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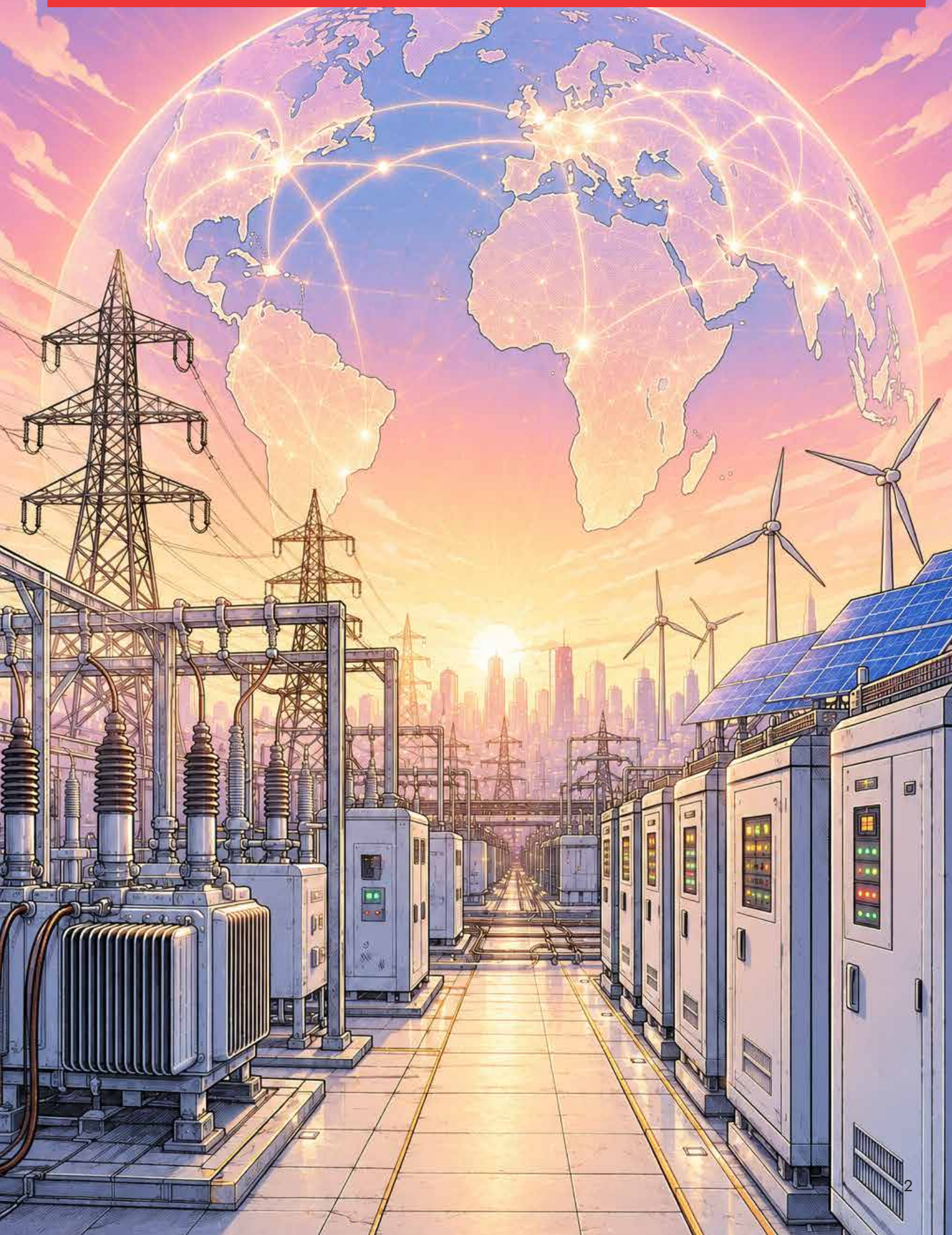
SHIVALIK BIMETAL CONTROLS LTD

INSIDE THE GLOBAL EV ECOSYSTEM



Global electrical equipment market

The electrical equipment industry plays a critical role in supporting global industrial and residential infrastructure. It encompasses products and components used for power distribution, control, protection, and energy measurement, which are essential across sectors such as utilities, manufacturing, construction, renewable energy, and electric vehicles.

The global electrical equipment market is projected to grow from approximately USD 1,660bn in 2025 to over USD 4,150bn by 2034, reflecting a CAGR of around 10.8%. Growth is driven by long-term electrification, renewable energy integration, smart grid modernization, and increased demand for industrial and residential power infrastructure. Technological advancements such as IoT-enabled equipment and energy-efficient systems are further boosting adoption.

Broadly, this segment serves multiple end-use sectors, including electrical lighting, household appliances, power generation, and EV batteries. Power generation accounts for the largest share (38%), supported by favorable government policies. The increasing adoption of IoT and AI technologies is driving higher demand for household appliances. Additionally, technological advancements such as smart meters, smart grids, and automation systems are boosting the need for various electrical equipment, including batteries and consumer electrical products.

Key regional developments

APAC - Asia Pacific leads the global electrical equipment market with a 39% market share, driven by massive manufacturing investments in China, India, Japan, and other developing economies. With China dominating production and India emerging as a key manufacturing hub, the region is set for strong growth, reaching over USD 653bn by 2025.

North America - North America's market growth is fueled by innovation in battery technology, electric vehicles, and renewable energy, supported by a robust ecosystem of research and startups. The U.S. market alone is projected to surpass USD 430bn by 2026, driven by advanced technological adoption.

Europe - Europe's steady growth is anchored in its leadership in renewable energy, smart grids, and electric vehicles, with the U.K. and Germany as primary growth drivers. Both markets are expected to exceed USD 100bn by 2026, reflecting sustained investments in clean energy infrastructure.

Middle East, Africa & Latin America - The Middle East & Africa and Latin America electrical equipment markets are expected to witness relatively slower growth due to import dependence, limited market development beyond GCC countries, and underdeveloped distribution networks. Additionally, the limited presence of global players and niche manufacturing opportunities in Latin America constrain the region's market expansion.

GLOBAL ELECTRICAL EQUIPMENT MARKET

Leading global electrical equipment manufacturers

Company Name	Region	Key products	Sales (USD Bn)
ABB	Switzerland	Switchgear, transformers, industrial automation, robotics	33
Legrand	France	Wiring devices, lighting controls, energy distribution	11
Schneider Electric	France	Energy management, smart meters, switchgear, automation	45
General Electric Company	United States	Power generation equipment, grid solutions, turbines	46
Hitachi Group	Japan	Power systems, industrial machinery, smart grid solutions	64
Samsung Corporation	South Korea	Electrical components, semiconductors, power electronics	235
Siemens AG	Germany	Industrial automation, smart grids, electrification	87
Panasonic Holdings Corporation	Japan	Consumer electronics, industrial devices, EV components	56
Robert Bosch GmbH	Germany	Automotive electronics, industrial tech, electrical components	98
Havells India Limited	India	Wiring, switchgear, lighting, household appliances	2

Source: Company Data, Ambit Asset Management

POWERING INDIA'S ELECTRIFICATION JOURNEY

Indian electrical equipment landscape

The Indian electrical equipment market has emerged as one of the fastest-growing sectors in the country, driven by rapid urbanization, industrialization, and rising electricity demand. Valued at ~USD 75–80bn in 2024, it is expected to grow to ~USD 175.3bn by 2029, implying a CAGR of around 15.6%.

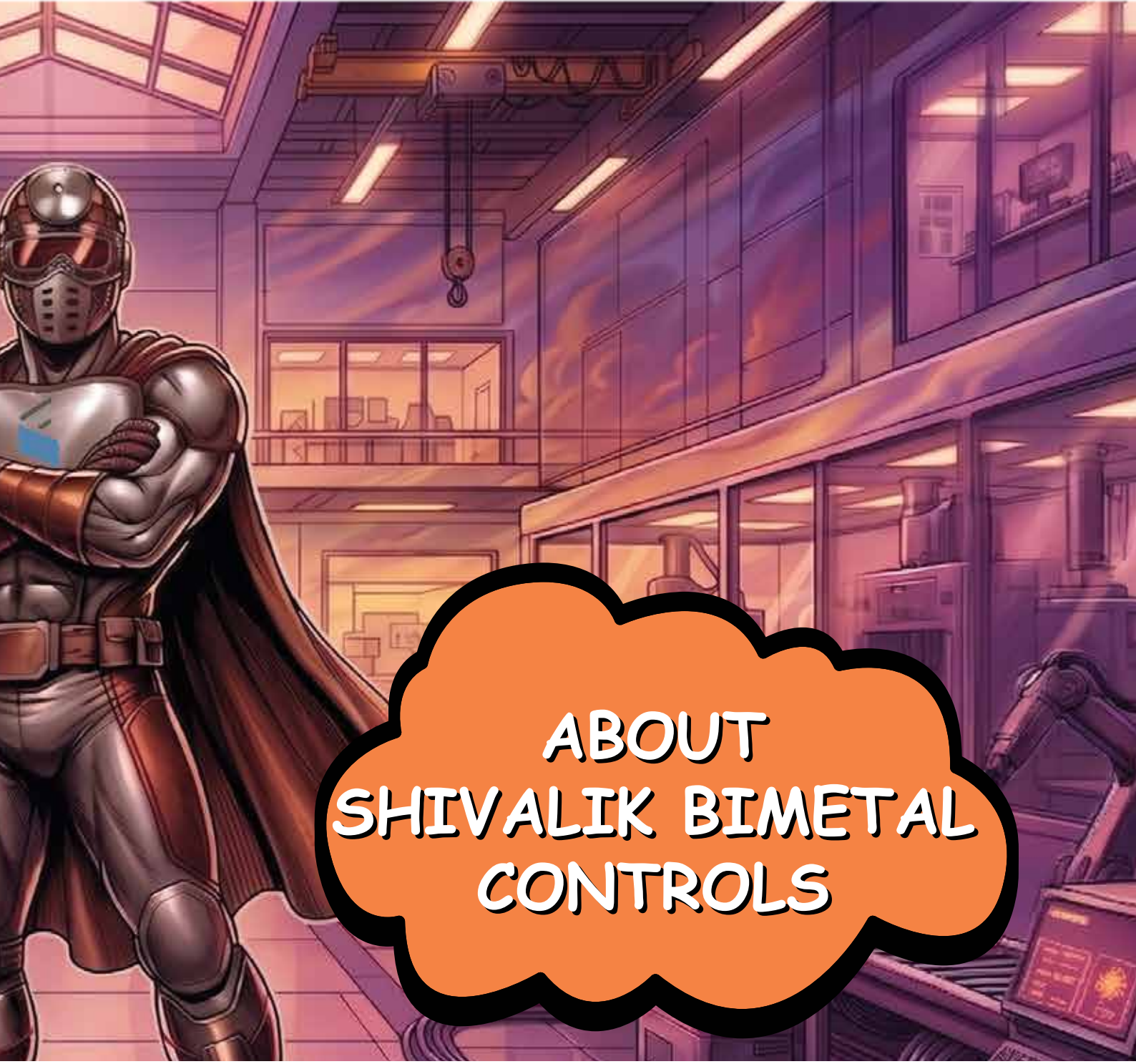
The market encompasses a broad range of products, including cables and wires, transformers, switchgear, transmission lines, energy storage components, and protective/control devices. Among these, cables and wires account for the largest share, reflecting their foundational role in residential, commercial, and industrial electrification projects.

End-use applications span power generation, transmission and distribution networks, smart meters, industrial automation systems, and renewable energy integration, highlighting the market's critical role in enabling India's energy infrastructure and modernization initiatives.

- **Smart grid & grid modernization** - The adoption of smart meters, substation automation, and IoT-enabled grid technologies is a major driver, enabling real-time monitoring, efficient load management, and fault detection. With India's Smart Meter National Program (SMNP) targeting over 250mn meters, demand for intelligent switchgear, metering devices, and protective relays is set to rise sharply. Modernization of distribution networks, particularly in urban and semi-urban areas, further accelerates uptake.
- **Infrastructure Expansion** - Rapid urban development, construction of residential and commercial complexes, and expansion of industrial zones are fueling demand for electrical equipment. Cables and wires, transformers, switchgear, and protective devices see robust adoption, as electricity access and reliability become critical for urban centers, smart cities, and industrial clusters. Government programs such as the Smart Cities Mission and the Distribution Sector Scheme (RDSS) support this trend.
- **Industrial Automation & Electrification** - Investments in industrial automation, electrification of manufacturing processes, and smart factory initiatives are boosting demand for motor control gear, industrial power equipment, and automation-focused electrical components. Companies are increasingly upgrading electrical systems to improve efficiency, safety, and operational reliability.
- **Policy & Regulatory Support** - Government policies encouraging local manufacturing (PLI schemes), renewable energy adoption, and smart grid initiatives are providing structural tailwinds. Regulations promoting energy efficiency, safety standards, and grid modernization incentivize investments in high-quality electrical equipment, creating opportunities for both domestic and global manufacturers.

Shivalik Bimetal Controls Limited, established in 1984 and headquartered in Delhi, is a leading product and process engineering company specializing in thermostatic bimetals, shunt resistors, and EB-welded products. These products serve high-growth sectors such as battery management systems, electric vehicles, smart metering, and industrial automation, making them critical components in the global electrification ecosystem.

The company operates three advanced manufacturing facilities in Solan, Himachal Pradesh, employing around 1,000 skilled personnel and serving a diversified global customer base of over 275 clients in 38 countries. Its core strengths lie in precision engineering, process integration, and continuous innovation, enabling the delivery of high-quality, value-added solutions. Shivalik holds a dominant domestic market position in its top two products - shunt resistors and thermostatic bimetals - and has steadily expanded its global presence, with exports accounting for 56% of revenue.



The company's technological capabilities, including Electron Beam welding and diffusion bonding platforms, provide a unique edge by enabling niche, high-margin offerings for a diverse customer base, creating a defensible competitive advantage. Shivalik's strategic focus is on moving up the value chain through forward integration, transitioning from producing individual parts to supplying complete components, which is expected to enhance profitability and strengthen long-term growth.

A recent management overhaul with a new leadership team aims to strengthen governance, improve operational efficiency, and align the company with global best practices. Supported by a rising economy and favorable government policies, Shivalik's combination of technological differentiation, high-quality offerings, and market leadership provides a robust platform for sustainable growth and global competitiveness.

MANUFACTURING PROWESS

Shivalik operates three integrated manufacturing facilities supported by strong in-house R&D, precision tooling, and prototyping capabilities, enabling advanced product development, automation, and assembly-level solutions across its core segments. The combined peak revenue potential from these plants stands at INR 16bn. Current Shivalik turnover is INR 5.7bn, implying significant unrealized sales potential.

	Plant 1	Plant 2	Plant 3
Location	Solan, Himachal Pradesh	Solan, Himachal Pradesh	Solan, Himachal Pradesh
Product Type	EB Welded Shunt Resistor	Thermostatic Bimetal	Electrical Contacts
Revenue Capacity Post Expansion	INR 700 Cr	INR 600 Cr	INR 300 Cr

Source: Company Data, Ambit Asset Management

Timeline

1984 - 1986

· Incorporated as a private limited company in June 1984

· Converted into a public limited company in May 1986

· Set up first plant in Asia to manufacture Thermostatic Bimetals in Oct 1986

1994 - 2000

· Launch of a new product - Cathode Ray Tube business line for parts

· Integrated manufacturing process

· Acquired New Technology & know-how of Electron Beam Welding in 2000

2005 - 2008

· Entered into a Joint Venture agreement with Checon Corporation USA in the year 2006 to manufacture silver contacts

2009 - 2011

· Acquired the equipment of Sandvik Heating Technology, AB Sweden, for manufacturing bimetals / tri-metals through cold bonding process in 2011

2015 - 2020

· Launch new product line i.e., Shunt resistors

· Expanded product portfolio i.e., Thermostatic Bimetal, Tri-metal, Coil & Spring, SMD, Shunt

2021 - 2023

· Established largest EBW / Bonding / Stamping capacity across the globe

· Listed on National Stock Exchange of India Limited

2024 - 2025

· Pilot PCBA assembly line kickstarted with functionality anticipated in FY27

· Shivalik Bimetals Europe SRL in Italy established as wholly owned subsidiary adding to growing global presence

KEY PRODUCT SEGMENTS

Product portfolio

Thermostatic Bimetals - Core legacy product

About: Thermostatic bimetals are critical components used in overload protection devices. These are formed by mechanically diffusing 2 or more alloys to combine their individual properties.

End applications: Switchgear, Electrical appliances, medical devices and automotive.

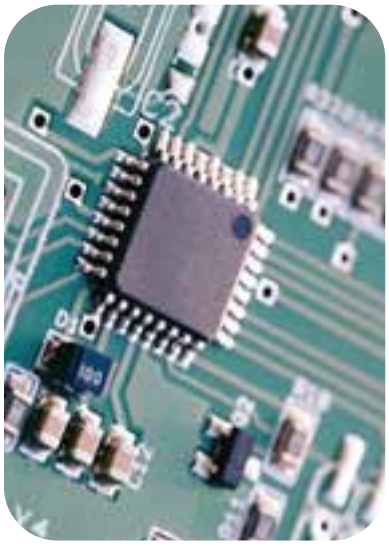
Revenue contribution: 41%

Shunt Resistors – The Next Growth Driver

About: Shunt resistors are precision, low-resistance components used to accurately measure and monitor electrical current by generating a proportional voltage drop within a circuit.

End applications: EV & ICE vehicles, energy storage, smart meters, power modules.

Revenue contribution: 40%



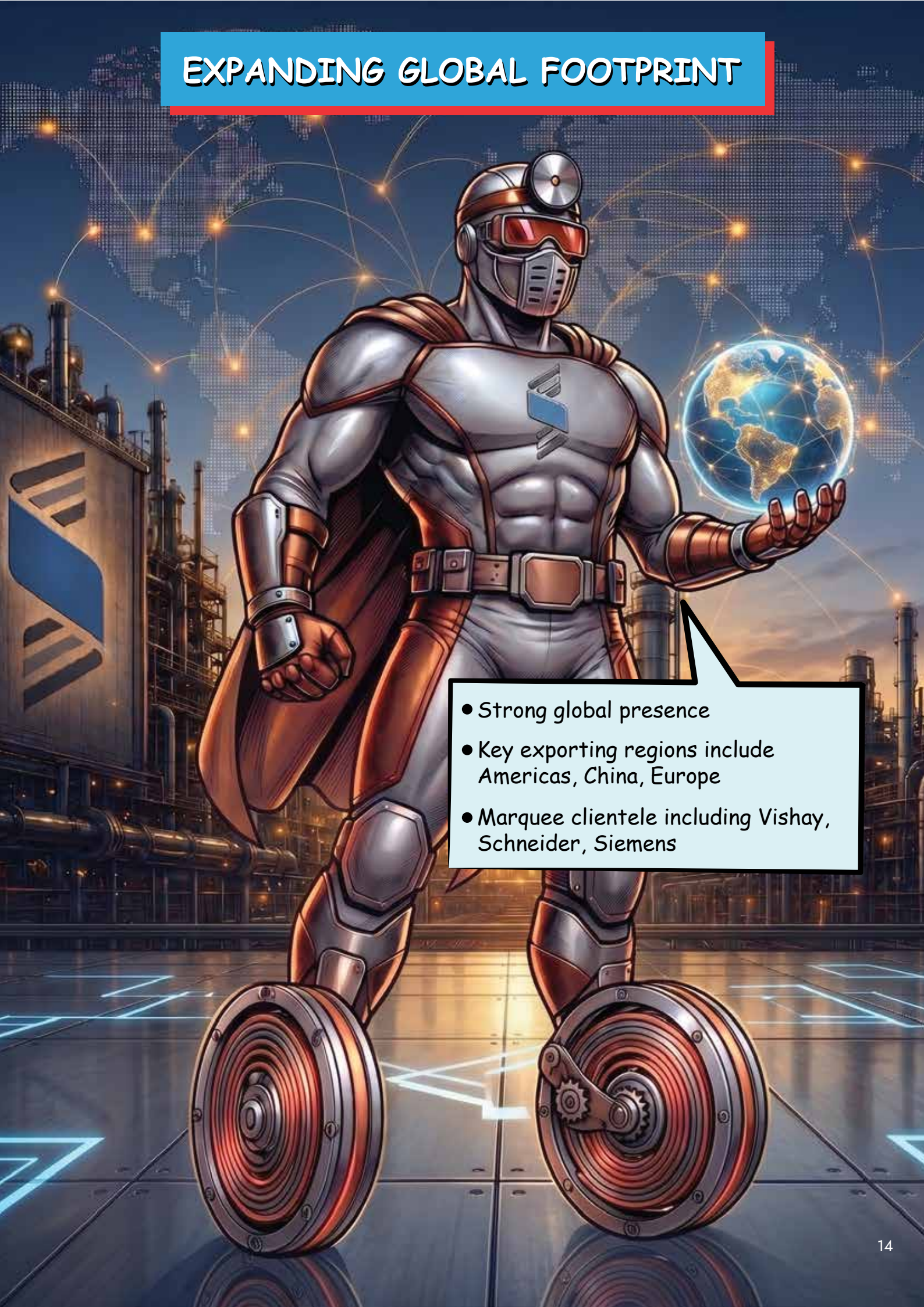
Electrical contacts - Huge potential awaits

About : Electrical contacts are precision components that determine the ON/OFF state of a switch by enabling the safe making and breaking of electrical circuits.

End applications: Electrical appliances, switchgears, wires & accessories and smart meters.

Revenue contribution: 19%

EXPANDING GLOBAL FOOTPRINT



- Strong global presence
- Key exporting regions include Americas, China, Europe
- Marquee clientele including Vishay, Schneider, Siemens

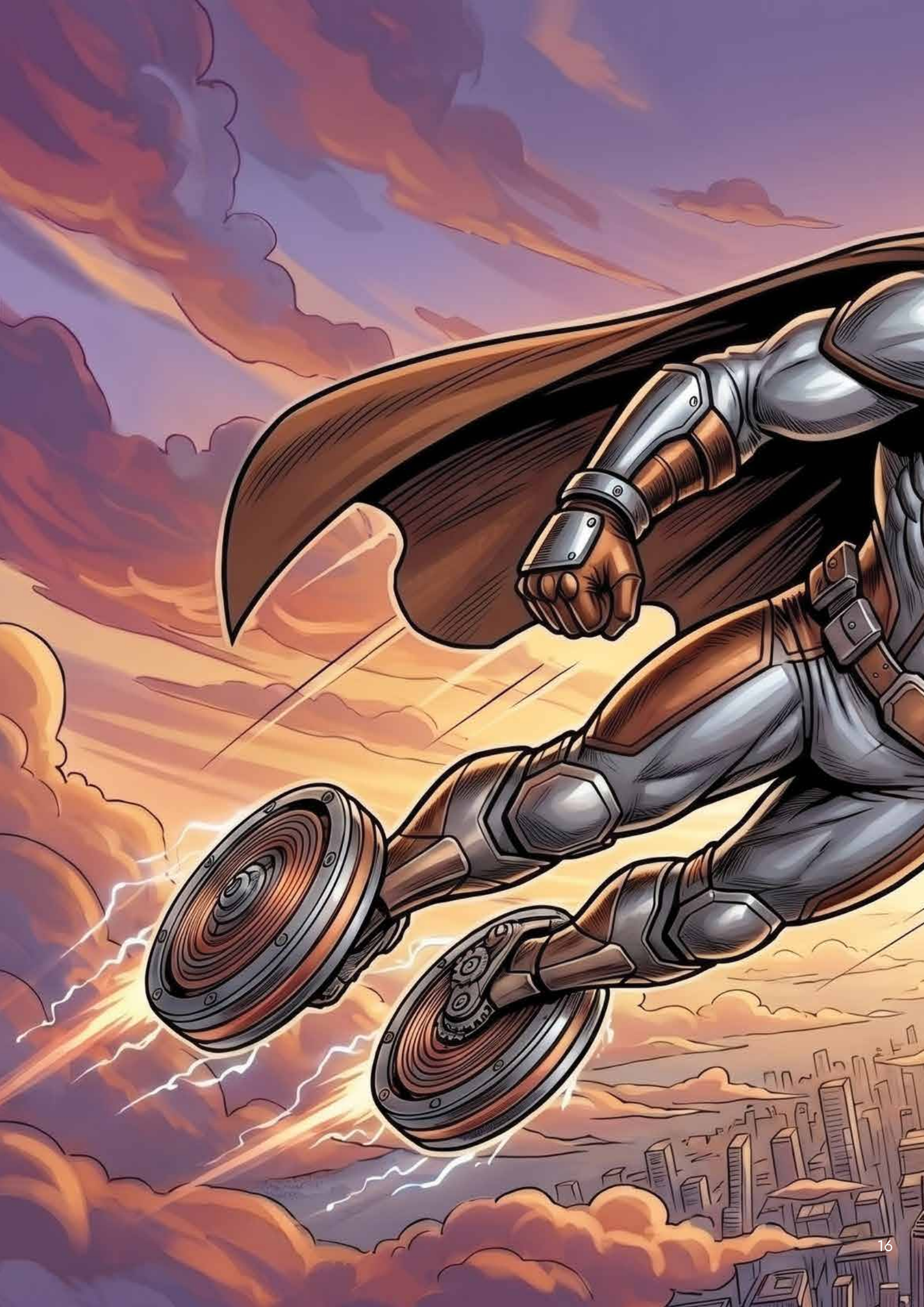
Global presence

Shivalik has built a strong global presence, serving over 275 clients across 38+ countries. The company has its highest export exposure to the Americas, followed by Europe. In the shunt resistor segment, exports account for approximately 63% of revenue, with the Americas being the key market, supported by higher EV penetration and advanced energy storage adoption. In FY26, sales to the Americas declined due to tariff-related disruptions; however, strong growth in Asia and Europe helped sustain overall export momentum and maintain a stable export mix.

Meanwhile, the thermostatic bimetals segment derives around 50% of its revenue from exports, with the Americas and Europe as its primary markets. The switchgear-focused business remains largely domestic, as it is closely linked to infrastructure and power distribution investments, making India the core market for this segment. This balanced geographic exposure across product lines strengthens the company's revenue stability.

Marquee clientele

As a specialized component supplier, Shivalik has built a strong marquee client base that includes global industry leaders such as ABB, Schneider Electric, Siemens, Legrand, Havells, and Vishay Intertechnology. Vishay remains one of its largest export customers, particularly with exposure to the U.S. market. Supplying to such established players reflects Shivalik's adherence to stringent global quality and performance standards. These long-standing relationships act as a natural barrier to entry, as new competitors must undergo lengthy qualification cycles, rigorous product validation processes, and strict compliance requirements to match the standards expected by leading OEMs.



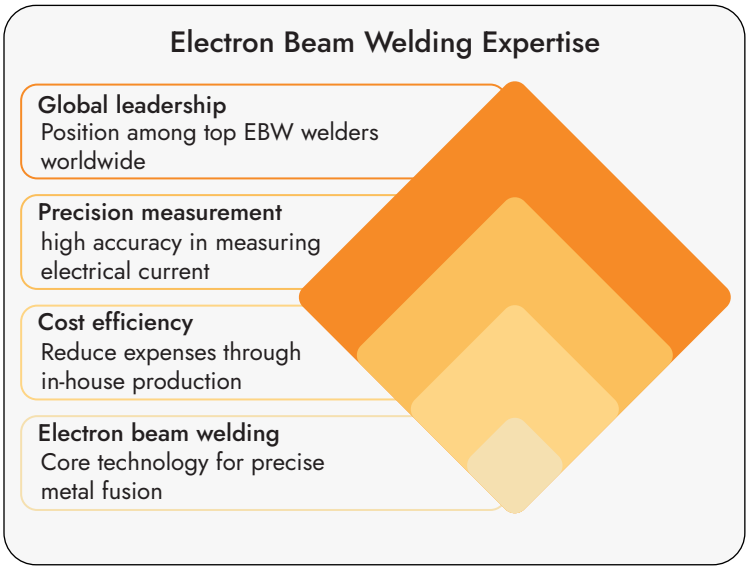

WHY WE LIKE
SHIVALIK

TECHNOLOGICAL MOAT & MARKET LEADERSHIP

Technological moat and market leadership supporting margins

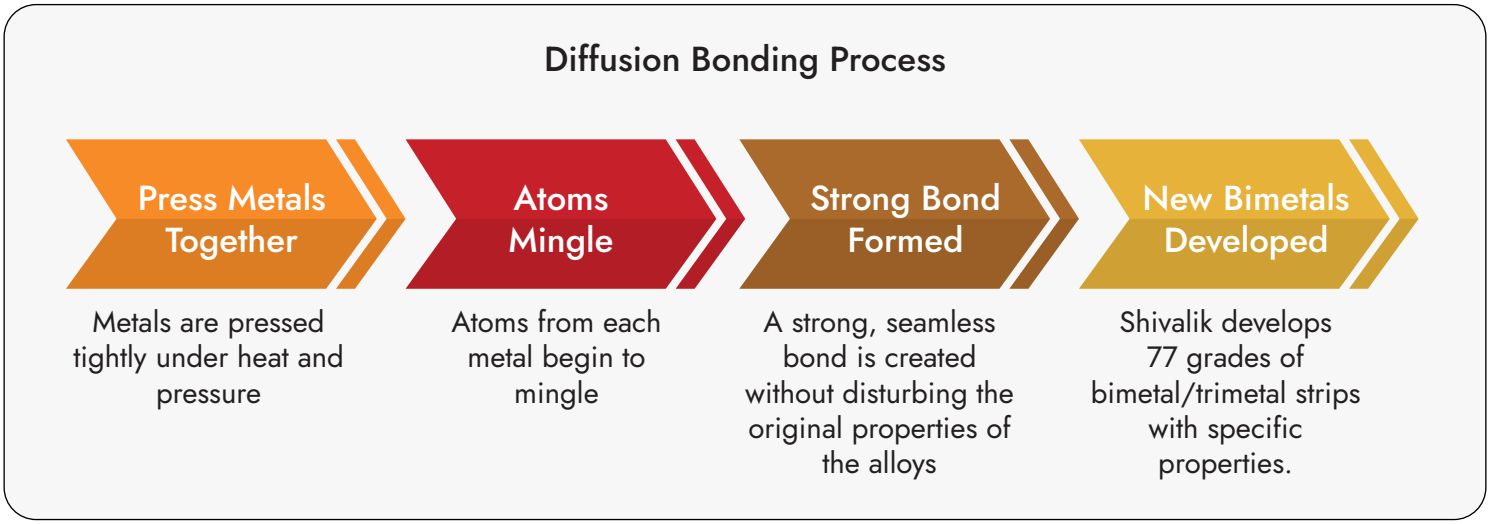
Shivalik has its own in-house R&D centers, which have enabled the development of two core technology platforms — Electron Beam Welding (EBW) and Diffusion Bonding. Both technologies are vital for the company's shunt resistor and bimetal businesses and form the backbone of its manufacturing differentiation. These capabilities have helped Shivalik achieve an estimated 80–90% market share in key domestic niches while also building a meaningful global presence.

Electron Beam Welding (EBW) is a precision joining technology that uses a focused electron beam in a vacuum to fuse dissimilar metals with high accuracy. The process creates strong, clean joints with minimal distortion, which is critical for manufacturing high-precision shunt resistors used in current sensing applications. Shivalik's ability to build EBW machines in-house provides cost advantages and technological control. With limited global expertise available, this capability acts as a strong competitive moat.

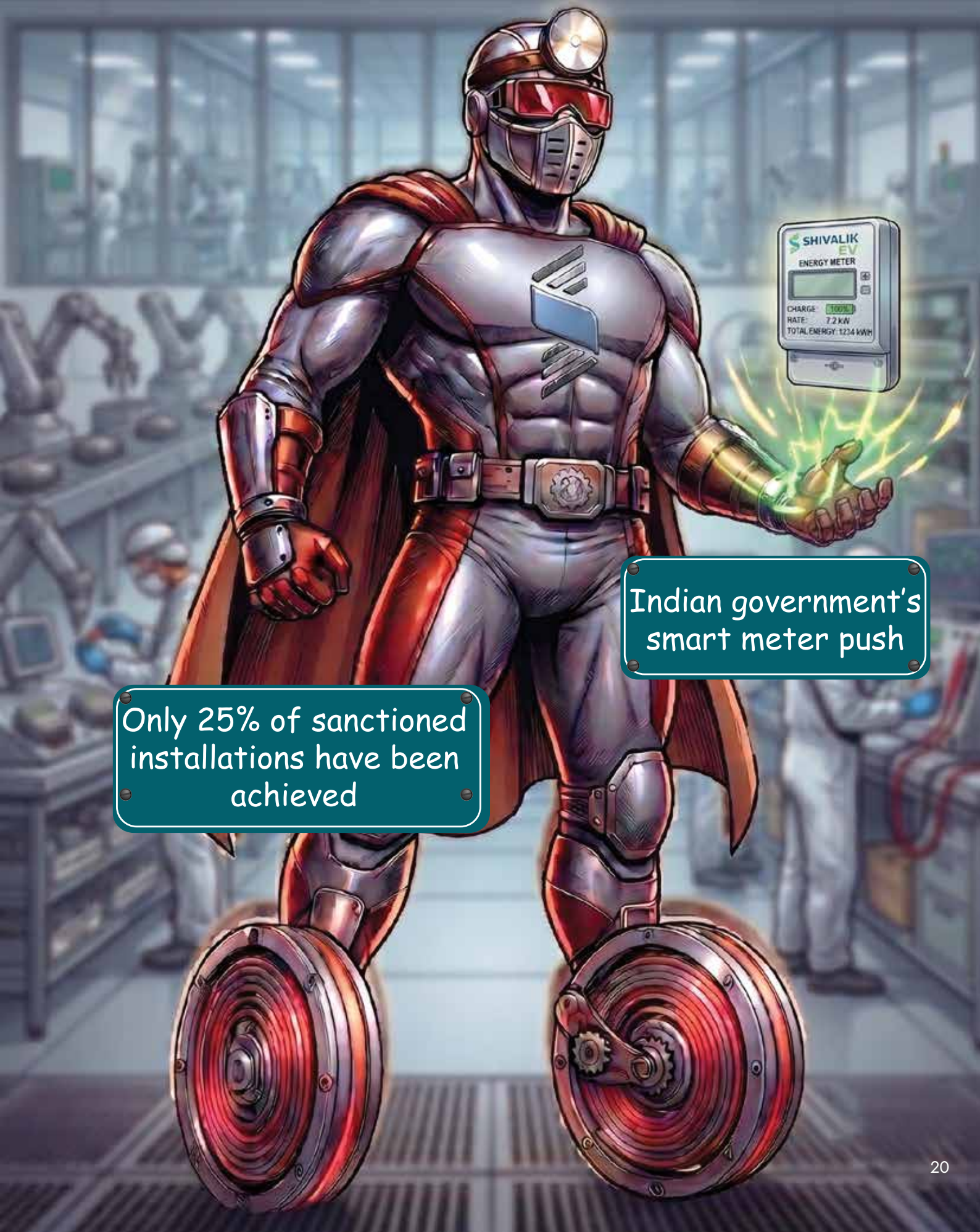


Diffusion Bonding involves joining metals under controlled heat and pressure so that atoms gradually merge without melting the materials. This allows Shivalik to create customized bimetals while preserving the original properties of each alloy. The process enables rapid development of specialized grades used across switchgear, HVAC, and electrical applications. High qualification requirements and switching costs create long-term customer stickiness. The company also employs cold pressure bonding, a similar process conducted without heat.

Alongside these technologies, Shivalik has developed 77 unique grades of bimetals tailored to customer requirements, strengthening brand credibility and creating natural barriers to entry that help protect margins during cyclical downturns.



SMART METERING: A STRUCTURAL GROWTH DRIVER FOR SHUNT RESISTORS



Indian government's push for smart metering to bore well for shunt

India's Smart Metering Initiative is one of the largest power distribution reforms globally, with over 250 million smart meters sanctioned under the Smart Meter National Programme (SMNP). The objective is to replace conventional meters with prepaid smart meters to reduce AT&C losses, improve billing efficiency, and enhance transparency in electricity usage.

Backed by the Revamped Distribution Sector Scheme (RDSS), the program has strong policy and financial support from the government. While a significant number of meters have been sanctioned, installations remain at a relatively early stage, providing a long multi-year execution runway. Smart meters enable real-time monitoring, remote operations, and better load management, forming the backbone of grid digitalization. They also support renewable integration and demand-side management. With rising electrification and urbanization, advanced metering infrastructure is becoming essential.

Currently, only ~25% of sanctioned meters have been installed, providing a strong runway for growth.

State	Total achievement	Cumulative sanctioned
Uttar Pradesh	8,392,359	30,978,280
Tamil Nadu	129,641	30,140,849
Maharashtra	8,857,728	23,564,747
West Bengal	574,262	21,208,759
Bihar	8,685,913	17,208,939
Gujarat	3,879,311	16,510,860
Rajasthan	3,342,429	14,900,527
Madhya Pradesh	3,679,290	13,444,401
Kerala	173,349	13,290,166
Punjab	2,076,754	11,232,507
Others	16,886,376	31,799,714
Total	56,677,412	224,279,749

Source: Official Indian government filings

For Shivalik, the opportunity is meaningful as **shunt resistors are a critical component** in smart meters, **ensuring accurate current measurement** and **billing precision.** Higher accuracy requirements in smart meters increase the need for reliable, high-stability shunt resistors. As deployment scales up, component demand rises proportionately with each new meter installed.

Localization norms and **domestic manufacturing incentives** further **favor established Indian suppliers,** such as the 60% local sourcing requirement for smart meters issued by the Ministry of Power. Shivalik's precision engineering capabilities and established OEM relationships position it well to benefit from incremental volumes. The long rollout cycle provides revenue visibility rather than short-term spikes. Additionally, advancements in smart grid technology may require more sophisticated sensing components over time. Overall, the smart metering push strengthens Shivalik's growth visibility in a structurally expanding segment.

STRUCTURAL TAILWINDS IN THE BIMETALS BUSINESS

- Switchgear is the key segment for bimetals
- Structural demand is improving
- Siemens, Lauritz Knudsen, CG Power have announced large capex

Structural growth in the Bimetals segment

The switchgear industry represents the single largest industrial application for thermostatic bimetals, serving as the primary anchor for Shivalik's bimetal segment. Historically, approximately 80% of Shivalik's bimetal revenue is derived directly from the switchgear market, where these components are indispensable for thermal protection. Unlike cyclical consumer goods, bimetal demand is a structural necessity; every circuit breaker, distribution board, and substation installed globally requires these physical safety switches. As power grids become more complex and data-heavy, the bimetal intensity per installation is rising, moving Shivalik from a volume supplier of raw strips to a high-value provider of specialized assemblies.

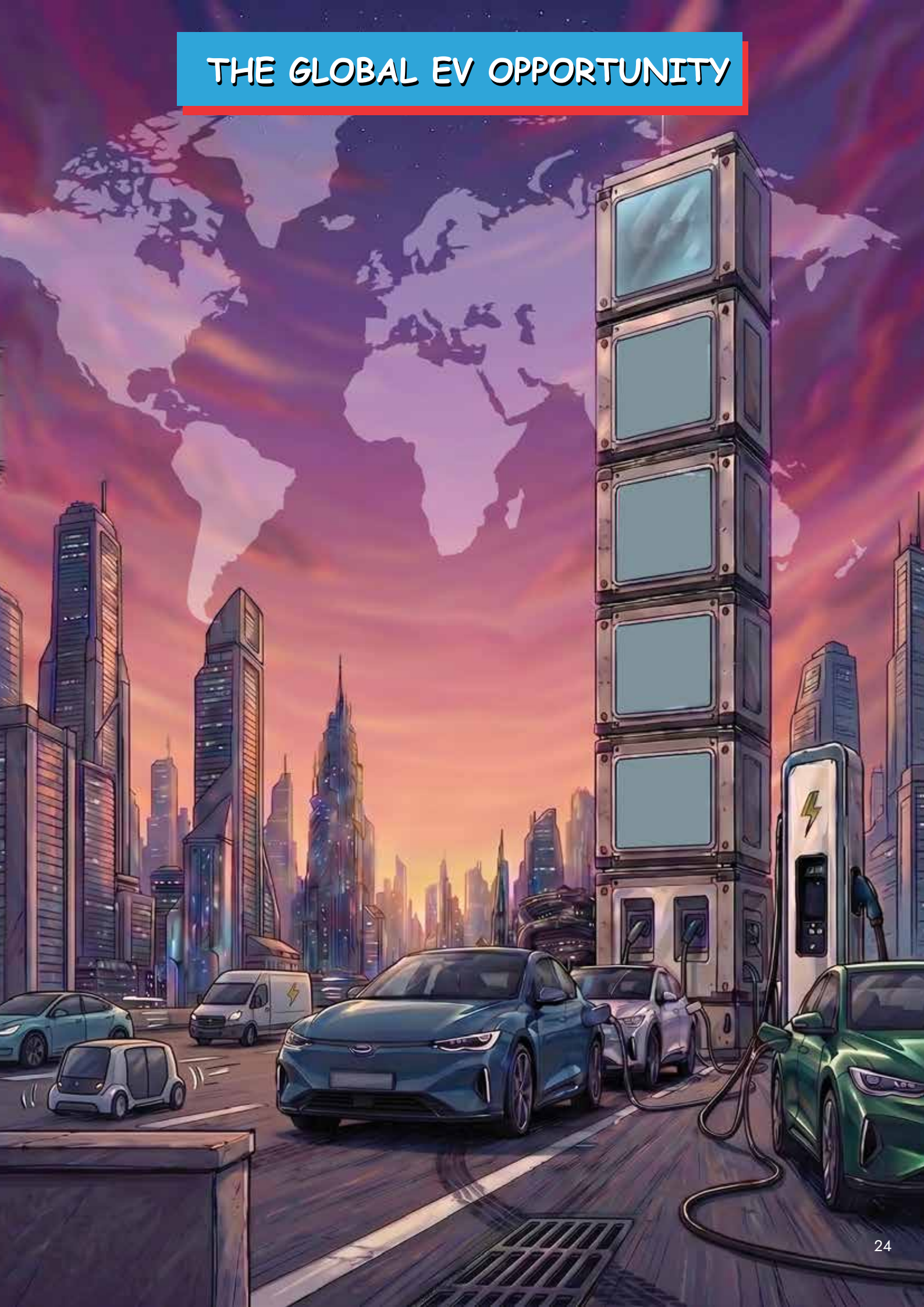
The ongoing expansion of manufacturing and engineering capabilities in India by global switchgear leaders such as Schneider Electric, Eaton Corporation, and ABB is creating a structural tailwind for Shivalik, driven by export-oriented production and increasing localization:

- **India as a Manufacturing & Export Base:** Global OEMs are positioning India as a cost-efficient export hub for switchgear, with facilities such as Schneider's exporting 70–80% of output to 30+ countries. This allows Shivalik's components, once supplied into India-based lines, to participate in global end-demand rather than being limited to domestic markets.
- **Vendor Localization & Ecosystem Deepening:** Rising local production is driving higher vendor localization, supported by cost advantages and supply chain de-risking. As an approved supplier, Shivalik benefits through higher sourcing intensity from existing customers and incremental opportunities across new product lines.
- **Design Integration with Global Platforms:** Shivalik's components are designed into global product platforms rather than region-specific SKUs. As these platforms are manufactured in India and exported, each design win scales across geographies, increasing lifetime revenue visibility.
- **High Qualification Barriers Drive Stickiness:** Stringent testing and certification requirements lead to qualification cycles of 6–24 months, making supplier replacement costly and time-consuming. This results in durable customer relationships, with Shivalik typically retaining its position across multi-year product cycles.

Company Name	Capex (₹ mn)	Product Focus	Location	Announcement Date	Completion Date
Siemens Ltd.	3,330	GIS & Blue (SF-6-free) Switchgear	Goa	May-24	Dec-26
CG Power	7,482	MV & EHV Switchgear (Greenfield)	Western India	Oct-25	Late 2027
ABB India	1,850	33kV GIS & Vacuum Interrupters	Nashik	Mar-26	Dec-26
Lauritz Knudsen	8,500	LV & MV Digital Switchgear	Pan-India	May-24	May-27

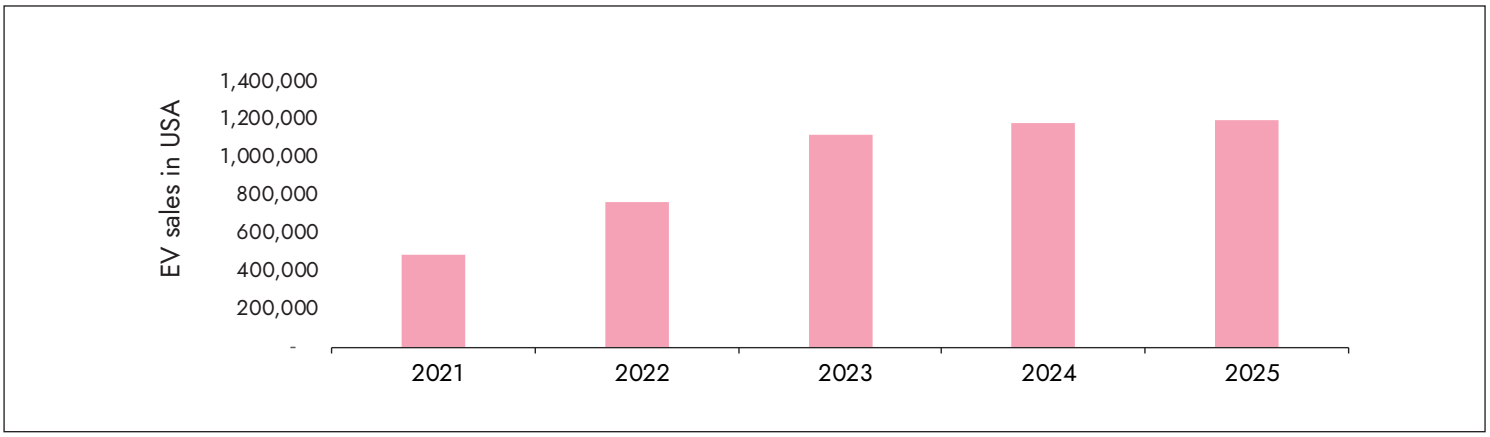
Source: Company Data, Ambit Asset Management

THE GLOBAL EV OPPORTUNITY



Global EV market landscape

Stagnating EV sales in the US



Source: International Energy Agency

CY21-23: 52% CAGR Boom

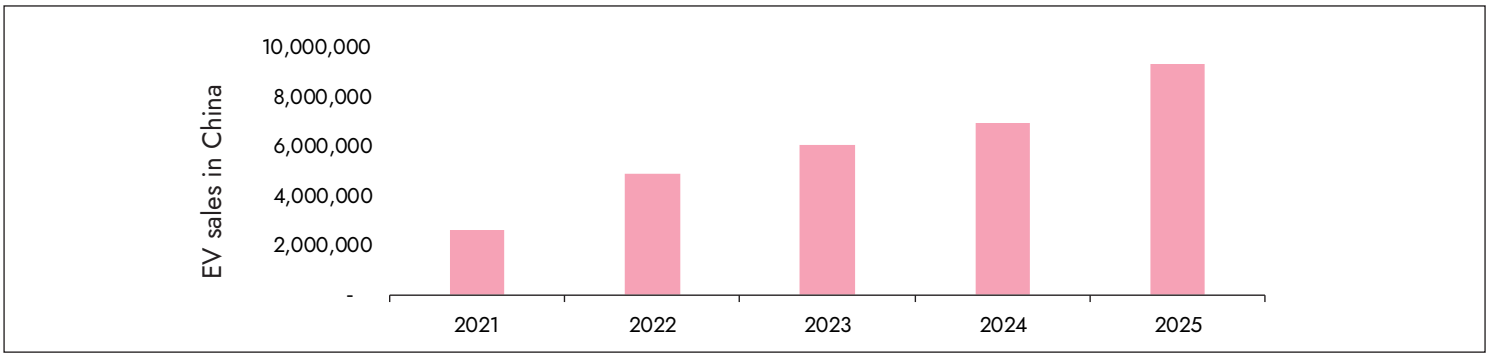
- **Policy & Pricing Tailwinds:** The USD 7,500 tax credit and Tesla's aggressive price cuts reduced the price gap between EVs and ICE vehicles.
- **Product Expansion & Early Adopter Conversion:** A rapidly expanding model lineup across SUVs, trucks, and crossovers with a futuristic design helped drive sales.
- **Sufficient Infrastructure for the Early Cohort:** Charging infrastructure, while imperfect, was adequate for the tech-forward early adopter cohort that dominated this buying wave and was less deterred by range anxiety.

CY23 - 25: 3% CAGR Stagnation

- Early Adopter Saturation & Hybrid Competition: The early adopter pool was exhausted by 2023, and mainstream buyers proved far harder to convert.
- High Depreciation Rates: Used EV prices often fell by over 30% YoY by 2024. This scared off lease providers and fleet buyers like Hertz, who realized the tail-end value of these assets was far lower than projected
- Regulatory Rollback & Policy Uncertainty: While the early adopters had garages and chargers, the early majority includes more renters and urban dwellers. The NEVI (National Electric Vehicle Infrastructure) rollout was slower than expected, leaving a gap between the number of EVs on the road and reliable public fast-charging plugs.


CITY GRIDS
POWER SOLUTIONS
POWER SOLUTIONS
CHARGING NOW
EV ONLY

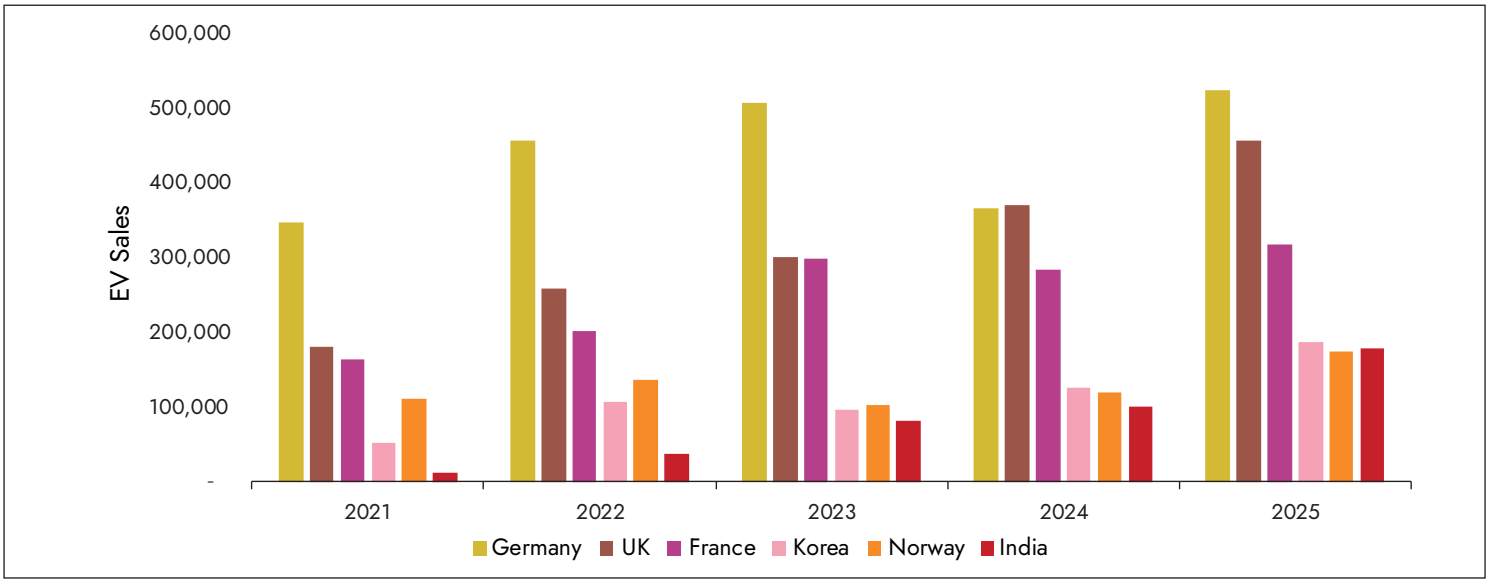
Surging sales in China



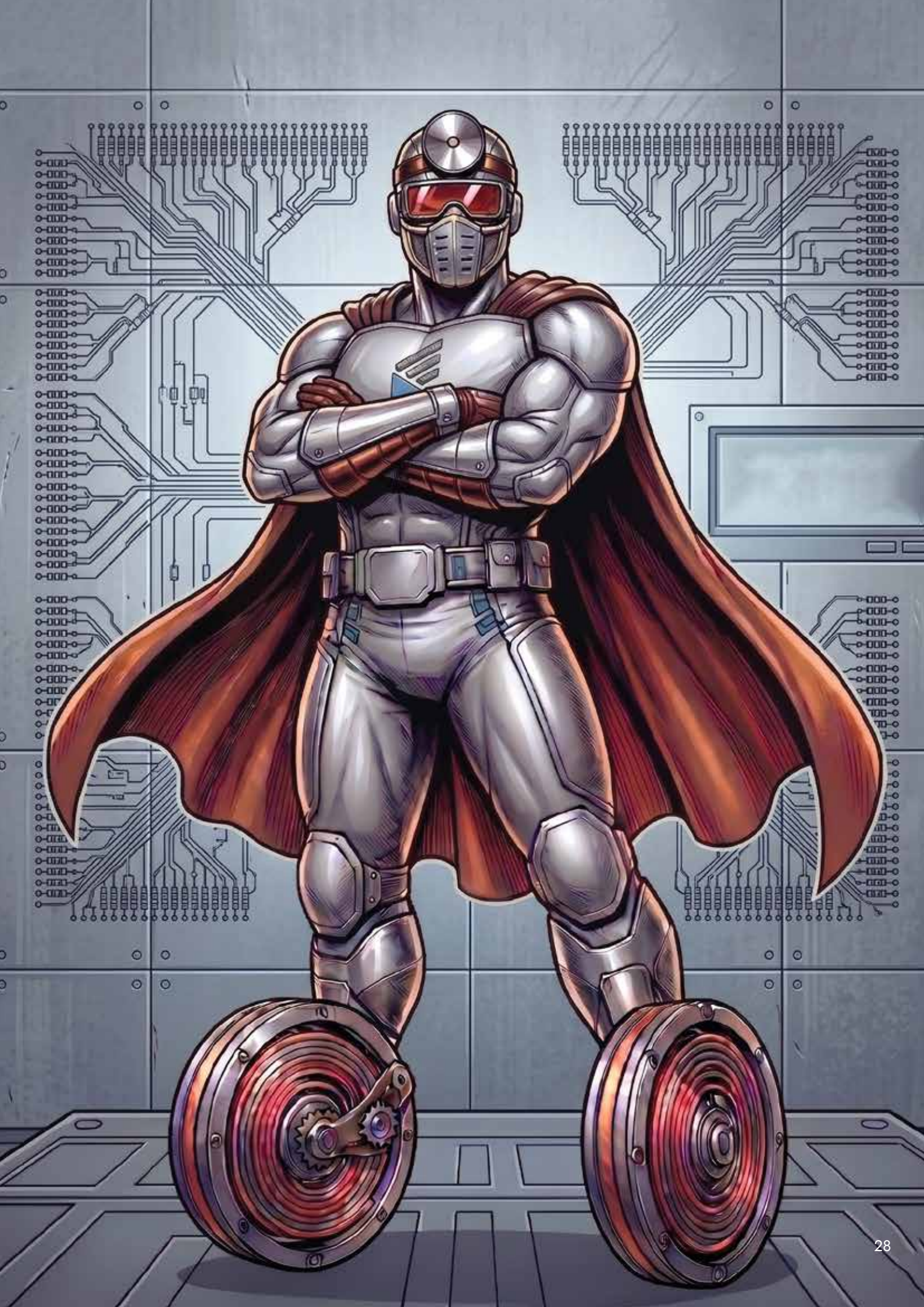
Source: International Energy Agency

- Aggressive Policies: China extended its EV purchase tax exemption through 2027, waiving the standard 10% ICE tax — a benefit worth up to ¥30,000 (~$4,300) per vehicle. EV buyers in restricted plate cities also receive free, instant registration, bypassing auctions exceeding ¥100,000 (~$14,000) in Shanghai or multi-year lottery waits elsewhere.
- Infrastructure Development: China surpassed 20 million charging points by the end of 2025, completing the jump from 10 million to 20 million in just 18 months to stay ahead of consumer demand.
- Hyper-Competitive Domestic Pricing: Fierce competition led by BYD's ~$10,000 Seagull pushed EVs deep into the mass market at price points unavailable anywhere in the West, sustaining volume growth well beyond the early adopter phase.
- Economies of Scale and Integration: Vertical integration by giants like BYD is amplified by external economies of scale from a dense cluster of 40–50 competitive OEMs, which creates a thick ecosystem of specialized suppliers and talent.

Other Key Global Markets are also seeing strong growth in EV sales since CY21

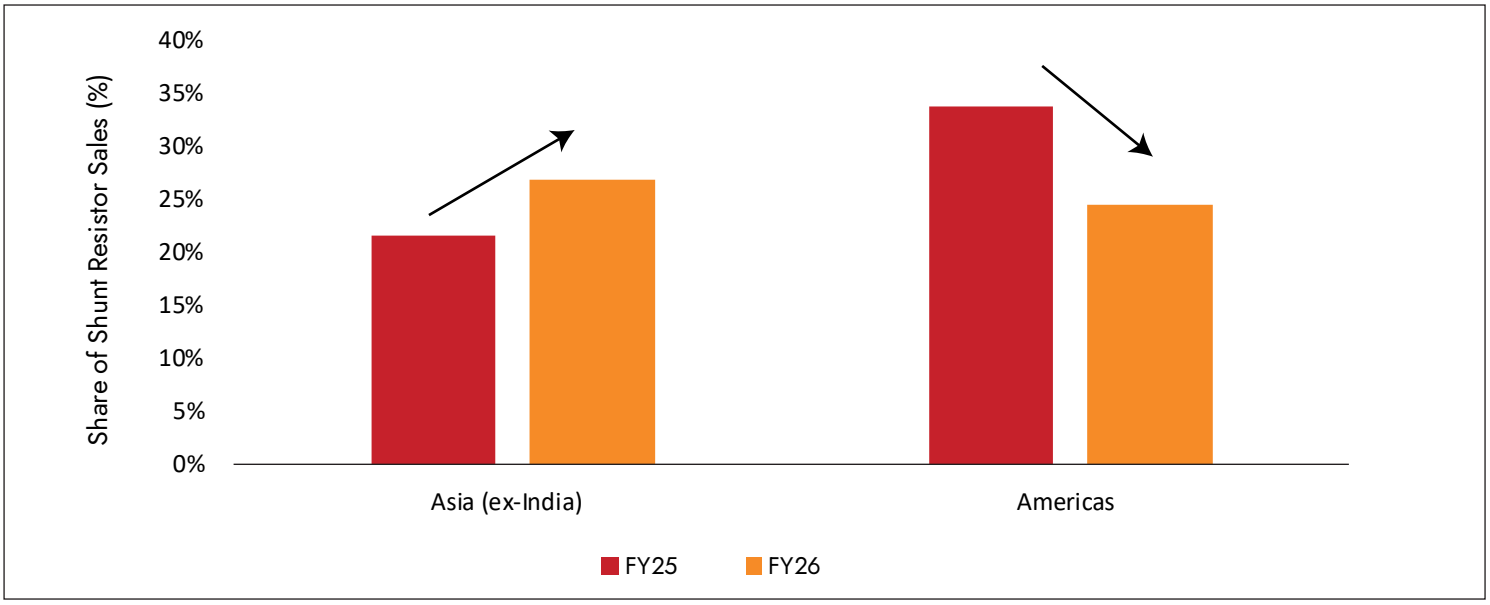


Source: International Energy Agency



Shivalik Response: On the back of decelerating US EV adoption and evolving tariff headwinds, Shivalik has successfully pivoted its shunt resistor portfolio toward high-growth corridors. US sales contribution moderated from 34% in FY25 to 24% in FY26, as the company prioritized the robust Chinese EV ecosystem. Securing Tier-1 approvals from industry leaders for direct and indirect supply to brands like BYD and Hela has catalyzed this shift, driving Asia (ex-India) revenue share up to 26% in FY26 from 23% in FY25.

Shunt sales have fallen by 9% pts in the Americas but has increased by 5% pts in Asia (ex-India)



Source: Company Data, Ambit Asset Management

PCBA ASSEMBLY

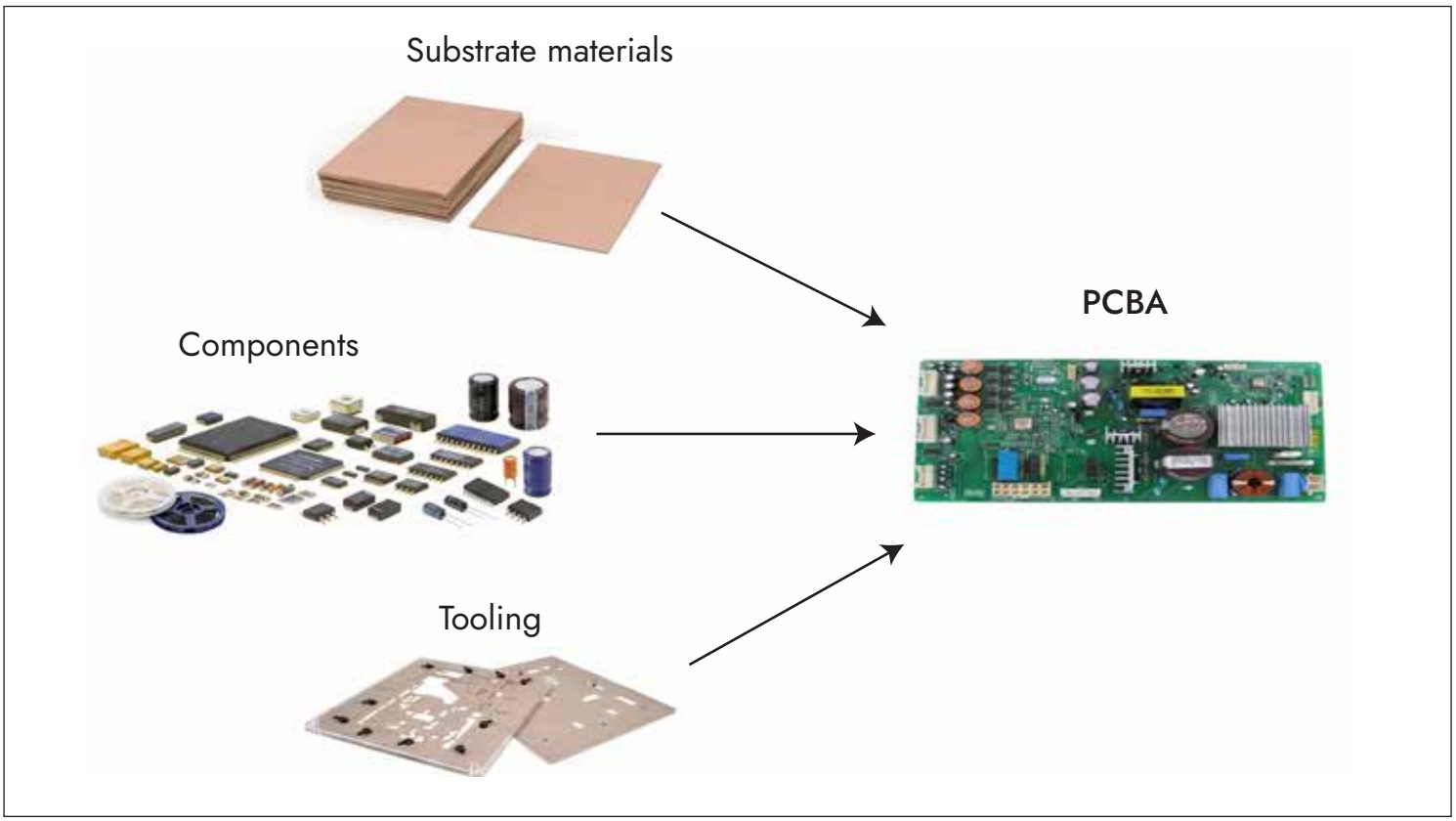
- PCBA assembly provides plug and play solution.
- RoCE accretive forward integration.
- Incremental market opportunity of INR 1.5bn.

Moving up the value chain – PCBA Assembly

A key strategic pillar for Shivalik is its transition from being a precision component supplier to a provider of fully integrated sub-assemblies, enabling greater value capture across the electronics value chain. The company is developing Smart DC Current Sensors, where its proprietary shunt resistors are mounted directly onto PCBA, creating a plug-and-play solution for customers.

This integration simplifies customer workflows by reducing assembly complexity while simultaneously increasing per-unit realizations and maintaining margin quality. Shivalik has commissioned a pilot PCBA assembly line in FY25, with commercial production expected to commence in early 2026. The initiative is projected to create an incremental annual opportunity of nearly INR1.5 bn by FY27, materially expanding the company's addressable market beyond standalone components.

Critical component used to make a PCBA



This segment is a strategic forward integration that leverages Shivalik's existing metallurgical infrastructure to drive superior capital efficiency. While this segment operates at a lower EBITDA margin of 16–17%—compared to the ~24% core average—it is highly RoCE accretive. This efficiency is possible because the most capital-intensive assets, such as Electron Beam Welding (EBW) and Diffusion Bonding lines, are already operational, requiring minimal incremental investment to produce finished modules.


• Leveraging current technology for entry into busbar segment.
• Revenue potential of 250-300cr by FY29.
• Strong potential asset turnover of 12-15x

New Product Addition - Busbars

An automotive busbar is a precision-engineered copper or bi-metallic electrical conductor used to distribute power and carry high current within an EV battery pack. It physically interconnects individual battery cells/modules, transmitting current to the Battery Management System (BMS), inverter, and motor drive train. Each 2-wheeler EV requires 5–8 busbars; larger EVs require 15–40+.

Capex Details

Capex Committed

₹ 20 cr

Fully funded via internal accruals. Zero debt, zero dilution.

Location	Technology
Pune Maharashtra	EB Welded busbars

Go-live
Q1 FY27

Capacity Target

10 Lakh

Fully funded via internal accruals. Zero debt, zero dilution.

Orders in hand	Primary market
Yes (pre-launch)	2W EV, India

Competition
Nil (EB-welded)

Revenue Potential

Busbar segment revenue (₹ Crore)

Source: Company Data, Ambit Asset Management

Strategic Rationale

- Technology redeployment: Busbars use the same EBW process as SBCL's shunt business — no new technology investment needed. The company is redirecting an existing proprietary capability toward a higher-value end-use, with execution risk materially lower than any new entrant building EBW from scratch.
- Direct OEM Engagement: Transforms Shivalik from a component vendor into a high-value solutions provider, allowing them to bypass Tier 1 intermediaries and engage directly with Asian OEMs like BYD.
- Wallet-share expansion: SBCL already supplies shunt resistors into the BMS of the same battery pack. Busbars command an estimated 4–6x higher revenue per vehicle than a shunt — deepening bill-of-materials penetration with zero incremental customer acquisition cost.
- Exceptional capital efficiency: INR 20cr capex, fully internal-accrual funded, against an INR 250–300cr three-year revenue target — an implied incremental asset turn of 12–15x.

AI POWER SURGE

- US power grid infra is in need of modernisation
- Improved demand for shunt resistors
- Key players announced 2-4x increase in power utility capex

U.S. Grid Overhaul & AI Power Surge

The U.S. Department of Energy has highlighted the need to modernize the aging U.S. power grid, much of which dates back to the 1960s–70s. With over 70% of transmission lines now more than 25 years old, the system is increasingly strained by rising demand from data centers, EVs, and electrification. This is driving a shift from mechanical to digital, sensor-driven infrastructure. Traditional bimetal-based protection is being replaced by real-time monitoring systems, as volatile loads from AI data centers and EV charging require higher precision. As a result, sensor density per installation is rising 3–5x, significantly expanding the role of current sensing components such as shunt resistors.

This benefits Shivalik Bimetal Controls Ltd, as the ongoing modernization of the power grid is structurally increasing the need for precise, real-time current sensing. As utilities shift from legacy mechanical systems to digital, sensor-driven infrastructure, demand for shunt resistors is rising sharply. Further, the 3–5x increase in sensor density per installation implies a meaningful expansion in Shivalik's content per system, creating both a volume and value multiplier. As global OEMs like Siemens, ABB, and Schneider Electric scale up grid investments, Shivalik is well-positioned to benefit as a key supplier of precision components. Its ongoing move into integrated PCBA assemblies further enhances margin potential and strengthens its role in next-generation grid architecture.

Grid Modernization Drives 2–4x surge in Power Utility Capex

Company	Investment Amount	Investment Period	Gross Block Increase from CY21 to CY25	About
Southern Company	USD 81bn	2026–2030	22bn	Large-scale grid and generation investments; driven by data center demand
Duke Energy	USD 103bn	2025–2029	24bn	Largest capex plan; significant grid modernization and transmission spend
American Electric Power	USD 72bn	2025–2029	26bn	Transmission & grid upgrade focus
Exelon	USD 40bn	2025–2028	20bn	Transmission & grid-heavy investments; among the largest pure-play grid operators
PPL Corporation	USD 20bn	2025–2028	11bn	Focus on grid resilience

Source: Company Data, Ambit Asset Management

DATA CENTERS AND BESS SYSTEMS

- Shunts play a critical role in the data centre ecosystem
- Heavy investments announced for capacity expansion

Domestic capacity addition of data centers and BESS systems

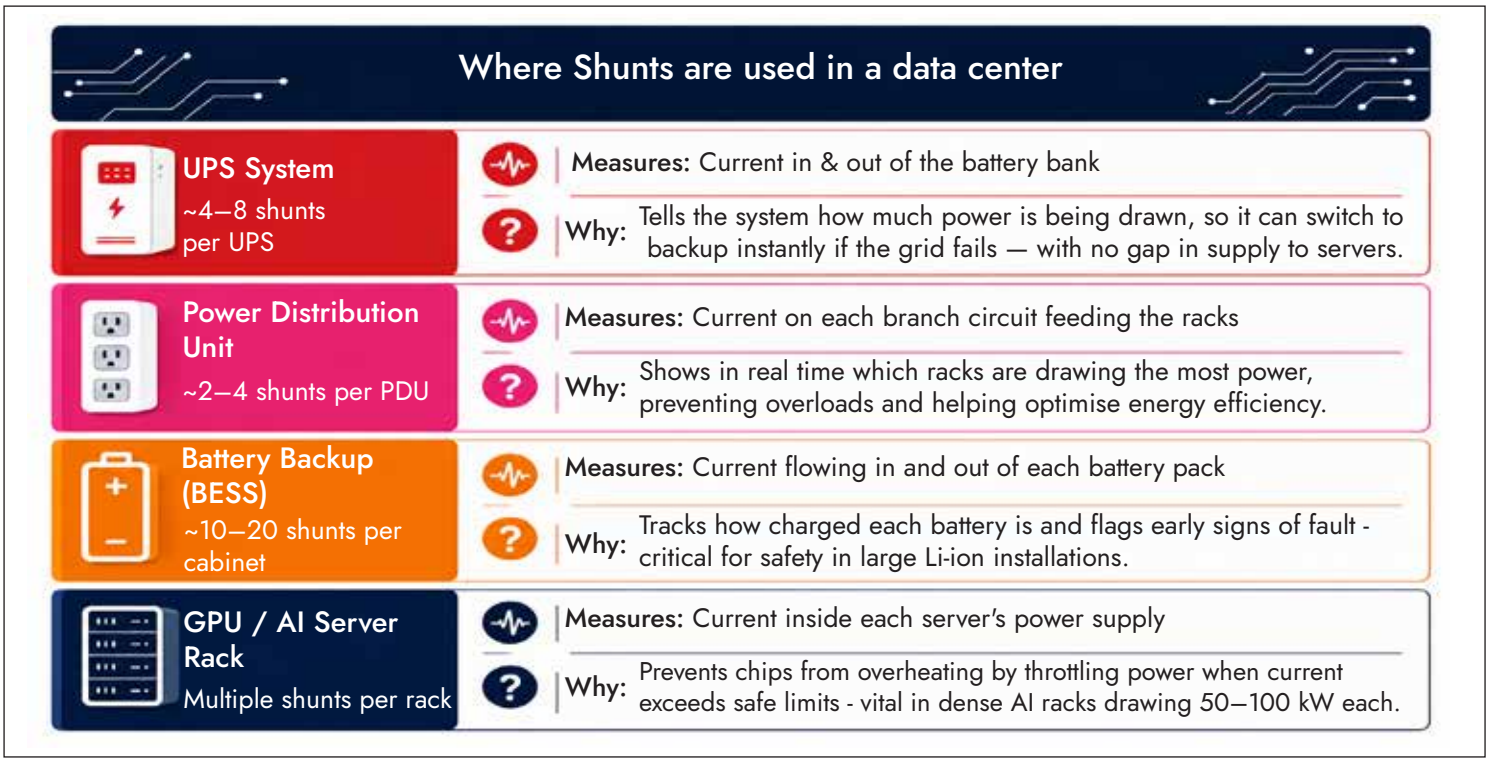
The rapid expansion of data center infrastructure in India represents an emerging demand driver for shunt resistors. Data centers are highly power-intensive facilities requiring continuous monitoring of electrical current across power distribution units, server racks, UPS systems, and backup energy storage solutions.

Shunt resistors play a critical role in enabling accurate current sensing to ensure efficiency, thermal safety, and uninterrupted operations. With hyperscalers and domestic players committing significant capacity additions across India, electricity handling within these facilities is expected to rise materially over the coming years.

Company	Capacity	Investment
Reliance Industries (Jio)	1.0 GW	USD 110bn
Adani Group (AdaniConneX)	1.0 GW	USD 100bn
Microsoft	Hyperscale	USD 17.5bn
Amazon (AWS)	Hyperscale	USD 12.7bn
Yotta Data Services	2.0 GW	USD 2bn
Tata Consultancy (TCS)	1.0 GW	USD 2.1bn
Sify Technologies	0.45 GW	USD 1.1bn

Source: Company Data, Ambit Asset Management

Given Shivalik Bimetal's strong positioning and dominant presence in precision shunt resistors, with industry interactions indicating high share across several applications, the scaling of India's data center ecosystem could act as a structural tailwind for shunt resistor demand and support long-term growth visibility.



Source: Company Data, Ambit Asset Management


Narinder Singh Ghumman
Rajeev Ranjan
Kabir Ghumman

NG

Narinder Singh Ghumman -
Chairman

Highly qualified and a widely experienced technocrat having experience in the field of engineering, manufacturing operations, Research & Development/ Product Development activities etc.

KG

Kabir Ghumman -
MD & Whole-Time Director

Responsible for the supervision of all technical and mechanical engineering aspects. Mr. Ghumman has exposure and experience in the Graphic Designing.

RR

Rajeev Ranjan -
Chief Financial Officer

Brings over a decade of financial leadership experience within the precision manufacturing sector, with responsibility for financial planning, reporting, and governance at SBCL.

MV

Mukesh Kumar Verma -
Head of Commercial & Administration

Extensive institutional knowledge of the company - spanning multiple business cycles - makes him one of the most experienced members of the current leadership team.

KA

Kanav Anand -
Head of Sales & Marketing

Responsible for developing a good customer base in domestic as well as international markets. He had good exposure and experience in the field of marketing, including business management.

SG

Sumer Ghumman -
Whole-Time Director

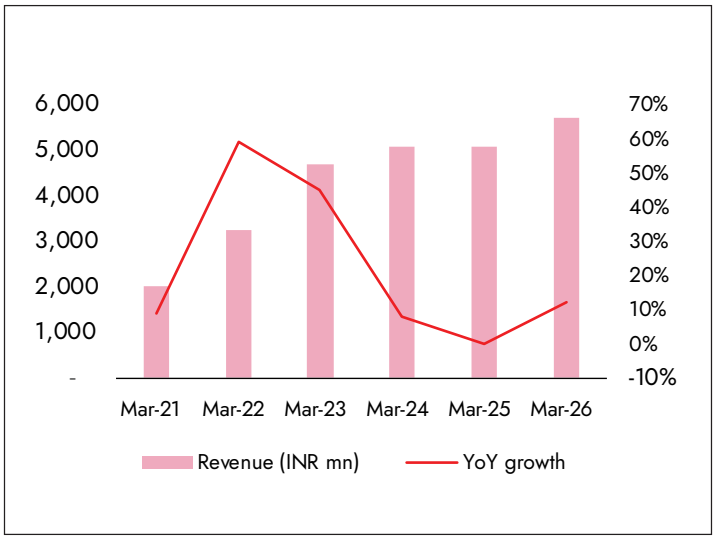
Focus on corporate strategy, governance, finance, and legal affairs. He played a key role in establishing the company's subsidiary focused on next-generation EV and industrial components.

ROBUST FINANCIALS

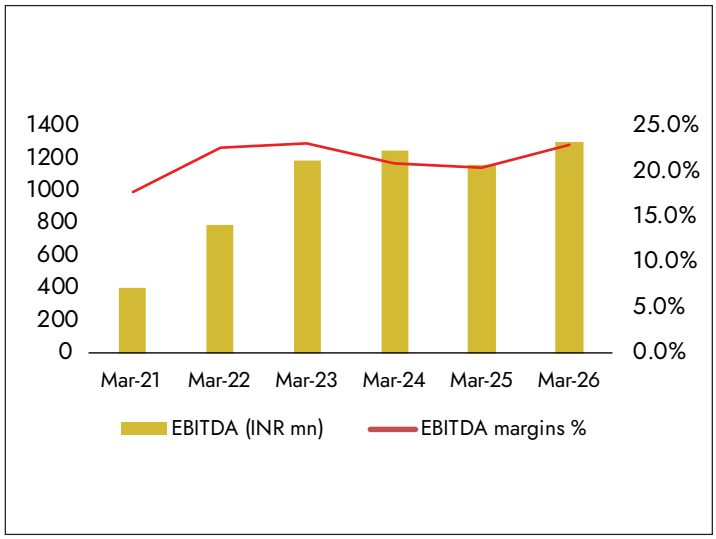
- Margin improvement driven by high value add products
- Capex funded through internal accruals
- Low capacity utilisation provides leeway for operating leverage

Key Financials

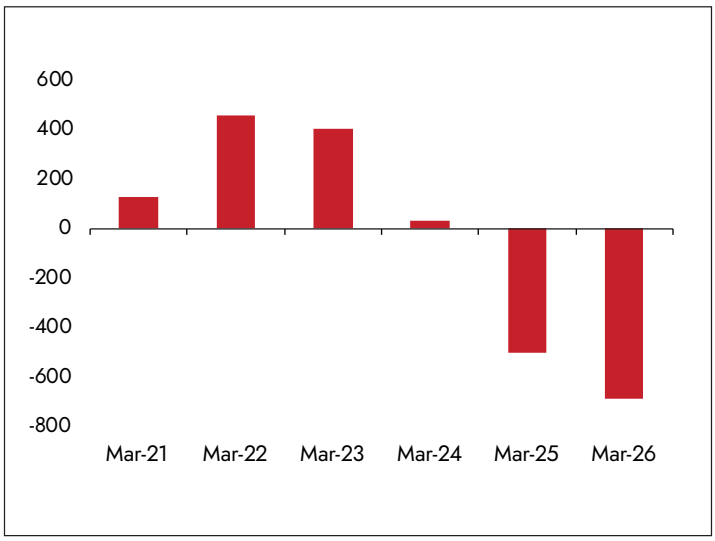
Revenue has grown at a 24% CAGR from FY21 to FY26...



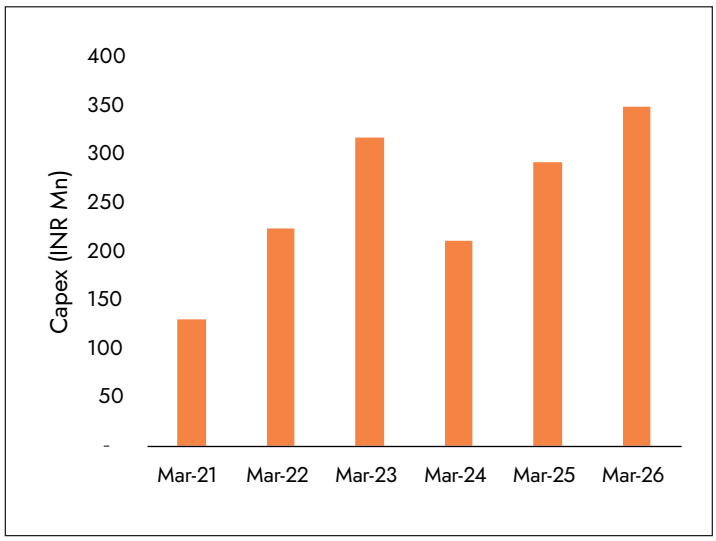
... which has been complemented by a 520 bpsmargin improvement driven by higher value products



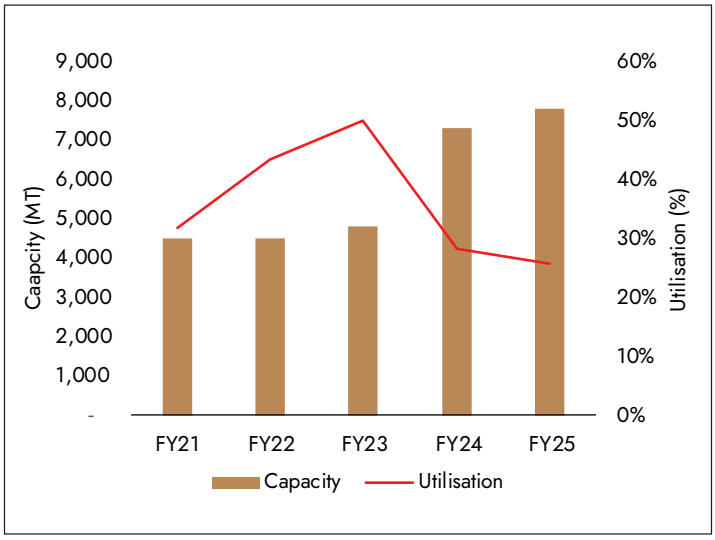
Shivalik's strong consistent debt reduction....



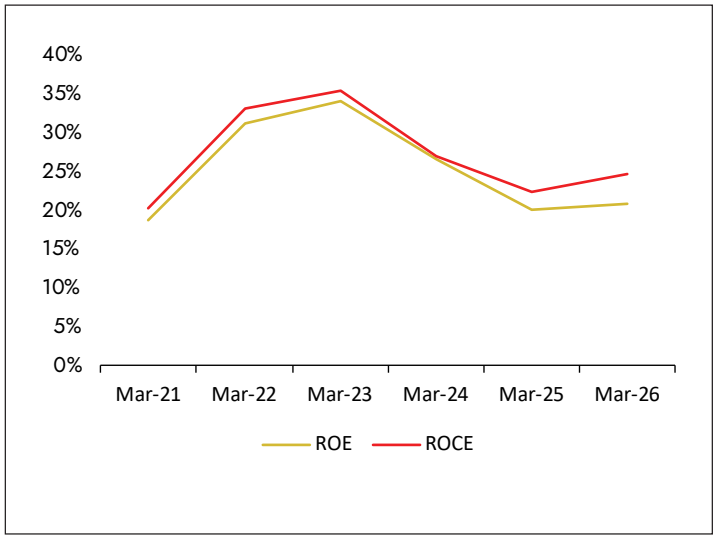
...despite significant capex



Low capacity utilisation provides leeway for operating leverage....



... which is driving improvement in the return ratios



Source: Company Data, Ambit Asset Management

Category	Shivalik (India)	Vishay Intertechnologies (USA)	Aperam SA (Luxembourg)	Yageo Corporation (Taiwan)	ROHM Co Ltd (Japan)
Shunt Resistors	✓	✓	X	✓	✓
Bimetal	✓	X	✓	X	X
Contacts	✓	X	X	X	X
SMD Assembly	✓*	✓	X	✓	✓
PCBA	✓*	X	X	X	X

* Recent product entry by Shivalik

Category ($ mn)	Shivalik (India)	Vishay Intertechnologies (USA)	Aperam SA (Luxembourg)	Yageo Corporation (Taiwan)	ROHM Co Ltd (Japan)
Revenue	59	3593	5997	4540	3196
EBITDA	14	443	343	1394	451
EBITDA Margin (%)	22.9%	12.3%	5.7%	30.7%	14.1%
PAT	10	95.4	54	844	-175
ROE	20.9%	-0.44%	0.27%	14.3%	-5.4%
ROCE	24.6%	-0.73%	1.65%	8.2%	-3.79%

Source: Company Data, Ambit Asset Management

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