

BOARD'S REPORT

To,
The Members of
M/s Shivalik Engineering Industries Limited
Raipur (C.G.)

Your Directors have pleasure in presenting their Annual Report of the Company for the financial year ended 31st March 2023.

1) FINANCIAL SUMMARY AND HIGHLIGHTS:

PARTICULAR	STANDALONE		CONSOLIDATED	
	F.Y. 2022-23	F.Y. 2021-22	F.Y. 2022-23	F.Y. 2021-22
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
Revenue from operations	51,966.61	31,330.20	51,966.61	31,330.20
Other Income	144.38	20.90	144.38	20.90
Profit before depreciation, exceptional, extraordinary item and tax	3,799.90	1,058.57	3,799.90	1,058.57
Less: Depreciation & Amortization expense	707.36	686.69	707.36	686.69
Profit before exceptional, extraordinary item and tax	3,092.54	371.88	3,092.54	371.88
Less: Exceptional item	-	-	-	-
Less: Extraordinary item	-	-	-	-
Profit before tax	3,092.54	371.88	3,092.54	371.88
Less: Tax expense	1,050.52	25.33	1,050.52	25.32
Profit after tax	2,042.02	346.55	2,042.02	346.56

2) OPERATION:

STANDALONE OPERATION:

During the financial year under review, the revenue from operations of the Company has significantly increased to Rs. 51,966.61 lakh as compared to Rs. 31,330.20 lakh in the previous year. Further, the other income of the Company has also significantly increased to Rs. 144.38 lakh as compared to Rs. 20.90 lakh in the previous year. As a result of the above, the net profit of the Company significantly increased to Rs. 2,042.02 lakh as compared to net profit of Rs. 346.55 lakh in the previous year. The Company expects to achieve better performance in future.

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CONSOLIDATED OPERATION:

During the financial year under review, the consolidated revenue from operations of the Company has significantly increased to Rs. 51,966.61 lakh as compared to Rs. 31,330.20 lakh in the previous year. Further, the consolidated other income of the Company has also significantly increased to Rs. 144.38 lakh as compared to Rs. 20.90 lakh in the previous year. As a result of the above, the consolidated net profit of the Company significantly increased to Rs. 2,042.02 lakh as compared to consolidated net profit of Rs. 346.56 lakh in the previous year. Further, the Company has consolidated share of profit from Associates amounting to Rs. 556.26 lakh as compared to Rs. 67.51 lakh in the previous year. The Company expects to achieve better performance in future.

Pursuant to the provisions of section 129(3) of the Companies Act, 2013, a separate statement containing salient features of the Financial Statements of subsidiary, joint venture or associate company in the Form No. AOC-1 is as per **Annexure "I"** annexed herewith.

3) CHANGES IN NATURE OF BUSINESS:

During the financial year under review, there were no changes in the Nature of business of the Company.

4) CHANGES IN CAPITAL STRUCTURE:

During the year under review, the Board of Directors of the Company, pursuant to the applicable provisions of Companies Act, 2013 & the rules made thereunder and the Articles of Association of the Company, vide resolution dated 28.06.2022 have forfeited 13,25,631 partly paid-up equity shares issued to M/s Camelia Griha Nirman Private Limited on account of default in payment of call money on the said partly paid-up equity shares. Except the above, there were no changes in the Capital Structure of the Company.

5) DIVIDEND:

In order to conserve the resources of the Company, your Directors do not recommend any dividend for the year under review.

6) TRANSFER TO RESERVE:

During the financial year under review, the Company does not propose any amount to be transferred to any reserves of the company.

7) PUBLIC DEPOSITS:

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Further, the Company has also not received any unsecured loan from directors and relative of directors of the Company within the meaning of Section 73 of the Companies Act, 2013, Clause 2(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014 read with notification number G.S.R. 695(E) dated 15 September, 2015.

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8) DIRECTORS & KEY MANAGERIAL PERSONNEL:

As per the provisions of the Companies Act 2013, and the Articles of Association of the Company, Shri Vishal Sharma (DIN- 00369593), Director of the Company, retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Further, the members of the Company, at the Annual general meeting of the Company held on 30.09.2022 has approved re-appointemnt of Shri Giriraj Singhania (DIN- 00369479) as the Managing Director of the Company, not liable to retire by rotation, for a further period of five years.

Further, in compliance with the proviso to section 149(1) of the Companies Act, 2013 and the rules made thereunder, Smt. Anjali Jain (DIN- 09844873) has been appointed as Additional Director (Woman Director) by the Board of Directors of the Company w.e.f. 31.12.2022. By virtue of Section 161 (1) of the Companies Act, 2013, she hold office upto the date of ensuing Annual General Meeting.

Further, except the above, there was no change in the constitution of the Board of Directors of the Company. Further, the Company does not fall within the purview of criteria prescribed under the provisions of Section 203 of Companies Act, 2013 for appointment of any Key Managerial Personnel.

9) INDEPENDENT DIRECTORS:

In compliance with the provisions of Section 149(6) of the Companies Act, 2013 and the rules made thereunder, the Company has Shri Mithlesh Kumar (DIN- 07772807) and Shri Aasheesh Kumar Sharma (DIN- 06892614) as Independent Directors on the Board of Directors of the Company.

In the opinion of the Board, there has been no change in the circumstances which may affect the status of Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board.

Further, the Independent Directors of the Company met one time during the financial year ended 31st March, 2023. The Independent Directors inter alia discuss the issues arising out of Committee Meetings and Board discussion including the quality, quantity and timely flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

10) STATEMENT ON DECLARATION BY INDEPENDENT DIRECTOR:

All independent directors of the Company have given declarations as required under the provisions of section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

11) DIRECTORS' RESPONSIBILITY STATEMENT:

As required under section 134 (5) of the Companies Act, 2013, your Directors confirm that:

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- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit & loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis; and
- (v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12) NUMBER OF MEETINGS OF THE BOARD:

21 (Twenty One) Board Meetings were held during the financial year ended March 31, 2023.

13) AUDIT COMMITTEE & NOMINATION & REMUNERATION COMMITTEE:

AUDIT COMMITTEE:

The Audit Committee of the Company comprises of the following three Directors:-

SL. NO.	NAME OF DIRECTOR	DIN	DESIGNATION
1.	Shri Mithlesh Kumar	07772807	Independent Director
2.	Shri Aasheesh Kumar Sharma	06892614	Independent Director
3.	Shri Vishal Sharma	00369593	Director

The Members of Audit Committee have adequate knowledge of Accounts, Audit and Finance. Further, there were no such cases where the Board of Directors of the Company had not accepted any recommendation of the Audit Committee.

NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee of the Company comprises of the following three Directors:-

SL. NO.	NAME OF DIRECTOR	DIN	DESIGNATION
1.	Shri Mithlesh Kumar	07772807	Independent Director
2.	Shri Aasheesh Kumar Sharma	06892614	Independent Director
3.	Shri Vinay Agrawal	06954626	Director

A copy of the company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of directors and other matters provided under section 178(3) is enclosed herewith as Annexure-“II”. Further, the same is also available at the website of the Company- www.shivalikengineering.com.

14) CORPORATE SOCIAL RESPONSIBILITY:

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As per the provisions of section 135(9) of the Companies Act, 2013, w.e.f. 22.01.2021, where the amount to be spent by a company under Section 135(5) does not exceed fifty lakh rupees, the requirement for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of CSR Committee provided under the Companies Act 2013 shall be discharged by the Board of Directors of Company. Keeping in view the above, the Board of Directors of the Company in its meeting held on 23.02.2021 had dismantled the Corporate Social Responsibility Committee of the Company w.e.f. 23.02.2021.

However, the Ministry of Corporate affairs, Govt. of India, vide the Companies (Corporate Social Responsibility Policy), Amendment Rules, 2022 dated 20.09.2022 inserted a proviso to Rule 3 of the above Rules. As per the above amendment, a company having any amount in its Unspent Corporate Social Responsibility Account (“Unspent CSR Account”) as per section 135(6) of the Companies Act, 2013 shall constitute a CSR Committee and comply with the provisions contained in sections 135(2) to 135(6) of the Act.

Since, the Company had unspent CSR liabilities for the financial year 2021-22 pursuant to ongoing projects, as prescribed under the provisions of the Companies Act, 2013 and the rules made thereunder, amounting to Rs. 14,43,381/- which was duly transferred to the “Unspent CSR Account” for the financial year 2021-22. Therefore, keeping in view the above amended provisions of the Act and the rules made thereunder, the Company has re-constituted a CSR Committee consisting of the following directors in compliance with the provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder:

- | | | |
|---------------------------|---|-------------------------------------|
| (1) Mr. Giriraj Singhania | - | Managing Director (DIN-00369479) |
| (2) Mr. Vinay Agrawal | - | Director (DIN-06954626) |
| (3) Mr. Mithlesh Kumar | - | Independent Director (DIN-07772807) |

A copy of the revised CSR Policy duly approved by the Board of Directors of the Company is enclosed herewith as **Annexure-“III”**. Further, the same is also available at the website of the Company- www.shivalikengineering.com.

The Company was required to spend the following amounts on the CSR Activities for the following financial years: -

FINANCIAL YEAR	AMOUNT IN RS.	PARTICULARS
2022-23	5,48,211/-	CSR liabilities for the financial year 2022-23
2021-22	14,43,381/-	Transferred to Unspent CSR account for the FY 2021-22 (For Ongoing Projects)
2018-19	32,211/-	Unspent Amount for FY 2018-19
TOTAL	20,23,803/-	

Thus, pursuant to the CSR policy of the Company and on the recommendation of the CSR committee and after obtaining approval from the Board of Directors, the Company has incurred expenditure on the following CSR activities during the financial year 2022-23:

Sr. No.	Name of Project, Purpose, and	Implementing Agency	CSR expenditure incurred	Particulars
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	location		(Amt. in Rs.)	
1.	Development & Running of School- Promoting Education [Chandrapur (MH)]	Excelsior Foundation Trust (CSR- CSR00020243)	10,29,204/-	Excess expenditure in financial year 2022-23 which will be set off against CSR liabilities for immediately succeeding three financial years.
			5,48,211/-	CSR liabilities for the financial year 2022-23
			14,43,381/-	For unspent Amount for the financial year 2021-22 (For ongoing project)
			32,211/-	For unspent Amount for the financial year 2018-19
TOTAL			30,53,007/-	

As per the proviso to Section 135(5) of the Companies Act, 2013 and the rules made thereunder, if the Company spends an amount in excess of the requirements provided under section 135(5), such company may set off such excess amount against the requirement to spend under section 135(5) for a period up to immediately succeeding three financial years subject to the conditions that the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, and; the Board of directors of the company shall pass a resolution to that effect.

Thus, pursuant to the above provisions, the Company will set off the excess CSR expenditure amounting to Rs. 10,29,204/- incurred during the financial year 2022-23 against the future CSR liabilities for immediately succeeding three financial years. The Report on CSR Activities for the year 2022-23 in compliance to Section 135 of the Companies Act, 2013 is annexed herewith as an Annexure-“IV”.

15) VIGIL MECHANISM:

The Company has a Vigil Mechanism as required under the provisions of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014. The said mechanism has been properly communicated to all directors and employees of the Company.

16) BOARD EVALUATION:

The Company was not required to carry out any formal annual evaluation of the performance of the Board, its Committees and of individual Directors as required under Section 134(3)(p) of the Companies Act, 2013.

17) STATUTORY AUDITORS:

At the Annual General Meeting of the Company for the Financial Year ended 31st March, 2019 held on 30th September, 2019, M/s Rajendra Prasad, Chartered Accountant, Raipur (C.G.) were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2024.

18) STATUTORY AUDITOR'S REPORT:

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The observation made in the Statutory Auditors' Report are self-explanatory and, therefore, do not call any further comments.

19) REPORTING OF FRAUD:

The Statutory Auditor of the company has not reported any fraud as specified under Section 143(12) of the Companies Act, 2013. Further, no case of Fraud has been reported to the Management of the Company from any other sources.

20) SECRETARIAL AUDIT REPORT:

Your Company has appointed M/s S.G. Kankani & Associates, Company Secretaries, as Secretarial Auditor of the Company for the financial year 2022-2023 for conducting Secretarial Audit in pursuance of the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report for the F.Y. 2022-23 furnished by the Secretarial Auditor is enclosed herewith as Annexure-“V”.

With reference to the comment of the Secretarial Auditor regarding delay in appointment of Women Director on the Board of Directors of the Company in pursuance of the proviso to section 149(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 - your directors wish to inform that the Company was in search of suitable candidate for the above position which took time. However, the Company has appointed a Women Director on the Board of Directors of the Company w.e.f. 31.12.2022.

21) INTERNAL AUDITOR:

In compliance with the provisions of section 138 of the Companies Act, 2013 and the rules made thereunder, the Company has appointed M/s Santosh Kumar Jain & Co. as Internal Auditors of the Company for the financial year 2022-23

22) MAINTENANCE OF COST RECORDS:

Your Company is maintaining Cost Records of the product of the Company as prescribed by the Central Government under provision of Section 148(1) of the Companies Act, 2013.

23) COST AUDITORS:

The Board of Directors of your Company has appointed M/s Sanat Joshi & Associates, Cost Accountants, as the Cost Auditor for audit of the Cost Accounting Records of your Company for the financial year 2022-23.

24) COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and General Meetings.

25) ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

Adequate internal financial controls were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements.

26) RISK MANAGEMENT:

The Company has a Risk Management Policy to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. Pursuant to the policy, your Directors periodically review the risks associated with the business which may threaten the prospects of the Company. At present, the Company has not identified any element of risk which may threaten the existence of the company.

27) MATERIAL CHANGES AND COMMITMENTS:

No Material changes occurred subsequent to the close of the financial year of the Company to which the Annual Report relates.

28) SIGNIFICANT AND MATERIAL ORDERS:

During the financial year under review, there were no significant and material orders passed by any Regulator, Court, Tribunal, Statutory and quasi-judicial body, impacting the going concern status of the company and its future operations.

29) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

a) Conservation of energy:

(i)	the steps taken or impact on conservation of energy	The company has taken adequate measures for conservation of energy
(ii)	the steps taken by the company for utilizing alternate sources of energy	Nil
(iii)	the capital investment on energy conservation equipment's	No additional investment or proposal is under implementation for conservation of energy.

(b) Technology absorption:

(i)	the efforts made towards technology absorption	Not Applicable
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Not Applicable
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial	Not Applicable

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	year)-	
	(a) the details of technology imported	Nil
	(b) the year of import;	Nil
	(c) whether the technology been fully absorbed	Nil
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Nil
(iv)	the expenditure incurred on Research and Development	Nil

(c) Foreign exchange earnings and Outgo:

			2022-2023	2021-2022
			Rs. in Lakhs	
(a)	Earnings in Foreign Currency	INR	1,083.81	1,314.58
(b)	Expenditure in Foreign Currency	INR	46.64	6.07

30) PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company & the Statement showing the names and other particulars of the employees of the company as required under Rule 5 (2 & 3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed herewith as **Annexure- "VI"**. Further, details of remuneration paid to the Directors of the Company is enclosed herewith in **Annexure- "VII"**.

31) SUBSIDIARIES, JOINT VENTURES & ASSOCIATE COMPANIES:

The following subsidiary company, Joint Ventures & Associate Companies of your Company have been consolidated with the financial statements of your Company;

SR. NO.	NAME OF THE COMPANY	PARTICULARS	% OF HOLDING
1.	Shivalik Auto Engineering Private Limited	Associate Company	45.83%

Except the above, your Company is not having any subsidiary company, Joint Ventures & Associate Companies.

32) PERFORMANCE OF SUBSIDIARY COMPANY/ ASSOCIATE COMPANY/ JOINT VENTURES COMPANY:

During the financial year under review, the revenue from operations of Shivalik Auto Engineering Private Limited (Associate Company) has significantly increased to Rs. 21,192.41 lakh as compared to Rs. 11,162.02 lakh in the previous year. Further, the other income of the Company has marginally increased to Rs. 34.43 lakh as compared to Rs. 30.59 lakh in the previous year. As a result of the above, the net profit of the Company has significantly increased to Rs. 1,213.63 lakh as compared to net profit of Rs. 155.04 lakh in the previous year. The Company expects to achieve better performance in future.

33) PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

During the financial year under review, the Company has not made any loans/investments/ given guarantees/provided securities to other bodies corporate or persons covered under the provisions of section 186 of the Companies Act, 2013. However, the company has given capital advances, the details of which are provided in the Financial Statements (Refer Note 13).

34) PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts / arrangements / transactions entered by the Company, during the financial year under review, with the related parties were in the ordinary course of business and on an arm's length basis in the best interest of the Company. Accordingly, the above transactions are not covered under section 188(1) of the Companies Act, 2013. Further, pursuant to provisions of Section 134 (3)(h) of the Companies Act, 2013, particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in prescribed format i.e Form No. AOC-2 is enclosed herewith as Annexure-“VIII”.

35) STATUS OF CASES FILED PURSUANT TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The company is having Internal Complaint Committee as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, during the financial year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

36) PROCEEDINGS UNDER IBC, 2016:

During the financial year under review, there were no applications made by or against the Company under the Insolvency and Bankruptcy Code, 2016. Further, there are no proceedings pending under the Insolvency and Bankruptcy Code 2016.

37) DETAILS OF ONE TIME SETTLEMENT:

The Company has not made any one-time settlement with any of its Banker's/Financial Institution etc.

38) SCHEME OF ARRANGEMENT:

The Board of Directors of the Company at their meeting held on 31st January, 2023 approved the Composite Scheme of Arrangement (“the scheme”) for (a) Amalgamation of Shivalik Auto Engineering Private Limited (“Transferor Company 1” or “SAEPL”), Neelkamal Vanijya Private Limited (“Transferor Company 2” or “NVPL”), Adopt Commotrade Private Limited (“Transferor Company 3” or “ACPL”) and GoldmoonVinimay Private Limited (“Transferor Company 4” or “GVPL”) with Shivalik Engineering Industries Limited (“Transferee Company” or “SEIL”); and (b) Demerger of the ‘Castings Division’ or ‘Demerged Undertaking’ of Shivalik Power and Steel Private Limited (“Demerged Company” or “SPSPL”) and vesting of the same into Shivalik Engineering Industries Limited (“Resulting Company” or “SEIL”) and their respective shareholders and the creditors, under section 230 to 232 of the Companies Act, 2013, the rules

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made thereunder and other applicable laws. An application has been filed with the Hon'ble National Company Law Tribunal, Cuttuck Bench (NCLT) on 18th March, 2023.

39) **ANNUAL RETURN:**

The Annual Return of the Company for the financial year ended 31st March, 2023 is available at the website of the Company- www.shivalikengineering.com.

40) **ACKNOWLEDGEMENT:**

Your directors express its sincere gratitude to the Central Government, State Government, various Govt. authorities, shareholders, bankers and all other business associates for their continued support.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



GIRIRAJ SINGHANIA
MANAGING DIRECTOR
DIN: 00369479



VINAY AGRAWAL
DIRECTOR
DIN: 06954626

PLACE: RAIPUR (C.G.)

DATE: 21.09.2023

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ANNEXURE-“I”**FORM AOC-1****(PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)**

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART “A”: SUBSIDIARIES:

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	
1.	Name of the subsidiary	NIL
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total Liabilities	
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations -**NIL**
- Names of subsidiaries which have been liquidated or sold during the year. -**NIL**

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/ Joint Ventures	Shivalik Auto Engineering Private Limited
1). Latest audited Balance Sheet Date	31/03/2023
2). Shares of Associate/ Joint Ventures held by the company on the year end	
No. of shares	55,56,400
Amount of Investment in Associates/ Joint Venture	8,02,89,980
Extent of Holding%	45.83% (PY- 43.54%)
3). Description of how there is significant influence	Holds more than 20% of Paid-up Equity Share Capital
4). Reason why the associate/ joint venture is not consolidated	
5). Net worth attributable to shareholding as per latest audited Balance Sheet	15,26,00,526.23/-
6). Profit/Loss for the year	
i). Considered in Consolidation	5,56,20,838.26/-
ii). Not Considered in Consolidation	6,57,42,544.37/-

- a) Names of associates or joint ventures which are yet to commence operations. -NIL
b) Names of associates or joint ventures which have been liquidated or sold during the year. -NIL

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



GIRIRAJ SINGHANIA
MANAGING DIRECTOR
DIN: 00369479



VINAY AGRAWAL
DIRECTOR
DIN: 06954626

PLACE: RAIPUR
(C.G.)
DATE: 21.09.2023

ANNEXURE-“II”
DIRECTOR'S APPOINTMENT & REMUNERATION POLICY

(I) PREAMBLE:

The Companies Act, 2013 ('the Act') requires a Company to frame policy for determining the remuneration payable to the Directors, Key Managerial Personnel (KMPs) and other employees. While appointing the Directors, etc the Nomination and Remuneration Committee ('NRC') considers qualification, competencies, positive attributes, areas of expertise, experience, independence, ability to contribute in the growth of the Company, number of Directorships in other companies and such other factors as it may deem fit. The Board considers the recommendation made by NRC, and takes appropriate action.

The objective of the Remuneration Policy ('the Policy') of the Company is to provide a framework for the remuneration of the Independent Directors, Non-executive Directors, Managing Director/Executive Directors, KMPs, and other Senior level employees of the Company in accordance with the applicable laws. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for stakeholders.

(II) OBJECTIVE:

The primary objectives of this Policy are:

- i. To ensure that the level and composition of remuneration is reasonable and sufficient to attract and retain the best talents required to run the company successfully by ensuring a fair, transparent and equitable remuneration to employees, Directors and KMP based inter alia on individual job requirements, responsibilities, commensurate qualifications of individuals, experience, short and long-term performance objectives appropriate to the working of the company and its goals and the performance/ contribution of the individual employee.
- ii. To ensure that the relationship of remuneration to performance is clear, can be measured through a structured and transparent appraisal process, meets appropriate performance benchmarks and is in line with industry and Group practice.

(III) GUIDING PRINCIPLES OF REMUNERATION:

The following principles shall act as guiding factors while designing compensation for Directors, Key managerial personnel, senior management and other employees:

- **Support for Strategic Objectives:** Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.
- **Transparency:** The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.

- **Internal equity:** The Company shall remunerate the board members, KMP and senior management in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.
- **External equity:** The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore, the Company will remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.
- **Flexibility:** Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.
- **Performance-Driven Remuneration:** The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.
- **Affordability and Sustainability:** The Company shall ensure that remuneration is affordable on a sustainable basis.

(IV) DEFINITIONS:

'Act' means the Companies Act, 2013 and the Rules made thereunder including any amendment or modification thereof;

'Board / Board of Directors' shall mean the Board of Directors of the Company;

'Company' shall mean Shivalik Engineering Industries Limited [SEIL];

'Directors' shall mean the directors of the Company;

'Independent Director' shall mean a director referred to in Section 149 (6) of the Companies Act, 2013 and the rules made thereunder;

'Key Managerial Personnel/ KMP' means key managerial personnel as defined under the Companies Act, 2013.

'Nomination & Remuneration Committee/ Committee' means Nomination & Remuneration Committee constituted and re-constituted by the Board of Directors of the Company from time to time under the provisions of the Companies Act 2013 and the rules made thereunder.

'Senior Management Personnel' means personnel of the company who are members of its core management team excluding Board of Directors, and comprises of all members of management who are in the grade that is one level below the Directors and divisional heads.

'Other employees' means all the employees other than the Directors, KMPs and the Senior Management Personnel.

(V) PROCEDURE FOR SELECTION AND APPOINTMENT OF THE BOARD MEMBERS:

(A) Board membership criteria

1. The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's business operations

2. In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements. Directors must possess experience at policy-making and operational levels that will indicate their ability to make meaningful contributions to the Board's discussion and decision-making in the array of issues facing the Company.
3. Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.
4. In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.
5. The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business.

(B) SELECTION OF BOARD MEMBERS/ EXTENDING INVITATION TO A POTENTIAL DIRECTOR TO JOIN THE BOARD

1. One of the roles of the Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.
2. The Board then makes an invitation (verbal/ written) to the new member to join the Board as a Director. On acceptance of the same, the new Director is appointed by the Board.

(C) PROCEDURE FOR SELECTION AND APPOINTMENT OF EXECUTIVES OTHER THAN BOARD MEMBERS

1. The Committee shall actively liaise with the relevant departments of the Company to study the requirement for management personnel, and produce a written document thereon;
2. The Committee may conduct a wide-ranging search for candidates for the vacant positions within the Company, within enterprises controlled by the Company or within enterprises in which the Company holds equity, and on the human resources market;
3. The professional, academic qualifications, professional titles, detailed work experience and all concurrently held positions of the initial candidates shall be compiled as a written document;
4. The qualifications of the initial candidates shall be examined on the basis of standard benchmarks in line with industry and Group practice;
5. Before the selection of the candidate, the recommendations of and relevant information on the relevant candidate(s) shall be discussed;
6. The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors.

(VI) REMUNERATION:**(1) General-**

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the provisions of the Act and further subject to prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Directors shall be in accordance with the approval of the shareholders of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be in terms of the approval of the Shareholders in the case of Whole-time Director.
- d) Where any insurance is taken by the Company for its Whole-time Director, Key Managerial Personnel and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

e) Leaves

The employees, including directors where applicable, shall be eligible for casual leaves, earned leaves and maternity leaves as per prevailing Rules of the Service.

f) Retirement benefits

The Company shall extent Provident Fund and Gratuity benefits as per provisions of the applicable law. In addition, the Company may extent benefit of Provident Fund to employees drawing higher salary and also contribution to superannuation and other pension fund/schemes for selective employees with mutual consent. The gratuity, superannuation and pensionary contribution shall be invested in approved funds.

g) Loans to employees

The Company may extend interest free/ concessional loans to the employees of the company for meeting fund requirement for higher education of children, land purchase, building purchase/ construction/ furnishing & repair, marriage of self and family members, medical treatment of self and family members and other exigencies. For the purpose Rules shall be framed with authority for exceptions at appropriate levels.

(2) Remuneration to Whole-time / Managing Director-**➤ Fixed pay**

The Whole-time Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee subject to approval of the shareholders and Central Government, wherever required. The breakup of the pay and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees, allowances, severance payments, etc. shall be decided and approved by the Board/the Person authorized by the Board on the recommendation of the Committee and

➤ Variable Pay

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The Committee may recommend suitable performance related variable payments linked to the performance of the Director concerned and of the Company.

➤ **Minimum Remuneration**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

➤ **Provisions for excess remuneration**

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

➤ **Stock Options**

The Committee shall determine the stock options and other share-based payments to be made to Whole Time Directors, subject to prevailing guidelines of SEBI, if any.

(3) Remuneration to Non- Executive / Independent Director-

➤ **Remuneration / Commission**

Commission may be paid within the monetary limit approved by shareholders, subject to the limits prescribed in the Act computed as per the applicable provisions of the Act.

➤ **Sitting Fees**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof, as may be approved by the Board on the recommendation of the Nomination & Remuneration Committee.

Provided that the amount of such fees shall not exceed the amount as may be prescribed by the Central Government from time to time.

➤ **Stock Options**

An Independent Director shall not be entitled to any stock option of the Company.

➤ Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as remuneration, if the following conditions are satisfied:

- i) The Services are rendered by such Director in his capacity as the professional; and
- ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

(4) Remuneration to Key Managerial Personnel and Senior Management-

- a) The remuneration to Key Managerial Personnel and Senior Management may consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

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- b) The Committee shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to superannuation fund, Provident Fund, contribution to pension fund, pension schemes, allowances, bonus, etc. as decided from time to time, for which Rules shall be framed.
- d) The Incentive pay, if any, shall be decided based on the performance of the Company and the performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

(5) Other Employees-

- a) The remuneration of other employees shall be fixed from time to time as per the guiding principles outlined above and considering industry standards and cost of living. In addition to basic salary, they shall also be provided perquisites and retirement benefits as per schemes of the Company and statutory requirements, wherever applicable. Policy of motivation/reward/severance payments are applicable to this category of personnel as in the case of those in the management cadre.
- b) The implementation of remuneration policy for other employees is to be ensured by the Board of Directors of the Company or any other personnel that the Board of Directors may deem fit to delegate.

(VII) REMUNERATION DUTIES:

The duties of the Committee in relation to remuneration matters shall include:

- a) Considering and determining the remuneration based on such other factors as the Committee shall deem appropriate bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate talent.
- b) Approving the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company.
- c) Professional indemnity and liability insurance for Directors and senior management.

(VIII) IMPLEMENTATION:

- a) The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- b) The Committee may Delegate any of its powers to one or more of its members.

(IX) POLICY REVIEW:

The Committee may assess the adequacy of this Policy and suggest any necessary or desirable amendments from time to time in the policy to the Board for approval to ensure it remains consistent with the Company's objectives, current laws and best practices.

(X) DISSEMINATION AND PUBLICATION:

- a) The policy shall be placed on the Company's website, if any.
- b) Necessary disclosures in respect of the policy shall be made in the Board's Report in the manner stated in the Companies Act, 2013 or the rules made thereunder or in any other statute.

(XI) SUPPLEMENTARY PROVISIONS:

- a) Any matters not provided for in this Policy shall be handled in accordance with relevant State laws and regulations and the Company's Articles of Association. If this Policy conflicts with any laws or regulations subsequently promulgated by the state or with the Company's Articles of Association as amended pursuant to lawful procedure, the relevant state laws and regulations and the Company's Articles of Association shall prevail, and this Policy shall be amended in a timely manner and submitted to the Board of Directors for review and adoption.
- b) The right to interpret this Policy vests in the Board of Directors of the Company.

(XII) TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS (ID):

The Terms and Conditions of the appointment of IDs of the Company, which shall, in any event be subject to the provisions of the Companies Act, 2013 and the rules made thereunder and the Articles of Association of the Company, are set out below.

Appointment

1. Appointment as a Non-Executive ID on the Board of Directors of the Company is subject to the provisions of the Companies Act, 2013 and in compliance with provisions of section 149 and other applicable provisions of the Companies Act, 2013, the directorship is not subject to retirement by rotation.
2. The board of directors may appoint an ID as Member/ Chairman of one or more of its committees as may be decided by the Board of directors.
3. Notwithstanding other provisions, the appointment to the Board and consequent appointment to any committee, if any, may be terminated in accordance with the provisions of the Articles of Association of the Company.

Time Commitment

4. Non- Executive ID(s) are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance and risk management as well as ensuring high standards of financial probity and corporate governance. IDs are expected to attend Board and Board Committees to which they may be appointed and shareholders meetings and to devote such time towards their duties, as appropriate for discharging their duties effectively.

Role and Duties

5. Role and duties of ID(s) will be those normally required of Non - Executive ID under the Companies Act, 2013, There are certain duties prescribed for all Directors, both Executive and Non–Executive, which are fiduciary in nature and are as under:
 - a) IDs shall act in accordance with the Company's Articles of Association as may be amended from time to time.
 - b) IDs shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company.
 - c) IDs shall discharge their duties with due and reasonable care, skill and diligence. IDs shall not involve themselves in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
 - d) IDs shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates.
 - e) IDs shall not assign their office as Director and any assignments so made shall be void.

In addition to the above requirements, IDs shall also perform the following functions:

- i. IDs should constructively challenge and help develop proposals on strategy for growth of the company.
- ii. IDs should evaluate the performance of management in meeting agreed goals and objectives.
- iii. IDs should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are effective and defensible.
- iv. IDs are responsible for determining appropriate levels of remuneration of executive directors and have a prime role in appointing, succession planning and where necessary, removing Executive Directors.
- v. IDs shall take responsibility for the processes for accurately reporting on performance and the financial position of the company.
- vi. IDs should keep governance and compliance with the applicable legislation and regulations under review and the conformity of company's practices to accepted norms.

Status of Appointment

6. IDs will not be employees of the company and their appointment shall not constitute a contract of employment. IDs will be paid such remuneration by way of sitting fees for meetings of the board and its committees as may be decided by the board. Further, IDs will also be paid remuneration by way of commission as may be approved by the board and the shareholders from time to time.
7. IDs will have no entitlement to any bonus during the appointment and no entitlement to participate in any Employee Stock Option Scheme operated by the Company or any Subsidiary or Associate Company.
8. In addition to the remuneration described above, the company will, for the period of their appointment, reimburse IDs for travel, hotel and other incidental expenses incurred by them in the performance of their role and duties.

Independent Professional Advice

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9. There may be occasions when ID(s) considers that they need professional advice in furtherance of their duties as director and it will be appropriate for them to consult independent advisers. In such case with the prior approval of the Board, they may avail such services at the company's expense.

Conflict of Interest

10. It is accepted and acknowledged that IDs may have business interest other than those of the company. As a condition of appointment, IDs are required to declare any such directorships, appointments and interests to the board in writing in the prescribed form at the time of appointment.
11. In the event ID(s) circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the board to revise its judgment that ID is independent, should be disclosed to both the Chairman & Managing Director and the Company Secretary.

Evaluation

12. The Board of Directors will carry out an evaluation of the performance as per company's policy.

Disclosure of Interest

13. Any material interest that ID(s) may have in any transaction or arrangement that the company has entered into should be disclosed not later than when the transaction or arrangement comes up at a board meeting at so that the minutes may record the ID(s) interest appropriately and Company's records are updated. A general notice that ID is interested in any contract with a particular person, firm or company is acceptable.

Code of Conduct

14. During the tenure, ID(s) are required to comply with regulations as contained in Schedule IV under the Companies Act, 2013.

Confidentiality

15. All information acquired by ID(s) during their appointment is confidential to the Company and should not be released, either during IDs appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman & Managing Director unless required by any law or regulatory body. On reasonable request ID(s) shall surrender any documents and other materials made available to them by the Company.

Termination

16. ID may resign from his position at any time and if he wishes to do so, ID is requested to serve a reasonable written notice to the board. In terms of the provisions of the Companies Act, 2013 ID is may file a copy of his Resignation Letter with Registrar of Companies.
17. Appointment of IDs may be terminated in accordance with the provisions of the Articles of Association of the Company, from time to time in force or on failure to meet the parameters

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of independence as defined in section 149 or on the occurrence of any event as defined in section 167 of the Companies Act, 2013.

18. Upon termination or upon ID(s) resignation for any reason, duly intimated to the Company, ID will not be entitled to any compensation for loss of office.

General

19. These terms and conditions are subject to such changes/modifications as the Board may deem fit and proper and are also subject to such changes/modifications as may be required by /under any law.

20. The appointment of IDs and any non-contractual obligations arising out of or in connection with appointment are governed by and shall be construed in accordance with the laws of India and the parties agree to submit to the exclusive jurisdiction of the courts having jurisdiction at the registered office of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



GIRIRAJ SINGHANIA
MANAGING DIRECTOR
DIN: 00369479



VINAY AGRAWAL
DIRECTOR
DIN: 06954626

PLACE: RAIPUR (C.G.)
DATE: 21.09.2023

ANNEXURE- "III"
CORPORATE SOCIAL RESPONSIBILITY POLICY

INTRODUCTION

SHIVALIK ENGINEERING INDUSTRIES LIMITED, was incorporated on 9th March, 2011. The CSR Policy of the Company has been formulated in compliance with Section 135 of the Companies Act, 2013 read along with the applicable rules thereto.

OBJECTIVE

The main objective of CSR policy is:-

- To lay down guidelines to make CSR a key business process for sustainable development of the society.
- To directly/ indirectly undertake projects/programs which will enhance the quality of life and economic well-being of the communities in and around work site and society at large.
- To generate goodwill and recognition among all stake holders of the company.

SCOPE

In furtherance of its CSR objects, the following are covered under this Policy:

- I. CSR activities implemented by the Company on its own.
- II. CSR activities implemented by the Company through own trust/ society/ Section 8 Company.
- III. CSR activities of the Company through an external trust/ society/ Section 8 Company.

CSR ACTIVITIES

The scope of the CSR activities of the Company will cover the following areas but not limited to the same and may extend to other specific projects/ programs as permitted under the law from time to time:-

Sr. No.	Area	Activities/Initiatives/Programs
1a.	Eradicating hunger, poverty and malnutrition	Agro Based livelihoods, Better Cotton Initiatives, Agriculture Development, Krishi Vigyan Kendra.
1b.	Promoting health care including preventive healthcare and sanitation	Health and Sanitation Development programs, medical camps, programs for HIV Aids etc. Contribution to Swachha Bharat Kosh set-up by the Central Government for the promotion of sanitation
1c.	Providing safe drinking water	Drinking water programs, construction of check dams, dykes, ponds, links, channels, wells and water storage tanks.

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2	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Construction and running of schools and libraries, vocational training and special education institutes, providing financial assistance and scholarships for higher education. Undertaking skills and entrepreneurship programs.
3	Promoting gender equality, women empowerment and Facilities for orphans, Senior Citizens;	Setting up homes, hostels, centers & institutions for women & orphans and old age homes, day care centres and such other facilities for senior citizens. Promoting Self Help Groups (SHGs) amongst women & socially and other economically backward groups for undertaking income generating activities and reducing inequalities.
4.	Ensuring environmental, Sustainability ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;	Horticulture plantation, agro farm forestry, afforestation, projects on non-conventional energy (biogas), animal husbandry programs, forest conservation projects, water resource management and soil conservation, promoting micro-irrigation etc. Contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
5	Promotion and protection of art & culture;	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
6	Measures for the benefit of armed forces, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, war widows and their dependents;	Activities/programs for benefit of armed forces and families.
7	Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;	Projects/ programs promoting various sports activities
8	Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;	Projects/ programs for development, upgradation or research and development in the field of science, technology, engineering and medicine.
9	Contribution/Financial Assistance;	Contribution to Prime Minister's National Relief Fund, Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio- economic development

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		and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
10	Rural development projects;	Rural infrastructure projects and agriculture development programs and projects.
11.	Slum Area Development;	Development on slum area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
12.	Disaster management	Projects/ programs for disaster management, including relief, rehabilitation and reconstruction activities.

EXCLUSION FROM CSR

The following activity shall not form part of the CSR activities of the Company:-

- The activities undertaken in pursuance of normal course of business of a company;
- Any CSR projects/ programs or activities undertaken outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- Any contribution directly/ indirectly to political party or any funds directed towards political parties or political causes;
- CSR projects/ programs or activities that benefit only the employees of the Company and their families;
- Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- Activities carried out for fulfilment of any other statutory obligations under any law in force in India.

CSR COMMITTEE

The constitution of the CSR Committee shall be as follows:-

- | | | |
|---------------------------|---|-------------------------------------|
| (1) Mr. Giriraj Singhania | - | Managing Director (DIN-00369479) |
| (2) Mr. Vinay Agrawal | - | Director (DIN-06954626) |
| (3) Mr. Mithlesh Kumar | - | Independent Director (DIN-07772807) |

The committee shall be responsible for the implementation/ monitoring and review of this policy and various projects/ activities undertaken under the policy. The CSR Committee shall submit periodical reports to the Board of Directors.

IDENTIFICATION OF CSR PROJECT

The committee shall endeavour to spend at least 2% of the average net profit during the preceding 3 financial years on CSR activities as enumerated above. The allocation of the fund shall be made as follows:-

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- Such amount as may be sanctioned by the Board of Directors based on their annual budget. The amount sanctioned by the Board will have to be utilised for the projects/ programs as specified by the CSR committees. The unspent amount, if any, at the close of the financial year shall be retained and shall be spent only on specified projects/ programs.
- CSR Projects need to be identified and planned for approval of the CSR Committee with estimated expenditure and phase wise implementation schedules.
- The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.
- The CSR Officer may engage external professionals/ firms/ agencies if required, for the purpose of identification of CSR Projects.
- Any surplus arising out of the contribution made for CSR Activities shall not form part of the business profit of the Company and redeployed for such activities.

IMPLEMENTATION OF CSR PROJECTS

The Company shall implement the identified CSR Projects by the following means:

- The Company may itself implement the identified CSR Projects presently within the scope and ambit of the Areas as defined in the Policy;
- The Company may also implement the identified Projects through its Trust or Society or Section 8 Company which is involved in CSR activities, within the scope and ambit of the Areas as defined in the Policy.
- The CSR Officer may engage external professionals/ firms/ agencies if required, for the purpose of implementation of its CSR Projects.
- The Company may collaborate with other companies, for fulfilling its CSR objects provided that the CSR Committees of respective companies are in a position to monitor separately such CSR Projects.
- The Company may implement the identified CSR Projects through Agencies, subject to the condition that the Agency has an established track record of at least three years in undertaking similar programs or projects.
- The Company may collaborate with other companies, if required, for fulfilling its CSR objects provided that the CSR Committees of respective companies are in a position to monitor separately such Projects.

MONITORING

- Monitoring process for CSR Projects shall include the following:
 - Evaluation of Planned progress V/s Actual Progress
 - Actual Expenditure V/s Expenditure as per Approved Budget
- The CSR Committee shall monitor the implementation of the CSR Policy and CSR Plan.

CSR OFFICER

- The CSR Committee shall designate an officer of the Company as CSR Officer.
- The CSR Officer shall be responsible for the proper implementation and execution of CSR Projects of the Company.
- The CSR Officer shall be responsible for monitoring the Projects vis-à-vis the Annual Plan.

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- The CSR Officer shall place before the CSR Committee CSR report and CSR Annual Plan and the draft annual report as per the format in Rules.
- The CSR Officer shall be directly responsible to the CSR Committee for any act that may be required to be done by the CSR Committee in accordance with the Policy.

DISCLOSURES:

The Annual Report of the Company include a section on CSR outlining the CSR Policy, CSR committee, CSR initiatives undertaken by Company, the CSR spend during the financial year and other information as required by the prevailing law. In case the Company fails to spend the statutory minimum limit of 2% of Company's average net profits of the immediately preceding three years, in any given financial year, the Board shall specify the reasons for the same in its report in terms of clause (o) of sub-section (3) of section 134 of the Companies Act, 2013.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



**GIRIRAJ SINGHANIA
MANAGING DIRECTOR
DIN: 00369479**



**VINAY AGRAWAL
DIRECTOR
DIN: 06954626**

**PLACE: RAIPUR (C.G.)
DATE: 21.09.2023**

ANNEXURE - "IV"
ANNUAL REPORT ON CSR ACTIVITIES

1.	Brief outline on CSR Policy of the Company	<p>The Company is having a CSR policy duly approved by the Board of Directors of the Company for undertaking the activities as specified in Schedule VII to the Companies Act, 2013.</p> <p>A copy of the revised CSR Policy duly approved by the Board of Directors of the Company is enclosed herewith as <u>Annexure-"III"</u>. Further, the same is also available at the website of the Company- www.shivalikengineering.com.</p>																				
2.	Composition of CSR Committee	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;">S. No.</th> <th style="width: 35%;">Name of Director</th> <th style="width: 20%;">Designation / Nature of Directorship</th> <th style="width: 15%;">Number of meetings of CSR Committee held during the year</th> <th style="width: 25%;">Number of meetings of CSR Committee attended during the year</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Mr. Giriraj Singhania</td> <td style="text-align: center;">Managing Director</td> <td style="text-align: center;">1</td> <td style="text-align: center;">1</td> </tr> <tr> <td style="text-align: center;">2</td> <td>Mr. Vinay Agrawal</td> <td style="text-align: center;">Director</td> <td style="text-align: center;">1</td> <td style="text-align: center;">1</td> </tr> <tr> <td style="text-align: center;">3</td> <td>Mr. Mithlesh Kumar</td> <td style="text-align: center;">Independent Director</td> <td style="text-align: center;">1</td> <td style="text-align: center;">1</td> </tr> </tbody> </table>	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. Giriraj Singhania	Managing Director	1	1	2	Mr. Vinay Agrawal	Director	1	1	3	Mr. Mithlesh Kumar	Independent Director	1	1
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3	Mr. Mithlesh Kumar	Independent Director	1	1																		
3.	Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company	www.shivalikengineering.com																				
4.	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	Not applicable																				
5.	(a) Average net profit of the company as per section 135(5).	Rs. 2,74,10,571/-																				
	(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	Rs. 5,48,211/-																				
	(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	Nil																				
	(d) Amount required to be set-off for the financial year, if any.	Nil																				
	(e) Total CSR obligation for the financial year [(b)+(c)-(d)].	Rs. 5,48,211/-																				

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6.	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	Rs. 15,77,415/- (Excludes Rs. 14,75,592/- incurred towards unspent CSR liabilities towards Ongoing Project and other than Ongoing Projects for the previous financial years)																					
	(b) Amount spent in Administrative Overheads	Nil																					
	(c) Amount spent on Impact Assessment, if applicable	Not applicable																					
	(d) Total amount spent for the Financial Year [(a)+(b)+(c)]	Rs. 15,77,415/-																					
	(e) CSR amount spent or unspent for the Financial Year:	As per Annexure "IV-A"																					
	(f) Excess amount for set-off, if any:	<table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Particular</th> <th>Amount (in Rs.)</th> </tr> <tr> <th>(1)</th> <th>(2)</th> <th>(3)</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>Two percent of average net profit of the company as per section 135(5)</td> <td>5,48,211/-</td> </tr> <tr> <td>(ii)</td> <td>Total amount spent for the Financial Year</td> <td>15,77,415/-*</td> </tr> <tr> <td>(iii)</td> <td>Excess amount spent for the financial year [(ii)-(i)]</td> <td>10,29,204/-</td> </tr> <tr> <td>(iv)</td> <td>Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any</td> <td>Nil</td> </tr> <tr> <td>(v)</td> <td>Amount available for set off in succeeding financial years [(iii)-(iv)]</td> <td>10,29,204/-</td> </tr> </tbody> </table> <p>*Note- excludes Rs. 14,75,592/- incurred towards unspent CSR liabilities towards Ongoing Project and other than Ongoing Projects for the previous financial years</p>	Sl. No.	Particular	Amount (in Rs.)	(1)	(2)	(3)	(i)	Two percent of average net profit of the company as per section 135(5)	5,48,211/-	(ii)	Total amount spent for the Financial Year	15,77,415/-*	(iii)	Excess amount spent for the financial year [(ii)-(i)]	10,29,204/-	(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)]	10,29,204/-
Sl. No.	Particular	Amount (in Rs.)																					
(1)	(2)	(3)																					
(i)	Two percent of average net profit of the company as per section 135(5)	5,48,211/-																					
(ii)	Total amount spent for the Financial Year	15,77,415/-*																					
(iii)	Excess amount spent for the financial year [(ii)-(i)]	10,29,204/-																					
(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)]	10,29,204/-																					
7.	Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years	As per Annexure "IV-B"																					
8.	Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: "Yes" OR "No" If Yes, enter the number of	As per Annexure "IV-C"																					

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	Capital assets created/acquired. (Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year)	
9	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.	

ANNEXURE - "IV-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 subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 15,77,415/-*	-	-	-	-	-

*Note- excludes Rs. 14,75,592/- incurred towards unspent CSR liabilities towards Ongoing Project and other than Ongoing Projects for the previous financial years

ANNEXURE - "IV-B"

DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs).	Date of transfer.		
1	2021-22	14,43,381/-	14,43,381/-	14,43,381/-	NA	NA	Nil	Nil
2	2018-19	NA	NA	32,211/-	NA	NA	Nil	Nil

ANNEXURE - "IV-C"

DETAILS RELATING TO SUCH ASSET(S) SO CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR:

S. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner

Shivalik Engineering Industries Limited

CIN No. U27107CT2011PLC022353**(Formerly : Shivalik Engineering Industries Pvt. Ltd.)**

(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
NIL							

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**GIRIRAJ SINGHANIA
MANAGING DIRECTOR
DIN: 00369479**



**VINAY AGRAWAL
DIRECTOR
DIN: 06954626**

**PLACE: RAIPUR
(C.G.)
DATE: 21.09.2023**

ANNEXURE - "VI"

Information as per Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details of Top Ten Employees in Terms of Remuneration Drawn
Details of Top Ten Employees in terms of Remuneration Drawn (2022-23)

Sr. no.	Name of Employee	Designation	Remuneration Received during the FY 22-23 (in Rs.)	Nature of Employment (Contractual/Permanent)	Qualification	Experience (in years)	Date of Commencement of Employment	Age (in years)	Last Employment held	Percentage of Shares Held in the company	Whether Relative of any Director /Manager
1	Pramod Phadtare	Vice President	1,80,000	Permanent	Diploma In Mechanical	21	20-04-2015	47	NA	NA	NA
2	Piyush Singh	AGM	7,20,720	Permanent	B.Tech	12	16-01-2017	36	NA	NA	NA
3	Bikash Singhi	General Manager	1,80,000	Permanent	MBA	18	27-09-2021	46	NA	NA	NA
4	Vishal Vitthal Bhosale	DGM	1,67,700	Permanent	BE	16	21-09-2022	37	NA	NA	NA
5	Binu T R	DGM	1,51,200	Permanent	Diploma In Mechanical	19	12-07-2022	49	NA	NA	NA
6	Anil Kr. Shukla	DGM	1,38,000	Permanent	Diploma In Mechanical	17	16-11-2015	45	NA	NA	NA
7	Shashidhar Pandey	General Manager	1,33,800	Permanent	BSC,MBA	14	01-02-2016	36	NA	NA	NA
8	Vaddi Jagannadha Rao	General Manager	2,70,000	Permanent	MBA	18	25-11-2022	52	NA	NA	NA
9	Sanjay Nilkanth Shevale	Asst. General Manager	1,03,200	Permanent	DME	18	01-07-2022	48	NA	NA	NA
10	Thalisetti Gajapathi	DGM	90,000	Permanent	Diploma	22	01-09-2021	60	NA	NA	NA

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



Shivalik Engineering Industries Limited

CIN No. U27107CT2011PLC022353

(Formerly : Shivalik Engineering Industries Pvt. Ltd.)

A handwritten signature in black ink, appearing to read "Giriraj Singhania".

GIRIRAJ SINGHANIA
MANAGING DIRECTOR
DIN: 00369479

A handwritten signature in black ink, appearing to read "Vinay Agrawal".

VINAY AGRAWAL
DIRECTOR
DIN: 06954626

PLACE: RAIPUR (C.G.)
DATE: 21.09.2023

ANNEXURE - "VII"

Information as per Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details of Directors in Terms of Remuneration Drawn (2022-23)

Sr. no.	Name of Director	Remuneration Received during the FY 22-23 (in Rs.)	Date of Commencement of Directorship	Age (in years)	Whether Relative of any Director/Manager
1	Giriraj Singhania	1,80,00,000	09.03.2011	54	Managing Director
2	Vinay Agrawal	69,00,000	03.03.2017	41	Director
3	Vishal Sharma	2,25,000	09.03.2011	50	Director
4	Raghvendra Singhania	1,80,00,000	28.02.2017	53	CFO (KMP)

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



PLACE: RAIPUR (C.G.)
DATE: 21.09.2023

GIRIRAJ SINGHANIA
MANAGING DIRECTOR
DIN: 00369479



VINAY AGRAWAL
DIRECTOR
DIN: 06954626

ANNEXURE- "VIII"

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: **Not Applicable.**

(a)	Name(s) of the related party and nature of relationship	N.A.
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if Any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis:

(1)	
(a)	Name(s) of the related party and nature of relationship Shri Giriraj Singhania (MD) Shri Vishal Sharma (Director) Shri Vinay Agrawal (Director) Shri Raghvendra Singhania (CFO)
(b)	Nature of contracts/arrangements/transactions Remuneration to KMP
(c)	Duration of the contracts/arrangements/transactions Transaction to Transaction basis
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any Rs. 1,80,00,000/- (Shri Giriraj Singhania) Rs. 2,25,000/- (Shri Vishal Sharma) Rs. 69,00,000/- (Shri Vinay Agrawal) Rs. 1,80,00,000/- (Shri Raghvendra Singhania) <u>Salient terms of the contracts or arrangements or transactions: -</u> All contracts / arrangements / transactions entered by the Company, during the financial year under review, with the related parties were in the ordinary course of business and on an arm's length basis in the best interest of the Company. Accordingly, the above transactions are not

CIN No. U27107CT2011PLC022353
(Formerly : Shivalik Engineering Industries Pvt. Ltd.)

		covered under section 188(1) of the Companies Act, 2013.
(e)	Date of approval by the Board	Not Applicable.
(f)	Amount paid as advances, if any:	-

(2)		
(a)	Name(s) of the related party and nature of relationship	Shri Giriraj Singhania (MD) Shri Raghvendra Singhania (CFO) Smt. Shilpa Singhania (Wife of Giriraj Singhania)
(b)	Nature of contracts/arrangements/transactions	Rent
(c)	Duration of the contracts/arrangements/transactions	Transaction to Transaction basis
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 13,20,000/- (Shri Giriraj Singhania) Rs. 13,20,000/- (Shri Raghvendra Singhania) Rs. 14,52,000/- (Smt. Shilpa Singhania) <u>Salient terms of the contracts or arrangements or transactions: -</u> All contracts / arrangements / transactions entered by the Company, during the financial year under review, with the related parties were in the ordinary course of business and on an arm's length basis in the best interest of the Company. Accordingly, the above transactions are not covered under section 188(1) of the Companies Act, 2013.
(e)	Date of approval by the Board	Not Applicable.
(f)	Amount paid as advances, if any:	-

(3)		
(a)	Name(s) of the related party and nature of relationship	Shivalik Auto Engineering Private Limited (Associate Company)
(b)	Nature of contracts/arrangements/transactions	1- Sales & Purchases of goods/ services 2- Job work income & expense
(c)	Duration of the contracts/arrangements/transactions	Transaction to Transaction basis
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 1,72,53,27,075.17/- (Purchases) Rs. 27,53,53,466.87/- (Sales) Rs. 19,62,535/- (Job work Income) Rs. 43,42,316/- (Job work Expense) <u>Salient terms of the contracts or arrangements or transactions: -</u> All contracts / arrangements / transactions entered by the Company, during the financial year under review, with the related parties were in the ordinary course of business and on an arm's length

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		basis in the best interest of the Company. Accordingly, the above transactions are not covered under section 188(1) of the Companies Act, 2013.
(e)	Date of approval by the Board	Not Applicable.
(f)	Amount paid as advances, if any:	-

(4)		
(a)	Name(s) of the related party and nature of relationship	Shivalik Power And Steel Private Limited (Enterprise over which KMP is able to exercise significant influence)
(b)	Nature of contracts/arrangements/transactions	1- Sales & Purchases of goods/ services 2- Job work expenses
(c)	Duration of the contracts/arrangements/transactions	Transaction to Transaction basis
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 26,68,23,731.92/- (Purchases) Rs. 1,12,81,77,208.76/- (Sales) Rs. 2,06,69,684.49/- (Job work expenses) <u>Salient terms of the contracts or arrangements or transactions: -</u> All contracts / arrangements / transactions entered by the Company, during the financial year under review, with the related parties were in the ordinary course of business and on an arm's length basis in the best interest of the Company. Accordingly, the above transactions are not covered under section 188(1) of the Companies Act, 2013.
(e)	Date of approval by the Board	Not Applicable.
(f)	Amount paid as advances, if any:	-

(5)		
(a)	Name(s) of the related party and nature of relationship	M/s Sharda Shree Agriculture (Enterprise over which KMP is able to exercise significant influence)
(b)	Nature of contracts/arrangements/transactions	Commission
(c)	Duration of the contracts/arrangements/transactions	Transaction to Transaction basis
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 3,52,84,787/- <u>Salient terms of the contracts or arrangements or transactions: -</u> All contracts / arrangements / transactions entered by the Company, during the financial year under review, with the related parties were in the ordinary course of business and on an arm's length

CIN No. U27107CT2011PLC022353**(Formerly : Shivalik Engineering Industries Pvt. Ltd.)**

		basis in the best interest of the Company. Accordingly, the above transactions are not covered under section 188(1) of the Companies Act, 2013.
(e)	Date of approval by the Board	Not Applicable.
(f)	Amount paid as advances, if any:	-

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

GIRIRAJ SINGHANIA
MANAGING DIRECTOR
DIN: 00369479



VINAY AGRAWAL
DIRECTOR
DIN: 06954626

PLACE: RAIPUR (C.G.)
DATE: 21.09.2023

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Shivalik Engineering Industries Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Shivalik Engineering Industries Limited** ("the Parent Company") and its associates, which comprises of the Consolidated Balance sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss and Consolidated Statement of Cash Flows for the year ended on that date and notes to Consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the company 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 financial statements under the provisions of the Companies Act 2013 and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on consolidated financial statements.

Responsibilities of Management for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India. 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 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 the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

Report on Other Legal and Regulatory Requirements

(1) As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule (7) of the Companies (Account) Rules, 2014.
- (e) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (f) On the basis of the written representations received from the directors of the Parent company & associate/subsidiary company, as on 31st March'2023, none of the directors of the Group companies, are disqualified as on 31st March'2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure A**' which is based on the auditors' reports of the Parent, subsidiary companies, associate companies and joint venture companies incorporated in India whose audit under section 143 of the Act has been completed and procedures performed by us (as applicable). Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.



(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has adequately disclosed the impact of pending litigations on its financial position in the Consolidated Financial Statements.
- ii. The company has made adequate provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity, including foreign entities ("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 ultimately Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any persons or entity, including foreign entities ("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 ultimately Beneficiaries.

(c) Based on our audit procedures that we have 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 (a) and (b) contain any material misstatement.

v. The company has not declared or paid dividend during the year.

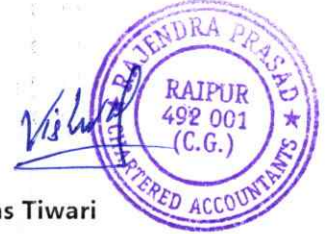


RAJENDRA PRASAD
CHARTERED ACCOUNTANTS

HO: O-12, Near Shakti Udyan,
Anupam Nagar, Raipur - 492001 (C.G.)
Ph.0771- 4035802-803
Email: audit.rajendraprasad@gmail.com

- (2) With respect to the matters specified in clause (xxi) of paragraph (3) and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks in the CARO reports of the said companies included in the Consolidated Financial Statements.

for, RAJENDRA PRASAD
Chartered Accountants
FRN No. 000203C



Vishwas Tiwari
Partner
Membership No. 427936
UDIN-23427936B6S10L4103

Place: Raipur
Date: 21-09-2023

ANNEXURE A TO THE AUDITOR'S REPORT

(Referred to in paragraph 2(g) under '**Report on Other Legal and Regulatory Requirements**' section of our report to the members of '**Shivalik Engineering Industries 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 Engineering Industries Limited** ("the Parent Company") and its subsidiary companies, its associate companies as of March 31, 2023 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Parent Company and its associate incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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". 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting, of the Parent, its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India 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, both applicable to an audit of Internal Financial Controls and, 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



RAJENDRA PRASAD
CHARTERED ACCOUNTANTS

HO: O-12, Near Shakti Udyan,
Anupam Nagar, Raipur - 492001 (C.G.)
Ph.0771- 4035802-803
Email: audit.rajendraprasad@gmail.com

Opinion

In our opinion, the parent company and its associate 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 March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

for, RAJENDRA PRASAD
Chartered Accountants
FRN No. 000203C



Vishwas Tiwari
Partner

Membership No. 427936

UDIN- 23427936 B6S1UL4103

Place: Raipur

Date: 21-09-2023

(amount in lakhs unless otherwise specified)

Particulars	Note no.	As at	
		March 31, 2023	March 31, 2022
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	804.22	804.22
(b) Reserves and surplus	4	8,257.07	5,658.79
(c) Money Received Against Share Warrants			
2 Share Application Money Pending Allotment			
		-	-
3 Non-current liabilities			
(a) Long-term borrowings	5	1,529.14	3,575.54
(b) Deferred tax liabilities (net)	6	870.64	794.48
(c) Other Long-term liabilities	7	-	454.94
(d) Long-term provisions	8	108.34	68.35
4 Current liabilities			
(a) Short term borrowings	5	3,603.67	3,378.99
(b) Trade payables	6		
(i) Total outstanding dues of micro enterprises and small enterprises; and	9	33.84	282.93
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	9	1,546.67	906.64
(c) Other current liabilities	10	2,374.08	3,654.97
(d) Short-term provisions	8	145.73	2.31
TOTAL EQUITY AND LIABILITY		19,273.41	19,582.15
II ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipments and Intangible Assets			
(i) Property, Plant and Equipments	11	6,997.79	7,270.23
(ii) Intangible assets			
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development			
(b) Non current investment	12	1,548.43	992.17
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	13	29.52	-
(e) Other non-current assets	14	317.34	339.69
2 Current assets			
(a) Current Investments			
(b) Inventories	15	4,492.50	4,667.70
(c) Trade receivables	16	4,351.82	4,332.38
(d) Cash and Cash Equivalents	17	140.69	145.71
(e) Short term loans and advances	13	1,207.89	1,129.49
(f) Other current assets	14	187.43	704.78
TOTAL ASSETS		19,273.41	19,582.15
Summary of significant accounting policies	2		
The accompanying notes form an integral part of these financials statements			

As per our report of even date attached

For and on behalf of the Board of Directors

for, RAJENDRA PRASAD
CHARTERED ACCOUNTANTS
Firm Registration No.: 0002030

Vishwas Tiwari
Partner
Membership No.: 427936
Place: Raipur
Date: 21/4/23
UDIN: 23427936 B651024103



Giriraj Singhania
Managing Director
DIN-00369479

Vinay Agrawal
Director
DIN-06954626

Raghendra Singhania
Chief Financial Officer

PAN: AJJPS9051R

Shivalik Engineering Industries Limited

CIN - U27107CT2011PLC022353

Statement of Profit and Loss for the period ended march 31, 2023

(amount in lakhs unless otherwise specified)

Particulars	Note no.	For the year ended March 31, 2023	For the year ended March 31, 2022
I Revenue from operations	18	51,966.61	31,330.20
II Other income	19	144.38	20.90
III Total Income (I + II)		<u>52,110.99</u>	<u>31,351.10</u>
IV Expenses:			
i Cost of materials consumed	20	37,104.88	22,909.82
ii Purchases of stock-in-trade		-	-
iii Change in inventories of Finished goods, work-in-progress and Stock in trade	21	277.38	-1,386.89
iv Employee benefits expense	22	1,713.54	1,339.04
v Finance costs	23	954.29	999.47
vi Depreciation and amortization expense	11	707.36	686.69
vii Other expenses	24	8,261.00	6,431.09
Total Expenses		<u>49,018.45</u>	<u>30,979.22</u>
V Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		<u>3,092.54</u>	<u>371.88</u>
VI Exceptional Item			
VII Profit/(Loss) before extraordinary items and tax (V - VI)		<u>3,092.54</u>	<u>371.88</u>
VIII Extraordinary Item			
IX Profit/(Loss) before tax (VII- VIII)		<u>3,092.54</u>	<u>371.88</u>
X Tax expense:			
(1) Current tax		554.30	62.07
(2) Deferred tax		76.17	-88.60
(3) Income Tax Arrears		3.04	0.07
(4) MAT Credit Utilised		417.01	51.77
XI Profit/(Loss) after tax for the period from Continuing Operation (IX - X)		<u>2,042.02</u>	<u>346.55</u>
XII Share of Profit/(Loss) from Associates (Net)		556.26	67.51
XIII Profit/(Loss) for the period from continuing operations (XI + XII)		<u>2,598.28</u>	<u>414.06</u>
XIV Profit/(Loss) from Discontinuing Operation		-	-
XV Tax expenses of Discontinued operation		-	-
XVI Profit/(Loss) from Discontinued Operation (after tax) (XII-XIII)		-	-
XVII Net Profit/(Loss) for the year (XI + XIV)		<u>2,598.28</u>	<u>414.06</u>
XVII Earning Per Share (in Rs.)	25		
Basic		33.99	5.39
Diluted		33.99	5.39

Summary of significant accounting policies

2

The accompanying notes form an integral part of these financials statements

As per our report of even date attached

For and on behalf of the Board of Directors

for, RAJENDRA PRASAD
CHARTERED ACCOUNTANTS
Firm Registration No.: 000203C

Vishwas Tiwari
Partner

Membership No.: 427936

Place : Raipur

Date : 21/09/2023

UDIN: 23427936BGSIUL4103



(Signature)

Giriraj Singhania
Managing Director
DIN-00369479

(Signature)
Vinay Agrawal
Director
DIN-06954626

(Signature)

Raghvendra Singhania
Chief Financial Officer

PAN: AJJPS9051R

Shivalik Engineering Industries Limited
CIN - U27107CT2011PLC022353
Cash Flow Statement for the year ended March 31, 2023

Particulars	(amount in lakhs unless otherwise specified)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Net profit before tax	3,092.54	371.88
Adjustments for:		
Depreciation and amortisation expenses	707.36	686.69
Interest Paid	954.29	999.47
Interest Received	33.96	25.79
Operating profit before working capital changes	4,720.23	2,032.24
Changes in working capital:		
Increase / (decrease) in short term borrowing	224.68	264.94
Increase / (decrease) in trade payables	390.94	(157.90)
Increase / (decrease) in other current liabilities	(1,280.88)	353.41
Increase / (decrease) in provisions	183.41	70.66
(Increase) / decrease in inventories	175.20	(1,373.81)
(Increase) / decrease in trade receivable	(19.44)	637.75
(Increase) / decrease in short term loans and advances	(78.39)	411.74
(Increase) / decrease in other current assets	517.35	49.82
Cash generated from operations	4,833.11	2,288.84
Less: Income taxes paid	974.35	113.92
Less: MAT Credit	-	-
Net cash from operating activities before adjusting Non current and Long Term Assets	3,858.75	2,174.92
(Increase) / decrease in Long term loans and advances	(29.52)	-
(Increase) / decrease in other Non Current Asset	22.34	0.56
Net cash flow from operating activities	(A) 3,851.57	2,175.47
Cash flows from investing activities		
Purchase of property, plant and equipments (including capital work in progress)	(434.92)	(618.54)
Investment made during the year	-	-
Sale of property, plant and equipments	-	-
Sale of investment during the year	-	-
Interest received	33.96	25.79
Net cash flow used in investing activities	(B) (400.96)	(592.75)
Cash flow from financing activities		
Increase/(Decrease) in Long term Borrowings	(2,046.40)	(891.93)
Increase/(Decrease) in Other Long Term Liabilities	(454.94)	(439.79)
Increase/(Decrease) in Share Capital	-	53.03
Increase/(Decrease) in Reserve and Surplus	-	676.07
Interest Paid	(954.29)	(999.47)
Net cash flow used in financing activities	(C) (3,455.63)	(1,602.10)
Net increase in cash and cash equivalents (A + B + C)	(5.02)	(19.38)
Cash and cash equivalents at the beginning of the year	145.71	165.09
Cash and cash equivalents at the end of the year	140.69	145.71

Summary of significant accounting policies 2
The accompanying notes form an integral part of these financials statements

for, RAJENDRA PRASAD
CHARTERED ACCOUNTANTS
Firm Registration No.: 000203C

Vishwas Tiwari
Partner
Membership No.: 427936
Place : Raipur
Date : 21/09/2023
UDIN: 23427936B6SIL4103



For and on behalf of the Board of Directors

Giriraj Singhania Managing Director
DIN-00369479
Vinay Agrawal Director
DIN-06954626

Raghvendra Singhania
Chief Financial Officer

PAN: AJJPS9051R

Shivalik Engineering Industries Limited

CIN - U27107CT2011PLC022353

Notes to Consolidated Financial Statements for the year ended March 31, 2023

1 The Company Overview

Shivalik Engineering Industries Limited ("The Company") is authorised original equipments manufacturer (OEM) of several automobile companies. The company is engaged in manufacture of all types of axle, and all relevant axle assembly, braking system, gear box components and other parts for motor vehicles, trucks and tractors.

The company is a Public Limited Company incorporated in India having its registered office at C-33, 3rd Floor, Ashoka Millenium, Near Shailendra Nagar, Ring Road No 1, Raipur, 492001, Chhattisgarh, India and Factory Office at Plot No.8, Hathkhaj Industrial Area, Bhilai, Durg, 490001, Chhattisgarh, India.

2 Significant Accounting Policies to the Consolidated Balance Sheet and Statement of Profit & Loss:

2.1 Principles of Consolidation:

The Consolidated Financial Statements consist of Shivalik Engineering Industries Limited ("the Company") and its associate company (collectively referred to as "the Group"). The Consolidated Financial Statements have been prepared on the following basis

Investment in associate where the Company directly or indirectly through subsidiaries holds more than 20% of equity, are accounted for using equity method as per Accounting Standard 23 – "Accounting for Investments in Associates in Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.

losses resulting from transactions between the Company and its associates to the extent of its share, through its Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information

The difference between the cost of investment in the associate and the Company's share of net assets at the time of acquisition of share in the associate has been disclosed in the financial statements as Goodwill or Capital Reserve as the case may be.

The financial statements of the associate used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March, 2023. These have been consolidated based on latest available financial statements.

The accounting policies followed by associate are same as that of the Company.

The associates who are included in the consolidation and the Company's holdings therein are as under:

Sl. No.	Name of Company	Holding in Percentage
(i)	Shivalik Auto Engineering Pvt. Ltd.	45.83%

2.2 Investments

Investments other than in associate have been accounted for as per Accounting Standard (AS) 13 on "Accounting for Investments".

2.3 Other Significant Accounting Policies

These are set-out under "Significant Accounting Policies" as given in the respective financial statements of the Company and its associate companies.



Shivalik Engineering Industries Limited

CIN - U27107CT2011PLC022353

Notes to Financial Statements for the year ended March 31, 2023

(amount in lakhs unless otherwise specified)

3 SHARE CAPITAL

	As at March 31, 2023	As at March 31, 2022
Authorised		
1,10,00,000 equity shares of Rs.10 each (March 31, 2022: 1,10,00,000 equity shares of Rs.10 each)	1,100.00	1,100.00
	1,100.00	1,100.00
Issued, subscribed and fully paid up		
75,11,910 equity shares of Rs.10 each (March 31, 2022: 75,11,910 equity shares of Rs.10 each)	751.19	751.19
Issued, subscribed and partly paid up		
13,25,631 equity shares of Rs.10 each, Rs. 4 paid up	-	53.03
Add: Shares Forfeited		
13,25,631 equity shares of Rs.10 each (Rs. 4 Paid up)	53.03	-
Total	804.22	804.22

a. Reconciliation of the shares

Equity shares

	As at March 31, 2023		As at March 31, 2022	
	No of shares	Amount	No of shares	Amount
Balance as at the beginning of the year	88,37,541	804.22	75,11,910	751.19
Shares Issued during the year	-	-	13,25,631	53.03
Shares bought back during the year	-	-	-	-
Balance as at the end of the year*	88,37,541	804.22	88,37,541	804.22

* Including 13,25,631 nos of shares forfeited during the year.

b. Terms and rights attached to equity shares

- (i) The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.
- (ii) The dividend proposed (if any) by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.
- (iii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
- (iv) During the year, no dividend has been paid.

c. Shares held by ultimate holding company, holding company, subsidiaries or associates of ultimate holding company, subsidiaries or associates of holding company

	As at March 31, 2023	As at March 31, 2022
Number of Equity Shares held by:		
Ultimate Holding Company		
Holding Company		
Subsidiaries or Associates of Ultimate Holding Company	NIL	NIL
Subsidiaries or Associates of Holding Company		
	-	-

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



d. Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	No of shares	% holding	No of shares	% holding
Giriraj Singhania	26,81,400	35.70%	26,81,400	33.34%
Neelkamal Vanijya Pvt Ltd	28,74,930	38.27%	28,74,930	35.75%
Samarth Investment Co.	9,64,200	12.84%	9,64,200	11.99%
Sharda Shree Agricultural & Dev Pvt Ltd	7,67,700	10.22%	7,67,700	9.55%
Camelia Grih Nirmaan Pvt Ltd	-	0.00%	13,25,631	6.59%
	72,88,230	97.02%	86,13,861	97.22%

e. Equity shares movement during the 5 years preceding 31 March 2023

- No Equity shares has been allotted pursuant to contract(s) without payment being received in cash.
- No Equity shares has been issued as bonus.
- No Equity shares has been extinguished on buy-back.

f. Details of Shares held by Promoters and changes in holding during the year

Promoter Name	As at March 31, 2023		As at March 31, 2022		% Change During the Year
	No. of Shares	% of holding	No. of Shares	% of holding	
Giriraj Singhania	26,81,400	35.70%	26,81,400	33.34%	7.06%
Neelkamal Vanijya Pvt Ltd	28,74,930	38.27%	28,74,930	35.75%	7.05%
Samarth Investment Co.	9,64,200	12.84%	9,64,200	11.99%	7.05%
Sharda Shree Agricultural & Dev Pv	7,67,700	10.22%	7,67,700	9.55%	7.01%
Shivalik Power and Steel Pvt Ltd	1,93,679	2.58%	1,93,679	2.41%	6.98%
MR Singhania HUF	1	0.00%	1	0.00%	0.00%
	74,81,910	99.60%	74,81,910	93.04%	

4 RESERVES AND SURPLUS

(i) Securities premium

Balance at the beginning of the year	2,438.83	1,690.53
Addition during the year	-	748.31
Less: Utilised during the year	-	-
Closing balance (A)	2,438.83	2,438.83

	As at March 31, 2023	As at March 31, 2022
(i) Securities premium	2,438.83	1,690.53
(ii) Surplus, i.e., Balance in statement of profit and loss	3,219.95	2,805.89
Balance at the beginning of the year	2,598.28	414.06
Add: Profit for the year	-	-
Less: Dividend paid	5,818.23	3,219.95
Closing balance (B)	8,257.07	5,658.78
Total (A+B)	8,257.07	5,658.78



Shivalik Engineering Industries Limited

CIN - U27107CT2011PLC022353

Notes to Financial Statements for the year ended March 31, 2023

(amount in lakhs unless otherwise specified)

5 BORROWINGS

From Punjab National Bank

A. Rupee Term Loan against Plant and Machinery (TL-I)
Refer Note A below for nature of security and terms of repayment

- 913.46 244.61 35.87

B. Rupee Term Loan against Plant and Machinery (TL-II)
Refer Note A below for nature of security and terms of repayment

143.60 333.81 64.08 6.11

C. Rupee Term Loan against Factory Land & Building, Plant and Machinery and other assets(TL-III)
Refer Note A below for nature of security and terms of repayment

68.70 360.56 105.00 4.98

D. Rupee Term Loan Guaranteed Emergency Credit Line (GECL)
Refer Note B below for nature of security and terms of repayment

244.77 419.94 159.48 159.48

E. Rupee Term Loan Guaranteed Emergency Credit Line (GECL) Extension
Refer Note B below for nature of security and terms of repayment

269.73 314.99 45.00 24.64

From Bank of India

F. Rupee Term Loan against Plant and Machinery (TL-I)
Refer Note C below for nature of security and terms of repayment

- 177.43 177.43 249.90

G. Rupee Term Loan against Plant and Machinery (TL-II)
Refer Note C below for nature of security and terms of repayment

- 9.97 9.97 71.58

H. Rupee Term Loan against Plant and Machinery (TL-III)
Refer Note C below for nature of security and terms of repayment

35.13 90.93 55.72 55.72

I. Rupee Term Loan against Plant and Machinery (TL-IV)
Refer Note C below for nature of security and terms of repayment

178.80 248.80 70.08 70.08

J. Guaranteed Emergency Credit Line (GECL)
Refer Note D below for nature of security and terms of repayment

218.31 343.75 125.00 125.00

K. Guaranteed Emergency Credit Line (GECL) Extension
Refer Note D below for nature of security and terms of repayment

230.70 252.00 21.00

L. Working Capital Demand Loan from Bank of India

- - - 10.60

From HDFC

M. Rupee Term Loan from HDFC Bank
Refer Note E below for nature of security and terms of repayment

1.25 2.66 1.34 1.69

N. Rupee Term Loan from HDFC Bank
Refer Note F below for nature of security and terms of repayment

40.96 - 13.87 -

O. HDFC BANK LTD. AUTO LOAN-28173
Refer Note G below for nature of security and terms of repayment

3.78 9.05 3.38 2.35

P. Rupee Term Loan from AXIS Bank
Refer Note H below for nature of security and terms of repayment

5.42 10.21 3.14 16.00

Q. HDFC Bank (Against Vehicle)

- - - 2.37

R. AXIS Bank (Against Forklift)

- - - 0.49

S. AXIS Bank (Against DG Set)

- - - 2.60



Shivalik Engineering Industries Limited

CIN - U27107CT2011PLC022353

Notes to Financial Statements for the year ended March 31, 2023

Cash Credit Limits

T. Cash Credit Limit with Punjab National Bank*	-	-	1,437.93	1,569.14
U. Cash Credit Limit with Bank of India*	-	-	1,066.63	970.40

Refer Note 1 below for nature of security and terms of repayment

Unsecured

Loan from Others	88.00	88.00	-	-
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(The above unsecured loan is repayable after a period of one year from the date of balance sheet, the applicable ROI is Nil.)

Total	1,529.14	3,575.54	3,603.67	3,378.99
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NOTES TO ACCOUNTS

Nature of Security

A. Against Loan from Punjab National Bank (TL I, II, III)

The loan is secured by a pari passu charge on the factory land and building at plot no.8, Hathkhaj Industrial Area, Bhilai and plant & Machineries, Electrical Installations and other fixed assets of the unit. The loan is further secured by personal guarantee of promoter directors & Corporate guarantee of Shivalik Power & Steel Private Limited.

B. Against Loan from Punjab National Bank (COVID-19 Loan and GECL)

The loans are secured by extension of charge over existing primary and collateral securities.

C. Against Term Loan from Bank of India

The loan is secured by a pari passu charge on EQM of factory land & building situated at no.8, Hathkhaj Industrial Area, Bhilai and plant & Machineries, Installations and other fixed assets of the unit. The loan is further secured by personal guarantee of promoter, directors & Corporate guarantee of Shivalik Power & Steel Private Limited.

Terms of Repayment & ROI

Term Loan against Building and Plant & Machinery (TL I, II and III)

Term loan bearing ROI of 11.95% from Punjab National Bank is repayable in equated instalments as below:

TL-I

IC-56- 29 installments of Rs. 26.55 Lakhs commencing March'23

IC-65 - 25 installments of Rs. 9.32 Lakhs commencing from March'23

TL-II

61 installments of Rs. 5.68 Lakhs commencing March'23

TL-III

75 installments of Rs. 4.97 Lakhs commencing March'23

COVID-19 Emergency Credit Facility

Repayable in equated installment in 18 months commencing from Jan'21 and carries ROI of 8.25% p.a.

Guaranteed Emergency Credit Line (GECL)

Repayable in equated installment in 36 months commencing from January'22 and carries ROI of 8.25% p.a.

Guaranteed Emergency Credit Line (GECL 2.0)

Repayable in equated installment in 48 months commencing from November'23 and carries ROI of 7.60% p.a.

Term loan from Bank of India

Term loan bearing ROI of 10.40% from Bank of India is repayable in monthly installments as below:

TL-I- Payable in 25 monthly balloning installments commencing Nov'20

TL-II- Payable in 31 monthly balloning installments commencing Nov'20

TL-III- Payable in 49 equated installments commencing Nov'20

TL-IV- Payable in 72 equated installments commencing Nov'20



D. Against GECL from Bank of India

The loans are secured by extension of charge over existing primary and collateral securities.

Terms of Repayment & ROI-GECL-1

Repayable in equated installment in 36 months commencing from January'22 and carries ROI of 8.35% p.a.

Terms of Repayment & ROI-GECL-2

Repayable in equated installment in 48 months commencing from December'23 and carries ROI of 7.65% p.a.

E. Against Loan from HDFC Bank

The loan is secured by hypothecation of Tractor and personal guarantee of promoter directors.

Terms of Repayment & ROI

Term loan bearing ROI of 11.55% from HDFC Bank repayable in equated monthly installment of Rs.0.11152/- upto May'2019.

F. Against Loan from HDFC Bank

The loan is secured by hypothecation of Vehicle and personal guarantee of promoter directors.

Term loan bearing ROI of 8.5% from HDFC Bank repayable in equated monthly installment of Rs.1.15604/-

G. Against Loan from HDFC Bank

The loan is secured by hypothecation of Vehicle and personal guarantee of promoter directors.

Term loan bearing ROI of 9.00% from HDFC Bank repayable in equated monthly installment of Rs.0.28173/- upto November'2025.

H. Against Loan from Axis Bank

The loan is secured by hypothecation of Vehicle and personal guarantee of promoter directors.

Terms of Repayment & ROI

Term loan bearing ROI of 9.46% from Axis Bank repayable in equated monthly installment of Rs.0.26201/- upto November'2021.

I. Terms & Conditions of Secured Loans

a. The working capital facility is secured hypothecation charge over entire Current Assets of the Company by way of hypothecation of the stocks of raw materials, stock in process, finished goods etc. at the Company's premise/ godown, including goods in transit/ shipment, outstanding moneys, book debts, receivables, other current assets, etc., both present and future.

b. The loan is further secured by personal guarantee of promoter directors & Corporate guarantee of Shivalik Auto Engineering Private Limited and Shivalik Power & Steel Private Limited.

c. As at balance sheet, the company has not defaulted in repayment of principal and interest.

6 DEFERRED TAX LIABILITY**Deferred Tax Liabilities**

WDV of Fixed Assets

Deferred Tax Assets

Provision for Gratuity

Provision for Bonus

Provision for Leave Encashment

Total

	As at March 31, 2023	As at March 31, 2022
WDV of Fixed Assets	914.94	812.26
Provision for Gratuity	-27.84	-17.78
Provision for Bonus	-11.21	-
Provision for Leave Encashment	-5.25	-
Total	870.64	794.48

7 OTHER LONG TERM LIABILITIES

(a) Other Long Term Liability

Total

	As at March 31, 2023	As at March 31, 2022
Other Long Term Liability	-	454.94
Total	-	454.94



8 PROVISIONS

	Long term		Short Term	
	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
(a) Provision for employee benefits:				
-For gratuity	91.20	68.35	4.41	2.31
-For Leave Encashment	17.14	-	0.87	-
(b) Provision for Income Tax (Net off Advance Tax and TDS)	-	-	140.45	-
Total	108.34	68.35	145.73	2.31

9 TRADE PAYABLES

	As at	As at
	March 31, 2023	March 31, 2022
(a) Total outstanding dues of micro enterprises and small enterprises*	33.84	282.93
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,546.67	906.64
Total	1,580.51	1,189.57

Micro, Small and Medium Enterprises Development Act, 2006

*Refer note no 27 for additional disclosure on MSME

Notes:

- (i) The average credit period for purchases for purchases of certain goods and services are 30 days. No interest is chargeable.
(ii) Payable to related parties (refer note no.34)

Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	33.84	-	-	-	33.84
(ii) Others	1,523.08	1.74	-	21.85	1,546.67
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

10 OTHER CURRENT LIABILITIES

	As at	As at
	March 31, 2023	March 31, 2022
(a) Advance from Customers	95.47	201.46
(b) Statutory Dues	431.93	348.32
(c) Other Payables	1,712.99	2,965.93
(d) Employee Related Liabilities	133.69	139.25
Total	2,374.08	3,654.97



PROPERTY, PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS

Property, Plant and Equipments Particulars	(amount in lakhs unless otherwise specified)										
	Leaschold Land*	Building	Computer	Electrical Installation	Furniture	Plant & Machineries	Vehicle	Office Equipments	Weightbridge	Generator Set	Total
GROSS BLOCK											
Balance as at 01 April, 2021	222.13	955.32	92.79	732.18	34.42	8,082.44	204.17	26.90	10.50	67.26	10,428.11
Additions	-	-	1.23	-	0.50	600.71	14.10	2.00	-	-	618.54
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	222.13	955.32	94.01	732.18	34.92	8,683.15	218.27	28.90	10.50	67.26	11,046.65
Balance as at 01 April, 2022	222.13	955.32	94.01	732.18	34.92	8,683.15	218.27	28.90	10.50	67.26	11,046.65
Additions	-	-	1.19	9.64	-	363.00	61.09	-	-	-	434.92
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	222.13	955.32	95.20	741.81	34.92	9,046.15	279.37	28.90	10.50	67.26	11,481.57
ACCUMULATED DEPRECIATION											
Balance as at 01 April, 2021	4.99	168.71	55.74	331.27	21.31	2,385.29	80.41	19.79	3.79	18.45	3,089.73
Depreciation expense	1.77	30.25	12.49	69.54	1.99	535.88	24.22	3.50	0.67	6.39	686.69
Elimination on disposals of assets	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	6.75	198.95	68.23	400.80	23.30	2,921.16	104.63	23.29	4.45	24.84	3,776.42
Balance as at 01 April, 2022	6.75	198.95	68.23	400.80	23.30	2,921.16	104.63	23.29	4.45	24.84	3,776.42
Depreciation expense	2.24	30.25	9.24	69.91	2.42	557.86	27.36	1.02	0.67	6.39	707.36
Elimination on disposals of assets	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	9.00	229.20	77.47	470.71	25.72	3,479.02	131.99	24.31	5.12	31.23	4,483.78
NET BLOCK											
Balance as at March 31, 2022	215.37	756.37	25.78	331.37	11.62	5,761.99	113.64	5.61	6.05	42.42	7,270.23
Balance as at March 31, 2023	213.13	736.12	17.73	271.10	9.20	5,567.13	147.38	4.59	5.39	36.04	6,997.79

* The company has taken land on lease for a period of 99 years commencing from 15-01-1982 and ending on 14-01-2081.

Notes:

1. There have been no acquisitions through business combinations and no change of amount due to revaluation of intangible assets during the year ended 31 March, 2023 and 31 March, 2022.



		(amount in lakhs unless otherwise specified)	
		As at	As at
		March 31, 2023	March 31, 2022
12 NON CURRENT INVESTMENTS			
	Investments in Associate (Unquoted, fully paid up)		
	Shivalik Auto Engineering (P) Ltd.	1,548.43	992.17
	55,56,400 nos. equity shares of Face Value of Rs.10/- each		
	The company holds 45.83% (PY 43.54%) of the total equity capital of the company		
	Total	1,548.43	992.17

	Long Term		Short term	
	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Unsecured, considered good unless otherwise stated)			
(a) Capital Advance	29.52	-	-	-
(b) Advance Tax and TDS/TCS (Net of Provision)	-	-	-	12.93
(c) Income Tax Refund Due	-	-	-	30.04
(d) Advance to Suppliers	-	-	1,133.88	980.93
(e) Advance against Salary	-	-	7.78	6.23
(f) Other Short Term Loans and Advances	-	-	66.22	99.36
Total	29.52	-	1,207.89	1,129.48

	Long Term		Short term	
	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
(a) Security deposit	317.34	339.69	-	-
(b) Prepaid Expenses	-	-	96.85	52.21
(c) MAT Credit Entitlement	-	-	57.88	474.89
(d) Export incentive Receivable(Duty drawback & MEIS)	-	-	0.05	4.77
(e) Deposits with Maturity of less than twelve Months	-	-	0.95	35.20
(f) Accrued Interest on FDR	-	-	20.92	36.21
(g) Other Asset	-	-	10.78	101.50
Total	317.34	339.69	187.43	704.78

	As at	As at
	March 31, 2023	March 31, 2022
	15 INVENTORIES	
(a) Raw Material	323.17	776.71
(b) Finished goods	3,068.40	3,345.78
(c) Stores and Spares	1,100.92	545.21
Total	4,492.50	4,667.70



16 TRADE RECEIVABLES

(amount in lakhs unless otherwise specified)

	As at March 31, 2023	As at March 31, 2022
(a) Unsecured, Considered Good	4,351.82	4,332.38
(b) Unsecured, Considered Doubtful	-	-
Total	4,351.82	4,332.38

Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade Receivable - considered good	4,318.76	5.35	4.78	9.48	13.45	4,351.82
(ii) Undisputed Trade Receivable - considered doubtful						-
(iii) Disputed Trade Receivable - considered good						-
(iv) Disputed Trade Receivable - considered doubtful						-
(v) Unbilled Dues						-

17 CASH AND CASH EQUIVALENT

	As at March 31, 2023	As at March 31, 2022
(a) Balances with banks	25.00	29.28
(b) Cash on hand	7.69	8.43
(c) Deposits with Original Maturity of less than three months*	108.00	108.00
Total	140.69	145.71

* Bank deposits are pledged against outstanding bank guarantees and buyer's credit



(amount in lakhs unless otherwise specified)

18 REVENUE FROM OPERATIONS

	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue From Operations*	51,966.61	31,330.20
Total	51,966.61	31,330.20

*Includes export sales amounting to Rs.86.76 Lakhs where tax invoice has been generated in current financial year but the shipping bill have been filed in next FY

19 OTHER INCOME

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Income	33.96	25.79
Export Incentive (Duty drawback & MEIS)	18.74	5.02
Other income	70.27	-
Foreign Exchange Translation	21.42	-9.91
Total	144.38	20.90

20 COST OF MATERIALS CONSUMED

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock of Raw Materials	776.71	746.73
Add: Purchase during the year	35,527.64	22,411.95
Less: Closing stock of Raw Materials	323.17	776.71
Consumption of Raw Material	35,981.18	22,381.97
Other Direct Expenses		
Freight Inward	577.41	389.39
Other Direct Expenses	546.29	138.46
Total	37,104.88	22,909.82

21 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory at the beginning of the year		
Finished goods	3,345.78	1,958.90
Stock-in-trade	-	-
Waste and scrap	-	-
	3,345.78	1,958.90
Inventory at the end of the year		
Finished goods	3,068.40	3,345.78
Stock-in-trade	-	-
Waste and scrap	-	-
	3,068.40	3,345.78
(Increase)/decrease in inventory	277.38	-1,386.89

22 EMPLOYEE BENEFIT EXPENSES*

	For the year ended March 31, 2023	For the year ended March 31, 2022
Salary and wages	1,410.27	979.23
Contribution towards provident and others funds	117.44	85.91
Bonus	44.43	58.63
Gratuity	24.95	70.66
Leave Encashment	18.01	-
Staff Welfare Expenses	98.45	144.61
Total	1,713.54	1,339.04

* Employee benefits includes Rs. 41.98 Lakhs (PY Rs 41.40 Lakhs) towards salaries of employees engaged in development of new products



Shivalik Engineering Industries Limited

CIN - U27107CT2011PLC022353

Notes to Financial Statements for the year ended March 31, 2023

(amount in lakhs unless otherwise specified)

23 FINANCE COSTS

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on Term Loan	363.94	416.72
Interest on OD/CC Account	190.51	277.64
Bank Charges	389.06	271.67
Interest expenses	10.78	33.44
Total	954.29	999.47

24 OTHER EXPENSES

	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Manufacturing Expenses		
Consumption of Stores and Spares	5,086.83	3,925.86
Power and fuel	1,757.71	1,712.11
Repairs to Plant and Machineries	161.90	42.37
Sub Total (A)	7,006.44	5,680.34
B. Administrative Expenses		
Rent	170.72	87.69
Insurance	74.47	52.73
Rent Rate and Taxes	2.68	3.66
Interest on Other Statutory Dues	-	1.02
Advertisement Expenses	21.23	5.26
CSR Expenses	24.99	15.90
Other Miscellaneous Expenses	957.46	584.18
Sub Total (B)	1,251.55	750.45
C. Payment to Auditor		
As an Auditor	3.00	0.30
Sub Total (C)	3.00	0.30
Total (A + B + C)	8,261.00	6,431.09

25 EARNINGS PER SHARE

	For the year ended March 31, 2023	For the year ended March 31, 2022
Net profit attributable to equity shareholders	2,598.28	414.06
Equity Share outstanding at the end of year (Nos.)	88.38	88.38
Weighted average number of equity shares	76.44	76.83
Basic and diluted earnings per share (in Rs.)	33.99	5.39
Nominal value per share (in Rs.)	10.00	10.00



26 Contingent liabilities & commitments

Particulars	(amount in lakhs unless otherwise specified)	
	As at March 31, 2023	As at March 31, 2022
Outstanding Counter Guarantees to bank against Bank guarantees issued	35.20	35.20
Outstanding Corporate Guarantees issued to bank	8,205.00	8,205.00
Outstanding Letter of credit	-	-
Disputed Liability, against which appeal is pending, of :		
a. Income Tax	NIL	NIL
b. Goods and Service Tax		
c. Custom Duty		
Total	8,240.20	8,240.20

(ii) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. Nil (March 31, 2022: Nil).

(iii) The Company has other commitments, for purchase of goods and services and employee benefits, in normal course of business. The Company does not have any long term commitments/contracts for which there will be any material foreseeable losses.

(iv) M/s Kutch Minerals has filed civil case against the company in Taluka Court Mandvi. The amount involved is not ascertainable.

27 Dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	March 31, 2023	March 31, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier		
-Principal amount due to micro and small enterprises (Not overdue)	33.84	282.93
-Interest due on above	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
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 Enterprises Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note: The identification of micro and small enterprises is based on information available with the management regarding status of these parties, which has been relied upon by the auditors

28 Expenditure in foreign currency during the year is Rs. 46.64/- (Previous Year Rs.6.07/-) towards import of goods and services during the year.

29 Raw Material and Store and Spare Consumption

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount	%	Amount	%
Raw Material				
Imported	-			
Indigenous	35,981.18	100%	22,381.97	100%
Total	35,981.18	100%	22,381.97	100%
Stores & Spares				
Imported				
Indigenous	5,086.83	100%	3,925.86	100%
Total	5,086.83	100%	3,925.86	100%



30 Reporting under AS 15: Employee Benefits

(a) Defined contribution plans:

The company makes provident fund and employee state insurance scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the company are at rates specified in the rules of the schemes. The company recognised amounts given below, in the statement of profit and loss given below details of which are as follows:-

	For the year ended March 31, 2023	For the year ended March 31, 2022
Provident Fund Scheme	91.44	63.59
Employee state insurance scheme	26.00	22.33

(b) Defined benefit plans:

A. Gratuity Scheme

The Company has a defined benefit gratuity plan. Every employee who has completed five periods or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed period of service. The scheme of gratuity is non funded.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plan.

(i) Net employee benefit expense (recognized in Employee benefit expenses)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	12.93	16.97
Past service cost		53.68
Expected return on plan assets		-
Interest cost on benefit obligation	5.15	-
Net actuarial losses / (gains) recognized during the year	6.87	-
Net expense recognized in statement of profit and loss	24.95	70.66

(ii) Changes in the present value of defined benefit obligation

	As at March 31, 2023	As at March 31, 2022
Opening present value of defined benefit obligation	70.66	-
Current service cost	12.93	16.97
Past service cost	-	53.68
Interest cost	5.15	-
Benefits paid	-	-
Actuarial losses / (gains) on obligation	6.87	-
Closing present value of defined benefit obligation	95.61	70.66

(iii) Changes in the value of plan assets

Fair value of plan asset at the beginning of year	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain / (loss) on plan assets	-	-
Fair value of plan assets at the end of year	-	-

Funded Status	-95.61	-70.66
---------------	--------	--------

(iv) Principal assumptions used in determining gratuity obligations for the Company's plans

	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.48%	7.29%
Expected return on plan assets	NA	NA
Salary escalation	10.00%	10.00%



B. Leave Benefit Scheme

The employees of the Company are also entitled to compensated absences based on the unavailed leave balance. The Company records liability based on actuarial valuation computed under projected unit credit method.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded

(i) Net employee benefit expense (recognized in Employee benefit expenses)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	6.16	NA
Past service cost	11.85	NA
Expected return on plan assets	-	NA
Interest cost on benefit obligation	-	NA
Net actuarial losses / (gains) recognized during the year	-	NA
Net expense recognized in statement of profit and loss	18.01	NA

(ii) Changes in the present value of defined benefit obligation

	As at March 31, 2023	As at March 31, 2022
Opening present value of defined benefit obligation	-	NA
Current service cost	6.16	NA
Past service cost	11.85	NA
Interest cost	-	NA
Benefits paid	-	NA
Actuarial losses / (gains) on obligation	-	NA
Closing present value of defined benefit obligation	18.01	NA

(iii) Changes in the value of plan assets

Fair value of plan asset at the beginning of year	-	NA
Expected return on plan assets	-	NA
Contributions	-	NA
Benefits paid	-	NA
Actuarial gain / (loss) on plan assets	-	NA
Fair value of plan assets at the end of year	-	NA

Funded Status	-18.01	NA
---------------	--------	----

(iv) Principal assumptions used in determining leave obligations for the Company's plans

	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.48%	NA
Expected return on plan assets	NA	NA
Salary escalation	10.00%	NA
Average Future Services (In years)	21.81 Years	NA

- 31 Dividend paid in foreign currency during the year is Rs. NIL (Previous Year Rs. NIL)
- 32 Earning in foreign currency during the year is Rs. 1083.81 Lakhs (Previous Year Rs. 1314.58 Lakhs) towards export sales.
- 33 The Company is principally engaged in single business segment and geographical segment, hence there is no separate reportable segment to be reported as required under Accounting Standard 17 "Segment Reporting".



34 **Reporting under AS 18: Related Party**

(a) Name of Related Party and Nature of Relationship

Name of Related Party	Nature of Relationship
Giriraj Singhania	Key Management Personnel (KMP)
Vinay Agrawal	Key Management Personnel (KMP)
Raghvendra Singhania	Key Management Personnel (KMP)
Sharda Shree Agriculture	Enterprise over which Relative of KMP is able to exercise significant influence.
Sharda Shree Agriculture And Developers Pvt Ltd	Enterprise over which Relative of KMP is able to exercise significant influence.
Shilpa Singhania	Relative of KMP
Shivalik Auto Engineering Pvt Ltd	Associate Enterprise
Shivalik Power & Steel Pvt Ltd	Enterprise over which KMP is able to exercise significant influence.

(b) Transactions with related parties: (Rs. In Lakhs)

Nature of Relationship	Nature of Transactions	For the year ended March 31, 2023	For the year ended March 31, 2022
Enterprise over which significant control exist			
	Sales	11,281.77	5,982.90
	Purchase	2,668.24	1,645.09
	Commission	-	165.68
	Rent	-	12.90
	Job work expenses	206.70	-
Associate Enterprise			
	Sales	2,753.53	698.66
	Purchase	17,253.27	10,507.03
	Job work expense	43.42	-
	Job Work Income	19.63	-
Key Management Personnel			
	Salary	431.25	154.40
	Rent	26.40	24.00
	Loan Repaid	-	137.00
Relative of Key Management Personnel			
	Rent	14.52	13.20
	Loan Taken	-	286.50
	Interest	-	13.50
	Loan Repaid	-	375.00
Enterprise over which Relative of KMP is able to exercise significant influence.			
	Commission	352.85	-

(c) Balances with related parties: (Rs. In Lakhs)

Name of related party	Nature of Balances	As at March 31, 2023	As at March 31, 2022
Giriraj Singhania	Other Payable	-	6.87
	Other Receivable	18.17	-
Giriraj Singhania	Other Payable	0.90	3.75
Vinay Agrawal	Other Receivable	-	17.66
	Other Payable	0.89	-
Raghvendra Singhania	Other Receivable	10.78	61.23
Raghvendra Singhania	Other Payable	0.71	22.06
Shilpa Singhania	Other Payable	-	0.50
Sharda Shree Agriculture	Other Receivable	-	34.61
Sharda Shree Agriculture	Other Payable	0.84	-
Shivalik Auto Engineering Pvt Ltd	Trade Payable	1,363.77	1,904.27
Shivalik Power & Steel Pvt Ltd	Other Payable	1,486.52	578.45



35 Corporate Social Responsibility

(amount in lakhs unless otherwise specified)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Amount required to be spent during the year	5.48	15.90
(b) Amount of expenditure incurred	24.99	
(c) Shortfall/(Excess) at the end of the year	-19.50	15.90
(d) Total of previous year shortfall	16.22	0.32
(e) Reasons for shortfall		
(f) Nature of CSR activities	Donation to charitable and educational institutions	Donation to charitable and educational institutions
(g) Details of Related Party Transactions	NA	NA

36 Unhedged foreign currency during the year is Rs. 292.37 Lakhs (Previous Year Rs. 256.30 Lakhs).

37 No Proceedings have been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

38 The company has no relationship or transaction with any companies which are struck off pursuant to provision of section 248 of the Companies Act, 2013.

39 The company has not surrendered or disclosed any unrecorded income in any tax assessments under the Income Tax Act, 1961 during the financial year.

40 The Company has not been declared as a wilful defaulter by any bank or financial institution during the financial year.

41 The company has not made any delay beyond the statutory period in Registration or Satisfaction of charges with the jurisdictional Registrar pursuant to provision of section 77 of Company Act, 2013

42 The company is not a subsidiary company as defined under section 2 (87) Companies Act, 2013 or a holding company as defined under section 2 (46) of the Companies Act, 2013.

43 The company has not traded or invested in crypto currency or virtual currency during the financial year.

44 Deferred Tax

In compliance with the "Accounting for Taxes on Income" (AS-22) issued by The Institute of chartered Accountants of India, the company recognises DTA/DTL in the Profit & Loss Account arising on account of timing differences, of which details are as follows:

WDV as per Income Tax Act	3,642.68
WDV as per Companies Act	6,784.66
Timing Difference for (DTA)/DTL	3,141.98
Provision for Gratuity (Resulting in DTA)	-95.61
Provision for Bonus (Resulting in DTA)	-38.51
Provision for Leave Encashment (Resulting in DTA)	-18.01
Timing Difference for (DTA)/DTL	-152.13
Net timing difference resulting in liability	2,989.85
Net Deferred Tax Liability @29.12%	870.64
Opening DTL	794.48
(Credited)/Debit to Statement of Profit and Loss for the year	76.17

45 The company has utilised borrowing from Banks & Financial institutions for the specific purpose for which it was taken

46 The monthly Stock Statement furnished to Bankers against CC/OD limits are in agreement with books of accounts.

47 The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- 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 to or on behalf of the Ultimate Beneficiaries



48 The Company have not received any fund from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

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

49 Proposed Scheme of Amalgamation

The Board of Directors of the Company at their meeting held on 31st January, 2023 approved the Composite Scheme of Arrangement ("Scheme") for the amalgamation of Shivalik Auto Engineering Private Limited ("SAEPL"), Neelkamal Vanijya Private Limited ("NVPL"), Adopt Commotrade Private Limited ("ACPL") and GoldmoonVinimay Private Limited ("GVPL") (collectively referred to as the "Transferor Companies") with Shivalik Engineering Industries Limited ("SEIL" or "Transferee/Resulting Company") and demerger of the Castings Division undertaking of Shivalik Power and Steel Private Limited ("SPSPL" or "Demerged Company") and vesting of the same into SEIL and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013 and other applicable laws. An application has been filed with the National Company Law Tribunal, Cuttack Bench (NCLT) on 18th March 2023.

As per the Scheme, the Appointed Date is 1st January, 2023 and the Scheme shall become effective from the date on which the certified copy of the Order of the NCLT sanctioning this Scheme, is filed with the Registrar of Companies (ROC).

Pursuant to the Scheme becoming effective, it is proposed that SEIL will issue equity shares to the shareholders of the Transferor Companies and the Demerged Company as follows:

- 40 (Forty) equity shares of face value of INR 10/- each of SEIL, for every 100 (One Hundred) equity shares of face value of INR 10/- each held in SAEPL.
- 1172 (One Thousand One Hundred Seventy Two) equity shares of face value of INR 10/- each of SEIL, for every 100 (One Hundred) equity shares of face value of INR 10/- each held in NVPL.
- 9687 (Nine Thousand Six Hundred Eighty Seven) equity shares of face value of INR 10/- each of SEIL, for every 100 (One Hundred) equity shares of face value of INR 10/- each held in ACPL.
- 9679 (Nine Thousand Six Hundred Seventy Nine) equity shares of face value of INR 10/- each of SEIL, for every 100 (One Hundred) equity shares of face value of INR 10/- each held in GVPL.
- 44 (Forty Four) equity shares of face value of INR 10/- each of SEIL, for every 100 (One Hundred) equity shares of face value of INR 10/- each held in SPSPL.

The shares held by the Transferor Companies, the Demerged Company and the Transferee/Resulting Company inter-se will get cancelled. Pending the final approval of the NCLT and the Scheme becoming effective, no accounting entries have been passed in the books to give effect to the Scheme.

50 The Parliament has approved the Code on Social Security, 2020 ("Code") which may impact the contribution by the company towards Provident Fund and Gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed after which the financial impact can be ascertained. The Company will complete its evaluation and will give appropriate impact, if any, in the financial result following the Code becoming effective and the related rules being framed and notified.

51 Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent Subsidiary Shivalik Engineering Industries Limited	91.77%	8,315.75	78.59%	2,042.02
Associate Shivalik Auto Engineering (P) Ltd.	8.23%	745.53	21.41%	556.26

52 Previous year figures have been reclassified and regrouped wherever considered necessary to make them comparable with the current year's figures.

As per our report of even date attached

For and on behalf of the Board of Directors

for, RAJENDRA PRASAD
CHARTERED ACCOUNTANTS
Firm Registration No.: 0002036

Vishwas Tiwari
Partner
Membership No.: 427936
Place: Raipur
Date: 21-09-2023
UDIN: 2342793684514103



Giriraj Singhania
Managing Director
DIN-00369479

Vinay Agrawal
Director
DIN-06954626

Raghvendra Singhania
Chief Financial Officer

PAR: AJTJPS9051R