

**36<sup>th</sup> Annual General Meeting  
Of  
SHIVALIK BIMETAL CONTROLS LIMITED**

**Tuesday 29th September, 2020 at 11.00 A.M.  
through Video Conferencing and Other Audio Video Visual Mode**

Aarti Jassal        “I, Aarti Jassal, Company Secretary & Compliance Officer of Shivalik Bimetal Controls Limited.

“A very Good morning to all the Board of Directors, Auditors and Shareholders, who have joined us today, in the 36<sup>th</sup> Annual General Meeting of Shivalik Bimetal Controls Limited through Video Conferencing and Other Audio Visual Mode”.

Ministry of Corporate Affairs has through Circular dated 8<sup>th</sup> April, 2020 & 13<sup>th</sup> April, 2020 permitted Companies to carry AGM through VC mode. As a tradition, your Company has always conducted its Annual General Meeting physically at the Registered Office of the Company, but in the light of this unprecedented situation, because of the pandemic caused by COVID-19, the carrying of a physical meeting was not in order. The Government of India has urged all its citizens to maintain social distancing norms in order to control the spread of this Virus. Your Company thus with an intention to support the measures taken by the Government, decided to conduct the Annual General Meeting this year through Video conferencing and other Audio-Visual modes. I thus thank & welcome all the Shareholders who have joined us today through the Webex platform.

Before commencing the official proceedings, I would like to inform all the attendees about the following points –

1. Attendees can post their queries, if any; in the Question Answer box available on the right-hand or in Corner they can opt for the “Hand Raise” option if they want to speak during the proceedings.
2. All members who have joined this meeting are by default placed on mute mode to avoid any disturbance from background to ensure smooth conduct of the meeting.
3. Upon commencement of the question hour, the Company Secretary will announce one by one the name of the Shareholders who have registered to speak at the meeting. The speaker shareholder, if present, will thereafter be unmuted by the host. If such Shareholder is not able to join through video for any reason then that member can join through the audio mode. The Shareholders are advised to use headphones for Clear Audio and switch off other background applications.

4. If there is any connectivity issue from speaker shareholder's end, we will request the next speaker shareholder to ask his question and the earlier speaker shareholder can ask the question later. We would request a speaker shareholder to kindly limit their speech to 3 minutes.

Before I turn to the formal Agenda of the Meeting, I would like to introduce you, to the Board of Directors, Auditors and other Officers of your Company.

1. Mr. S.S. Sandhu, Chairman of the Company, joining the AGM from Head office of the Company at Delhi”.
2. Mr. N.S. Ghumman, Managing Director of the Company, joining the AGM from the registered office, at Solan”.
3. Lt. Gen. Pradeep Khanna, Non-Executive Independent Director, joining the AGM from the registered office, at Solan ". He is representing Audit Committee & Nomination Remuneration Committee of the Board,
4. Mr. G.S. Gill, Non-Executive Director of the Company, joining the AGM from his office, at Chandigarh.”

*And we have with us*

5. Mr. Rajeev Ranjan, Chief Financial Officer of the Company and Mr. Kanav Anand, Head of Sales & Marketing joining the AGM from the Head office of the Company, at Delhi and
6. Mr. Kabir Ghumman, Head of Manufacturing & Engineering and Mr. Mukesh Kumar Verma, Head of Commercial & administration, joining the AGM from the registered office of the Company, at Solan”.

*And we have with us*

7. Mr. Amit Arora Statutory Auditor joining the meeting from his office, at Rudrapur.
8. Mrs. Rajni Miglani, Secretarial Auditor joining the AGM from the head office of the Company at Delhi.
9. Mr. Upender Jajoo from Amit Saxena and Associates, Scrutinizer joining the AGM from head office, at Delhi.

Now, May I please invite Mr. S.S. Sandhu Chairman of the Company to share his views about the Company.

MR. S.S. Sandhu

Good morning everybody I welcome all of you to the 36<sup>th</sup> Annual General Meeting of Shivalik Bimetal Controls Limited.

I'm sure everybody must have received the Annual Report of the Company for the financial year 2019-2020 and must have gone through the contents of the same.

The results have been satisfactory for the Company keeping in view the global scenarios and despite the challenges faced by various segments of the Industries. We hope and are confident that the current year should also be not discouraging in lieu of the challenges of COVID. The Company had to shut down its operations in the month of March and be on partial operations subsequently. However, the industry has faced challenges and depressed market scenario due to the lockdown, but one thing we take pride in is that Shivalik Bimetal Controls Limited did not indulge or did not conduct any act of wage deductions of its workforce. Even the workers have been paid during shut down period and subsequently in the slow down period. So, we have managed the challenge of COVID-19 so far. In the view of growth, excellence and sustainability, hopefully we should be out of this challenging situation soon. The present financial year with satisfaction in light of the challenging situations locally as well as globally.

I, now, request to my colleague Mr. N.S. Ghumman to kindly share his views about the company with all of you.

I will request to my colleague Mr. N.S. Ghumman to share his view about the company with all of you.

Mr. N.S. Ghumman

Hello everyone and welcome to the 36th Annual General Meeting of Shivalik Bimetal Controls Limited, I wish to report to you that we, currently, do not have any Covid-19 positive cases at the plant. We have followed all the protocols as suggested by the Hon'ble District Magistrate and we have taken care of all the safety measures for the safety of our workers. In March & April 2020, we had shut down our operations and there were few operations which were even shut down after April 2020. Further, the projects as mentioned in the previous Annual Report are on Track. We are hoping that we should complete most of the previous projects on timely basis. As far as the expansion, construction of building works have got delayed due to the covid-19 situation, we are hopeful that we should be able to complete this expansion project within this Financial Year. Hence, we look forward with optimism and we think that we are on track. Lastly, I would like to thank you all for attending the meeting.

Aarti Jassal

Thank you Sir!!

With the permission of the Chairman, I will now take up the formal proceedings of the Annual General Meeting.

Mr. S.S. Sandhu

Permission Granted

Aarti Jassal

Before I begin with the official proceedings, I would like to inform the Shareholders that The Statutory Registers as required by the Companies Act, 2013 will be available for the Shareholders to view on request. The interested Shareholders are requested to Contact – Ms. Bhawna Batra (8588947454)

As the time is already 11.10 am. and at present, we have around <73-74> persons attending the AGM through Webex, none of them are proxies, I thus hereby declare that the meeting has the presence of the requisite quorum and is in order to commence the proceedings of the meeting.

Now, with your concurrence, I shall take the Notice of the 36th Annual General Meeting together with the financial statements as on March 31, 2020 and Directors' Report as read.

As per the Companies Act, 2013, and applicable Secretarial Standard 2 by the Institute of Company Secretaries of India, the Auditors Report, Cost Audit Report and Secretarial Audit Report are required to be read only when there are qualifications or adverse observations or comments in the Report.

I am happy to say that there were no qualifications, observations or comments in the Audit Report, Cost Audit Report and Secretarial Audit Report.

The Company had provided remote e-voting facility through NSDL System. The remote e-voting period commenced on 9.00 A.M. on Saturday, 26th September, 2020 and ended on Monday, 28th September, 2020 at 5.00 P.M. Mr. Amit Saxena, Practicing Company Secretary, has been appointed as the Scrutinizer.

The Combined results of remote e-voting, and Online- Voting conducted at the meeting, would be declared within 48 hours from the conclusion of this meeting.

On intimation to stock exchanges, the results shall also be uploaded on the Company's website along with the report of Scrutinizer and shall also be uploaded on Company's and NSDL's Website.

Further, Members attending the AGM today who have not already cast their vote by remote e-voting may cast their vote during the AGM.

With the permission of the Chairman, Now I would like to quickly summarize the business as stated in the Notice of 36<sup>th</sup> AGM.

1. To receive, consider and adopt the Audited Financial Statements (both Standalone and Consolidated Financial Statements) of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and the Auditors thereon.
2. To confirm the payment of Interim Dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2020.
3. To appoint a Director in place of Mrs. Harpreet Kaur (DIN: 07012657), who retires by rotation and being eligible, offers herself for re-appointment.
4. Ratification of remuneration payable to Mr. Ramawatar Sunar, Cost Auditors' of the company for the financial year ending 31st March, 2021.
5. Reappointment of Mr. N. S.Ghumman (DIN: 00002052), who has already attained the age of 70 years, as Managing Director of the Company for a period of five (5) years w.e.f. 01st April, 2021 to 31st March, 2026.

I hope all the members have casted their vote on the proposed Businesses.

Mrs. Aarti Jassal

Now I will request the following shareholders to come forward and ask their questions who have registered themselves with us Previously.

I would like to call Mr. Santosh Sharma. (Host can you please unmute the speaker.)

Mr. Santosh Sharma

Am I audible? Hello Everyone

Mr. S.S. Sandhu

Yes you are audible. Now you can ask your question.

Mr. Santosh Sharma

I would like to know. Is there any plan of NSE Listing?

Mr. S.S. Sandhu

The management is considering the option of NSE listing, and well soon finalize the plan with time frame.

There is some technical or network problem I would like to move on to the next shareholder.

Mrs. Aarti Jassal

I would like to call Mr. Anuj Sharma (Host can you please unmute the speaker.)

I would like to call again Mr. Anuj Sharma.

	As there is no response from the shareholders end, I would like to move on to the next shareholder.
Mrs. Aarti Jassal	Now, I would like to call Mr. Piyush Agrwal (Host can you please unmute the speaker.)
Mr. Piyush Agrwal	Good morning: I have two or three questions to ask My first questions is “what is our capex plan for the next three years?”
Mr. S.S. Sandhu	We have not formalized the same as of now, first we need to capitalize and operational on the capex made so far.
Mr. S.S. Sandhu	I think we have some trouble with Mr. Piyush Agarwal connection. Can we have the next shareholder please?
Ms. Aarti Jassal	Now I would like to call Mr. Ankit Gupta (Host can you please unmute the speaker.)
Host	He is not available in the meeting.
Ms. Aarti Jassal	Now I would like to call Mr. Sidharth Verma (Host can you please unmute the speaker.)
Host	He is not available in the meeting.
Ms. Aarti Jassal	Now I would like to call Mr. Yogansh Jeswani (Host can you please unmute the speaker.)
Mr. Yogansh Jeswani	<p>Hello everyone. My first question is Covid seems to have caused a significant disruption to our operations as well as for the overall industries that we cater to.</p> <ul style="list-style-type: none"> <li>• Going forward how are things looking in terms of customer orders and inquiries?</li> <li>• At what utilization are we operating and when do we expect to reach the pre-covid levels? And I have few more questions to ask.</li> </ul>
Mr. S.S. Sandhu	MD will answer this question please.
Mr. N.S. Ghumman	We expect that in October/November we shall reach our pre-covid levels of sales.
Mr. Yogansh Jeswani	FY20 was a challenging year and we saw a dip in sales and profit margins, specifically domestic sales. Kindly, tell us about the issues we faced during the year.

Mr. N.S. Ghumman	Certainly we have much better in second half most of the demand from our customers is back at pre-covid levels.
Mr. Yogansh Jeswani	<p>As we understand the company has been working hard in developing relationships with global EV players in our shunt segment. What is the status of it?</p> <ul style="list-style-type: none"> <li>• Have we been able to win any supply contracts from EV OEMs? What is the potential size of the order &amp; do we have the capacities in place to cater to it?</li> </ul>
Mr. N.S. Ghumman	Yes, capacity is in place and the some of the projects that we were working over the last 3 to 4 years are finally coming to conclusions and we expect the supplies to start in early 2021.
Mr. Yogansh Jeswani	<p>Last year we faced some challenges in terms of offtake of shunts from our top MNC client, what is the status now?</p> <p>Has the issue normalized? Are we again seeing growth in demand for our products from them?</p>
Mr. N.S. Ghumman	Yes.
Mr. Yogansh Jeswani	Given the strong legacy and expertise of our technocrat promoters our company has communicated about its plan to add niche products like snap action disc, higher value added shunts. Kindly, share with us our progress on these new products/initiatives. What has been new development in past 1 year any interesting highlight to share with us.
Mr. N.S. Ghumman	A concentration and most of are inquiries are coming from the automotive segment, as I explained earlier that this is the fastest growing segment and we expect this to grow in the coming whole decade. The programs we are working on are starting in 2021, 22, 23 and going on upto 2036. They are long term programs and progress on them is good.
Mr. Yogansh Jeswani	<p>Last year the company had undertaken a couple of expansion and upgradation plans.</p> <ul style="list-style-type: none"> <li>• What is the status of upgrading our stamping facility? What is our new increased capacity?</li> <li>• What is the status of construction plans on 2,324 sq mt land adjacent to the current plant? By when do we expect to complete the same?</li> <li>• Is our Unit 4 expansion complete? What capacity have we added through this unit? Is it majorly for shunts or bimetals?</li> </ul>

Mr. N.S. Ghumman	I think we have about 4-6 months delay mentioning that adjacent to our existing building in fact first slab was laid only yesterday so we should only 3 months delayed. As regard capex you must have read in the Annual Report that we are working on SPECS with the government of India, where the government is promoting electronic industries and they are subsidizing the CAPEX. We are waiting for their response to start placing orders for various equipment(s) and hopefully that should be done soon.
Mr. S.S. Sandhu	Yogansh thank you for participating and we appreciate your question(s) and interest in the Company.
Mrs. Aarti Jassal	I would like to call Mr. Anuj Sharma (Host can you please unmute the speaker.)
Mr. Anuj Sharma	Thank you so much for this opportunities and I have also mailed my list of questions. Do you want me to repeat those questions?
Mr. S.S. Sandhu	I would request Anuj you must have heard other shareholder(s) asking questions please ask questions which have not been asked so far to avoid repetition.
Mr. Anuj Sharma	Alright! So let me just repeat the questions and whichever you think you have been answered you can just skip it. So my first question is what is the size of bimetal Strips market in India and overseas? What is our market share in India & Globally?
Mr. S.S. Sandhu	Around 85% in India and 12% to 15% globally.
Mr. Anuj Sharma	What is the size of Shunt resistors in India and globally? What is our market share in India & Globally?
Mr. S.S. Sandhu	We are witnessing new applications for our product type and it is difficult to assess/establish a market size at this moment.
Mr. Anuj Sharma	In manufacturing, we see that competitors soon catch up with the incumbent players? What are we doing to maintain our lead over our competitors? How long do you think we can maintain competitive advantage?
Mr. S.S. Sandhu	Yes we are aware of this factor. Historically your Company has worked hard to endeavor to remain ahead of such situations.



Mr. Anuj Sharma	Where does China, Taiwan, Korea stand in Shunt resistors? What advantage do we have over those countries?
Mr. S.S. Sandhu	Very strong and we try to keep up with our competitors.
Mr. Anuj Sharma	Are most of the Bimetals strips sold in India and most of the shunt resistors sold globally? If not, then what is the percentage?
Mr. S.S. Sandhu	No, we have a balanced buffet across the globe.
Mr. Anuj Sharma	Globally, do we have direct relationship with customers or we go through distributors? What % is direct and what is through Distributors?
Mr. S.S. Sandhu	Export Sales - 70 % of are sales are direct and 30% of are sales from our distributors / channel partners.
Mr. Anuj Sharma	In India?
Mr. S.S. Sandhu	Most of the sales are Direct sales or through Company appointed sales representative.
Mr. Anuj Sharma	Export outlook in the next 3 / 5 years?
Mr. S.S. Sandhu	Promising
Mr. Anuj Sharma	We supply to US, Europe, and others? Which geographies are we most optimistic in the future?
Mr. S.S. Sandhu	All segments of the globe offer interesting and inspiring opportunities to commensurate or balanced with their own economies, so each segment is important. Well things will keep changing.
Mr. Anuj Sharma	How many SKU's of bi-metal strips & Shunt resistors do we manufacture?
Mr. S.S. Sandhu	More than are thousands of different type SKUs.
Mr. Anuj Sharma	Do we command a premium in Bi-metal strips and Shunt resistors vs others?
Mr. S.S. Sandhu	The product is a commodity from customer point of view who will always like to confront you with your competitors price.
Mr. Anuj Sharma	Our expenditure on R&D is less than 0.5%. How do we manage to remain competitive in a technology related field with marginal spend on R&D? Will it a constraint going forward?
Mr. S.S. Sandhu	I would request our Managing Director to answer this question please.

Mr. N.S. Ghumman	Yes, This is the only way to answer this question is that Even though formally our R&D (%) may sound low because we are dealing with developing new products all the time for our customers, in fact almost my 90% time is spent on development of the new products.
Mr. Anuj Sharma	Could you please help us to answer this question that What percentage of revenues comes from products introduced in the past 3 years?
Mr. S.S. Sandhu	I would request our Managing Director to answer this question please.
Mr. N.S. Ghumman	I would say approx. 30% of are revenues have come from products introduced in the past 3 years.
Mr. Anuj Sharma	We moved out of the CRT business and grew the Bi-metal strips and shunt resistors business. For the next decade, are you working on any new products so that should there be any risk, either technology or competitive in the existing segments, we could bank upon the new products?
Mr. S.S. Sandhu	The Company would like to keep its futuristic development plans out in public domain, presently because proprietary reasons.
Mr. Anuj Sharma	Alright! But do you think that there would be plans I don't want the name of the products.
Mr. S.S. Sandhu	Yes, very much I have assured you we have great plans.
Mr. Anuj Sharma	Our JV Innovative clad solutions has marginal profitability / loss. What is the reason for the same? What is the outlook going forward and what are we doing to improve its prospects?
Mr. S.S. Sandhu	Well that JV is dependent mostly on exports and the product which is being manufactured at JV has a very limited and small market in India, and overseas it is very competitive and more so Innovative Clad Solutions Private Limited was expecting nominal growth in United States. But United States Custom policies has acted as a deterrent.
Mr. Anuj Sharma	We have invested 20 crs capex in past 2 years. What is the nature of capex and will it result in increased capacity?
Mr. S.S. Sandhu	It is to increase capacity and capabilities, all round improvement, automation, increasing are our efficiency, quality and productivity.
Mr. Anuj Sharma	What is our capex plan for the next 3 years?

Mr. S.S.Sandhu	We have not formalized the same as of now, first we need to capitalize and operational on the capex made so far.
Mr. Anuj Sharma	What would be are capacity utilization in both bimetal and shunt resistors today?
Mr. N.S. Ghumman	In bimetals we are close to 80% but we are adding more than tripling the capacity in our new plant. For the shunts we have the largest capacity in the world as far as EB welding goes. All we have to add is downstream small equipment's to take care of all operations.
Mr. Anuj Sharma	What would be the capex of new plant sir?
Mr. N.S. Ghumman	You have the figures Anuj.
Mr. Anuj Sharma	Ok Sir. That is the complete capex or there is further on that.
Mr. S.S. Sandhu	Well you see you can never freeze the capex, there could be a variations to improve, one thing may lead to another, we would only know once we will done with it.
Mr. Anuj Sharma	Which Industry do shunt resistors go to?
Mr. S.S. Sandhu	We have already discussed this subject above.
Mr. Anuj Sharma	No I am asking segment?
Mr. S.S. Sandhu	all are mentioned in our website.
Mrs. Aarti Jassal	I would like to call Mr. Kapil (Host can you please unmute the speaker.)
Mr. Kapil	Hello sir I am on the line sir. First of all I would gave greatest regards to the entrepreneur like you who gives employment in the challenging situation and Pay taxes to this government which never cares for the industries. Secondly, I would request you to please hold an AGM in the month of August and ask your chartered accountant to make accounts in advance and do the procedures accordingly.
Mr. S.S. Sandhu	We will go by our agenda historically we have been having our all AGM in the last week of September, and we propose to continue with the same trend.
Mr. Kapil	Sir, if investor has inconvenience and he is the potential investors or investors to actually give a time on that particular day?
Mr. S.S. Sandhu	Well, we have taken a note off what you have suggested. Ask your next question please.

Mr. Kapil	Sir, we are our operating margins historically in 2017, 2018, 2019 they were close to 20% now that has shrunk to around ten percent now.
Mr. S.S. Sandhu	Because of the product mix.
Mr. Kapil	Do we see, light the end of the tunnel, means when we come to fifteen, sixteen percent margins in next four years.
Mr. S.S Sandhu	We will see how the market shapes, in future.
Mr. Kapil	Lastly, I would request you to increase the communication at least one PowerPoint presentation.
Mr. S.S Sandhu	Well, we have taken a note off what you have suggested.  Your voice is not audible. Kapil are you there?  So I think we should move on.
Ms. Aarti Jassal	There being no other Business to be discussed and with the permission of Chairman, I conclude this meeting with the Vote of Thanks to the respected members and the Board of directors and the Board of Directors can now sign off from the AGM.  Thank you.  I Request to all the shareholders to please cast your vote who have not casted yet. If you have any difficulty to cast the vote please write in the Q & A box and we will help you. Voting is open for more 15 minute from now.