant exposure to price risk on its financial assets and liabilities.

### 43. Additional Regulatory Information

#### Ratios

S. No.	Particulars	Numerator	Denominator	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021	Variance
1)	Current Ratio (in times)	Current Assets	Current Liabilities	2.09	1.99	5.03%
2)	Debt- Equity Ratio (in times)*	Total Debt (Include Lease Liability)	Shareholder's Equity	0.08	0.06	33.33%
3)	Debt service coverage ratio (in times) ^ (DSCR)	Earnings Available For Debt Service #	Debt Service	10.97	7.79	40.82%

## Notes on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022



4)	Return on Equity Ratio (in %) ^ (ROE)	Net Profit After Taxes	Average Shareholder's Equity	31.94%	19.05%	67.66%
5)	Inventory turnover ratio (in times)	Revenue	Average Closing Inventory	3.50	3.38	3.55%
6)	Trade Receivable turnover ratio (in times)	Revenue	Average Trade Receivable	6.35	5.52	15.04%
7)	Trade Payable turnover ratio (in times)	Purchases	Average Trade Payable	5.53	5.42	2.03%
8)	Net Capital Turnover Ratio (in times)	Revenue	Working Capital	3.11	3.04	2.30%
9)	Net Profit ratio (in %) ^ (NPR)	Net profit after taxes	Revenue	16.04%	11.86%	35.24%
10)	Return on capital employed (in %) ^ (ROCE)	Earning before interest and taxes	Capital Employed	34.91%	22.89%	52.51%

# Earnings Available For Debt Service stands for Net profit after taxes + Non-cash operating expenses + Interest + Other adjustments like Profit/(loss) on sale of fixed assets etc.

\* Debt Equity ratio has increased because of increase in Long Term Funds raised for Capital investment for capacity enhancement and efficiency improvement.

^ Improvement in the referred ratios i.e. DSCR, ROE, NPR and ROCE has resulted from significant revenue growth accompanied by increase in Gross profit margin along with higher efficiency in working capital deployment.



# INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS



**To the Members of**

**Shivalik Bimetal Controls Limited**

**Report on the Audit of Consolidated Annual Financial Statements**

## Opinion

We have audited the accompanying consolidated annual financial statements of **Shivalik Bimetal Controls Ltd.** ("Parent"), and its Joint Ventures and Associate (Parent Company with its Associate & Joint Ventures together referred to as "Group") which comprise the consolidated balance sheet as at 31<sup>st</sup> March, 2022, the consolidated statement of profit and loss (including Other Comprehensive Income), consolidated statement of cash flows, the consolidated statement of changes in equity for the year then ended, and a summary of significant accounting policies, notes and other explanatory information. (hereinafter referred to as "The Consolidated Annual Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated annual financial statements gives the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March 2022, and consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

## Basis for Opinion

We conducted our audit of the consolidated annual financial statements in accordance with the Standards on Auditing (SAs) as specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the consolidated annual financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated annual financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the consolidated annual financial statements of the current period. These matters were addressed in the context of our audit of the consolidated annual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

The Key audit matters	How our audit addressed the key audit matters
<b>Capitalisation of property, plant and equipment</b>	
<p>During the year ended 31<sup>st</sup> March, 2022, the Company has incurred significant capital expenditure. Further the total additions to Property, Plant and Equipment (including capitalized amount of Capital Work in Progress) at various locations of the Company was Rs 4037.44 lakhs in the current year as set out in Note No. 3.</p> <p>Significant level of judgement is involved to ensure that the aforesaid capital expenditure/ additions meet the recognition criteria of Ind AS 16 - Property, Plant and Equipment. As a result, the aforesaid matter was determined to be a key audit matter.</p>	<p>We as Auditors,</p> <ol style="list-style-type: none"> <li>assessed the mechanism of capitalisation and tested the design and operating effectiveness of the controls in the process.</li> <li>assessed the nature of the additions/ capitalisation carried out in Property, Plant and Equipment and capital work-in-progress on a test check basis to test that they meet the recognition criteria as set out in para 16 to 22 of Ind AS 16.</li> <li>reviewed the asset capitalization details provided by the management to determine whether the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the management.</li> </ol> <p>Based on the above procedures, management's assessment in respect of Capitalisation of Property, Plant and Equipment in the Standalone Financial Statements we are of the opinion that capitalization of Property, Plant and Equipment, the procedures adopted are considered adequate.</p>



## INDEPENDENT AUDITORS' REPORT



### Contingent Liabilities- Contingencies & Capital Commitments:

The Company has material contingencies related to Guarantee(s) given, Capital Commitments and Indirect Tax matters as detailed in Note 36 to the Standalone financial statements. The Company makes a determination for recording or alternatively disclosing them as contingencies. We identified this as a key audit matter because the estimation on which these amounts are based involve a reasonable degree of assessment by the management.

We have obtained an understanding of the Company's internal instructions, and procedures in respect of assessment and disclosure of Contingent Liabilities & Capital Commitments and adopted the following audit procedures: -

- 1) understood and tested the operating effectiveness of controls as established by the management for obtaining all relevant information;
- 2) discussing with the management any material developments and latest status;
- 3) reviewing the adequacy and completeness of disclosures;

Based on the above procedures performed, the assessment and disclosures of Contingent Liabilities & Capital Commitments are considered to be adequate and reasonable.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated annual financial statements, standalone annual financial statements and our respective auditor's report thereon.

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

In connection with our audit of the consolidated annual financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated annual financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

### Management's Responsibility for the Consolidated Annual Financial Statements

The Parent Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated annual financial statements that give a true and fair view of the consolidated state of affairs, consolidated profit / loss (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies ( Indian Accounting Standard) Rules, 2015 as amended. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the each Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of consolidated annual financial Statements by the directors of the parent company.

In preparing the consolidated annual financial statements, respective management and Board of Directors of the Company in the group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the Companies in the group is also responsible for overseeing the Company's financial reporting process of each company.

### Auditor's Responsibilities for the Audit of Consolidated Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our



## INDEPENDENT AUDITORS' REPORT



opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS annual financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated annual financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial statements, including the disclosures, and whether the consolidated annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities within the Group to express an opinion on the consolidated annual financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of the entities included in the consolidated annual financial statements. We remain solely responsible for our audit opinion. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated annual financial statements.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance of the Parent Company and other entities in the Group regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance respectively, with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## INDEPENDENT AUDITORS' REPORT



### Other Matters

The consolidated annual financial statements include the share of Net Profit (and other comprehensive income) of Rs. 150.43 lakhs for the year ended March 31, 2022 as considered in consolidated annual financial statements in respect of one Joint Venture and one Associate whose financial statements/ financial information have not been audited by us. These financial statements/ financial information have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated annual financial statements, in so far as it relates to the amount and disclosures included in respect of its joint ventures and associates, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid joint ventures and associates is based solely on the audit reports of the other auditors.

Our opinion on the consolidated annual financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our report and on the consideration of reports of the other auditors on separate financial statements of such joint ventures and associates as were audited by other auditors as noted in the Other Matter paragraph, we report, to the extent applicable, that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated annual financial statements;
  - b. in our opinion proper books of account as required by law have been kept so far as appears from our examination of those books; and report of other Auditor's.
  - c. the consolidated balance sheet, consolidated statement of profit and loss including other comprehensive income, consolidated statement of changes in equity and statement of consolidated cash flow dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid consolidated annual financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - e. on the basis of written representations received from the directors as on 31<sup>st</sup> March, 2022, and taken on record by the Board of Directors of the Parent company and the reports of the statutory auditors of its joint venture(s) and associate incorporated in India, none of the directors of the Group Companies is disqualified as on 31<sup>st</sup> March, 2022, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**".
  - g. In our opinion, the managerial remuneration for the year ended 31st March, 2022 has been paid / provided by the company to its directors in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013; and
  - h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the joint venture(s) and associate as noted in the 'Other Matter' paragraph:
    - i. The consolidated annual financial statements disclose the impact of pending litigations on its financial position in its Consolidated Annual financial statements-Refer Note 36 to the financial statements;
    - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. (a) The respective Managements of the companies in the Group have represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in



## INDEPENDENT AUDITORS' REPORT

other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The respective Managements of the companies in the group have represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
3. The interim dividend paid and also the final dividend proposed in the previous year, declared and paid by the Parent Company during the year is in accordance with Section 123 of the Act, as applicable.
4. With respect to the matters specified in paragraphs 3(xxi) and 4 of Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by Central Government in terms of Section 143 (11) of the Act, to be included in the Auditor's Report, according to the information and explanations given to us for the Parent, Joint Venture(s) and Associate included in the consolidated financials statements of the company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: - 0021313C

Sd/-

**Amit Arora**

Partner

Membership No: - 514828

ICAI UDIN No: 22514828AJWKVS1727

Place : New Delhi  
Dated : May 30, 2022



## ANNEXURE TO CONSOLIDATED AUDITORS' REPORT



### **Annexure - A to the Independent Auditor's Report on Consolidated Annual financial statements of Shivalik Bimetal Controls Limited**

**(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated annual financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Shivalik Bimetal Controls Limited (hereinafter referred to as "the Company") and its jointly controlled companies & associate company, which are Companies incorporated in India, as of that date. Reporting under clause (1) of sub-section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is not applicable to one jointly controlled companies and one associate namely, Shivalik Engineered Products Private Limited (*Formerly known as Checon Shivalik Contact Solutions Private Limited*) (Jointly Controlled Company), and Shivalik Bimetal Engineers Private Limited (Associate), respectively.

### **Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Company and its jointly controlled Companies & associate company, which are Companies incorporated in India, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of adequacy of Internal financial controls over financial reporting is applicable, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting with reference to these consolidated annual financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that



## ANNEXURE TO CONSOLIDATED AUDITORS' REPORT



1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, reference to these consolidated annual financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the company and its jointly controlled companies & associate company, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting reference to these consolidated annual financial statements in so far as it relates to jointly controlled companies and associate, which are companies incorporated in India, is based on the corresponding report of the auditor of such Company incorporated in India. Our opinion is not qualified in respect of this matter.

**For Arora Gupta & Co.**

Chartered Accountants  
Firm Registration No: - 0021313C

Sd/-

**Amit Arora**

Partner

Membership No: - 514828

ICAI UDIN No: 22514828AJWKVS1727

Place : New Delhi  
Dated : May 30, 2022



# SHIVALIK BIMETAL CONTROLS LIMITED

CIN:L27101HP1984PLC005862

## CONSOLIDATED BALANCE SHEET

as at 31<sup>st</sup> March, 2022



( ₹ in lakhs)

	Notes	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant & Equipment	3	7,676.59	4,320.23
(b) Capital Work-In-Progress	3.1	652.61	2,411.56
(c) Right-of-use-Assets	3.2	14.37	43.46
(d) Intangible Assets	3.3	13.98	8.53
(e) Intangible Assets Under Development	3.3	102.18	67.27
(f) Financial Assets			
(i) Investments	4	1,654.11	1,301.05
(ii) Investment Property	5	191.86	191.86
(g) Other Non Current Assets	6	504.88	261.64
<b>Total Non Current Assets</b>		<b>10,810.58</b>	<b>8,605.60</b>
<b>Current assets</b>			
(a) Inventories	7	11,488.48	7,014.17
(b) Financial Assets			
(i) Trade Receivables	8	5,928.13	4,281.99
(ii) Cash and Cash equivalents	9	1,086.90	1,565.73
(iii) Other Bank Balances	10	94.87	27.47
(iv) Others Financial Assets	11	0.46	0.27
(c) Other Current Assets	12	1,367.68	588.58
(d) Current Tax Assets	13	3.59	3.59
<b>Total Current Assets</b>		<b>19,970.11</b>	<b>13,481.80</b>
<b>TOTAL ASSETS</b>		<b>30,780.69</b>	<b>22,087.40</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	768.06	768.06
(b) Other Equity	15	18,391.74	13,181.95
<b>Total Equity</b>		<b>19,159.80</b>	<b>13,950.01</b>
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	1,528.53	846.16
(ii) Lease Liabilities	17	19.72	40.21
(b) Provisions	18	50.94	48.25
(c) Deferred Tax Liabilities (Net)	19	482.58	433.04
<b>Total Non-Current Liabilities</b>		<b>2,081.77</b>	<b>1,367.66</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	4,225.08	1,995.67
(ii) Lease Liabilities	21	20.49	42.32
(iii) Trade Payables			
a) Outstanding dues of micro enterprises and small enterprises	22	10.32	7.28
b) Outstanding dues of creditors other than micro enterprises and small enterprises	22	4,167.39	3,524.63
(iv) Other Financial Liabilities	23	467.07	316.99
(b) Other Current Liabilities	24	451.65	707.25
(c) Provisions	25	4.80	26.25
(d) Current Tax Liabilities	26	192.32	149.34
<b>Total Current Liabilities</b>		<b>9,539.12</b>	<b>6,769.73</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>30,780.69</b>	<b>22,087.40</b>

The accompanying notes form an integral part of the consolidated financial statements. 1 to 44

As per our report of even date

For and on Behalf of the Board

**For Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: 021313C

Sd/-

**(Amit Arora)**

Partner

Membership No.514828

Sd/-

**(N.S. Ghuman )**

Managing Director

DIN 00002052

Sd/-

**(S.S. Sandhu)**

Chairman

DIN 00002312

Place : New Delhi

Date : May 30,2022

Sd/-

**(Rajeev Ranjan)**

Chief Financial Officer

Sd/-

**(Aarti Sahni)**

Company Secretary



# SHIVALIK BIMETAL CONTROLS LIMITED

CIN:L27101HP1984PLC005862

## CONSOLIDATED STATEMENT OF PROFIT & LOSS for the year ended on 31<sup>st</sup> March, 2022



(₹ in lakhs, except per share data)			
	Notes	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
I Revenue from operations	27	32,398.75	20,372.17
II Other income	28	544.68	404.60
III <b>Total Revenue (I + II)</b>		<b>32,943.43</b>	<b>20,776.77</b>
IV <b>Expenses</b>			
(a) Cost of materials consumed	29	17,206.39	11,288.64
(b) Changes in Inventories of Finished Goods and Work-In-Progress	30	(1,100.20)	(1,160.97)
(c) Employee benefits expense	31	2,711.43	2,222.58
(d) Finance costs	32	276.36	162.87
(e) Depreciation & Amortisation	3	637.83	589.90
(f) Manufacturing & Other expenses	33	6,232.98	4,408.16
<b>Total expenses</b>		<b>25,964.79</b>	<b>17,511.18</b>
V <b>Profit/(loss) before tax (III-IV)</b>		<b>6,978.64</b>	<b>3,265.59</b>
VI Share of Profit/(Loss) of an Associate/ a Joint Venture		351.19	166.91
VII <b>Profit Before exceptional items and tax (V + VI)</b>		<b>7,329.83</b>	<b>3,432.50</b>
VIII Exceptional Items (Income)/Expense		-	-
IX <b>Profit/(loss) before tax (VII-VIII)</b>		<b>7,329.83</b>	<b>3,432.50</b>
X <b>Tax expense</b>			
(a) Current tax	34	1,785.45	885.71
(b) Current tax related to previous years	34	(16.37)	19.29
(c) Deferred tax	34	49.53	(21.43)
<b>Total</b>		<b>1,818.61</b>	<b>883.57</b>
XI <b>Profit/(Loss) for the years (IX-X)</b>		<b>5,511.22</b>	<b>2,548.93</b>
XII <b>Other Comprehensive Income</b>			
i. Items that will not be reclassified to Statement of Profit and Loss			
- Remeasurement of defined benefit obligation		6.17	(11.36)
- Income tax on above		(1.55)	2.86
- Shares of Other Comprehensive Income in Associates and Joint Ventures		1.17	0.50
		<b>5.79</b>	<b>(8.00)</b>
XIII <b>Total Comprehensive Income for the Period (XI+XII)</b>		<b>5,517.01</b>	<b>2,540.93</b>
XIV Earnings per equity share			
(a) Basic (₹)	35	14.37	6.62
(b) Diluted (₹)	35	14.37	6.62

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

1 to 44

As per our report of even date

For and on Behalf of the Board

**For Arora Gupta & Co.**

Chartered Accountants

Firm Registration No: 021313C

Sd/-

**(Amit Arora)**

Partner

Membership No.514828

Sd/-

**(N.S. Ghuman )**

Managing Director

DIN 00002052

Sd/-

**(Rajeev Ranjan)**

Chief Financial Officer

Sd/-

**(S.S. Sandhu)**

Chairman

DIN 00002312

Sd/-

**(Aarti Sahni)**

Company Secretary

Place : New Delhi

Date : May 30,2022



# SHIVALIK BIMETAL CONTROLS LIMITED

CIN:L27101HP1984PLC005862

## CONSOLIDATED CASH FLOW STATEMENT for the year ended on 31<sup>st</sup> March, 2022



(₹ in Lakhs)

	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	7,329.83	3,432.50
Adjustments for:		
Depreciation and amortisation expense	637.83	589.90
Share of Profit/(Loss) of an Associate/ a Joint Venture	(351.19)	(166.91)
Interest Expense	276.36	162.87
Interest Income	(47.90)	(23.17)
Net (Gain)/loss arising on financial instruments designated as FVTPL	(0.69)	(0.94)
Liabilities/Provisions Written Back	(26.18)	(1.47)
Unrealised foreign exchange loss/(gain) on borrowings	14.88	0.98
Loss Allowance for doubtful receivables	-	3.36
(Profit)/Loss on sale of Property, Plant and Equipment	(17.73)	(12.04)
Dividend received	(0.30)	(0.30)
<b>Operating Profit before Working Capital changes</b>	<b>7,814.91</b>	<b>3,984.78</b>
Adjustment for :		
Trade receivables	(1,625.71)	(1,190.87)
Inventories	(4,474.31)	(1,962.44)
Trade Payables	651.55	2,342.01
Other Assets	(852.71)	(28.45)
Other Liabilities	(121.10)	594.71
Provisions	(12.59)	(2.94)
<b>Cash generated from operations</b>	<b>1,380.04</b>	<b>3,736.80</b>
Income Tax paid	(1,727.65)	(752.80)
<b>Net Cash generated from operating Activities (A)</b>	<b>(347.61)</b>	<b>2,984.00</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for Purchase of Property Plant and Equipment, Intangible assets & CWIP	(2,323.97)	(1,329.30)
Capital Advances	(231.56)	(177.17)
Proceeds from Sale of Property Plant and Equipment	95.19	23.04
Interest Income	42.24	10.97
Dividend Received	0.30	0.30
<b>Net cash (used in)/ from investing activities (B)</b>	<b>(2,417.80)</b>	<b>(1,472.16)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term Borrowings*	1,469.08	424.85
Repayment of long term Borrowings*	(612.97)	(496.00)
Proceeds from short term Borrowings (net)*	2,040.79	427.05
Principal payment of lease liability	(42.32)	(51.14)
Interest Paid	(264.95)	(164.41)
Dividend Paid	(303.05)	(113.48)
<b>Net Cash generated from financing activities (C)</b>	<b>2,286.58</b>	<b>26.87</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(478.83)</b>	<b>1,538.71</b>
Cash and Cash Equivalents (Opening Balance)	1,565.73	27.02
Cash and Cash equivalents (Closing Balance)	1,086.90	1,565.73

\* Refer note no. 20.1 for changes in liabilities due to financing activities

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

1 to 44

As per our report of even date

For and on Behalf of the Board

### For Arora Gupta & Co.

Chartered Accountants

Firm Registration No: 021313C

Sd/-

(Amit Arora)

Partner

Membership No.514828

Place : New Delhi

Date : May 30,2022

Sd/-

(N.S. Ghumman )

Managing Director

DIN 00002052

Sd/-

(Rajeev Ranjan)

Chief Financial Officer

Sd/-

(S.S. Sandhu)

Chairman

DIN 00002312

Sd/-

(Aarti Sahni)

Company Secretary



# SHIVALIK BIMETAL CONTROLS LIMITED

CIN:L27101HP1984PLC005862

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY



### A. Equity Share Capital

(₹ in lakhs)

Balance as at 1 <sup>st</sup> April 2021	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2021	Changes in equity share capital during the year*	Balance as at March 31, 2022
768.06	-	768.06	-	768.06
Balance as at 1 <sup>st</sup> April 2020	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2020	Changes in equity share capital during the year*	Balance as at March 31, 2021
768.06	-	768.06	-	768.06

\*Refer note 14.1

### B. Other Equity

(₹ in lakhs)

Particulars	Capital Reserve	Retained Earnings	Other Comprehensive Income	Total
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>0.57</b>	<b>10,789.45</b>	<b>(33.79)</b>	<b>10,756.23</b>
Profit for the year	-	2,548.93	-	2,548.93
Other Comprehensive income for the year	-	-	(8.00)	(8.00)
<b>Transactions with owners</b>				
Dividends Paid	-	(115.21)	-	(115.21)
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>0.57</b>	<b>13,223.17</b>	<b>(41.79)</b>	<b>13,181.95</b>
Profit for the year	-	5,511.22	-	5,511.22
Other Comprehensive income for the year	-	-	5.79	5.79
<b>Transactions with owners</b>				
Dividends Paid	-	(307.22)	-	(307.22)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>0.57</b>	<b>18,427.17</b>	<b>(36.00)</b>	<b>18,391.74</b>

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

1 to 44

As per our report of even date

For and on Behalf of the Board

**For Arora Gupta & Co.**  
Chartered Accountants  
Firm Registration No: 021313C

Sd/-  
**(Amit Arora)**  
Partner  
Membership No.514828

Place : New Delhi  
Date : May 30, 2022

Sd/-  
**(N.S. Ghumman )**  
Managing Director  
DIN 00002052

Sd/-  
**(Rajeev Ranjan)**  
Chief Financial Officer

Sd/-  
**(S.S. Sandhu)**  
Chairman  
DIN 00002312

Sd/-  
**(Aarti Sahni)**  
Company Secretary



## SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

(Forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022)



### Significant Accounting Policies

(Forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022)

#### 1. COMPANY'S OVERVIEW

The Consolidated financial statements comprise financial statements of Shivalik Bimetal Controls Limited ("SBCL" "the Company" or "the Parent") and it's i) Joint venture Company, Shivalik Engineered Products Private Limited (Formerly Known as Checon Shivalik Contact Solutions Private Limited), ii) Innovative Clade Solutions Private Limited and iii) Associate Company namely Shivalik Bimetal Engineering Private Limited (Collectively referred to as "the Group") for the financial year ended March 31, 2022.

'Subsequent to the date of Financial Results, 'the Company has: -

- i) acquired the entire equity held by Joint Venture Partner, namely Portwest Corporation USA (formerly known as M/s Checon Corporation, USA) in the Joint venture Company, namely Shivalik Engineered Products Private Limited ("SEPPL") (formerly known as Checon Shivalik Contact Solutions Private Limited), as such the Joint Venture agreement stands terminated and "SEPPL" has become Wholly Owned Subsidiary (WOS) of the Company.
- ii) acquired the entire equity of the Associate Company, namely Shivalik Bimetal Engineers Private Limited ("SBEPL"), as such "SBEPL" has become Wholly Owned Subsidiary (WOS) of the Company.

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

The Group is engaged in the business of manufacturing & sales of Thermostatic Bimetal / Trimetal strips, components, Spring Rolled Stainless Steels, Electron Beam Welded Shunt Materials (Strip & Finished Components), Cold Bonded Bimetal Strips and Parts, Snap Action Discs, CNC Formed Coils of Bimetals / Trimetals, Electrical Contacts, Tools & Dies etc. The Group Products find application primarily in manufacturing of Switchgears, Circuit Breakers, Automotive's, Energy Meters and various other Electrical and Electronic devices.

The Company's Consolidated Financial Statements are approved for issue by the Board of Directors on May 30, 2022.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

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

##### 2.1 Compliance with Ind AS

The Consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting standards ('Ind AS'), notified under Section 133 read with rule 3 of Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) Amendment Rules, 2016, and the relevant provisions of the Companies Act, 2013 (Collectively, "Ind AS").

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

##### 2.2 Basis of Preparation of Consolidated Financial Statements

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

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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

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

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading



## SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

(Forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022)



- Expected to be realised within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting date.

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

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

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

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

All other liabilities are classified as non-current.

### 2.3 Principles of Consolidation

The financial statements of the Joint ventures and the associate used for the purpose of consolidation of Group's financial statements are drawn up to the reporting date as that of the parent Company i.e., 31<sup>st</sup> March, 2022 as per prescribed guidelines in the Ind ASs.

Investment in Associates and Joint Ventures has been accounted under the Equity Method as per Ind AS 28- "Investment in Associates and Joint Ventures".

The Group accounts for its share of Post-Acquisition changes in net assets of associates and joint ventures, after eliminating unrealized profits and losses resulting from transactions between the group and its Associate and Joint Ventures.

### 2.4 Use of Estimates

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

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

#### a) Useful Life of Property Plant and Equipment

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

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

#### b) Employee Benefits

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

#### c) Leases

The group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the



## SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

(Forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022)



lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate.

### d) Provisions and Contingent Liabilities

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

### e) Revenue

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

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

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

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

## 2.5 Revenue Recognition

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

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

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

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

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

All other incomes are accounted on accrual basis.

## 2.6 Foreign Currency Transactions

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



## SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

(Forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022)



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

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

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

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

### 2.7 Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use.

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

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

### 2.8 Government Grant and Assistance

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

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

### 2.9 Employees' Benefits

#### Defined Contribution Plans:

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

#### Defined Benefit Plans:

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

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

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

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

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



## SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

(Forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022)



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

### 2.10 Taxes on Income

#### Current Tax

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

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

#### Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to same taxation authority.

Current and deferred tax are recognized in profit or loss, except when they are relating to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

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

### 2.11 Property, Plant and Equipment and Capital Work-In-Progress

The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts, if any and rebates, import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing cost attributable to the Qualifying Asset in compliance with Ind AS 23.

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

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

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

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the



## SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

(Forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022)



cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

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

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Consolidated Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

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

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

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

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

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

### 2.12 Intangible Assets

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

Estimated useful life of Intangible Assets as follows:

i)	Computer Software	3 Years
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### 2.13 Inventories

Basis of valuation of Inventories;

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

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

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

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



## SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

(Forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022)



### 2.14 Impairment of non-financial assets

The Carrying amounts of assets are reviewed at each Balance Sheet date and if there is any indication to the effect that the recoverable amount of the Asset/ CGU (Cash Generating Unit) is less than its carrying amount, the difference is treated as "Impairment Loss". The recoverable amount is greater of the asset's net selling price less cost to sell and value in use.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired, the impairment loss is recognized in the Consolidated Statement of Profit and Loss account.

### 2.15 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i) the contract involves the use of an identified asset
- ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and;
- iii) the Company has the right to direct the use of the asset.

#### Company as Lessee

At the date of commencement of the lease, the group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

#### Right-of-Use Assets (ROU)

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

#### Lease Liabilities

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Consolidated Financial Statements and lease payments have been classified as financing cash flows.

#### Company as Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.



## SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

(Forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022)



For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

### **Short Term Leases are Leases for Low Value Assets**

The Companies apply the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term 12 months and less from the commencement date and do not contain a purchase options).

It also applies the leave of low-value assets recognition exemption to leases that are considered of low values. Leases payments on such leases are recognised as expense on straight line basis over the lease term.

### **2.16 Non-Current Assets Held for sale**

Non-Current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and their fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in the Consolidated Statement of Profit and Loss.

Once Classified as held for sale, property, plant and equipment and intangible assets are no longer amortized or depreciated.

Non-current assets and disposal group that ceases to be classified as “Held for Sale” shall be measured at the lower of carrying amount before the non-current asset and disposal group was classified as “Held for Sale” and its recoverable amount at the date of the subsequent decision not to sell.

### **2.17 Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### **2.18 Cash Flow Statements**

Consolidated Cash flows are reported using the indirect method, whereby Profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

### **2.19 Financial Instruments**

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **Financial Assets**

##### **A. Initial Recognition and Measurement**

The group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

##### **B. Subsequent Measurement**

###### **a) Financial assets carried at amortized cost (AC)**

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### **b) Financial assets at fair value through other comprehensive income (FVTOCI).**

A financial asset is measured at FVTOCI, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



## SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

(Forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022)



### c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. This includes equity investment in other than Joint Ventures and Associates.

### C. Impairment of Financial Assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rate are reviewed and changes in the forward-looking estimates are analysed.

### Financial Liabilities

#### A. Initial Recognition and Measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognized in the Consolidated Statement of Profit and Loss as finance cost.

#### B. Subsequent Measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### Derivative Financial Instruments

The group enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, in the form of foreign exchange forward contracts. Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in Consolidated Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Consolidated Statement of Profit and Loss depends on the nature of the hedge item.

### Derecognition of Financial Instruments

The group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

The carrying value and fair value of financial instruments by categories as at March 31, 2022 are disclosed at Note No. 42.

## 2.20 Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Consolidated Statement of Profit and Loss. Development costs of products are charged to the Consolidated Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalized.

## 2.21 Earnings Per share

- (i) Basic Earnings Per Share.



## SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

(Forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022)



Basic Earnings per Share is computed by dividing:

- a. net profit or loss for the period attributable to equity shareholders
  - b. by the weighted average number of Equity Shares outstanding during the period
- (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account:

- a. the after-income tax effect of interest and other financing costs associated with dilutive potential equity and;
- b. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### 2.22 Provision and Contingent Liabilities

Provisions are recognized for liabilities that can be measured only by using substantial degree of estimation, if

- a. the company has a present obligation as a result of past event,
- b. a probable outflow of resources is expected to settle the obligation; and
- c. the amount of the obligation can be reliably estimated.

Contingent liability is disclosed in case of

- i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- ii. a present obligation arising from past events, when no reliable estimate is possible; and
- iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.

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

### 2.23 Recent accounting pronouncements

#### Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

**Ind AS 16 – Property Plant and Equipment** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The group has evaluated the amendment and there is no impact on its Consolidated Financial Statements.

**Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets** – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The group has evaluated the amendment and the impact is not expected to be material.

## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



3. Property, Plant & Equipment									(₹ in Lakhs)
Particulars	Leasehold land*	Freehold Land	Buildings	Plant and Machines	Furniture and Fixtures	Vehicles	Office Equipments	Total	
Cost/Deemed Cost									
As at 1 <sup>st</sup> April 2020	476.03	330.06	445.16	5,034.95	220.34	540.35	136.95	7,183.84	
Additions	28.54	-	-	452.19	2.35	97.94	21.24	602.26	
Less: Disposals	-	-	-	-	-	74.00	0.54	74.54	
As at 31 <sup>st</sup> March 2021	504.57	330.06	445.16	5,487.14	222.69	564.29	157.65	7,711.56	
Additions	-	-	2,219.08	1,678.96	26.61	69.05	43.74	4,037.44	
Less: Disposals	-	-	-	94.20	-	34.29	3.76	132.25	
As at 31 <sup>st</sup> March 2022	504.57	330.06	2,664.24	7,071.90	249.30	599.05	197.63	11,616.75	
Accumulated depreciation									
As at 1 <sup>st</sup> April 2020	26.60	-	289.85	2,005.61	169.30	343.46	83.78	2,918.60	
Depreciation charged for the year	7.06	-	32.18	416.89	11.55	46.47	22.12	536.27	
Less: Depreciation on disposals	-	-	-	-	-	63.10	0.44	63.54	
As at 31 <sup>st</sup> March 2021	33.66	-	322.03	2,422.50	180.85	326.83	105.46	3,391.33	
Depreciation charged for the year	7.36	-	34.00	473.87	13.53	48.06	26.80	603.62	
Less: Depreciation on disposals	-	-	-	28.34	-	23.73	2.72	54.79	
As at 31 <sup>st</sup> March 2022	41.02	-	356.03	2,868.03	194.38	351.16	129.54	3,940.16	
Net block									
As at 31 <sup>st</sup> March 2022	463.55	330.06	2,308.21	4,203.87	54.92	247.89	68.09	7,676.59	
As at 31 <sup>st</sup> March 2021	470.91	330.06	123.13	3,064.64	41.84	237.46	52.19	4,320.23	
*Leasehold Land represents Land on long term lease basis.(refer note no. 39.1)									
3.1 Capital Work-In-Progress									
(₹ in Lakhs)									
Particulars									
As at									
31 <sup>st</sup> March 2022 31 <sup>st</sup> March 2021									
As at									
31 <sup>st</sup> March 2021									
Opening Balance									
2,411.56 1,686.71									
Additions during the year*									
1,539.72 929.65									
Capitalised during the year									
3,298.67 204.80									
Closing Balance									
652.61 2,411.56									
* Includes Borrowing Cost transferred during the year aggregated to `100.88 Lakhs (Previous Year: `103.85 Lakhs). (refer note no.32)									

**Capital work-in-progress ageing schedule for the year ended March 31, 2022 and March 31, 2021 is as follows:**

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Capital work-in-progress	230.03 (708.99)	16.79 (1,174.44)	40.79 (163.13)	365.00 (365.00)	652.61 (2,411.56)

Figures in ( ) represents previous year figures

Refer note 36(B) for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

Refer note no.16 and 20 for information on Property, plant and equipment hypothecated as security by the company against borrowings.

### 3.2 Right-of-Use Assets (Buildings) (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Opening Balance</b>	<b>43.46</b>	<b>72.04</b>
Additions	-	19.73
Deletions	-	-
Depreciation	29.09	48.31
<b>Closing Balance</b>	<b>14.37</b>	<b>43.46</b>



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 3.3. Intangible Assets\*

(₹ in Lakhs)

Particulars	Computer Software	Intangible Assets Under Development
<b><u>Cost/Deemed Cost</u></b>		
<b>As at 1<sup>st</sup> April 2020</b>	<b>51.79</b>	<b>66.97</b>
Additions	1.89	0.30
Less: Disposals	-	-
<b>As at 31<sup>st</sup> March 2021</b>	<b>53.68</b>	<b>67.27</b>
Additions	10.57	34.91
Less: Disposals	-	-
<b>As at 31<sup>st</sup> March 2022</b>	<b>64.25</b>	<b>102.18</b>
<b><u>Accumulated amortisation</u></b>		
<b>As at 1<sup>st</sup> April 2020</b>	<b>39.83</b>	-
Amortisation for the year	5.32	-
Less: Amortisation on disposals	-	-
<b>As at 31<sup>st</sup> March 2021</b>	<b>45.15</b>	-
Amortisation for the year	5.12	-
Less: Amortisation on disposals	-	-
<b>As at 31<sup>st</sup> March 2022</b>	<b>50.27</b>	-
<b><u>Carrying Value</u></b>		
<b>As at 31<sup>st</sup> March 2022</b>	<b>13.98</b>	<b>102.18</b>
<b>As at 31<sup>st</sup> March 2021</b>	<b>8.53</b>	<b>67.27</b>

\*Other than internally generated

Intangible assets under development ageing schedule for the year ended March 31, 2022 and March 31, 2021 is as follows:

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Capital work-in-progress	34.91	0.30	4.95	62.02	102.18
	(0.30)	(4.95)	-	(62.02)	(67.27)

Figures in ( ) indicates previous year figures



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 4. Investments (Non Current)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Investment(s) (at Cost)</b>		
<b>In Equity Instruments of ;</b>		
<b>(a) Associate Company*</b>		
i) Unquoted Equity Instrument of "Shivalik Bimetal Engineers Private Limited" of face value Rs. 10/- each fully paid up	22.28	22.28
(No . Of Shares)	(222,750)	(222,750)
Add/Less: Interest In Joint Venture	92.75	80.38
	115.03	102.66
*has become wholly Owned Subsidiary (WO) subsequent to "the Statement" date.		
<b>(b) Joint Venture Companies*</b>		
i) Unquoted Equity Instrument of "Shivalik Engineered Products Pvt. Ltd. (Formerly known as Checon Shivalik Contact Solutions Pvt. Ltd.)" of face value Rs. 10/- each fully paid up	221.45	221.45
(No . Of Shares)	(1,710,900)	(1,710,900)
Add/Less: Interest In Joint Venture	635.47	498.58
	856.92	720.03
*has become wholly Owned Subsidiary (WO) subsequent to "the Statement" date.		
ii) Unquoted Equity Instrument of "Innovative Clad Solutions Private Limited" of face value Rs. 10/- each fully paid up.	780.02	780.02
(No . Of Shares)	(16,086,003)	(16,086,003)
Add/Less: Interest In Joint Venture	(103.58)	(306.69)
	676.44	473.33
<b>Investments (at Fair Value Through Profit &amp; Loss)</b>		
<b>(a) In Equity Shares of Other Company</b>		
ii) Unquoted Equity Instrument of "Shivalik Solid Waste Management Limited" of face value Rs. 10/- each fully paid up.	5.72	5.03
(No . Of Shares)	(20,000)	(20,000)
	1,654.11	1,301.05
Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Aggregate amount of unquoted investments	1,654.11	1,301.05
Aggregate amount of quoted investments	-	-
Aggregate amount of impairment in the valuation of Investment	-	-
	1,654.11	1,301.05

Investments in Associate and Joint-venture companies are stated at cost, using the exemption provided as per Ind AS 27 'Separate Financial Statements'



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 5. Investment Property

( ₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Freehold Land at Kandaghat, Solan</b>	191.86	191.86
(Fair Market Value ₹413.07 Lakhs)*		
	<b>191.86</b>	<b>191.86</b>

\*Based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

### 6. Other Non Current Assets

( ₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Capital Advances	466.14	234.58
Prepaid Expenses	1.39	2.09
<b>Considered Good- Unsecured</b>		
Security Deposits ;		
Government Undertakings /Authorities	27.73	15.13
Others	9.62	9.84
	<b>504.88</b>	<b>261.64</b>

### 7. Inventories

(Refer note no. 2.13 for basis of valuation)

( ₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Raw Materials	6,826.12	3,529.68
Work-in-Progress	2,974.60	1,640.56
Finished goods	1,371.50	1,614.88
Stores, Spares and Packing Material	274.41	196.74
Scrap	41.85	32.31
	<b>11,488.48</b>	<b>7,014.17</b>
<b>Material in Transit (included in Inventories, above )</b>		
i) Raw Material	933.20	249.08
ii) Stores, Spares and Packing Material	8.48	5.36
	<b>941.68</b>	<b>254.44</b>

Refer note 20 for hypothecation/charge created.



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 8. Trade Receivables

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Considered Good- Unsecured		
Others	5,928.13	4,281.99
Considered Doubtful	3.45	24.02
Less: Allowances for Credit Losses*	(3.45)	(24.02)
	<b>5,928.13</b>	<b>4,281.99</b>

#### Trade Receivables ageing schedule

(₹ in lakhs)

Particulars		Outstanding for following period from the due date of payment						Total
		No Due	Less than 6 months	6 Months to 1 year	1-2 years	2-3 years	More than 3 years	
i)	Undisputed Trade Receivables-considered good	4,688.78 (3,417.72)	1,238.21 (846.75)	0.34 (15.81)	0.23 (1.11)	- (0.10)	0.57 (0.50)	5,928.13 (4,281.99)
ii)	Undisputed Trade Receivables-considered doubtful	3.45 (24.02)	-	-	-	-	-	3.45 (24.02)
iii)	Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
iv)	Disputed Trade Receivables- considered doubtful	-	-	-	-	-	-	-

Figures in ( ) indicates previous year figures

Refer note 20 for hypothecation/charge created.

\*In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

#### (i) Movements in allowance of credit losses of receivables;

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Balance at the beginning of the Year</b>	<b>24.02</b>	<b>21.99</b>
Charge/(Reverse) in Statement of Profit and Loss	(20.43)	3.36
Utilised during the Year*	0.14	1.33
<b>Balance at the end of the Year</b>	<b>3.45</b>	<b>24.02</b>

\*During the year, the Company has written off Irrecoverable trade receivables aggregating to ₹ 0.14 lacs (Previous Year ₹ 1.33 Lacs).



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 9. Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Balances with banks in		
- Current Accounts	668.03	1,152.47
- Fixed Deposits	417.21	411.42
Cash on hand	1.66	1.84
	<b>1,086.90</b>	<b>1,565.73</b>

There are no repatriation restrictions with respect to cash and bank balances as at the end of the reporting period and prior periods.

### 10. Other Bank Balances

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Unpaid Dividend held in Bank Accounts#	15.79	11.62
Margin Money Deposit against Bank Guarantee (s)*	79.08	15.85
	<b>94.87</b>	<b>27.47</b>

# Balance in Unpaid Dividend account has restricted use.

\*Deposits with maturity more than three months but less than 12 months, held by the Company are not available for use, as these are pledged with Banks against guarantee(s) given to Government authorities.

### 11. Others Financial Assets

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Advances to Employees	0.46	0.27
	<b>0.46</b>	<b>0.27</b>

### 12. Other Current Assets

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Prepaid Expenses	152.54	111.82
Balances with Revenue authorities	1,142.11	348.89
Export Incentive*	14.82	85.78
Investment in Gold Coin	22.37	17.57
Investment in Gold Bonds	13.00	13.00
Advances to suppliers	17.82	9.78
Advances to Others	0.20	0.19
Security Deposits:		
Others	4.82	1.55
	<b>1,367.68</b>	<b>588.58</b>

\* Includes ₹ 12.52 lakhs (Previous Year ₹ 0.91 lakhs) on account of Scrips in hand.



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 13. Current Tax Assets

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Income Tax Refundable	3.59	3.59
	<b>3.59</b>	<b>3.59</b>

### 14. Equity Share Capital

(₹ in lakhs, except per share data)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Authorised Share Capital:</b>		
Equity Shares of ₹ 2/- each	1,500.00	1,500.00
(No . Of Shares)	(75,000,000)	(75,000,000)
<b>Issued Subscribed and Paid Up:</b>		
Equity Shares of ₹ 2/- each fully paid up	768.06	768.06
(No . Of Shares)	(38,402,800)	(38,402,800)
<b>Total</b>	<b>768.06</b>	<b>768.06</b>

#### 14.1 Reconciliation of Number of Shares

Particulars	Number of Shares	Amount ("₹" in lakhs)
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>38,402,800</b>	<b>768.06</b>
Shares Issued during the year	-	-
Shares Bought back during the year	-	-
Shares Issued as Bonus Shares	-	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>38,402,800</b>	<b>768.06</b>
Shares Issued during the year	-	-
Shares Issued as Bonus Shares	-	-
Shares Bought back during the year	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>38,402,800</b>	<b>768.06</b>

**14.2** 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.

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

**14.4** During the year, the company has paid a final dividend of ₹ 0.30 per share for FY 20-21 and an interim dividend of ₹ 0.50 per share for FY 21-22 which resulted in a cash outflow of ₹307.22 lakhs (previous year ₹115.21 Lakhs).

**14.5** The Company does not have a holding company.



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 14.6 Shareholders holding more than 5% shares

Name of Shareholders	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Narinder Singh Ghumman	2,994,000	7.80	2,994,000	7.80
O D Finance and Investment Private Limited	5,070,781	13.20	5,070,781	13.20
TSL Holdings Private Limited	5,580,400	14.53	5,580,400	14.53
Angad Estates Private Limited	3,310,000	8.62	3,310,000	8.62

### 14.7 Shares held by promoters at the end of the year

S.No.	Promoter Name	No of Shares	% of total shares	% Change during the year
1.	Satinderjeet Singh Sandhu	576,000	1.50	Nil
2.	Devinderjeet Singh Sandhu	76,000	0.20	Nil
3.	Manjit Kaur	176,000	0.46	Nil
4.	Tejinderjeet Kaur Ghumman	616,000	1.60	Nil
5.	Sarita Sandhu	432,000	1.12	Nil
6.	Jaspal Singh Dhillon	4,000	0.01	Nil
7.	Narinder Singh Ghumman	2,994,000	7.80	Nil
8.	Angad Sandhu	304,000	0.79	Nil
9.	Sumer Ghumman	2,000	0.01	Nil
10.	Gurbir Sandhu	244,849	0.64	Nil
11.	Amar Engineering Company Private Limited	1,414,310	3.68	Nil
12.	Angad Estates Private Limited	3,310,000	8.62	Nil
13.	OD Finance & Investment Private Limited	5,070,781	13.20	Nil
14.	TSL Holdings Private Limited	5,580,400	14.53	Nil
15.	Ultra Portfolio Management Private Limited	1,904,180	4.96	Nil
16.	B.S.Sandhu and Associates Private Limited	570,400	1.49	Nil
<b>Total</b>		<b>23,274,920</b>	<b>60.61</b>	



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 15. Other Equity

(₹ in lakhs)

Particulars	Capital Reserve	Retained Earnings	Other Comprehensive Income	Total
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>0.57</b>	<b>10,789.45</b>	<b>(33.79)</b>	<b>10,756.23</b>
Profit for the year	-	2,548.93		2,548.93
Other Comprehensive income for the year (net of tax)	-		(8.00)	(8.00)
<b>Transactions with owners</b>				
Dividends paid	-	(115.21)	-	(115.21)
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>0.57</b>	<b>13,223.17</b>	<b>(41.79)</b>	<b>13,181.95</b>
Profit for the period	-	5,511.22	-	5,511.22
Other Comprehensive income for the year (net of tax)	-	-	5.79	5.79
<b>Transactions with owners</b>				
Dividends paid	-	(307.22)	-	(307.22)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>0.57</b>	<b>18,427.17</b>	<b>(36.00)</b>	<b>18,391.74</b>

Capital Reserve : Reserve is primarily created due to interest received in calls in arrears.

### 16. Borrowings (Non-Current)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Secured</b>		
From Banks(*)		
Rupee Loan	117.19	64.12
Vehicle Loan	4.14	11.16
From Others(*)		
Vehicle Loan	17.53	-
<b>Unsecured</b>		
From Related Parties	1,389.67	770.88
<b>Total<sup>(1)</sup></b>	<b>1,528.53</b>	<b>846.16</b>

(\*)Comprise of Term loan from Indian Bank which is secured by exclusive charge on Plant & Equipment, both present and future and equitable mortgage of Company's Factory Leasehold Land and Building, situated at Chambaghat, Solan, (H.P.) and Vehicle loan from HDFC Bank and Kotak Mahindra Prime Limited (NBFC) which is secured by hypothecation of vehicles.

<sup>(1)</sup> Refer note no.20 for Current Maturities of long term borrowings

Rupee loan from banks is repayable in equal instalments ending June, 2024 and Unsecured Loan from related party ends in March, 2027.

### 17. Lease Liabilities (Non Current)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Lease Liabilities	19.72	40.21
	<b>19.72</b>	<b>40.21</b>

Refer note no. 39.1



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 18. Provisions (Non Current)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Compensated absence	50.94	48.25
	<b>50.94</b>	<b>48.25</b>

### 19. Deferred Tax Liabilities (Net)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Deferred Tax Liabilities/ (Assets) in relation to</b>		
Property, Plant and Equipment & Intangible assets	327.70	320.19
Employee Benefits	(30.14)	(27.46)
Debtors	(0.87)	(6.05)
Others	177.97	140.14
Right-to-Use-assets	7.92	6.22
<b>Total</b>	<b>482.58</b>	<b>433.04</b>

Movement in deferred tax account for the year

(₹ in lakhs)

Particulars	Charged to P&L during the year ended March 2022	Charged to P&L during the year ended March 2021
Property, Plant and Equipment & Intangible assets	7.51	(42.46)
Employee Benefits	(2.68)	(15.61)
Debtors	5.18	(0.51)
Unabsorbed Loss	-	1.75
Others	37.82	33.96
Right-to-Use-assets	1.70	1.44
<b>Total</b>	<b>49.53</b>	<b>(21.43)</b>

### 20. Borrowings (Current)

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Secured		
From Banks		
- Foreign Currency Loan	3,483.89	1,434.03
- Rupee Loan	5.81	-
Current maturities of long-term borrowings (refer note no.16)	735.38	561.64
	<b>4,225.08</b>	<b>1,995.67</b>

Foreign Currency Loan of ₹ 1,645.79 Lacs (Previous Year ₹ Nil Lacs) and Rupee Loan of ₹ 5.81 Lacs (Previous Year ₹ Nil Lacs) from Indian Bank are secured by First pari-passu charge with DBS Bank by way of Hypothecation of current assets and First and exclusive charge on company's Factory Leasehold Land and Building situated at 16-18, New Electronics Complex, Chambaghat, Solan, H.P.

Foreign Currency Loan of ₹ 1,838.10 Lacs (Previous Year ₹ 1,434.03 Lacs) from DBS Bank are secured by First pari-passu charge with Indian Bank on current assets and First and exclusive charge by way of Equitable Mortgage of factory land and building situated at Kather, Chambaghat, Solan, H.P.



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 20.1 Changes in Liabilities arising from Financing Activities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Borrowings at the beginning of the year</b>		
Borrowings (Non Current) (refer note no.16)	846.16	1,011.26
Borrowings (Current) (refer note no.20)	1,995.67	1,473.69
<b>Total Borrowings at the beginning of the year</b>	<b>2,841.83</b>	<b>2,484.95</b>
<b>Movement due to cash transactions as per the Statement of Cash flows</b>	2,896.90	355.90
<b>Movement due to non cash transactions</b>		
Foreign Exchange Movement	14.88	0.98
<b>Borrowings at the end of the year</b>		
Borrowings (Non Current) (refer note no.16)	1,528.53	846.16
Borrowings (Current) (refer note no.20)	4,225.08	1,995.67
<b>Total Borrowings at the end of the year</b>	<b>5,753.61</b>	<b>2,841.83</b>

### 21. Lease Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Lease Liabilities	20.49	42.32
	<b>20.49</b>	<b>42.32</b>

Refer note no. 39.1

### 22. Trade Payables

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Micro, Small and Medium Enterprises (refer note no.38)	10.32	7.28
Related Parties	295.63	130.11
Others	3,871.76	3,394.52
	<b>4,177.71</b>	<b>3,531.91</b>

Trade Payables ageing schedule

(₹ in lakhs)

Particulars		Outstanding for following periods from the due date of payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)	MSME	10.32	-	-	-	-	10.32
		(7.28)	-	-	-	-	(7.28)
ii)	Others	3,861.61	300.62	1.76	2.22	1.18	4,167.39
		(3,427.13)	(89.22)	(3.29)	(0.48)	(4.51)	(3,524.63)
iii)	Disputed Dues- MSME	-	-	-	-	-	-
		-	-	-	-	-	-
iv)	Disputed Dues-others	-	-	-	-	-	-

Figures in ( ) indicates previous year figures



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 23. Other Financial Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Interest accrued but not due on borrowings	9.42	5.75
Interest accrued and due on borrowings	9.41	1.67
Unclaimed dividends	15.79	11.62
Employee Benefits Payable	235.47	222.90
Expenses Payable	192.14	70.60
Security Deposit Received	3.05	3.54
Others	1.79	0.91
	<b>467.07</b>	<b>316.99</b>

### 24. Other Current Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Statutory Dues	132.30	156.26
Advance from Customers	319.35	550.99
	<b>451.65</b>	<b>707.25</b>

### 25. Provisions- Current

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Compensated absence	4.80	3.30
Gratuity	-	22.95
	<b>4.80</b>	<b>26.25</b>

### 26. Current Tax Liabilities

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Provision for Tax (Net of Advance Tax)	192.32	149.34
	<b>192.32</b>	<b>149.34</b>

### 27. Revenue from Operations

(₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Sale of Products	32,344.28	20,329.77
Sale of Services	54.47	42.40
	<b>32,398.75</b>	<b>20,372.17</b>
Revenue disaggregation by geography is as follows:		
Geography		
America	11,354.53	6,677.29
Europe	4,344.97	2,726.38
India	11,841.85	8,138.90
Others	4,857.40	2,829.60
	<b>32,398.75</b>	<b>20,372.17</b>



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 28. Other Income

(₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Other Operating Revenues	13.86	88.06
Interest Income	47.90	23.17
Rental Income	10.45	10.45
Miscellaneous Income	5.58	4.34
Exchange Fluctuation Gain (Net)	421.84	264.09
Income from fair value changes	0.69	0.94
Liabilities/Provisions Written Back	26.18	1.47
Profit on Sale of Property, Plant and Equipment	18.18	12.08
	<b>544.68</b>	<b>404.60</b>

### 29. Cost of Materials Consumed

(₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Raw Material Consumed	17,206.39	11,288.64
	<b>17,206.39</b>	<b>11,288.64</b>

### 30. Changes in Inventories of Finished Goods and Work-In Progress

(₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
<b>Inventory (at Beginning)</b>		
-Finished Goods	1,614.88	867.21
-Work-in-Progress	1,640.56	1,247.75
-Scrap	32.31	11.82
	3,287.75	2,126.78
<b>Inventory (at Close)</b>		
-Finished Goods	1,371.50	1,614.88
-Work-in-Progress	2,974.60	1,640.56
-Scrap	41.85	32.31
	4,387.95	3,287.75
<b>(Increase)/Decrease</b>	<b>(1,100.20)</b>	<b>(1,160.97)</b>

### 31. Employee Benefit Expenses

(₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Salaries and Wages	2,347.62	1,935.86
Contributions to -		
(i) Provident fund	130.18	116.06
(ii) ESI Contribution	11.65	10.26
(iii) Gratuity Expenses	22.79	21.69
Staff welfare expenses	199.19	138.71
	<b>2,711.43</b>	<b>2,222.58</b>

### 31.1 Disclosure pursuant to Ind AS 19 “Employee Benefits”:

The disclosures required under Ind AS 19 “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 lakhs)

Particulars	2021-22	2020-21
(a) Employer’s Contribution to Provident Fund	87.18	76.72
(b) Employer’s Contribution to Pension Scheme	43.00	39.34

#### (II) Defined Benefit Plan

- (a) Gratuity

The employees’ Gratuity fund scheme has been managed by Life Insurance Corporation of India and the present value of obligation is determined by Independent Actuary using the Projected Unit Credit (PUC) Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Actuary has carried out the valuation based on the followings assumptions:

Particulars	2021-22	2020-21
Discounting Rate (per annum)	7.22%	6.80%
Rate of escalation in Salary (per annum)	6.00%	6.00%
Expected Average remaining working lives of employees in no. of years	18.61	18.52
Mortality Table	IALM (2012-14)	IALM (2012-14)

(₹ in lakhs)

Particulars	Gratuity (Funded)	
	2021-22	2020-21
<b>(a) Changes in Present Value of Obligation</b>		
Opening balance of Present value of obligation	305.25	273.85
Interest Cost	20.76	18.63
Current Service Cost	21.22	20.37
Benefits Paid	(7.61)	(19.17)
Actuarial (Gain)/Loss arising from change in financial assumption	(13.58)	-
Actuarial (Gain)/Loss arising from experience adjustment	9.28	11.37
Closing Balance of Present value of obligation	335.32	305.25

**(b) Changes in Fair Value of Plan Assets**

Opening balance of Fair Value of Plan Assets	282.29	254.52
Expected Return on Plan Assets	19.20	17.31
Employer's Contribution	41.11	29.42
Benefits paid	(7.61)	(19.17)
Actuarial Gain/ (Loss) on Plan Assets	1.87	0.21
Closing balance of Fair value of Plan Assets	336.86	282.29
Actual return on Plan Assets	21.06	17.51

**(c) Percentage of each category of Plan Assets to total Fair value of Plan assets**

Administrated by Life Insurance Corporation of India	100%	100%
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**(d) Reconciliation of Present Value of Defined Present obligations and the Fair Value of Assets**

Closing Balance of Present Value of Obligation	335.32	305.25
Closing Balance of Fair Value of Plan Assets	336.86	282.29
(Asset)/ Liability recognised the Balance Sheet	(1.54)	22.96

**(e) Amount Recognised in the Balance Sheet**

Closing Balance of Present Value of Obligation	335.32	305.25
Closing Balance of Fair Value of Plan Assets	336.86	282.29
Funded (Asset)/ Liability recognized in the Balance Sheet	(1.54)	22.96
Unfunded Liability recognised in the Balance Sheet	-	-

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

Current Service Cost	21.22	20.37
Interest Cost	20.76	18.63
Expected Return on Plan Assets	(19.20)	(17.31)
Expenses recognized in the statement of Profit and Loss	22.78	21.69

**Remeasurement of Defined Benefit Obligation**

Actuarial (Gain)/Loss arising from change in financial assumption	(13.58)	-
Actuarial (Gain)/Loss arising from experience adjustment	9.28	11.57
Return on plan assets	(1.87)	0.21
Expenses recognized in the statement of Other Comprehensive Income	(6.17)	11.36

## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### (g) Experience Adjustments

Experience adjustment on Plan Liabilities (loss)/gain	4.30	(11.57)
Experience adjustment on Plan Assets (loss)/ gain	1.87	0.21

### (h) Sensitivity Analysis of the defined benefit obligation

a) Impact of the change in discount rate		
Present value of the obligation at the end of the period	335.32	305.25
Impact due to increase of 0.50%	(15.15)	(14.77)
Impact due to decrease of 0.50%	16.35	15.98
b) Impact of the change in salary increase		
Present value of the obligation at the end of the period	335.32	305.25
Impact due to increase of 0.50%	14.87	14.36
Impact due to decrease of 0.50%	(13.91)	(13.41)

### i) Maturity Profile of Defined Benefit Obligation (₹ in lakhs)

Year	Amount
0 to 1 Year	28.91
1 to 2 Year	7.67
2 to 3 Year	12.39
3 to 4 Year	15.15
4 to 5 Year	40.78
5 to 6 Year	30.17
6 Year onwards	200.24

### (b) Compensated Absence

The obligation for compensated absence is recognised in the same manner as Gratuity.

### 32. Finance Costs (₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Interest expense on		
(i) Borrowings	193.89	154.86
(ii) Others	1.38	1.25
(iii) Interest on Income Tax	24.33	21.84
Other Borrowing costs	92.85	65.86
Exchange difference regarded as an adjustment to borrowing cost	64.79	22.91
<b>Total</b>	<b>377.24</b>	<b>266.72</b>
Less: Transferred to CWIP (refer note no 3.1)	100.88	103.85
	<b>276.36</b>	<b>162.87</b>



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 33. Manufacturing & Other Expenses

( ₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Stores & Spares Consumed	500.50	296.54
Power & Fuel	264.65	199.56
Job Work Expenses	58.94	30.03
Machinery Repairs	228.48	207.83
Research & Development (refer note no.37)	74.43	76.41
Electricity and Water Charges	25.23	16.44
Watch & Ward Expenses	31.73	28.46
Building Repairs	58.71	53.78
Other Repairs	163.99	150.91
Insurance	47.69	40.38
Processing Charges	502.94	611.22
Rent, Rates and Taxes	321.02	73.99
Travelling & Conveyance	35.51	16.71
Printing & Stationery	19.51	14.30
Communication Expenses	18.28	17.79
Professional and Consultancy Charges	180.58	150.21
Payment to Auditors	14.00	18.00
CSR Expenditure	56.72	47.98
Miscellaneous Expenses	69.78	47.00
Business Promotion /Development, Advertisement & Publicity	22.85	14.39
Commission on Sales	1,498.75	1,002.27
Packing Cost	602.82	467.79
Forwarding & Freight	1,435.42	822.76
Loss on Sale of Property, Plant & Equipment (Net)	0.45	0.05
Expected Credit Losses (refer note. 8)	-	3.36
	<b>6,232.98</b>	<b>4,408.16</b>

### 34. Income Tax Expense recognised in the profit and loss account.

( ₹ in lakhs)

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
<b>Current Tax:</b>		
In respect of the Current Year	1,785.45	885.71
In respect of the Previous Year	(16.37)	19.29
<b>Deferred Tax:</b>		
In respect of the Current Year	49.53	(21.43)
<b>Income Tax Expense recognised in the Statement of Profit &amp; Loss</b>	<b>1,818.61</b>	<b>883.57</b>
<b>Other Comprehensive Income Section</b>		
Tax related to items that will not be reclassified to profit and loss account	(1.55)	2.86



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### Effective Tax Reconciliations

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Profit before tax</b>	7,329.83	3,432.50
Applicable Tax rate	25.17%	25.17%
Computed tax expense	1,844.77	863.89
<b>Tax effect of;</b>		
Income Exempt from taxation	(0.17)	(0.24)
Expense Disallowed	39.76	18.25
Deductions Allowed under Income Tax	(0.86)	(5.77)
Effect of change in tax rate	-	-
Earlier year tax	(16.37)	19.29
Share of Associates/Joint Ventures	(50.81)	(8.85)
Others	2.29	(3.00)
Tax Expense recognised in Statement of Profit and Loss	1,818.61	883.57

### 35. Earnings Per Share

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Net Profit attributable to shareholders (₹ in lakhs)	5,517.01	2,540.93
Weighted average number of equity Shares (in nos.)	38,402,800	38,402,800
Basic and Diluted Earnings per share (₹)	14.37	6.62
Face Value per Equity Share (₹)	2	2

### 36. Contingent Liabilities in respect of:

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>(A) Contingent Liabilities</b>		
(I) Claim Against the Company Not Acknowledged as Debts	23.36	40.55
(II) Guarantees		
a. Letters of Credit/Bank Guarantee established by the bank	430.00	761.37
b. Corporate Guarantee(s) on behalf of Joint Venture/ Associate Company	1,314.00	1,314.00
c. Surety with Sales Tax Department	5.50	5.50
d. Duty foregone in respect of Joint-Venture		
Raw Material	178.54	92.31
Capital Goods	26.91	22.60
Other	10.42	4.37



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
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### (III) Other Money for which the Company is Contingently Liable

a. Buyers Credit Interest payable	14.94	6.02
b. Customs duty on Material imported against Advance License /Annexure, for pending export obligation	896.15	897.61
c. Custom Duty in respect of Material Lying in Bonded Warehouse and Material in Transit.	686.09	40.08
d. Local Sales Tax Authorities	1.12	1.59

\*Demand raised by Central Excise & Service Tax Commissionerate towards Cenvat Credit of excise duty ₹17.87 lacs (Previous Year ₹ 17.87 lacs) and demand raised by Excise & Taxation Officer, Solan towards the demand of VAT of ₹ Nil (Previous Year ₹ 17.53 lacs). However the management of the Company is of the view that the demand is not enforceable against the Company, being bad in law.

### **(B) Commitments**

Estimated amount of contracts (net of advances) exceeding ₹ 1.00 lakh in each case remaining to be executed on capital account and not provided for	508.73	412.86
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### **37. Details of Research and Development Expenditure**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Capital	-	-
Revenue	74.43	76.41
<b>Total</b>	<b>74.43</b>	<b>76.41</b>

### **38. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	10.32	7.28
The amount of interest paid by the buyer in terms of section 16, of the micro, small and medium enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under micro, small and medium enterprise development Act, 2006.	Nil	Nil

The amount of interest accrued and remaining unpaid at the end of each accounting year; and the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006

Nil

Nil

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

### 39. Leases

The Company's significant operating lease arrangements are in respect of premises (residential, offices, godown etc.). These leasing arrangements, which are cancellable, range between 11 months to 3 years generally and are usually renewable by mutual agreeable terms. The aggregate lease rentals payable are charged as expenses. Rental payments under such leases amounting to Rs. 92.89 lakhs (Previous Year Rs. 68.62 lakhs) have been included under "Rent, Rates and Taxes" expense in note 33.

#### 39.1 Lease Payments:

Future Minimum lease payments and their present values under lease are as follows:

(₹ in lakhs)

Particulars	Minimum Lease Payments		Present Value of Minimum Lease payments		Future Expense	
	Year Ended March 2022	Year Ended March 2021	Year Ended March 2022	Year Ended March 2021	Year Ended March 2022	Year Ended March 2021
Not later than one year	22.29	47.53	20.49	42.32	1.80	5.21
Later than one year but not later than five years	20.73	43.03	19.72	40.21	1.01	2.82
Later than five years	-	-	-	-	-	-

There is no element of contingent rent or sublease payments.

40. The Company's activities involve predominantly one operating segment i.e. Process and product Engineering, which are considered to be within a single operating segment since these are subject to similar risks and returns. Accordingly, Process and Product Engineering comprise the primary basis of segmental information as set out in these financial statements, which therefore reflect the information required by Ind AS 108- Segment Reporting has been disclosed as below.

#### a) Revenue from Operations

(₹ in lakhs)

Particulars	India		Rest of world		Total	
	Year Ended March 2022	Year Ended March 2021	Year Ended March 2022	Year Ended March 2021	Year Ended March 2022	Year Ended March 2021
Segment Revenue	11,841.85	8,138.90	20,556.90	12,233.27	32,398.75	20,372.17

#### b) Non Current Operating assets

All Non Current Assets other than financial instruments, deferred tax assets of the company are located in India.

## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 41. “Related Party Disclosure” for the year ended 31<sup>st</sup> March, 2022 in accordance with Ind AS 24:

- (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.	Shivalik Engineered Products Pvt. Ltd.* (Formerly known as Checon Shivalik Contact Solutions Pvt. Ltd.)	Joint Venture
2.	Innovative Clad Solutions Pvt. Ltd.	
3.	Shivalik Bimetal Engineers Pvt. Ltd.*	Associate
4.	Mr. S. S Sandhu	Key Managerial Personnel (KMP)
5.	Mr. N. S. Ghumman	
6.	Mr. Rajeev Ranjan	
7.	Ms. Aarti Sahni	
8.	Mr. Kabir Ghumman	Relative of Key Managerial Personnel
9.	Mr. Sumer Ghumman	
10.	TSL Holdings (P) Ltd.	Enterprises over which Key Managerial Persons are able to exercise significant influence
11.	Angad Estates Pvt. Ltd.	
12.	Amar Engineering Company Pvt. Ltd.	
13.	Ultra Portfolio Management Pvt. Ltd.	
14.	O.D. Finance and Investment Pvt. Ltd.	
15.	ABS Foundation (Regd. Trust)	
16.	Mr. Swaranjeet Singh	Directors
17.	Mr. Nirmaljeet Singh Gill	
18.	Mr. Gurmeet Singh Gill	
19.	Ms. Anu Ahluwalia	
20.	Lt. Gen. Pradeep Khanna	
21.	Ms. Harpreet Kaur	

\*has become wholly Owned Subsidiary (WO) subsequent to “the Statement” date.

- (ii) Transactions during the year with related parties:

(₹ in lakhs)

Sr. No.	Nature of Transactions	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprises over which KMP are able to exercise significant influence	Directors
1.	Reimbursement of Expenses(Net)			1.72 (1.41)	
2.	Managerial Remuneration	748.53 (716.28)			
3.	Sitting Fees				2.25 (2.25)



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



4.	Remuneration in pursuant to Section 197 of the Companies Act 2013 for holding an office or place of profit.		124.37 (91.89)		
5.	Rent Paid		10.11 (5.07)	69.90 (76.88)	
6.	CSR Expenditure			34.50 (34.50)	
7.	Unsecured Loans				-
	i) Taken			1,265.00 (330.00)	
	ii) Repaid			455.18 (309.98)	
	iii) Finance Costs			134.61 (100.73)	
<b>Balances as at 31<sup>st</sup> March 2022</b>					
8.	Unsecured Loans			1,986.74 (1,176.92)	

Figures in ( ) indicate previous year's figures.

## 42. FINANCIAL INSTRUMENTS

### 42.1 Capital Management

The Company's capital management objectives are;

- to maintain healthy Credit rating, Capital Ratios and Leverage.
- to maximise return to the Shareholders.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Principal source of funding of the company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings.

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Long term Borrowings ( Incl Current Maturities)	2,282.74	1,415.21
Short Term Borrowings	3,489.70	1,434.03
Less: Cash and cash equivalents	1,086.90	1,565.73
Less: Bank Balance other than Cash and Cash Equivalents	94.87	27.47
Less: Investment in Gold Coins & Gold Bonds	35.37	30.57
Net debt	4,555.30	1,225.47
Total equity (as shown on the face of balance sheet)	19,159.80	13,950.01
Net debt to equity ratio (Gearing Ratio)	24%	9%

## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 42.2 Financial Instruments by categories

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022			As at 31 <sup>st</sup> March 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	5.72	-	-	5.03	-	-
Trade receivables	-	-	5,928.13	-	-	4,281.99
Cash and cash equivalents	-	-	1,086.90	-	-	1,565.73
Other bank balances	-	-	94.87	-	-	27.47
Other Financial Assets	-	-	0.46	-	-	0.27
<b>Total</b>	<b>5.72</b>	<b>-</b>	<b>7,110.36</b>	<b>5.03</b>	<b>-</b>	<b>5,875.46</b>
Financial liabilities						
Borrowings	-	-	6,507.82	-	-	3,410.89
Trade payable	-	-	4,177.71	-	-	3,531.91
Other financial liabilities	-	-	467.96	-	-	349.78
<b>Total</b>	<b>-</b>	<b>-</b>	<b>11,153.49</b>	<b>-</b>	<b>-</b>	<b>7,292.58</b>

#### Fair Value Measurement

- Carrying amount of Financial assets and financial liabilities recorded at amortized cost approximates their fair value.
- Investment in Equity instrument of other companies is measured at its fair value using Level 3 valuation techniques.

### 42.3 Financial Risk Management

The Company's activities expose it to market risk, liquidity risk, Foreign Currency Risk and credit risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the company. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

### 42.4 Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. Credit risk encompasses both, direct risk of default and the risk of deterioration of creditworthiness.

#### a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. The company has a policy of only dealing with credit worthy parties and obtain sufficient collateral where appropriate as a means of mitigating the risk of financial loss from defaults.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

### Trade receivables

The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due.

### Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

### b) Expected credit losses

The Company provides for expected credit losses based on the following:

The company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by 'analysing historical trend of default based on the criteria defined above. And such provision percentage determined have been 'considered to recognise life time expected credit losses on trade receivables.

Particulars	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	> 3 Years	0-3 Years	> 3 Years	0-3 Years
Gross amount of trade receivables where no default (as defined above) has occurred	-	5,931.58	-	4,306.01
Expected loss rate	-	0.06%	-	0.56%
Expected credit loss (loss allowance provision)	-	3.45	-	24.02

Reconciliation of loss provision – lifetime expected credit losses	
Loss allowance as on 1 <sup>st</sup> April 2020	21.99
Impairment loss recognised during the year	3.36
Amounts written off	1.33
Loss allowance on 31 <sup>st</sup> March 2021	24.02
Impairment loss recognised during the year	(20.43)
Amounts written off	0.14
Loss allowance on 31 <sup>st</sup> March 2022	3.45

### 42.5 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management measures involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these obligations.

## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### Maturities of financial liabilities

The tables below analyses the Company's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. For balances due within 12 months amounts equal their carrying values as the impact of discounting is not significant.

(₹ in lakhs)

<b>As at 31<sup>st</sup> March 2022</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 year</b>	<b>More than 3 years</b>	<b>Total</b>
Long term borrowings (including interest)	754.21	663.11	365.52	499.90	2,282.74
Short term borrowings	3,489.70	-	-	-	3,489.70
Trade payable	4,177.71	-	-	-	4,177.71
Other financial liabilities	467.96	-	-	-	467.96
<b>Total</b>	<b>8,889.58</b>	<b>663.11</b>	<b>365.52</b>	<b>499.90</b>	<b>10,418.11</b>

<b>As at 31<sup>st</sup> March 2021</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
Long term borrowings (including interest)	569.06	444.74	314.98	86.44	1,415.22
Short term borrowings	1,434.03				1,434.03
Trade payable	3,531.91				3,531.91
Other financial liabilities	349.78				349.78
<b>Total</b>	<b>5,884.78</b>	<b>444.74</b>	<b>314.98</b>	<b>86.44</b>	<b>6,730.94</b>

### 42.6 Market Risk

The company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates. The company seeks to minimize the effects of these risks by minutely observing the variation and fluctuation on regular basis. Compliance of exposure volume is reviewed by the management on real time basis and taking corrective measures as and when required.

### 42.7 Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar and Euro. The exchange rate between the Indian rupees and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/depreciates against the currencies. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company.

## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



(i) Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period are as follows

(₹ in lakhs)

Particulars	FC	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
		FC (Nos)	Amount	FC (Nos)	Amount
<b>Financial Liabilities</b>					
Loans	EUR	296,123	250.70	423,430	364.57
	USD	4,265,030	3,233.20	1,454,959	1,069.46
Creditors	EUR	245,294	207.67	69,890	60.17
	USD	2,505,509	1,899.35	2,717,669	1,997.62
	GBP	-	-	495	0.50
Others	EUR	860	0.73	483	0.42
	USD	6,275	4.76	3,496	2.57
<b>Financial assets</b>					
Debtors	EUR	656,681	555.95	600,801	517.28
	USD	3,709,299	2,811.91	2,023,892	1,487.66
Cash & Bank Balance	EUR	369	0.31	3,656	3.15
	USD	11,546	8.75	9,020	6.63
<b>Net exposure to foreign currency risk</b>	<b>EUR</b>	<b>(114,773)</b>	<b>(97.16)</b>	<b>(110,654)</b>	<b>(95.27)</b>
	<b>USD</b>	<b>3,055,969</b>	<b>2,316.65</b>	<b>2,143,212</b>	<b>1,575.36</b>
	<b>GBP</b>	<b>-</b>	<b>-</b>	<b>495</b>	<b>0.50</b>

Sensitivity analysis of 5% change in the exchange rate at the end of reporting period

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>5% Depreciation in INR</b>		
USD sensitivity	2,316.65	1,575.36
Impact on Equity and Profit and Loss	(115.83)	(78.77)
Euro Sensitivity	(97.16)	(95.27)
Impact on Equity and Profit and Loss	4.86	4.76
<b>5% Appreciation in INR</b>		
USD sensitivity	2,316.65	1,575.36
Impact on Equity and Profit and Loss	115.83	78.77
Euro Sensitivity	(97.16)	(95.27)
Impact on Equity and Profit and Loss	(4.86)	(4.76)



## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 42.8 Interest rate risk

#### i) Liabilities

Interest rate risk is the risk that the fair value or future cash flows of a financial Assets/Liabilities because of changes in market interest rates. The company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in marginal cost of fund based lending rate (MCLR) and LIBOR rates.

#### ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk: (₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Variable rate borrowing	3,489.70	1,434.03
Fixed rate borrowing	2,282.74	1,415.22
<b>Total borrowings</b>	<b>5,772.44</b>	<b>2,849.25</b>

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates. (₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
	Equity and Profit & Loss Account	Equity and Profit & Loss Account
Interest sensitivity*		
Interest rates – increase by 1%	(34.90)	(14.34)
Interest rates – decrease by 1%	34.90	14.34

### 42.9 Price Risk

The Company does not have significant exposure to price risk on its financial assets and liabilities.

## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### 43. Interest in Associate and Joint Ventures

#### Annexure-A :-Statement pursuant to Section 129 (3) of the Companies Act,2013 related to Associate and Joint Ventures

Sr. No	Name of Associate/Joint Ventures	Latest audited Balance Sheet Date	The Date on which the Associate or joint ventures was associated or acquired	Shares of Associate/Joint Ventures held by the Company on the year end			Net Worth attributable to Shareholding as per latest audited Balance Sheet (Rs in Lakhs)	Profit/Loss for the Year		Description of how there is significant influence	Reason why the Associate/Joint Ventures is not Consolidated
				No.	Amount of investment in Associate/Joint Ventures (Rs in Lakhs)	Extent of Holding %		Considered in Consolidation (Rs In Lakhs)	Not Considered in Consolidation		
Joint Ventures											
1	Shivalik Engineered Products Private Limited* (Formerly known as Checon Shivalik Contact Solutions Private Limited)).	3/31/2022	12/1/2005	1,710,900	221.45	50.00%	806.57	135.72	135.72	Due to percentage (50%) of Voting Power.	N.A.
2	Innovative Clad Solutions Private Limited	3/31/2022	3/4/2008	16,086,003	780.02	16.01%	688.12	214.01	1,122.69	In accordance with terms of JV Agreement and the constitution of Board	N.A.
Associate											
1	Shivalik Bimetal Engineers Private Limited*	3/31/2022	2/27/2008	222,750	22.28	45.00%	116.99	13.54	16.55	Due to percentage (45%) of Voting Power.	N.A.

## Notes on Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022



### Annexure “B”

#### ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS ASSOCIATE/JOINT VENTURES

Sr. No	Name of the Enterprise	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount (Rs in Lakhs)	As % of consolidated profit or loss	Amount (Rs in Lakhs)	As % of Consolidated other Comprehensive Income	Amount (Rs in Lakhs)	As % of Consolidated Total Comprehensive Income	Amount (Rs in Lakhs)
Joint Ventures									
1	Shivalik Engineered Products Private Limited* (Formerly known as Checon Shivalik Contact Solutions Private Limited)	8.42%	1,613.14	2.46%	135.72	20.21%	1.17	50.00%	136.89
2	Innovative Clad Solutions Private Limited	22.43%	4,298.04	3.88%	214.01	0.00%	-	16.01%	214.01
Associate									
1	Shivalik Bimetal Engineers Private Limited*	2.48%	259.98	0.25%	13.54	0.00%	-	45.00%	13.54

### Annexure “C”

#### Enterprises consolidated as Associate and Joint Ventures in accordance with Ind AS-28

Name of The Enterprises	Country of Incorporation	Proportionate Interest
<b>Joint Ventures</b>		
Shivalik Engineered Products Private Limited* (Formerly known as Checon Shivalik Contact Solutions Private Limited).	India	50%
Innovative Clad Solutions Private Limited	India	16.01%
<b>Associate</b>		
Shivalik Bimetal Engineers Private Limited*	India	45%

\*has become wholly Owned Subsidiary (WO) subsequent to “the Statement” date.

#### 44. Additional Regulatory Information

##### Ratios

S. No.	Particulars	Numerator	Denominator	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021	Variance
1)	Current Ratio (in times)	Current Assets	Current Liabilities	2.09	1.99	5.03%
2)	Debt- Equity Ratio (in times)*	Total Debt	Shareholder's Equity	0.08	0.06	33.33%
3)	Debt service coverage ratio (in times) ^ (DSCR)	Earnings Available For Debt Service #	Debt Service	11.60	8.11	43.03%
4)	Return on Equity Ratio (in %) ^ (ROE)	Net Profit After Taxes	Average Shareholder's Equity	33.29%	20.01%	66.37%
5)	Inventory turnover ratio (in times)	Revenue	Average Closing Inventory	3.50	3.38	3.55%
6)	Trade Receivable turnover ratio (in times)	Revenue	Average Trade Receivable	6.35	5.52	15.04%
7)	Trade Payable turnover ratio (in times)	Purchases	Average Trade Payable	5.53	5.42	2.03%
8)	Net Capital Turnover Ratio (in times)	Revenue	Working Capital	3.11	3.04	2.30%
9)	Net Profit ratio (in %) ^ (NPR)	Net profit after taxes	Revenue	17.01%	12.51%	35.97%
10)	Return on capital employed (in %) ^ (ROCE)	Earning before interest and taxes	Capital Employed	35.54%	23.57%	50.78%

# Earnings Available For Debt Service stands for Net profit after taxes + Non-cash operating expenses + Interest + Other adjustments like Profit/(loss) on sale of fixed assets etc.

\* Debt Equity ratio has increased because of increase in Long Term Funds raised for Capital investment for capacity enhancement and efficiency improvement.

^ Improvement in the referred ratios i.e. DSCR, ROE, NPR and ROCE has resulted from significant revenue growth accompanied by increase in Gross profit margin along with higher efficiency in working capital deployment.



### SHIVALIK BIMETAL CONTROLS LIMITED

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

CIN:L27101HP1984PLC005862

Phone: +91-1792-230578

Email: investor@shivalikbimetals.com, Website: www.shivalikbimetals.com

### ATTENDANCE SLIP

(to be handed over at the registration counter)

Name of the member (s): .....

Address: .....

Folio No. / Client Id: ..... DP ID:.....

No. of shares: .....

I/We hereby record my/our presence at the 38<sup>th</sup> Annual General Meeting of the Company on Tuesday, 27<sup>th</sup> day of September, 2022 at 4<sup>th</sup> floor, Hotel City Heights, City Centre Plaza, The Mall (Opposite District Courts), Solan (H.P.)- 173212, at 10:30 A.M.

.....  
First/sole holder/Proxy

.....  
Second holder/Proxy

.....  
Third holder/Proxy



### Form No MGT 11 PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

### SHIVALIK BIMETAL CONTROLS LIMITED

**Registered Office: 16-18, New Electronics Complex, Chambaghat, Distt. Solan, Himachal Pradesh - 173213 (INDIA) CIN: L27101HP1984PLC005862**

Phone: +91-1792-230578

Email: [investor@shivalikbimetals.com](mailto:investor@shivalikbimetals.com), Website: [www.shivalikbimetals.com](http://www.shivalikbimetals.com)

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

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

- Name : ..... Address : .....  
Email Id: ..... Signature: .....
- Name : ..... Address : .....  
Email Id: ..... Signature: .....
- 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 38<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday, 27<sup>th</sup> day of September, 2022 at 4<sup>th</sup> floor, Hotel City Heights, City Centre Plaza, The Mall (Opposite District Court), Solan (H.P.)- 173212, at 10:30 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Ordinary Business
1.	To receive, consider and adopt the Audited Financial Statements (both Standalone and Consolidated Financial Statements) of the Company for the financial year ended 31 <sup>st</sup> March, 2022 and the Reports of the Board of Directors and the Auditors thereon;
2.	To confirm the payment of Interim Dividends and to declare a Final Dividend on Equity Shares for the financial year ended 31 <sup>st</sup> March, 2022;
3.	To appoint a Director in place of Mr. G.S. Gill (DIN: 00007393), who retires by rotation and being eligible, offers himself for reappointment;
4.	Re-appointment of M/s. Arora Gupta & Co., Chartered Accountants, (Firm Registration No. 021313C) as the Statutory Auditors of the Company for the another period of 5 years;
Special Business	
5.	Ratification of Cost Auditors' Remuneration for the financial year 2022-23;
6.	Re-appointment of Lt. General Pradeep Khanna as an independent director of the company;
7.	Re-appointment of Mr. N.J.S Gill as an independent director of the company;
8.	Re-appointment of Mr. S. S. Sandhu, as Chairman & Whole Time Director of the Company;
9.	Approval of the ratification of the existing remuneration of Mr. N. S. Ghuman, as Managing Director of the Company;
10.	Approval of the enhancement in prescribed limit of remuneration payable to related parties appointment to any office or place of profit in the Company, its Subsidiary Company or Associate Company;
11.	Issuance of Bonus Shares, if any.

Signed this ..... day of ..... 2022

Signature of Shareholder: .....

Signature of Proxy holder (s) : .....

Affix a  
Revenue  
Stamp of  
₹ 1.00

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**

## Route Map for 38<sup>th</sup> Annual General Meeting



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## **SHIVALIK BIMETAL CONTROLS LIMITED**

CIN: L27101HP1984PLC005862

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Website: [www.shivalikbimetals.com](http://www.shivalikbimetals.com)