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Policy and Development – 2
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SEBI/HO/CFD/PoD2/OW/P/2025/18347/1
July 09, 2025

To

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

Kind attention: Ms. Aarti Sahni (Company Secretary)

Madam,

Sub: Request for Informal Guidance by way of an Interpretive Letter under the Securities and Exchange Board of India (Informal Guidance) Scheme, 2003 with respect to Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. This is with reference to your letter dated April 14, 2025 read with email dated May 09, 2025 (hereinafter collectively referred to as "**Application**"), seeking guidance by way of an interpretive letter under the Securities and Exchange Board of India (Informal Guidance) Scheme, 2003 in respect of Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**") read with Regulation 2(1)(pp) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**").
2. In your Application under reference, you have, *inter alia*, represented as under:
 - 2.1. Shivalik Bimetal Controls Limited ("**SBCL**") is a company listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) and have 19 individuals/entities as its promoters (promoter group).
 - 2.2. SBCL intends to reclassify 12 promoters (7 individuals and 5 companies) to the "public" category.

2.3. The details pertaining to names of the promoters, their shareholdings as on March 31, 2025, proposed reclassification and relations between some of the individuals promoters, are as under:

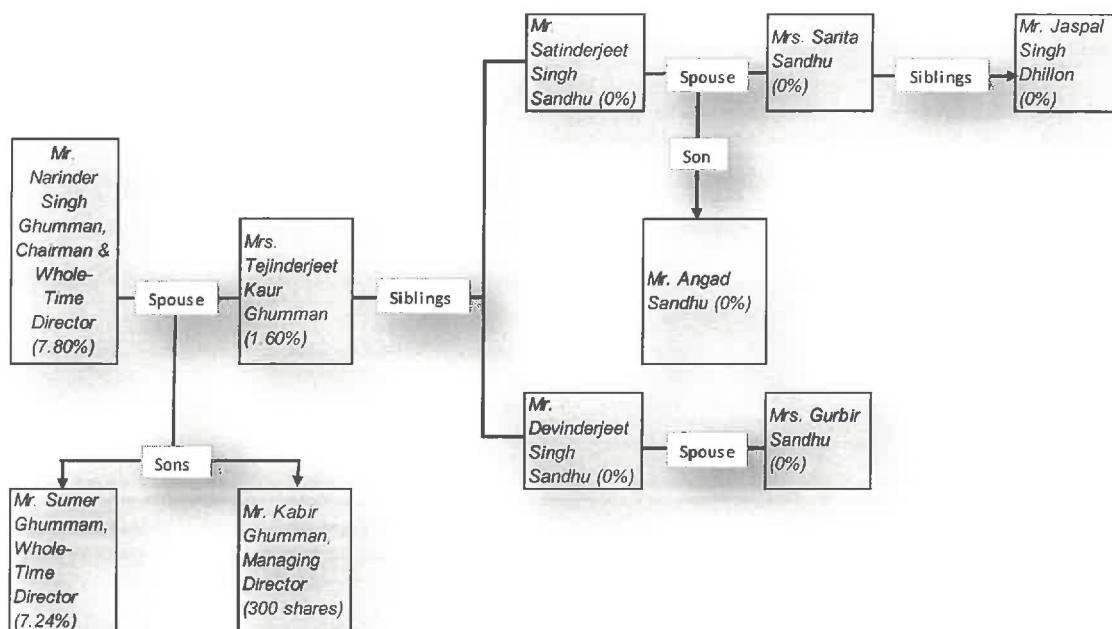
Promoters (Individual Category)

Sr. No.	Name of the Promoter as per last shareholding pattern	No. of Equity shares held	% of shareholding	Whether seeking reclassification
1	Narinder Singh Ghumman	4491000	7.80	No
2	Manjit Kaur	0	-	Yes
3	Jaspal Singh Dhillon	0	-	Yes
4	Tejinderjeet Kaur Ghumman	924000	1.60	No
5	Sarita Sandhu	0	-	Yes
6	Satinder Jeet Singh Sandhu	0	-	Yes
7	Sumer Ghumman	4173000	7.24	No
8	Devinder Jeet Singh Sandhu	0	-	Yes
9	Gurbir Sandhu	0	-	Yes
10	Kabir Ghumman	300	-	No
11	Milly Ghumman	300	-	No
12	Angad Sandhu	0	-	Yes

Promoter (Body Corporate Category)

Sr. No.	Name of the Promoter as per last shareholding pattern	No. of Equity shares held	% of shareholding	Whether seeking reclassification
1	O D Finance and Investment Pvt Ltd	9063571	15.73	No
2	Sirmaur Hospitality Pvt. Ltd.	455600	0.79	No
3	Amar Engineering Company Pvt. Ltd.	0	-	Yes

4	Angad Estates Pvt. Ltd.	0	-	Yes
5	TSL Holdings Pvt. Ltd.	0	-	Yes
6	Ultra Portfolio Management Pvt. Ltd.	0	-	Yes
7	B S Sandhu and Associates Pvt. Ltd.	0	-	Yes



2.4. These 12 promoters seeking reclassification do not hold any shares in SBCL and have no control over its affairs and management.

2.5. The individual promoters seeking reclassification are not on the board of corporate promoters which would remain promoter after proposed reclassification. Similarly, the corporate promoters seeking reclassification do not have any individual promoter in their board who would remain promoter after proposed reclassification.

3. In view of the above, you have sought guidance on the following queries:

Query 1: Whether the application for re-classification is maintainable under the provisions of Regulation 31A, read with sub-clauses (ii), (iii), and (iv) of clause (pp) of sub-regulation (1) of Regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, for the promoters/persons mentioned in Table III (except No. 5), considering that Mrs.

Tejinderjeet Kaur Ghuman will remain the Promoter of the Company along with her immediate relatives (i.e., Mr. Narinder Singh Ghuman, Mr. Sumer Ghuman, and Mr. Kabir Ghuman) as Promoters and Key Managerial Personnel (KMP) of the Company?"

Query 2: Whether the approval of the shareholders is dispensed with as where the promoter(s) seeking reclassification and persons related to the promoter(s) seeking reclassification, together, do not hold more than one percent of the total voting rights in the listed entity?

4. We have considered the submissions made in your Application. Without necessarily agreeing with your analysis, our views on the queries are as follows:

4.1. The relevant legal provisions are reproduced below:

LODR Regulations:

"Conditions for re-classification of any person as promoter / public

31A. (1) For the purpose of this regulation:

(a) "promoter(s) seeking re-classification" shall mean all such promoters/persons belonging to the promoter group seeking re-classification of status as public.

(b) "persons related to the promoter(s) seeking re-classification" shall mean such persons with respect to that promoter(s) seeking re-classification who fall under sub-clauses (ii), (iii) and (iv) of clause (pp) of sub-regulation (1) of regulation 2 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

....

(3) Reclassification of status of a promoter, including promoter group, shall be subject to the following conditions:

(a) Fulfilment of the following requirements:

....

(iii) the listed entity shall submit an application seeking no-objection of the recognized stock exchange for such reclassification request along with the views of the board of directors within five days of consideration of the request by the board of directors;

....

(v) the listed entity shall place the reclassification request before the shareholders in a general meeting for approval, within sixty days of receipt of no-objection letter from the recognized stock exchange, along with the views of the board of directors on the request and the no-objection letter received from the recognized stock exchanges;

(vi) the request of the promoter(s) seeking reclassification shall be approved in the general meeting by an ordinary resolution in which the promoter(s) seeking

reclassification and the persons related to him/her/it shall not vote to approve such reclassification request:

Provided further that the provisions of this sub-clause shall not apply in cases:

(a)where the promoter(s) seeking reclassification and persons related to the promoter(s) seeking reclassification, together, do not hold more than one percent of the total voting rights in the listed entity;

.....

(b)the promoter(s) seeking re-classification and persons related to the promoter(s) seeking re-classification shall not:

- (i)together, hold more than ten percent of the total voting rights in the listed entity;*
- (ii)exercise control over the affairs of the listed entity directly or indirectly;*
- (iii)have any special rights with respect to the listed entity through formal or informal arrangements including through any shareholder agreements;*
- (iv)be represented on the board of directors (including not having a nominee director) of the listed entity;*
- (v)act as a key managerial personnel in the listed entity;*
- (vi)be a 'wilful defaulter' as per the Reserve Bank of India Guidelines;*
- (vii)be a fugitive economic offender....."*

ICDR Regulations:

"Regulation 2(1)

(pp) "promoter group" includes:

- i)the promoter;*
- ii)an immediate relative of the promoter (i.e. any spouse of that person, or any parent, brother, sister or child of the person or of the spouse); and*
- iii) in case promoter is a body corporate:
 - A)a subsidiary or holding company of such body corporate;*
 - B)any body corporate in which the promoter holds twenty per cent. or more of the equity share capital; and/or any body corporate which holds twenty per cent. or more of the equity share capital of the promoter;**
- iv)in case the promoter is an individual:
 - A) any body corporate in which twenty per cent. or more of the equity share capital is held by the promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the promoter or any one or more of their relative is a member;*
 - B) any body corporate in which a body corporate as provided in (A) above holds twenty per cent. or more, of the equity share capital; and*
 - C) any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent. of the total capital;....."**

4.2. **Response to Query 1:** Admittedly, the said 12 persons, for whom reclassification is proposed, are presently classified as "promoters" of SBCL. If such promoter(s) seek re-classification as "public", they shall satisfy/comply with the requirements specified under Regulation 31A of the LODR Regulations. In terms of the provisions of Regulation 31A of the LODR Regulations read with Regulation 2(1)(pp) of the ICDR Regulations, the request of the promoter(s) seeking reclassification would have to be considered by the concerned stock exchange(s) for issuance of a 'no-objection letter', subject to additional compliance if any of the stock exchange(s) and all other applicable laws and guidelines.

4.3. **Response to Query 2:** In terms of Regulation 31A(3)(a)(vi) of the LODR Regulations, request of promoter seeking re-classification is required to be approved in the general meeting of the shareholders by ordinary resolution where such promoters and their related person cannot vote to approve the resolution. However, the said condition is not applicable if the promoters seeking re-classification and their related persons together do not hold more than 1 % of voting rights. It is *prima facie* noticed from the factual matrix submitted vide your Application that Mrs. Tejinderjeet Kaur Ghumman holds more than 1% voting rights in SBCL and she is an immediate relative of Mr. Satinderjeet Singh Sandhu and Mr. Devinderjeet Singh Sandhu. If the promoters seeking re-classification and their related persons together hold more than 1% of voting rights in a listed entity, the mandate of seeking approval of shareholders in the general meeting, as per the provisions of Regulation 31A, cannot be dispensed with.

5. The above position is based on the information furnished in your Application. Different facts or conditions might lead to a different result. Further, this letter expresses the Department's view and does not express a decision of the Board on the questions referred.
6. You may note that the above views are expressed only with respect to the guidance sought in your Application in respect of the provisions referred above and do not affect the applicability of any other law or requirements of any other SEBI Regulation, Guidelines and Circulars administered by SEBI or the laws administered by any other authority.

Yours faithfully,



Raj Kumar Das