

DISA India Limited 35th Annual Report 2019-20

Norican Group
Shaping Industry



PARTS FORMATION



PARTS PREPARATION



PARTS FINISHING

DISA
A Norican Technology

ITALPRESSE GAUSS
A Norican Technology

StrikoWestofen
A Norican Technology

wheelabrator
A Norican Technology

Corporate Social Responsibility (CSR)



MOU with NIFFT on a “Jan Johansen DISAMATIC Scholarship”

MOU Signing ceremony at NIFFT, Ranchi between Prof. P. P. Chattopadhyay, Director NIFFT and Mr. Lokesh Saxena, MD, DISA India Ltd.

DISA India Limited has signed a Memorandum of Understanding (MOU) for a Scholarship program, with National Institute of Foundry and Forge Technology (NIFFT), Ranchi as a CSR initiative in the field of education. The scholarship is named after “Mr. Jan Johansen” a true global visionary in Green Sand Moulding technology from DISA A/S, Denmark, and has been a Director on DISA India Board for many years.

Awarding Certificate to B. Tech Students



The scholars with Jan Johansen DISAMATIC Scholarship Certificates and Cheques in the presence of DISA India management team (Mr. Lokesh Saxena, Mr. Satyanarayana VN and Ms. Stephys Udayakumar) and NIFFT professor Dr. K Singh.

The first batch of the scholars were awarded “Jan Johansen DISAMATIC Scholarship” in a formal ceremony conducted at NIFFT, Ranchi.

DISA India is committed towards building a better society by focusing its CSR efforts on education. Since the inception of CSR, more than 4000 students in various schools in Karnataka state got benefitted through a mix of scholarships, career guidance and individual volunteering.

Managing Director's Message

Dear Shareholder,

The FY 2019 -20 was a different year filled with challenges, most of them in the external environment. The first three quarters witnessed a decent growth for the company on both revenues and profits, however the last quarter became a show stopper. The demand in the automotive industry had already started to taper down since September 2019 onwards, and it started to reflect on our order book as well. The foundries started to be underutilised and capex proposals got delayed. In the end of last quarter came the COVID 19 pandemic, which disrupted the operation completely in the second half of March 2020. As we implemented the "Business Continuity Program" in the company we announced Work from Home for employees, and a complete lockdown of our factories for a substantial period as mandated by the Indian Government.



Despite the above disruptions which were beyond our control, your company has shown a tremendous resolve to provide profit growth for the FY 2019-20, even as the revenues showed a declining trend. Your company has taken pre-emptive actions on cost reductions in the form of reorganisation, material cost reduction and the overall expenses of the company for the FY 2019-20

The COVID 19 crisis has impacted lives of each one of us in one way or other way. The businesses have sharply declined overall and more prominently in Automotive Industry which impact us the most due to our exposure to it. If we go by the external reports, the Auto Industry will see a significant downward trend in the FY 2020-21. This would reflect in the performances of all the companies who have significant exposure to this industry. It is extremely difficult to assess how deep and how long this crisis would be, accordingly it's difficult to predict anything with certainty at this stage.

It's my responsibility to thank all our valued customers and stakeholders who have given us the opportunity to serve them and have shown faith and confidence on us. Our employees need a special mention here for their resilience in difficult time, and round the clock efforts to take company to this shape.

"Complete Foundry Solution" remain our motto for the India market. We have made the program stronger with offerings on **NORICAN DIGITAL** in this program. The complete offering will not only provide world class technology on equipment, but it will also help customers to achieve the desired efficiency on the line operations in a real time work environment.

Norican Digital Solutions in foundry is a unique way of integrating millions of data points from all equipment to arrive at possible corrective actions through the use of artificial intelligence (AI) tool. It would impact the overall throughput from the plant and reduce cost per casting. The program works to integrate process parameters and use AI to develop and suggest corrective measures. This also help in elimination of repetitive failures through a strong Root Cause Failure Analysis being done by service and engineering teams in India. These solutions have been invested on by Norican Global and integrated with DISA India over the last few quarters. We have started to integrate these solutions in the already available program of Reliability Services for Foundries in India

Our **"Distribution Model"** is now more than a year old. It's important for me to apprise you on the developments in this initiative. We have appointed 4 distributors and they are functioning in the following locations with a strong physical set up of people and warehousing: Coimbatore, Ludhiana, Manesar, Kolhapur and Jamshedpur.

The distributor warehouses have been stocked with parts relevant for the customers in the respective regions to service the customers locally. This FY onwards we have also started to stock spares for our aluminium offerings in Die casting equipment business.

Innovation is our back bone, and we had set up the R&D centre based on our futuristic thinking and approach more than a decade ago. We have reinforced the centre with the right expertise in the areas of Moulding Technologies, Digital and Shot Blasting machines. This set up works very closely with Global Product Centres, Sales and Manufacturing to determine and deliver customised solutions for not only India, but also for the Global Markets, both in automotive and industrial space.

On behalf of the company, let me take the opportunity to thank you all for your support in retaining the leadership position for DISA India despite a challenging market and environment. We are and shall remain committed for enhancing the shareholder's value as always.

Lokesh Saxena
Managing Director
DISA India Limited

BOARD OF DIRECTORS



Sanjay Narendrakumar Arte
Independent Director & Chairman



Anders Wilhjelm
Director



Andrew James Matsuyama
Director



Ulla Hartvig Plathe Tonnesen
Director



Deepa Agar Hingorani
Independent Director



Lokesh Saxena
Managing Director

Board of Directors

Mr. Sanjay Arte, Independent Director and Chairman (from 12.07.2019)
 Mr. Andrew Thomas Carmichael - Chairman (upto 12.07.2019)
 Mr. Anders Wilhelm (from 12.07.2019)
 Mr. Andrew J. Matsuyama (from 12.07.2019)
 Ms. Ulla P. Tonnesen (from 12.07.2019)
 Ms. Deepa Hingorani, Independent Director
 Mr. Shyamal Kumar Sinha, Independent Director (upto 22.03.2020)
 Mr. Viraj Naidu (upto 12.07.2019)
 Mr. Lokesh Saxena - Managing Director

Chief Financial Officer Mr. Amar Nath Mohanty
Company Secretary Mr. G. Prasanna Bairy

Bankers
 Kotak Mahindra Bank Ltd.
 HDFC Bank Ltd.

Registrars
 Integrated Registry Management Services Private Limited
 Ramana Residency, 1A,
 Ground Floor,
 IV Cross, Sampige Road,
 Malleswaram,
 Bengaluru - 560 003.
 Ph: +91 80 23460815/816
 E-mail : irg@integratedindia.in

Registered Office
 5th Floor, Kushal Garden Arcade
 1A, Peenya Industrial Area,
 Peenya 2nd Phase
 Bengaluru 560 058
 Ph: +91 80 4020 1400

Stock Exchange
 BSE Ltd.
 Mumbai

Auditors
 Deloitte Haskins & Sells
 Bengaluru

Solicitors
 Chander Kumar & Associates
 Bengaluru

Internal Auditors
 M.K. Dandekar & Co., Chennai (upto 31.03.2020)
 Protiviti India Member (Pvt.) Ltd, Bengaluru (From 01.04.2020)

Secretarial Auditor
 Mr. Vijayakrishna KT
 Bengaluru

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NOTICE

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of DISA India Limited will be held on Wednesday, the 12th day of August 2020 at 11.00 AM IST through Video Conferencing (VC) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including the consolidated financial statements) of the Company for the year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare a Dividend of Rs. 2.5/- per Equity Share of Rs. 10/- each (25%) for the financial year ended March 31, 2020.
3. To appoint a Director in place of Mr. Anders Wilhelm (DIN: 08507772), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Ratification of remuneration of Cost Auditors:
To consider, and if thought fit, to pass, the following Resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof], M/s. Rao, Murthy & Associates, Cost Accountants, Bengaluru (Reg. No.000065), appointed as Cost Auditors of the Company for conducting the cost audit of the accounts and records for the financial year ended March 31, 2020 with a remuneration of Rs.1,65,000/- (Rupees One Lakh Sixty Five Thousand only) plus applicable taxes and reimbursement of out of pocket expenses, at actuals, as approved by the Board of Directors, be and is hereby ratified."
5. Re-appointment of Mr. Lokesh Saxena (DIN: 07823712) as Managing Director of the Company:
To consider and if thought fit, to pass, the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the consent of the Shareholders be and is hereby accorded to the re-appointment of, and remuneration payable to, Mr. Lokesh Saxena (DIN: 07823712), as the Managing Director of the Company for a period of three years with effect from June 21, 2020 to June 20, 2023 upon the terms and conditions recommended by Nomination and Remuneration Committee

and approved by the Board and subject to Central Government approval, if required, on such terms and conditions as set out below:

1. Basic Salary:

With effect from	Basic Salary per month
June 21, 2020	Rs. 3,75,000/- (Rupees Three Lakhs Seventy Five Thousand only) per month with such changes annually, as may be decided upon.

2. House Rent Allowance:

Not exceeding 50% of basic salary. House rent allowance will be Rs. 1,87,500/- (Rupees One Lakh Eighty Seven Thousand Five Hundred only) per month.

3. Conveyance:

Chauffeur driven car will be provided by the Company for the performance of official duties and personal use. All expenses towards this facility will be borne by the Company.

4. Telephone:

A residential telephone, Laptop Computer and one Internet Service connection will be provided by the Company at its cost to facilitate the performance of duties.

5. Other Allowance:

Other allowance will be Rs. 2,86,090/- (Rupees Two Lakhs Eighty Six Thousand Ninety only) per month.

6. Medical Allowance:

Medical Allowance will be limited to Rs. 1,250/- (Rupees One Thousand Two Hundred Fifty only) per month.

Medi-claim Policy Coverage

Eligible for Medi-claim Policy (premium paid by the Company) covering self, spouse, dependent children less than 21 years of age and other dependent family members as applicable to other senior management personnel of the Company, with changes, if any, as applicable from time to time.

7. Leave and Leave Travel Assistance:

Leave entitlement will be as applicable to the other senior management personnel of the Company. Expenses for self and family (as defined above) of travel anywhere in India on leave will be paid/reimbursed once a year subject to a ceiling of one month's basic salary.

8. Provident Fund:

The Company will contribute 12% of the basic salary to the Provident Fund and incurs approximately 1% of basic salary towards Administration charges payable to Provident Fund Department, as applicable to other senior

management personnel of the Company, with changes, if any, as may be applicable from time to time.

9. Superannuation Fund:

The Company will contribute 15% of the basic salary to the Superannuation Fund as applicable to other senior management personnel of the Company, with changes, if any, as may be applicable from time to time.

10. Gratuity:

After a continuous service of five years, gratuity will be payable at the rate of fifteen days basic salary per year of service, limited to a maximum of 30 years. Payment of gratuity will be as per rules and regulations of the Company as applicable to other senior management personnel of the Company, with changes, if any, as may be applicable from time to time.

11. Reimbursement of Business Expenses:

Eligible for Reimbursement of all reasonable expenses on travel, entertainment etc. legitimately incurred in the course of performance of duties.

12. Sitting Fee:

No sitting fees will be paid for attending Meetings of the Board of Directors or Committees thereof. He will not be liable to retire by rotation.

13. Variable Performance Bonus:

He will be eligible for performance-based variable pay @ 30% of the annual fixed pay every year subject to the standard terms of Norican Annual Incentive Plan (NAIP). NAIP takes into account Group performance, Company performance in terms of Growth and margin expansion and personal objectives measured against agreed objectives for the year.

14. Minimum Remuneration

In the event of absence or inadequacy of profits in any Financial Year during the currency of tenure of his appointment, the entire applicable remuneration of Rs. 15.66 Million payable to Mr. Lokesh Saxena by way of Salary and perquisites as mentioned above shall be paid as the Minimum Remuneration, subject to the provisions under Schedule V of the Companies Act, 2013 as amended from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary the terms and conditions of appointment of Mr. Lokesh Saxena as Managing Director subject to the limits prescribed under the Schedule V of the Companies Act, 2013".

By Order of the Board of Directors
For DISA India Limited
G Prasanna Bairy

Company Secretary

Date : June 3, 2020

Place : Bengaluru

Membership No.: ACS 35584

NOTES:

1. In view of disruptions caused by COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020

dated April 13, 2020 and General Circular No. 20/2020 dated May 5, 2020 (**collectively "MCA Circulars"**), permitted companies to conduct Annual General Meeting (AGM) through video conferencing or other audio visual means (VC), subject to compliance with various conditions mentioned therein. In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 35th AGM of the Company is being convened and conducted through VC.

2. The Company has facilitated the members to participate in the 35th AGM through the VC facility provided by Central Depository Services Limited (CDSL). The instructions for participation by members are given in the subsequent paragraphs. Participation in AGM through VC shall be allowed on a first-come-first-served basis.
3. As per MCA Circulars, members attending the 35th AGM through VC will be reckoned for the purpose of quorum as per Section 103 of the Companies Act, 2013.
4. For exercising the votes by the members by electronic means, the Company has provided the facility of remote e-voting as well as e-voting during the AGM. The procedure for using the remote e-voting facility as well as e-voting during the AGM is given in the subsequent paragraphs.
5. Members joining the AGM through VC shall be permitted to exercise their right to vote using the e-voting facility at the AGM, provided they have not cast their votes using remote e-voting facility. The members who have cast their votes prior to AGM using the remote e-voting facility may also join the AGM through VC; but shall not be entitled to cast their votes again.
6. As per Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and such proxy need not be a member of the Company. Since 35th AGM is being held through VC as per MCA Circulars, physical attendance of the members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the 35th AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice. Similarly, as this AGM is being held through VC, the route map is not annexed to this notice.
7. Corporate members may authorize their representatives for casting the votes using remote e-voting facility or for participation and voting in the AGM using VC. Institutional Investors are encouraged to attend and vote at the AGM through VC.
8. In line with MCA Circulars, the Annual Report for the financial year 2019-20 along with Notice of 35th AGM of the Company inter alia indicating the process and manner of e-voting are being sent only by electronic mode to those members whose email IDs are registered with the Company/ Depository Participant(s) for communication.

In line with MCA Circulars, the Company has enabled a process for the limited purpose of receiving the AGM Notice and Annual Report (including remote e-voting instructions) electronically. Members may temporarily update their email address by accessing the link <https://www.disagroup.com/>

en-in/investor-relations/disa-india-financial-reports.

Members may note that the aforesaid documents may also be downloaded from the Company's website under the Investor Relations Section at <https://www.disagroup.com> or from the website of BSE Limited at www.bseindia.com.

9. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the directors are interested, maintained as per Companies Act, 2013 will be available for electronic inspection by the members during the AGM. All the documents referred to in the Notice will also be available for electronic inspection by the members without any fee from the date of circulation of this notice up to the date of AGM i.e., August 12, 2020. Members seeking to inspect such documents may send an email to investor.relations@noricangroup.com.
10. Members seeking clarifications on the Annual Report are requested to send an email to investor.relations@noricangroup.com on or before August 5, 2020. This would enable the Company to compile the information and provide replies at the meeting.
11. The Register of Members and the Share Transfer books of the Company will remain closed from August 5, 2020 to August 12, 2020 (both days inclusive).
12. Subject to the provisions of Section 123 of the Companies Act, 2013, Dividend as recommended by the Board of Directors, if declared, at the AGM, will be disbursed on or before September 11, 2020 to those members whose name appear in the Register of Members (in respect of shares held in physical form) or in the records of

Depositories as Beneficial Owners of Shares (in respect of shares in dematerialized form) as on August 4, 2020 (Record date).

13. The Dividend will be paid electronically through various online transfer modes to those members who have updated their bank accounts. For members who are yet to update their bank account details, dividend warrants/demand drafts will be sent to their registered addresses once the postal facility is available.
14. Pursuant to the changes introduced by the Finance Act 2020 w.e.f. April 1, 2020, Dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source, as applicable, at the time of making the payment of the said Dividend.

The rate at which the dividend may be subject to withholding tax would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Accordingly, the above referred Final Dividend will be paid after deducting the tax at source as follows:

Resident Shareholder

It may be noted that tax would not be deducted at source on payment of dividend to resident Individual shareholder, if total dividend amount to be paid in a financial year does not exceed Rs. 5,000.

Tax to be deducted as source for FY 2020-21, where ever applicable, would be as under:

Particulars	Applicable Rate	Documents required (if any)
Shareholders having the PAN	7.5%	Update the PAN, and the residential status as per Income Tax Act, 1961 if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agent (in case of shares held in physical mode).
	NIL	Form 15G (applicable to any person other than a Company or a Firm)/ Form 15H (applicable to an Individual above the age of 60 years), provided that all the required eligibility conditions are met, and a copy of PAN is furnished.
Shareholders not having PAN/ Invalid PAN	20%	-
Shareholders submitting the Order under Section 197 of the Income Tax Act, 1961 (Act)	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority along with a copy of PAN.
Shareholders (e.g. LIC, GIC) for whom Section 194 of the Act is not applicable	NIL	Declaration that it has full beneficial interest with respect to the shares owned by it along with PAN.
Shareholders, being Alternative Investment Funds (AIFs)	NIL	A declaration that the AIFs are registered under SEBI as per SEBI Regulations.
Shareholders covered under Section 196 of the Act (e.g. Mutual Funds, Govt.)	NIL	Certificate of registration u/s 10(23D) issued by the appropriate authority along with PAN, documentary evidence that the person is covered under said Section 196 of the Act.

Non - Resident Shareholders

As per Section 90 of the Income Tax Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty

between India and the country of tax residence of the shareholder, if they are more beneficial to them. Please refer to the below table for details of documents to avail Tax Treaty benefits.

Particulars	Applicable Rate	Documents required (if any)
Shareholders, being Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess) as per Section 196D of Income Tax Act, 1961	-
Other Non-resident shareholders	20% (plus applicable surcharge and cess) OR Tax Treaty Rate (whichever is lower)	a) Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities. b) Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident, valid for FY 20-21. c) Self-declaration in Form 10F. d) Self-declaration by the non-resident shareholder of having no Permanent Establishment in India in accordance with the applicable Tax Treaty. e) Self-declaration of Beneficial ownership by the non-resident shareholder.
Shareholders submitting the Order under Section 197 Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority.

Soft copies of Form 15G, Form 15H, Form 10F and Format for self-declaration of beneficial ownership may be downloaded from the link <https://www.integratedindia.in/ExemptionFormSubmission.aspx>.

The aforesaid documents, as applicable, should be mailed to investor.relations@noricangroup.com on or before July 27, 2020, 11.59 PM (IST), to enable the Company to determine the appropriate TDS/withholding tax rate applicable.

No communication on the tax determination/deduction received post July 27, 2020 shall be considered for payment of Dividend.

If the tax on said Dividend is deducted at a higher rate due to non-receipt of or satisfactory completeness of the aforementioned details/documents by July 27, 2020, the shareholder may claim an appropriate refund in the return of income filed with their respective tax authorities.

No claim shall lie against the Company for such taxes deducted.

The Company will arrange to email a soft copy of the TDS certificate to the registered email ID of the shareholders in due course, post payment of the said Dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

- As per Section 124 of the Companies Act, 2013, the amount of Dividend remaining unpaid or unclaimed within 30 days from the date of declaration shall be transferred to 'unpaid dividend account' of the Company. Amount transferred to 'unpaid dividend account', which remains unpaid or unclaimed for a period of seven years from the date of transfer, is required to be transferred to the Investor Education and Protection Fund of the Central Government. Similarly, all the Shares in respect of which Dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the Investor Education and Protection Fund.
- In line with the provisions of Section 124 of the Companies Act, 2013, members who have not so far encashed the Dividend warrant(s) for any of the Dividends declared earlier, are requested to make their claims to the Company immediately. Please note that in respect of unclaimed dividend amount and the shares transferred to IEPF, Shareholders may claim the Dividend and corresponding shares transferred to IEPF including all benefits accruing on such shares, if any, from IEPF authorities after following the procedure prescribed in the Companies Act, 2013 and Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
- The Shares of the Company are traded compulsorily in dematerialized form as per the directions of the Stock

Exchange. Accordingly, members who have not opted for dematerialization of shares are once again reminded to take steps to dematerialize their holdings. Further, the members may note that as per SEBI (LODR) (Fourth Amendment) Regulations, 2018, with effect from April 1, 2019, except in case of transmission or transposition of securities, no transfer of securities shall be processed unless the securities are held in the dematerialized form. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so that they will be able to transfer them freely and participate in corporate actions.

18. Members holding the shares in physical form are requested to communicate the changes, if any, in their addresses, bank account details and other necessary details to the Company's Registrar and Share Transfer Agent, Integrated Registry Management Services Private Limited, 30, Ramana Residency, IV Cross, Sampige Road, Malleswaram, Bengaluru-560 003. Members holding the shares in dematerialized form are requested to communicate such changes to the concerned Depository Participant.
19. Members who are yet to register their e-mail address are requested to register the same with the Depository through their Depository Participants in respect of shares held in dematerialized form. Members holding the shares in physical form may register their e-mail address by writing to the Company's Registrar and Share Transfer Agent.
20. Non-resident Indian shareholders are requested to immediately inform the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be, about the following matters: -
 - (a) the change in residential status on return to India for permanent settlement, and
 - (b) the particulars of the NRE account with a bank in India, if not furnished earlier.
21. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form may submit their PAN details to the Company's Registrar and Share Transfer Agents or the Company.
22. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13, as prescribed by the Government may be obtained from the Registrar and Share Transfer Agent or the Secretarial Department of the Company at its registered office.
23. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the Meeting, is annexed hereto.

24. Voting Through Electronic Means:

In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the 35th Annual General Meeting (AGM). For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means. The facility to cast the votes by the members using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

The Members can join the AGM through VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restrictions.

The instructions for Members for remote e-voting are as under:

- (i) The voting period begins on August 8, 2020 (9.00 AM IST) and ends on August 11, 2020 (5.00 PM IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record date) of August 4, 2020 may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Members should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders" module.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first-time user, follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
	Members who have not updated their PAN with the Company/Depository Participant are requested to use sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	- Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. - If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat account holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.

(xi) Click on the EVSN relevant to 'DISA India Limited' on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES/NO" is available for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution, if you have decided to vote on, click on "SUBMIT". A confirmation box will be

displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.

(xviii) Members can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while remote voting on your mobile.

Instructions for Members attending the AGM through VC are as under:

1. Members will be provided with a facility to attend the AGM through VC through the CDSL e-voting system. Members may access the same at www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC will be available in shareholder/members login where the EVSN of Company will be displayed.

2. System requirements for best VC experience:

Though any internet enabled device i.e., Laptop, Desktop, Smartphone or a Tablet may be used to join the meeting, members are encouraged to join the AGM through Laptop/Tablet for better experience. Laptop with at least Core2duo processor, 1GB RAM, good quality multimedia kit and latest version of Internet Browser are preferred. Members are requested to download the Cisco WebEx meeting tool in advance and enable the camera during the AGM.

Members connecting from Mobile Devices, Tablets or Laptop connected via Mobile Hotspot might experience Audio/Video loss due to fluctuations in their respective networks. To mitigate any such glitches, it is recommended to use stable Wi-Fi or LAN connection (without proxy & firewall) with a speed of 2 Mbps or more.

3. Members who would like to ask questions or express their views at the AGM may register themselves as a speaker by sending a mail with their name, demat account number/folio number, email id, mobile number to investor.relations@noricangroup.com on or before August 5, 2020. The Company reserves the right to limit the number of members asking the questions depending on the time availability at the AGM.

4. Only those shareholders who have registered

themselves as a speaker will be allowed to express their views/ask questions during the meeting.

Instructions for Members for e-voting during the AGM are as under: -

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
 2. Only those members, who are present in the AGM through VC facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
 3. If any votes are cast by the members through the e-voting available during the AGM and if those members have not participated in the meeting through VC facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.
 4. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote again at the AGM.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investor.relations@noricangroup.com, if they have

voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

- (xx) Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the AGM Notice and holding shares as of the cut-off date i.e., August 4, 2020 may obtain the login ID and password by sending a request to helpdesk.evoting@cdslindia.com or by contacting our RTA, M/s Integrated Registry Management Services Private Limited, 30, Ramana Residency, IV Cross, Sampige Road, Malleswaram, Bengaluru-560 003 [Telephone +91-80-23460815-818, Fax: +91-80-23460819 and email irg@integratedindia.in].
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

Other instructions:

- (i) The voting rights of shareholders shall be in proportion to their Shares of the Paid-up Equity Share Capital of the Company as on the cut-off date of August 4, 2020.
 - (ii) The Board of Directors has appointed Mr. Vijaykrishna K T (Membership No. FCS 1788) and failing him Mr. Parameshwar G Bhat (Membership No. FCS 8860), Practising Company Secretaries, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - (iii) The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer’s Report shall be communicated to the Stock Exchange, CDSL and RTA and will also be displayed on the Company’s website, <https://www.disagroup.com/en-in/investor-relations/downloads>.
25. Brief resume and other information in respect of directors seeking re-appointment at the AGM as required under regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015:

Agenda Item – 3**Appointment of Mr. Anders Wilhelm retiring by rotation:****Name:** Mr. Anders Wilhelm (DIN: 08507772)**Age:** 54 years**Qualification:** Master Business Administration, Massachusetts Institute of Technology, USA**Expertise:** Mr. Anders Wilhelm is the President & CEO of Norican Group and has extensive work experience in senior management level positions of many multinational companies in the fields of Management, Manufacturing, Marketing, Process Engineering etc.**Directorships in other Companies:**

Name of the Company	Position
DAT-Schaub A/S	Director
Tresu A/S	Director
BioMar A/S	Director
BIMobject AB	Director
Naciron Global A/S	Director

Committee Memberships:

DISA India Limited:

Name of the Committee	Position
Nomination & Remuneration Committee	Member

Shareholding: NILBy Order of the Board of Directors
For DISA India LimitedG Prasanna Bairy
Company Secretary
Membership No.: ACS 35584Date : June 3, 2020
Place : Bengaluru**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 3 – Ratification of remuneration payable to the Cost Auditors.**

In terms of Section 148 of the Companies Act, 2013 ('the Act') and the Rules made thereunder, the Company is required to maintain Cost Audit records and to have the same audited by a Cost Auditor. Further, Rule 14 of the Companies (Audit and Auditors) Rules 2014, requires that the remuneration payable to the Cost Auditor shall be ratified by the Shareholders.

Based on the recommendation of the Audit Committee, the Board of Directors at its Meeting held on May 23, 2019, had re-appointed M/s. Rao, Murthy & Associates as Cost Auditors, for conducting the Cost Audit for the financial year 2019-20 on a remuneration of Rs. 1,65,000/- (Rupees One Lakh Sixty-Five Thousand only) plus applicable taxes and reimbursement of out of pocket expenses at actuals.

The Company has received a Certificate from the Cost Auditors confirming their independence and arm's length relationship with the Company and their willingness to act as Cost Auditors of the Company. The Board recommends the proposed Resolution for approval by the Shareholders.

None of the Directors or Key Managerial Personnel is concerned or interested financially or otherwise in this Resolution.

Item No. 5 – Re-appointment of Mr. Lokesh Saxena (DIN: 07823712) as Managing Director of the Company.

Members may recall that Mr. Lokesh Saxena was appointed as the Managing Director of the Company for a period of three years from June 21, 2017 to June 20, 2020. Based on the recommendation of the Nomination and Remuneration Committee, your Board at its meeting held on June 3, 2020 has re-appointed Mr. Saxena as Managing Director for a fresh term of three years from June 21, 2020, subject to the approval of the members in this Annual General Meeting.

Particulars as required by Part II of schedule V of the Companies Act 2013 are set out below.

General information:

DISA India Limited is a leading equipment manufacturer with advanced foundry and surface preparation process technology. The company, which was incorporated in 1984, is head quartered in Bengaluru, India. It is a company listed in Bombay Stock Exchange with sound financials. Denmark based Promoters company DISA Holding A/s and DISA Holding AG of Switzerland own 20.73% and 54.10 % of shares respectively (collectively 74.82%) and the remaining 25.18% shares are held by the Indian public.

DISA India supplies complete foundry systems by integrating the international DISA range of Moulding machines and sand mixers with proper combination of sand plant equipment, surface preparation machines and environmental control systems. DISA has a range of Sand Moulding Equipment that cater to different needs of the foundry industry.

The financial performance of the Company for the past five years is as under:

(Rs. Million)

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Revenue from operations (net)	2,236.0	2,419.2	1,958.6	1,574.9	1,427.3
Profit after tax	285.6	277.8	162.8	111.1	106.0
Earnings per share (Rs.)	196.40	191.03	111.95	74.52	70.19
Dividend (%)	25 #	25	25	25	25

Recommended

Information about the appointee:

Mr. Lokesh Saxena is a Bachelor of Engineering from MITS, Gwalior and Master of Business Administration in Marketing. Mr. Saxena is 50 years of age and has 25 years of experience in the industry in Automotive and Industrial businesses. Before joining DISA India Limited, he has worked for SKF India Limited for 15 years in various business positions, lastly being Vice President for Industrial Business & Services. Prior to SKF India Limited, he has worked for 6 years with Bosch Limited in the sales function.

Mr. Lokesh Saxena has been driving the Company's day today operations in the capacity of Managing Director from June 21, 2017. The Company has steadily grown under the leadership of Mr. Lokesh Saxena as Managing Director despite the adverse business scenario prevailing in the economy.

Based on the recommendation of the Nomination and Remuneration Committee, your Board of Directors has appointed Mr. Lokesh Saxena as Managing Director for a further period of three years from June 21, 2020 to June 20, 2023 subject to the approval of the members.

Mr. Lokesh Saxena, being an appointee is concerned or interested in the resolution set out at item no. 5 of the Notice. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said resolution.

Your Board is of the opinion that Mr. Lokesh Saxena will be able to lead the Company to higher levels and recommends the proposed Special Resolution for approval by the Shareholders.

By Order of the Board of Directors

For DISA India Limited

G Prasanna Bairy

Company Secretary

Membership No.: ACS 35584

Date : June 3, 2020

Place : Bengaluru

BOARD'S REPORT

The Board of Directors has pleasure in presenting the 35th Annual Report and Audited Financial Statements for the financial year ended 31st March 2020 together with the Independent Auditors' Report.

FINANCIAL RESULTS

Your Company has achieved net Revenue from Operations of Rs. 2,236.0 Million for the year 2019-20 with a decline of 7.6% over previous year 2018-19. The decline in revenue was as a result of disruption of business activities from early part of March 2020 and lock down of the Company's factories and other establishments from of March 23, 2020 due to Covid-19. All business activities including plants were locked down as mandated by the Government of India for controlling the unprecedented spread of Covid-19 pandemic. Profit after tax for the year, however, increased by 2.8 % to Rs. 285.6 Million from the previous year. The pandemic has affected India and the whole world and its impact on the economy is expected to be significant.

Summarized financial results for the year are given below.

(In Millions)

Description	2019-20	2018-19
Revenue from Operations (net)	2,236.0	2,419.2
Profit before depreciation, tax & finance cost	424.3	419.5
Less: Depreciation	34.8	21.0
Less: Finance Cost	4.3	4.0
Less: Tax Expenses (including deferred tax)	99.6	116.7
Profit after Tax	285.6	277.8
Add: Other Comprehensive income	(1.2)	1.0
Total Comprehensive income for the year, net of tax	284.4	278.8
Add: Balance in Profit & Loss account brought forward from previous year	1,343.5	1,069.0
Profit Available for Appropriation	1,627.9	1,347.8
Appropriations:		
Final Dividend (proposed) including tax thereon	3.6	4.4
Balance in Profit & Loss Account	1,624.3	1,343.4
Earnings Per Share (Rs)	196.4	191.03
Market price per share as at March 31 (Rs)	3,380.0	6,220

The Company has adapted Ind AS 116 "Leases" with the date of initial application being April 1, 2019. On transition to Ind AS 116, Right-of-use assets as at April 1, 2019 for leases previously classified as operating leases were recognized and measured at an amount equal to lease liability. As a result, the comparative information has not been restated.

PERFORMANCE OF THE COMPANY

The overall performance of your Company for the financial year 2019-20 was largely impacted during the fourth quarter of the year due to Corona virus (Covid-19) pandemic and consequent country wide lockdown and complete stoppage of business activities from March 23, 2020. Company's revenue for the year reduced by 7.6% to Rs. 2,236.0 Million, however the Profit after tax for the year increased by 2.8% to Rs. 285.6 Million from the previous year 2018-19. Deliveries of equipment to the customers and deliveries from the suppliers were disrupted and stopped during the lock down period.

The Company was already witnessing the economic down turn in the Automobile industry for the past 3 quarters of 2019-20 which resulted in low plant utilization of automotive plants which in turn impacted the demand for castings in the industry. This had a significant impact on the Company's order intake for the year. However, the Company has proactively reviewed its capacity and cost, to realign to the lower demand and undertaken measures to bring down cost of input materials, employee cost and other discretionary expenses. Focus on various lean initiatives were reinforced for improvement in productivity. Despite the adverse economic trends and the effect of the pandemic, the Company has been able to register a decent performance for the year and it has been able to serve its key customers and maintain its market share in all its major product lines.

The Company has taken significant steps to ensure the safety of employees during the pandemic by implementing 'work from home' option during the lockdowns and provided continuous guidance in travels and related matters. Guidance were provided from the highest level of the Company, programs were conducted to provide assistance to all employees, create awareness, prevention and corrective action in regular intervals. Standard Operating Practices (SOP) in the offices and factories were implemented and strict adherence to the SOP was enforced. Business Continuity Plan (BCP) was prepared and updated at regular intervals to ensure the control on both business and employees' safety.

CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the financial year.

DIVIDEND

Considering the dividend history of the Company and keeping in view the future outlook, your Board of Directors recommends a final Dividend of Rs. 2.50/- (i.e., 25%) per Equity Share of Rs.10/- each, for the year amounting to Rs. 3.6 Million. It is important to note that tax on dividend will henceforth be paid by the recipients as provided in the Finance Act 2020. Information about taxation of dividend is included in AGM Notice.

RESERVE

The Company has not proposed to transfer any amount to the general reserve.

SHARE CAPITAL

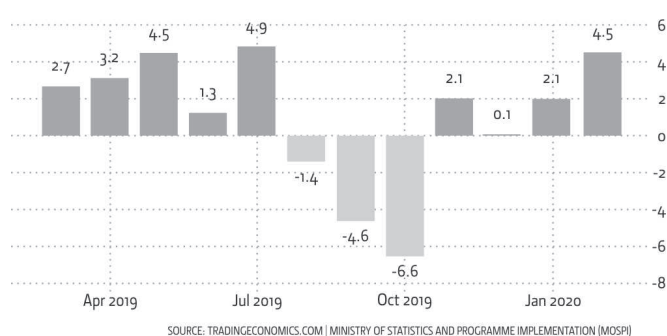
The Authorized Equity Share Capital of your Company is Rs. 50 Million. The Issued, Subscribed and Paid-up Equity Share Capital of your Company as on 31st March 2020 stood at Rs. 14.54 Million.

During the year under review, the Company has not issued any shares with differential voting rights nor granted Stock Options or Sweat Equity. The Company has also not bought back any of its shares during the year under review. As on March 31, 2020, no other Directors held shares or convertible instruments of the Company except the Managing Director who held 10 (ten) shares of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**ECONOMIC SCENARIO AND OUTLOOK**

The Year 2020-21 starts with a lot of uncertainties due to COVID-19 situation. It has created alarming issues for mankind and businesses. Never in the history has anyone seen such an unprecedented nature of a global pandemic, and it is unknown to all as to how long and how deep this would hit the humans and the business. The continuous lockdown situation over the last few months has put all activities of the companies in disarray. The decision to start with few activities as mandated by the Governments has not helped to make good start of operations. The supply chain is disrupted, its suppliers and customers facilities are not fully operational to full capacity as we write this report.

- **The Index of Industrial Production (IIP):**

**MARKET DEVELOPMENT**

Your Company's resolve in this situation is to continue to lead the industry and consolidate its position further in the Indian market.

Your Company's offer to the market has been to provide Full Foundry Solutions for High Pressure Moulding lines under one umbrella of Norican. The Company has further strengthened it through Norican Digital offer. The new Norican Digital offer is to integrate the full foundry in a highly automated environment and provide productivity enhancement solutions to Company's valued customers by integrating Artificial Intelligence and Machine Learning approach.

Apart from the above, your Company has now created ease of doing business for its Aftermarket customers, by appointing 4 distributors in India. This is to cover the markets for South, North, West and East India. The Company has moved the stocks of spares closer to the customer locations, which provide them easy access to availability and delivery.

KEY RATIOS

As required by SEBI (LODR)(Amendment) Regulations, 2018, the Company is required to furnish the details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations for the changes.

The GDP estimates for the country from all quarters seem to be projecting a significant contraction by almost 4% to 5% for the FY 2020-21. Underutilization of existing capacities and liquidity is a big issue, and it will impact the pace of growth of capital goods industry. This is a year of unpredictability for all the businesses and your Company is no exception to it. However, the Company has the inherent ability to act and respond to the ever-changing external developments from time to time.

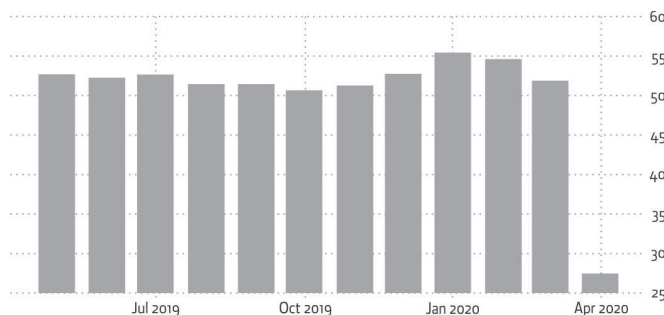
INDUSTRY OUTLOOK AND OPPORTUNITIES

IIP & PMI have historically been good indicators for business sentiments in Capital Goods Order Intake.

The forecast for both IIP and PMI is significantly down. This is expected to have a large-scale impact on the Company's performance in future. India had witnessed the COVID 19 on an already subdued economic scenario and this has made matters worse. GDP growth of 7% in 2018-19, has declined to 5% in 2019-20 and projection for year 2020-21 is negative. It reflects the state of the current Indian economy. While business activity of India is expected to witness a reduction during 2020-21, a slow recovery in the business is expected in the year 2021-22.

In the long term, the Government spending on Railways, Defense and Infrastructure, and the FDI investments in various other sectors shall continue to play an important role in the revival of the economy.

- **Manufacturing PMI :**



The Company has identified the following ratios as Key financial ratios:

Particulars	Standalone			Consolidated		
	2019-20	2018-19	Change %	2019-20	2018-19	Change %
Operation Profit Margin (EBITA) %	14.0%	13.6%	3%	14.0%	13.6%	3%
Net Profit Margin %	12.8%	11.5%	11%	12.7%	11.4%	12%
Debtor Turnover Ratio %	8.2%	7.8%	5%	8.4%	8.3%	1%
Inventory Turnover Ratio %	24.6%	26.6%	-7%	24.1%	25.9%	-7%
Earnings Per Share (Rs)	196.40	191.03	3%	203.41	196.74	3%

During the year, there were no significant changes in the above key ratios.

The details of return on net worth at standalone and consolidated levels are given below:

Particulars	Standalone			Consolidated		
	2019-20	2018-19	Change %	2019-20	2018-19	Change %
Return on Net Worth %	17.4%	20.4%	-15%	17.8%	20.8%	-15%

Return on net worth is computed by dividing the net profit by year end net worth. Sluggish growth in Net profit during the year has reduced the return on Net worth.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is committed to comply with Corporate Social Responsibility as a good corporate citizen. The Directors are pleased to report that the Company is diligently pursuing its efforts to support the community circles in which it operates. The Company's CSR program titled "NORICAN Scholarship" has helped in providing financial assistance to less privileged students up to standard twelve as well to students seeking diplomas in Engineering.

"NORICAN Scholarship" program has made scholarship available to students in eight educational institutions in the neighborhood of our plants situated at Tumkur and Hosakote in Bengaluru. During the financial year, scholarships were provided to 289 needy students. In addition, your Company also invested in infrastructure development for the schools to provide drinking water, teaching aids and School sanitation. Your Company has also extended scholarships to 51 meritorious Engineering students through an NGO 'Foundation for Excellence India Trust'.

The Company has also partnered with the National Institute of Foundry and Forge Technology (NIFFT), Ranchi and put in place a scholarship in the name of "Jan Johansen DISAMATIC Scholarship" to provide scholarship to 5 top meritorious students every year to create Industry Academia interface to create future foundry men. During the year, the Company has spent Rs. 0.375 Million towards this scholarship.

The Company's policy on Corporate Social Responsibility is available on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies>.

The Composition of CSR Committee, details of the amounts spent during the current financial year and the manner in which it was spent are provided in Annexure "A".

RISK MANAGEMENT

Your Company has formulated a Risk Management Policy and a mechanism to apprise the Board about risk assessment and mitigation procedure. It also undertakes periodical review to ensure that Executive Management controls risks by means of properly designed risk management framework.

All the insurable assets of the Company are deemed to have been adequately insured.

As an established practice, at each Meeting of the Board, the Directors are updated on risk identification and steps taken to mitigate the same. Risk Management Policy is hosted on the Company's website at <https://www.disagroup.com/en-in/investor-relations/policies>.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has a Whistle Blower Policy for vigil mechanism which is available on website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies/>. To the extent that complaints are raised, they are dealt with as per this policy. No complaints have been substantiated during the last year.

DIRECTORS AND KMP

The Company has three Key Managerial Persons (KMP), Mr. Lokesh Saxena Managing Director, Mr. Amar Nath Mohanty, Chief Financial officer and Mr. G. Prasanna Bairy, Company Secretary & Compliance Officer.

Mr. Sanjay Arte, who was appointed as the Chairman of the Company with effect from July 12, 2019 continues to steer the Board of Directors.

Mr. Anders Wilhjelms, Mr. Andrew James Matsuyama and Ms. Ulla Hartvig Plathe Tonnesen were appointed as Additional Directors with effect from July 12, 2019. During the last AGM held on August 8, 2019, they have been appointed as Directors.

In terms of the provisions of the Companies Act, 2013, and the Articles of Association of the Company, Mr. Anders Wilhelm, Director, retires at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

The first term of five years of all the three Independent Directors of the Company expired in February 2020 and March 2020. Mr. Sanjay Arte, Independent Director and Ms. Deepa Hingorani, Independent Director, being eligible for re-appointment for a second term were approved by Shareholders in the Annual General Meeting held on August 8, 2019. However, Mr. Shyamal Kumar Sinha, Independent Director did not seek his re-appointment for the second term owing to his personal reasons and his term expired on March 22, 2020. Mr. Sinha ceases to be a Director of the Company from the said date. Your Board places on record its appreciation for the relentless support and guidance extended by Mr. Shyamal Kumar Sinha during his tenure as Director of the Company.

The first tenure of three-years of Mr. Lokesh Saxena, Managing Director of the Company expires on June 20, 2020. Nomination & Remuneration Committee and the Board of Directors in their respective meetings held on June 3, 2020 have approved the re-appointment of Mr Lokesh Saxena as Managing Director of the Company for another term of three years from June 21, 2020 to June 20, 2023 as per the terms and conditions and the remuneration as set out in the AGM Notice, subject to the approval of the Shareholders.

Your Board is happy to note that both Independent Directors i.e., Ms. Deepa Agar Hingorani and Mr. Sanjay Narendrakumar Arte have maintained highest standards of integrity in their dealings with the Company. They also possess the requisite expertise and experience (including Proficiency) necessary for acting as Independent Directors of the Company.

As required by the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 and the Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019, Ms. Deepa Agar Hingorani and Mr. Sanjay Narendrakumar Arte have registered their names in the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs. However, since both have been serving as Directors for not less than 10 years as on the date of registration, they are exempt from passing the online proficiency self-assessment test as specified in the amended Rules. Annual Declarations received from both of them for the year 2019-20 contain affirmations regarding registrations in the data bank.

The Remuneration Policy of the Company for appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company and other related information have been provided in the Corporate Governance Report which forms part of this report.

Policy on appointment and remuneration of Directors and KMPs is available on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies/>.

INDEPENDENT DIRECTORS

Declarations under Section 149(7) of the Companies Act, 2013 have been received from all the Independent Directors of the Company confirming that they meet the criteria of independence as provided in Sub-Section 6 of Section 149 of the said Act and as per the SEBI (LODR) Regulations, 2015 (The Listing Regulations).

On October 22, 2019, MCA had released the Companies (Accounts) Amendment Rules, 2019, the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 and the Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019. These rules have come into force on December 1, 2019 and your Company has complied with these requirements.

SEBI (LODR)(Amendment) Regulations, 2018 has changed the evaluation criteria of Independent Directors from April 1, 2019. As per the amendment, evaluation of Independent Directors by the entire Board shall include:

- (a) Performance of Directors and
- (b) Fulfilment of independence criteria as specified in LODR Regulations, 2015 and their independence from the management.

Board has evaluated the Independent Directors and confirms that Ms. Deepa Hingorani and Mr. Sanjay Arte fulfilled the independence criteria as specified in LODR Regulations, 2015 and their independence from the management.

Details on terms of appointment of Independent Directors and the familiarization program have been displayed on website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies/>.

MEETINGS OF THE BOARD OF DIRECTORS

During the financial year, five (5) Meetings of the Board of Directors were held, as required under the Companies Act, 2013 and the Listing Regulations. The details of the Meetings are furnished in the Corporate Governance Report.

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. The Ministry of Corporate Affairs, Government of India vide its circular dated March 24, 2020 has increased the maximum time gap between two meetings to 180 days until September 30, 2020 in view of the Covid-19 pandemic. The previous meeting of the Board of Directors of the Company was held on February 05, 2020 and the next meeting of the Board was held on June 3, 2020, which was within the extended time gap of 180 days. The Agenda of the Meetings were circulated to Directors in advance. Minutes of the Meetings of the Board of Directors were circulated amongst the Directors for their perusal.

BOARD EVALUATION

Pursuant to the requirements of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has carried out an

annual evaluation of its own performance, its Committees and of individual Directors.

Further, the Independent Directors, at their exclusive Meeting held on February 5, 2020, reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations. The Independent Directors have also declared their independence. The Nomination and Remuneration Committee has reviewed the existing criteria for evaluation of performance of the Independent Directors and the Board and reviewed the existing policy of remuneration of Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement: -

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors have 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 and loss of the Company for that year;
- (c) 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;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) 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.

INTERNAL FINANCIAL CONTROL

Your Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Internal Controls in the Company have been designed to further the interest of all its stakeholders by providing an environment which is facilitative to conduct its operations and to take care of, inter alia, financial and operational risks with emphasis on integrity and ethics as a part of work culture.

The scope and authority of the Internal Audit (IA) is defined every year by the Audit Committee. To maintain its objectivity and independence, the Internal Auditors report to Chairman of the Audit Committee and the Board. The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company and its compliance with accounting procedures, financial reporting and policies at all locations of the Company. Based on the report of internal audit, process owners undertake corrective action in their respective areas and thereby strengthen

the controls. Any significant audit observations and corrective actions thereon are presented to the Audit Committee and the Board. No major internal control weakness was identified during the year. The Company also has a well-functioning Whistle Blower Policy in place.

The Board has appointed M/s. Protiviti India Member Private Limited as Internal Auditors of your Company for the year 2020-21 in place of M/s. Dandekar & Company, Chartered Accountants.

DEPOSITS

Your Company has neither accepted nor renewed any Deposits from the public within the meaning of the Companies Act, 2013, and hence, no amount of principal or interest was outstanding on the date of the Balance Sheet and also on the date of this Report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company has one Wholly Owned Subsidiary "Bhadra Castalloy Private Limited" (Formerly, Bhadra Castalloys Private Limited).

The performance of Subsidiary during the financial year 2019-20, being the fourth year of operations, has been quite satisfactory. The audited financial results of the Wholly Owned Subsidiary for the financial year ended March 31, 2020 are consolidated with the financial results of the Company for the financial year. Revenue from operations and Profit after tax of the Subsidiary Company were Rs. 111.8 Million and Rs. 10.2 Million respectively. Revenue from operations for the year was 0.7% lower but the Profit after tax improved by 22.9% as compared to previous year.

Consolidated Revenue from Operations of the Company for the year was Rs. 2,333 Million for the year as against Rs. 2,516.7 Million in the previous year, with a decline of 7.3%.

Statement relating to Subsidiary Company in Form AOC-1 is part of this report.

Your Company did not have any Joint Venture or Associate Company as at the end of the financial year.

RELATED PARTY TRANSACTIONS

All related party transactions which were entered during the financial year were in the ordinary course of business, on an arm's length basis and were as per prior omnibus approvals of the Audit Committee. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All the related party transactions were placed before the Audit Committee as well as the Board for approval. Prior omnibus approval of the Audit Committee was obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their noting/approval on quarterly basis. The details of all related party transactions are disclosed in the Sl. No. 40 of the Notes forming part of the Financial Statements.

None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company.

Form for disclosure of particulars of contracts/arrangements

entered into by the Company with related parties in Form AOC-2 is part of this report.

The Policy on related party transactions as approved by the Board is uploaded on the Company's website and the details of all the related party transactions are disclosed in the financials. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company. The 'Related Party Transaction Policy' is available on website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies>.

GROUP COMPANIES

Persons constituting Group coming within the definition of "Group" as defined in the Competition Act, 2002 includes the following:

Sl. No.	Name of Subsidiary	Country
1	WGH Holding Corp	British Virgin Islands
2	Wheelabrator Group (Canada) ULC	Canada
3	DISA (Changzhou) Machinery Ltd.	China
4	DISA Trading (Shanghai) Co. Ltd.	China
5	Italtipresse Industrie (Shanghai) Co. Ltd.	China
6	Kunshan Italtipresse Die-Casting Equipment Co Ltd	China
7	StrikoWestofen Thermal Equipment (Taicang) Ltd.	China
8	Wheelabrator Czech S.r.o.	Czech Republic
9	DISA Holding A/S	Denmark
10	DISA Holding II A/S	Denmark
11	DISA Industries A/S	Denmark
12	Norican A/S	Denmark
13	Norican Global A/S	Denmark
14	Norican Group ApS	Denmark
15	Norican Holdings ApS	Denmark
16	Wheelabrator Group SAS	France
17	DISA Industrieanlagen GmbH	Germany
18	Light Metal Casting Equipment GmbH	Germany
19	Light Metal Casting Solutions Group GmbH	Germany
20	LMCS Group Holding GmbH	Germany
21	Norican Digital GmbH	Germany
22	OFT Oberflächentechnik Maschinen und Werkzeuge Handels GmbH	Germany
23	StrikoWestofen GmbH	Germany
24	SWO Holding GmbH	Germany
25	Wheelabrator Berger Stiftung GmbH	Germany

26	Wheelabrator Group GmbH	Germany
27	Wheelabrator Group Holding GmbH	Germany
28	Wheelabrator OFT GmbH	Germany
29	DISA Limited Hong Kong	Hongkong
30	Bhadra Castalloy Private Limited	India
31	DISA India Ltd.	India
32	DISA Technologies Private Ltd.	India
33	Gauss Automazione S.p.A.	Italy
34	Italtipresse France S.a.r.l.	Italy
35	Italtipresse Industrie S.p.A.	Italy
36	Walter Trowal Sa.r.l.	Italy
37	DISA K.K.	Japan
38	IP Mexico Die Casting S.A. de C.V.	Mexico
39	StrikoWestofen de Mexico, S.A. de C.V.	Mexico
40	WG Plus de Mexico S de RL de CV	Mexico
41	WG Plus Servicios S de R. I de CV	Mexico
42	SWO Polska Sp. Z.o.o.	Poland
43	Wheelabrator Schlick Sp. Z.o.o.	Poland
44	Wheelabrator Group SLU	Spain
45	DISA Holding AG	Switzerland
46	DISA Industrie AG	Switzerland
47	Striko UK Ltd.	United Kingdom
48	WGH UK Holdings Limited	United Kingdom
49	WGH UK Ltd.	United Kingdom
50	Wheelabrator Group Ltd.	United Kingdom
51	Wheelabrator Technologies (UK) Ltd.	United Kingdom
52	Castalloy, Inc.	United States
53	DISA Holding LLC	United States
54	DISA Industries, Inc.	United States
55	Italtipresse of America, Inc.	United States
56	StrikoWestofen Dynarad Furnace Corp.	United States
57	WG Global LLC	United States
58	Wheelabrator (Delaware) LLC	United States
59	Wheelabrator Group, Inc.	United States
60	Impact Finishers Ltd.	United Kingdom
61	Matrasur Composites SAS	France

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

There were no material changes and commitments between the end of the financial year and the date of the report, which affects the financial position of the Company.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN, OR SECURITY PROVIDED BY THE COMPANY

Your Company has made an investment of Rs. 44 Million in the Equity Share Capital of its Wholly Owned Subsidiary Company, Bhadra Castalloy Private Limited. It has extended interest-bearing intercompany demand loan of Rs. 26 Million for purpose of financing the purchase considerations paid for acquisition of the foundry by the Subsidiary. The Company had also given a Corporate Guarantee of Rs. 35 Million to Kotak Mahindra Bank on behalf of its subsidiary for providing banking facilities. The above Investment in equity, loan extended and guarantees given are well within limits prescribed under the provisions of Section 186 of the Companies Act, 2013.

STATUTORY AUDITORS

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Company at its 33rd AGM held on August 9, 2018 had appointed M/s. Deloitte Haskins & Sells, Chartered Accountants, as Statutory Auditors of the Company for a second and final term of 5 years from the financial year 2018-19 to 2022-23.

During the year, the statutory auditors have confirmed that they satisfy the independence criteria as per Companies Act, 2013 and Code of ethics issued by the Institute of Chartered Accountants of India.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost records maintained by the Company in respect of its activity are required to be audited. Your Directors have, in their Meeting held on May 23, 2019 based on the recommendation of the Audit Committee, appointed M/s. Rao, Murthy & Associates, Bengaluru as Cost Auditors of the Company for the financial year ended 31st March 2020.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Vijayakrishna KT, Bengaluru, a Company Secretary in Whole Time Practice to undertake the Secretarial Audit of the Company for the financial year ended 31st March 2020. The Report of the Secretarial Auditor is annexed in Annexure-B.

EXPLANATION BY BOARD ON ADVERSE COMMENTS BY AUDITORS

There were no adverse comments by the Auditors of the Company and hence, no explanations are provided.

CORPORATE GOVERNANCE

As required under the Listing Regulations, certificates from Mr. Vijayakrishna KT, Practising Company Secretary, regarding compliance with conditions of Corporate Governance as well as a confirmation [as required by Schedule V Part C (10)(i)] that none

of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority are annexed as Annexure C.

Report on Corporate Governance is annexed as **Annexure D**.

As required by SEBI (LODR)(Amendment) Regulations, 2018, 'Annual Secretarial Compliance Report' issued by Mr. Vijayakrishna KT, Practising Company Secretary for the financial year ended 31st March 2020 has been filed with BSE on June 16, 2020, within the extended due date of July 31, 2020.

Further, in compliance with the Listing Regulations, your Board has adhered to the Corporate Governance Code. All the requisite Committees are functioning in line with the guidelines.

As reported earlier, a reputed firm of independent Chartered Accountants has been carrying out the responsibilities of Internal Audit of the Company and periodically reporting their findings on systems, procedures and management practices.

BUSINESS RESPONSIBILITY REPORT

From this year onwards, your Company is required to include Business Responsibility Report in the Annual Report describing the initiatives taken by the Company from environmental, social and governance perspective. Business Responsibility Report is annexed as Annexure D.

INDUSTRIAL RELATIONS

Industrial relations have been cordial and constructive, which have helped your Company to achieve production targets. The Company's three-year long-term agreement with the workmen union which had expired on September 30, 2018 was renewed on July 4, 2019 and was effective from October 01, 2018 to September 30, 2021.

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

The company's constant endeavor is to reduce consumptions of energy in all forms and at all levels, in the manufacturing facilities and in offices. Traditional lighting systems have been replaced with energy efficient lightings in all locations which has reduced the energy consumptions.

Your Company gives highest priority to conservation of energy through better supervision and training of employees to reduce the usage of electricity.

TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

Your Company has been continuously seeking and adapting new technology from Principals in order to develop skills locally and meet specific needs of Indian and global customers. Personnel at all levels are routinely sent to Principal's factories and design offices abroad for training and updating their skills.

During the financial year, your Company has not spent any amount on Research and Development.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company earned Rs. 250.6 Million of foreign exchange and expended Rs. 326.1 Million foreign exchange during the financial year under review.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, a copy of the annual return is provided as Annexure E to this Report and is placed on the website of the Company at <https://www.disagroup.com/en-in/investor-relations>.

MATERIAL ORDER PASSED BY ANY COURT OR REGULATOR OR TRIBUNALS IMPACTING GOING CONCERN STATUS OF COMPANY

There were no orders passed by any Court or Regulator or Tribunal during the year under review which impacts the going concern status of the Company.

PARTICULARS OF EMPLOYEES

During the year, there was one employee receiving remuneration exceeding Rs. 1,02,00,000/- (Rupees One Crore Two Lakhs only) per annum and/or Rs. 8,50,000/- (Rupees Eight Lakhs Fifty Thousand only) per month. The details are as under:

Name of the employee	Designation	Remuneration (in Rs. Million)
Mr. Lokesh Saxena	Managing Director	12.67

There were no employees posted and working in a country outside India, not being Directors or relatives, drawing more than the amount prescribed under the Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, the details are not required to be circulated to the Members and also not required to be attached to this Annual Report.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014, is provided in a separate annexure (Annexure F) forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for electronic inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Gender-Neutral Policy on Zero Tolerance towards Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The following is a summary of sexual harassment complaints received and disposed off during the financial year 2019-20:

No of complaints received: NIL. No of complaints disposed off: NIL.

ACKNOWLEDGEMENT

Your Directors place on record the appreciation for valuable contribution made by employees at all levels, active support and encouragement received from the Government of India, the Government of Karnataka, Company's Bankers, Customers, Principals, Business Associates and other Acquaintances.

Your Directors recognize the continued support extended by all the Shareholders and gratefully acknowledge with a firm belief that the support and trust will continue in the future also.

For and on behalf of the Board of Directors

For DISA India Limited

Date : June 3, 2020
Place: Mumbai

Sanjay Arte
Chairman
DIN: 01000716

Affirmation regarding Compliance with Code of Conduct

The Board has laid down a code of conduct for all Directors and Senior Management of the Company. The code of conduct is available on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies>.

I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them, for the Financial Year ended March 31, 2020.

For DISA India Limited

Date : June 3, 2020

Place : Bengaluru

Lokesh Saxena
Managing Director
DIN: 07823712

FORM AOC-1

Statement pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with rule 5 of the Companies (Accounts) Rules, 2014 relating to Subsidiary Company for the year ended March 31, 2020

(Rs. In Million)

Sl no.	Particulars	Details
1	Name of the Subsidiary	Bhadra Castalloy Private Limited (Formerly, Bhadra Castalloys Private Limited)
2	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April to March same as 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	Indian Rupees & Indian Subsidiary
4	Share capital	44.0
5	Reserves & surplus	24.20
6	Total assets	115.3
7	Total liabilities	115.3
8	Investments	0.00
9	Turnover	111.8
10	Profit before taxation	13.8
11	Provision for taxation	3.6
12	Profit after taxation	10.2
13	Proposed Dividend	0.0
14	% of shareholding	100%

For and on behalf of the Board of Directors

Deepa Hingorani
Dire N: 00206310

Lokesh Saxena
DIN: 07823712

Amar Nath Mohanty
Chief Financial Officer

G. Prasanna Baiyy
Company Secretary

Date : June 3, 2020
Place: Bengaluru

FORM NO. AOC-2

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 for the year ended March 31, 2020

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

1. Details of contracts or arrangements or transactions not at arm's length basis: N.A.

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

Date of the Board Meeting in which transactions were approved: August 8, 2019, November 7, 2019, February 5, 2020 & June 3, 2020.

Sl no.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Rupees in Million
1	DISA Industrie AG	Royalty Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	5.9
2	DISA Industrie AG	Reimbursement of Expenses (Received)	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.1
3	DISA Technologies Pvt Ltd	Service Fees Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	5.5
4	DISA Technologies Pvt Ltd	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.2
5	DISA Industries A/S Denmark	Royalty Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	17.0
6	DISA Industries A/S Denmark	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	156.0
7	DISA Industries A/S Denmark	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	99.1
8	DISA Industries A/S Denmark	Service Income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.7
9	DISA Industries A/S Denmark	Reimbursement of Expenses (Received)	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	6.1
10	DISA Industries A/S Denmark	Commission Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	12.5
11	DISA K. K. Japan	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	12.5
12	DISA (Changzhou) Machinery Ltd	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	6.8
13	DISA (Changzhou) Machinery Ltd	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.7
14	DISA (Changzhou) Machinery Ltd	Royalty Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.3

Sl no.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Rupees in Million
15	Wheelabrator Czech s.r.o.	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	22.5
16	Wheelabrator Group GMBH	Royalty Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	2.0
17	Wheelabrator Group GMBH	Reimbursement of Expenses (Received)	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.1
18	Wheelabrator Group GMBH	Commission Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.3
19	Wheelabrator Group USA	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	2.0
20	Wheelabrator Group USA	Service Income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	3.4
21	DISA Industries Inc	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.6
22	Norican A/S	Group Management services Fees	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	30.1
23	Norican A/S	Group IT Fees	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	51.3
24	Norican A/S	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.0
25	Italtipresse Industrie SpA	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.1
26	Bhadra Castalloy Pvt Ltd	Purchases	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	14.8
27	Bhadra Castalloy Pvt Ltd	Reimbursement of Expenses (Received)	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.0
28	Bhadra Castalloy Pvt Ltd	Interest on Loan Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	2.6

By the order of the Board

Date: June 3, 2020
Place: MumbaiSanjay Arte
Chairman
DIN: 01000716

ANNEXURE A**CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

As part of its initiatives under "Corporate Social Responsibility" (CSR), the Company has undertaken project in the area of Education. This project is in accordance with Schedule VII of the Companies Act, 2013.

During the financial year ended 31st March 2020, the Company's CSR efforts successfully supported 345 Students across Karnataka. Direct scholarships (DISA & Wheelabrator scholarships) were provided to 289 meritorious students at the identified institutions in and around Tumkur and Hosakote Manufacturing Plants. These scholarships were directly awarded to the students by the Company's CSR Implementation team with the help of the Institution heads. The Company also supported 51 Engineering students by providing Scholarship across Karnataka & neighboring states through an NGO, Foundation for Excellence India Trust. The Company has also supported 5 meritorious students of National Institute of Foundry and Forge Technology (NIFFT), Ranchi through its new initiative titled "Jan Johansen DISAMATIC Scholarship". The Company has also spent CSR amount towards facility improvements in 8 educational institutions in and around Tumkur and Hosakote Manufacturing Plants.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

- Company's CSR Policy – is available in Company's website at <https://www.disagroup.com/en-in/investor-relations/policies>.
- Composition of the CSR Committee:
Ms. Deepa Hingorani: Independent Director of DISA India Limited
Mr. Lokesh Saxena: Managing Director of DISA India Limited, and
Ms. Ulla Hartvig Plathe Tonnesen: Director of DISA India Limited.
- Average net Profit of the Company for last three financial years.
Average net profit: **Rs. 277.83 Million**
- Prescribed CSR Expenditure (Two percent of the amount as in item 3 above):
The Company is required to spend Rs. 5.56 Million.
- Details of CSR spend for the financial year:
 - Total amount spent for the financial year: **Rs. 5.56 Million.**
 - Amount unspent if any: **Nil**
 - Manner in the which the amount spent during the financial year is detailed below.
- Reasons for amount unspent: **NA**

Manner in which CSR amount was spent during the financial year 2019-20

(Rs Million)

Sl. No	CSR Project / Activity identified	Sector	Location	Amount Outlay (Budget/ Program wise)	Amount Spent on the Program	Cumulative Expenditure up to reporting period	Amount spent Directly or through implementing agency
1	Scholarship	Scholarship to Meritorious School Students- "DISA & Wheelabrator Scholarship"	Tumkur & Hosakote (Karnataka)	2.64	2.79	2.79	Direct
2	Facilities Improvement at the Institutions	Promotion of Education	Tumkur & Hosakote (Karnataka)	0.55	0.40	0.40	Direct
3	Jan Johansen DISAMATIC Scholarship	Scholarship		0.37	0.38	0.38	Direct
4	Scholarship	Scholarship to Meritorious Engineering Students- "DISA & Wheelabrator Scholarship"	Across Karnataka & part of Tamilnadu	2.00	2.00	2.00	Through agency - Foundation For Excellence India Trust
	TOTAL			5.56	5.56	5.56	

Details of the Implementing Agency: Foundation for Excellence India Trust, Bengaluru. Weblink: <http://www.ffe.org/>.

For DISA India Limited

Date: June 3, 2020
Place: Bengaluru

Deepa Hingorani
Director
DIN: o0206310

Lokesh Saxena
Managing Director
DIN: 07823712

Board's Report

ANNEXURE - B

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members
DISA INDIA LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DISA India Limited (CIN: L85110KA1984PLC006116) (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by DISA India Limited for the financial year ended on 31.03.2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (d) Securities and Exchange Board of India (Buyback of

Securities) Regulations, 2018;

- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (k) Circulars/Guidelines issued there under;
- (vi) There are no industry specific laws applicable to the Company pursuant to the business carried by the Company;
- (vii) The other general laws as may be applicable to the Company including the following:
 - (1) **Employer/Employee Related laws & Rules:**
 - i. Industries (Development & Regulation) Act 1951
 - ii. The Factories Act, 1948
 - iii. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959
 - iv. The Apprentices Act, 1961
 - v. The Employees Provident Fund & Miscellaneous Provisions Act, 1952
 - vi. The Employees State Insurance Act, 1948
 - vii. The Workmen's Compensation Act, 1923
 - viii. The Maternity Benefits Act, 1961
 - ix. The Payment of Gratuity Act, 1972
 - x. The Payment of Bonus Act, 1965
 - xi. The Industrial Disputes Act, 1947
 - xii. The Trade Unions Act, 1926
 - xiii. The Payment of Wages Act, 1936
 - xiv. The Minimum Wages Act, 1948
 - xv. The Child Labour (Regulation & Abolition) Act, 1970
 - xvi. The Contract Labour (Regulation & Abolition) Act, 1970
 - xvii. The Industrial Employment (Standing Orders) Act, 1946
 - xviii. Equal Remuneration Act, 1976
 - xix. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979
 - xx. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
 - xxi. Persons with Disabilities (Equal Opportunities,

- Protection of Rights and Full Participation) Act, 1996
- xxii. Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013
 - xxiii. Dangerous Machines (Regulation) Act, 1983
 - xxiv. Indian Boilers Act, 1923
 - xxv. The Karnataka Shops & Establishments Act, 1961
 - xxvi. The Industrial Establishments (National and Festival Holidays) Act, 1963
 - xxvii. The Labour Welfare Fund Act, 1965
 - xxviii. The Karnataka Daily Wage Employees Welfare Act, 2012
 - xxix. For majority of Central Labour Laws, the State has introduced Rules [names of each of the Rules is not included here]

(2) Environment Related Acts & Rules:

- i. The Environment Protection Act, 1986
- ii. The Water (Prevention & Control of Pollution) Act, 1974
- iii. The Water (Prevention & Control of Pollution) Cess Act, 1977
- iv. The Air (Prevention & Control of Pollution) Act, 1981
- v. The Government Order Under Environment (Protection) Act, 1986
- vi. Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008.
- vii. The Karnataka Ground Water (Regulation for Protection of Sources of Drinking Water) Act, 1999

(3) Economic/Commercial Laws & Rules:

- i. The Competition Act, 2002
- ii. The Indian Contract Act, 1872
- iii. The Sale of Goods Act, 1930
- iv. The Forward Contracts (Regulation) Act, 1952
- v. The Indian Stamp Act, 1899
- vi. The Transfer of Property Act, 1882

I have also examined compliances with the applicable clauses of Secretarial Standards issued by the Institute of Company

Secretaries of India on the Board and General Meeting i.e. SS-1 and SS-2.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Certain non material findings made during the course of the audit relating to the SEBI (LODR) Regulations, 2015, the Act and Labour Laws were addressed suitably by the Management.

Further, I report that with regard to financial and taxation matters, I have relied on the draft Audit Report, Limited Review Report and the Internal Audit Report provided by the Statutory/Internal Auditor as the case may be.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. There were changes in the composition of the Board of Directors during the year under review with due compliances.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (in certain instances, detailed notes on agenda were sent within seven days, with the consent of Directors), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes as per the practice followed. However, during the period under report, there was no such case instance.

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

Place: Bengaluru

Vijayakrishna K T

Date: 03.06.2020

Practising Company Secretary

FCS : 1788 C.P.No: 980

UDIN: F001788B000314078

Note: This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

‘Annexure’

My report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company including records under The Income Tax Act, The Central Excise Act, The Customs Act, The Goods and Services Tax Act.

4. Where ever required, the Company has represented about the compliance of laws, rules and regulations and happening of events etc as applicable from time to time.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bengaluru

Date: 03.06.2020

Vijaykrishna K T

Practising Company Secretary

FCS : 1788 C.P.No: 980

ANNEXURE - C

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS REQUIRED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To

The Members

DISA INDIA LIMITED

I have examined all the relevant records of DISA India Limited ('the Company') for the purpose of certifying the compliances of the conditions of Corporate Governance by the Company, for the year ended 31st March, 2020 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated under the Listing Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bengaluru

Date: 03.06.2020

Vijayakrishna K T

Practising Company Secretary

FCS : 1788 C.P.No: 980

UDIN: F001788B000314045

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To
The Members
DISA INDIA LIMITED
5th Floor, Kushal Garden
Arcade 1A, Peenya Industrial Area
Peenya, 2nd Phase
Bengaluru 560058

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **DISA INDIA LIMITED** (hereinafter referred to as 'the Company') having CIN **L85110KA1984PLC006116** and having registered office at 5th Floor, Kushal Garden, Arcade 1A, Peenya Industrial Area, Peenya, 2nd Phase, Bengaluru 560058, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2020 has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the Management of the

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1	Ms. Deepa Agar Hingorani	00206310	15/08/2006
2	Mr. Sanjay Narendrakumar Arte	01000716	02/11/2006
3	Mr. Lokesh Saxena	07823712	21/06/2017
4	Mr. Anders Wilhjelm	08507772	12/07/2019
5	Ms. Ulla Hartvig Plathe Tonnesen	08507796	12/07/2019
6	Mr. Andrew James Matsuyama	08507925	12/07/2019

Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bengaluru

Vijayakrishna K T

Date: 03.06.2020

Practising Company Secretary

FCS : 1788 C.P.No: 980

UDIN: F001788B000313990

ANNEXURE - D

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance:

The Company forming part of worldwide Norican Group continues to follow good practices of transparency and disclosure in its reporting. In addition to compliance with regulatory requirements, DISA India Limited endeavors to ensure that highest standards of ethical and responsible conduct are met throughout the organization.

The Company has adhered to SEBI (LODR) Regulations, 2015 (the Listing Regulations).

2. Board of Directors:

Composition & Size of the Board

As on March 31, 2020, the Board comprised of six Directors including two Independent Non-Executive Directors, three Non-Independent Non-Executive Directors and one Executive Director who are professionals from varied fields and have high levels of education and in-depth corporate experience.

The Board of Directors of the Company is headed by an Independent Non-Executive Director.

As at the financial year ended March 31, 2020, the Board of Directors of the Company comprised of optimum combination of Executive and Non-Executive Directors including a Woman Director. Chairperson of the Board is an Independent Non-Executive Director and not less than one-third (two directors) of the Board of Directors comprised of Independent Directors which is in conformity with the provisions of the Companies Act, 2013 and the Listing Regulations. Mr. Shyamal Kumar Sinha was the Independent Director of the Company till March 22, 2020. Since he did not seek re-appointment for the 2nd term owing to personal reasons, his tenure with the Company has ended on March 22, 2020.

The Board of Directors confirms that all the Independent Directors of the Company are in compliance with the Companies Act, 2013 and fulfill the conditions specified under the Listing Regulations and are Independent of the Management of the Company. Ms. Deepa Agar Hingorani and Mr. Sanjay Narendrakumar Arte, Independent Directors have registered in the data bank of Independent Directors as required by Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 and the Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019. Annual Declarations received from Ms. Deepa Agar Hingorani and Mr. Sanjay Narendrakumar Arte, for the year 2019-20 contain affirmations regarding registrations in the data bank. As Mr. Shyamal Kumar Sinha's term of directorship expired prior to March 31, 2020, no declaration was sought from him.

Declaration under Schedule V, Part C, Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018:

All the Directors have confirmed that they are neither debarred nor disqualified from being appointed or continuing as Director by Securities and Exchange Board of India / The Ministry of Corporate Affairs or any such statutory authority. The Company has obtained a Certificate to this effect from Mr Vijayakrishna K.T., Practising Company Secretary, Bengaluru as mandated under Schedule V, Part C, Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

All the Independent Directors of the Company are in compliance with the Companies Act, 2013 and the Listing Regulations.

Information on Committees/Chairmanships of the Directors are exhibited below:

Name of Director DIN	No. of Board	Meetings attended	Attendance at last AGM on 8th Aug 2019	No. of other Directorships	Memberships of other Board Committees	Category
Deepa Hingorani	00206310	5	Present	5	NIL	Independent Non-Executive
Sanjay Arte	01000716	5	Present	1	NIL	Independent Non-Executive
Shyamal Kumar Sinha *	00335840	3	Present	NIL	NIL	Independent Non-Executive
Andrew Thomas Carmichael **	03634151	1	NA	NA	NIL	Non-Independent Non-Executive
Viraj Naidu ***	01284452	2	NA	NIL	NIL	Non-Independent Non-Executive
Anders Wilhjelm **	08507772	2	Absent	5	NIL	Non-Independent Non-Executive
Andrew J Matsuyama ***	08507925	2	Absent	22	NIL	Non-Independent Non-Executive
Ulla H P Tonnesen #	08507796	3	Present	NIL	NIL	Non-Independent Non-Executive
Lokesh Saxena @	07823712	5	Present	2	NIL	Executive

- * First term of Mr. Shyamal Kumar Sinha as Independent Director ended on March 22, 2020. As he did not seek re-appointment for the 2nd term due to personal reasons, his tenure with the Company ended on March 22, 2020.
- ** Mr. Andrew Thomas Carmichael resigned from the office of Chairman and Director with effect from July 12, 2019. Mr. Anders Wilhelm was appointed as Additional Director of the Company from that date and at the last AGM held on August 8, 2019, he was appointed as a Director.
- *** Mr. Viraj Naidu resigned from the office of Director with effect from July 12, 2019. Mr. Andrew James Matsuyama was appointed as Additional Director of the Company from that date and at the last AGM held on August 8, 2019, he was appointed as a Director.
- # Ms. Ulla Hartvig Plathe Tønnesen was appointed as an Additional Director of the Company with effect from July 12, 2019 and at the last AGM held on August 8, 2019, she was appointed as a Director.

Mr. Sanjay Arte, Independent Director was appointed as Chairman of the Company with effect from July 12, 2019 and the Board was reconstituted.

- @ Mr. Lokesh Saxena was appointed as Managing Director of the Company from June 21, 2017 to June 20, 2020. During the forthcoming AGM, it is proposed to re-appoint him as Managing Director for a period of 3 years from June 21, 2020 to June 20, 2023.

The outside Directorships and Committee memberships are within the limits prescribed in the Companies Act, 2013 and the Listing Regulations. There are no inter-se relationships between the Directors.

None of the Directors of the Company is related to each other and with any employees of the Company.

The Company has issued letters of appointment to all the Independent Directors as per Schedule IV to the Companies Act, 2013 and the terms and conditions of their appointment have been disclosed on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies>.

The Company's familiarization program for Independent Directors is available on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies>.

The Board has laid down a code of conduct for all Directors and Senior Management of the Company. The code of conduct is available on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies>.

As required by law, brief profiles and other particulars of the Directors seeking appointment/re-appointment are given in the Notice convening the 35th Annual General Meeting.

Skills, Expertise and Competence of the Board of Directors

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board, by virtue of experience in specific areas of the members of the Board.

Skills/Expertise/Competencies	Explanation	Details of Directors possessing such Skills/Expertise/Competencies
Governance & Board Service	Ability to provide appropriate governance for a publicly listed company, and to maintain board and management accountability to the shareholders, whilst acting responsibly towards other stakeholders in the business.	- Ms. Deepa Hingorani - Mr. Sanjay Arte - Mr. Anders Wilhelm - Mr. Andrew J Matsuyama - Ms. Ulla H P Tønnesen - Mr. Lokesh Saxena
Business Operations	Knowledge of Business, Strategy formulation and deployment, Brand management, Customer relationships, assessment of customer feedback and taking appropriate actions for the betterment of the Company.	- Ms. Deepa Hingorani - Mr. Sanjay Arte - Mr. Anders Wilhelm - Mr. Andrew J Matsuyama - Ms. Ulla H P Tønnesen - Mr. Lokesh Saxena
Financial Management	Ability to assess and interpret the financial statements and draw accurate conclusions from them.	- Ms. Deepa Hingorani - Mr. Sanjay Arte - Mr. Anders Wilhelm - Mr. Andrew J Matsuyama - Ms. Ulla H P Tønnesen - Mr. Lokesh Saxena

Skills/Expertise/Competencies	Explanation	Details of Directors possessing such Skills/Expertise/Competencies
Manufacturing Operations	Knowledge of manufacturing operations with details of benchmarking the operational capability in the organization and industry context. Experience of handling complex supply chain environment.	• Mr. Sanjay Arte • Ms. Ulla H P Tønnesen • Mr. Lokesh Saxena
Risk Management	Assessment, understanding and managing both Internal and external risks involved in the business.	• Ms. Deepa Hingorani • Mr. Sanjay Arte • Mr. Anders Wilhjelm • Mr. Andrew J Matsuyama • Ms. Ulla H P Tønnesen • Mr. Lokesh Saxena

Board Meetings held during the financial year along with the dates of the Meetings

The Meetings of the Board/Committees are normally planned a year in advance and the notice of each Board / Committee Meetings is issued 21 days ahead of the date of the Meetings. The Board meets at least once in a quarter to transact various businesses including approval of the quarterly financial results of the Company. Detailed agenda with suitable explanatory notes of the Meetings are circulated to the Directors in advance.

During the financial year, the Board met 5 (five) times on the following dates:

May 23, 2019, July 12, 2019, August 8, 2019, November 7, 2019 and February 5, 2020.

During the financial year, a separate Meeting of the Independent Directors was held on February 5, 2020 without the attendance of Non-Independent Directors and members of the Management.

The Board at its Meetings reviewed compliance reports prepared by the Company on quarterly basis.

On need basis, the Directors also considered and passed Resolutions by Circulation in full compliance with the applicable laws.

Compliance with the Code of Conduct for prevention of Insider Trading

The Code of Conduct for Prevention of Insider Trading pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time and approved by the Board of Directors, inter alia, prohibits trading in securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company. The code of conduct is available on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies>.

3. Audit Committee

The Audit Committee with powers, role and terms of reference as per the Companies Act, 2013 and the Listing Regulations is responsible for over-viewing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment and removal of the Statutory and Internal Auditors, fixation of audit fees, the approval for payment for any other services and reviewing with the management the quarterly and annual financial statements before submission to the Board, including evaluation of internal financial controls and risk management systems and reviewing the functioning of Whistle Blower Mechanism.

The Committee has three members with Ms. Deepa Hingorani as the Chairperson.

The Internal Auditors and Statutory Auditors attend the Meetings of the Audit Committee, by invitation.

Meetings and the attendance during the financial year

The Committee met 4 (four) times during the financial year on the following dates:

May 23, 2019, August 8, 2019, November 7, 2019 and February 5, 2020.

The attendance of each member of the Committee is stated below:

Name of Directors	No. of Meetings Attended
Ms. Deepa Hingorani	4
Mr. Sanjay Arte	4
Mr. Andrew Thomas Carmichael*	1
Mr. Andrew James Matsuyama *	2

* Since Mr. Andrew Thomas Carmichael resigned from the office of Chairman as well as Director with effect from July 12, 2019, Audit Committee was reconstituted by inducting Mr. Andrew James Matsuya as a member of the Committee.

The Company Secretary of the Company acts as Secretary to the Committee.

4. Nomination and Remuneration Committee

The Committee has three members with Ms. Deepa Hingorani as Chairperson. The Managing Director is invited to the Committee Meetings whenever required.

Meetings and the attendance during the financial year

The Committee met 3 (three) times during the financial year on the following dates:

May 23, 2019, July 12, 2019 and February 5, 2020.

The attendance of each member of the Committee is stated below:

Name of Directors	No. of Meetings Attended
Ms. Deepa Hingorani	3
Mr. Sanjay Arte	3
Mr. Andrew Thomas Carmichael*	1
Mr. Anders Wilhjelm *	1

* Since Mr. Andrew Thomas Carmichael resigned from the office of Chairman as well as Director with effect from July 12, 2019, Nomination and Remuneration Committee was reconstituted by inducting Mr. Anders Wilhjelm as a member of the Committee. Ms. Deepa Hingorani was appointed as Chairperson of the Nomination and Remuneration Committee in place of Mr. Sanjay Arte from that date.

The Nomination and Remuneration Committee has the objective of formulation of the criteria for determining qualifications, positive attributes and independence of the Directors and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

The Committee reviews the following among others:

1. Formulation of criteria for evaluation of Independent Directors and the Board;
2. Devising a Policy on Board diversity;
3. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
4. Various criteria including minimum and maximum age, minimum qualification, desired background, diversity, evaluation and remuneration criteria for the Directors, KMPs and other employees.

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) i.e., SS-1 (Meetings of the Board of Directors) and SS-2 (General Meetings) while calling, convening and conducting the Meetings.

Remuneration Policy, Performance Evaluation, Policy on Board Diversity

The Objective and broad frame work of the Policy is to consider various criteria for the appointment and evaluation of Independent Directors, KMPs, and other employees, minimum and maximum age, minimum qualification, desired background, diversity, evaluation etc. Following is the broad framework established by the Committee for this purpose:

	Directors	KMP (CEO)	KMP (CFO)	KMP (CS)	Sr. Employees
Min. Age	35	35	35	25	30
Max. Age	70	DIL's Retirement Age			
Min. Qualification	Graduate	Graduate/ Diploma	MBA (Fin) &/or CA	CS	Graduate/ Diploma
Desired Background (But Not limited to)	Experience in Sr. Role in Related Market Segments	As set by Board		Member of ICSI	As set by CEO
	Experience in Finance Field				
	Understanding of Danish MNCs				
	Exposure at Board levels of other companies				
	Global Outlook				
	Notable Unique Achievement				
Diversity	Fair mix of women & men				
	Optimized mix of Functional Expertise				
Evaluation	Actions aligned with the Company's Interest/Image	Performance against KRAs/KPIs			
	Strategic Inputs to the Board / Management				
	Integrity				
	Compliance				
	Attendance in Board Meetings				
Remuneration	Within Regulatory Limits	Benchmarked to similar roles in comparable Industry			
	Comparable Industry Norms				
	No remuneration for Promoter Employee Directors				
	Performance / Involvement based differentiation allowed				

5. Remuneration paid to Directors

The details of remuneration paid to the Directors during the financial year 1st April 2019 to 31st March 2020 are furnished below:

a) Managing Director

(Rs. in Million)

Directors	Salary	Performance Bonus & incentives	Other Perquisites	PF & Superannuation	Total
Mr. Lokesh Saxena	8.90	2.76	0.04	0.97	12.67

a) Managing Director

(Rs. in Million)

Name	Sitting fees	Commission
Ms. Deepa Hingorani	0.32	0.40
Mr. Sanjay Arte	0.35	0.40
Mr. Shyamal Kumar Sinha *	0.09	0.39
Total	0.76	1.19

* Mr. Shyamal Kumar Sinha is being paid pro-rata commission until March 22, 2020.

c) Non-Executive Non-Independent Directors

As per Company's policy, no remuneration was paid to any of the Non-Executive, Non-Independent Directors during the year.

The Sitting fees mentioned above indicate payment for participation in the Board and Committee Meetings. Sitting fees payable to the Chairman of Board has been increased from Rs. 30,000 (Rupees Thirty Thousand) per meeting to Rs. 40,000 (Rupees Forty Thousand) per meeting from meeting dated August 8, 2019. The total amount of commission payable to Independent Directors is Rs. 400,000/- p.a. (Rupees Four Lakhs only) in respect of any one financial year for the proportionate period of their Board membership with the Company, subject to the approval by the Board and Shareholders, if required. The Company reimburses all expenses incurred for participation in the Board/Committee Meetings and expenses in connection with performing the duties as a Director.

None of the Non-Executive Directors hold any Equity Shares or convertible instruments in the Company. The Company does not have any Stock Option Scheme.

6. Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee considers and approves Share transfers, transmissions, transposition of name, issue of split/duplicate certificates etc. It also ratifies demat requests received by the Company and reviews the status report on redressal of shareholders' complaints received by the Company/ share transfer agents.

Meetings and the attendance during the financial year

The Committee met 3 (three) times during the year on the following dates:

May 23, 2019, August 8, 2019 and February 5, 2020.

The attendance of each member of the Committee is stated below:

Name of Directors	No. of Meetings Attended
Mr. Shyamal Kumar Sinha *	1
Mr. Sanjay Arte*	3
Mr. Lokesh Saxena	3
Ms. Deepa Hingorani	2
Ms. Ulla Hartvig Plathe Tonnesen	2

* Since Mr. Shyamal Kumar Sinha did not seek his re-appointment as Independent Director for the 2nd term owing to personal reasons, Stakeholders' Relationship Committee was reconstituted on July 12, 2019 by inducting Ms. Ulla Hartvig Plathe Tønnesen and Ms. Deepa Hingorani as members of the Committee. Mr. Sanjay Arte was appointed as Chairman of the Stakeholders' Relationship Committee in place of Mr. Shyamal Kumar Sinha.

No investor complaints (June Qtr.-NIL, Sep Qtr.-NIL, Dec Qtr.-NIL and March Qtr.-NIL) were received during the financial year ended 31st March 2020. There were no pending share transfers as on 31st March 2020.

With effect from April 1, 2019 transfer of shares is permitted only in demat mode.

Name, designation & address of Compliance Officer:

Mr. G. Prasanna Bairy
General Manager - Finance & Company Secretary,
DISA India Limited,
5th Floor, Kushal Garden Arcade, 1A, Peenya Industrial Area, 2nd Phase,
Bengaluru - 560 058.
E-Mail: investor.relations@noricangroup.com
Phone: 91-80- 40201523
Fax: 91-80-28391661

7. Corporate Social Responsibility (CSR) Committee

The Company has complied with the provisions of Section 135 of the Companies Act, 2013 and the Corporate Social Responsibility Committee has discharged its functions during the financial year under review.

The CSR Policy of the Company is disclosed on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies>.

The Committee met once during the financial year on February 5, 2020.

The Committee has formulated a CSR Policy detailing the activities to be undertaken by the Company with a broad objective to create a significant positive impact in the lives of a large number of people & society – beyond its normal course of business operations. Please refer Board's Report for more detailed information on the actions taken.

Since Mr. Andrew Thomas Carmichael resigned from the office of Chairman as well as Director with effect from July 12, 2019, Corporate Social Responsibility Committee was reconstituted by inducting Ms. Ulla Hartvig Plathe Tønnesen as a member of the Committee. Ms. Deepa Hingorani was appointed as Chairperson of the Corporate Social Responsibility Committee.

8. Related Party Transactions

The Company has complied with the requirements of the Companies Act, 2013 and the Listing Regulations on Related Party Transactions. Prior approvals for all Related Party Transactions (RPTs) are obtained from the Audit Committee and the Board.

Approval of Shareholders has been obtained for 'Material Related Party Transactions' in the 32nd AGM of the Company held on August 11, 2017.

The Company has disclosed the Policy on dealing with Related Party Transactions on its website at <https://www.disagroup.com/en-in/investor-relations/policies>.

9. Unclaimed Dividend

In terms of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules) provides that the dividend that has remained unclaimed or unpaid for a period of seven years to be transferred to Investor Education and Protection Fund (IEPF). Further the Rules mandate that the shares on which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred to the IEPF.

On July 9, 2019, the Company has transferred Rs. 27,61,400/- to IEPF towards unclaimed dividend for the calendar year 2011. On July 12, 2019, the Company has transferred 11,523 shares (on which dividend has not been paid or claimed for seven consecutive years) to IEPF. During the year, one shareholder had claimed back 100 shares and Rs. 44,800/- towards dividend for 2011 and earlier years (transferred to IEPF) from IEPF by submitting the valid documents. The Company had verified the genuineness of the claim and approved the same by filing online verification report with IEPF.

The dates on which the unclaimed dividends of earlier years and the corresponding shares would become eligible to be transferred to the IEPF are as under:

Year	Type of Dividend	Dividend per share (Rs.)	Date of Dividend Declaration	Due date for Transfer to IEPF	Amount (Rs.)
2012	Final	2.50	16-05-2013	21-06-2020	43,260
2013	Final	2.50	08-05-2014	13-06-2021	43,628
2014-15	Final	2.50	06-08-2015	11-09-2022	45,360
2015-16	Final	2.50	12-08-2016	17-09-2023	46,095
2016-17	Final	2.50	11-08-2017	16-09-2024	52,400
2017-18	Final	2.50	09-08-2018	14-09-2025	55,272
2018-19	Final	2.50	08-08-2019	15-09-2026	28,898

10. Risk Management

As an established practice, at each Meeting of the Board, the Directors are updated on Risk Identification and steps taken to mitigate the same.

All the insurable Assets of the Company are deemed to have been adequately insured.

Risk Management Policy is hosted on the Company's Website at <https://www.disagroup.com/en-in/investor-relations/policies>.

11. CEO/CFO Certification

Managing Director and the CFO of the Company have certified to the Board of Directors, inter-alia, the accuracy of financial statements and adequacy of Internal Controls for the financial reporting for the year ended 31st March, 2020. CEO/CFO Certification is part of this report.

12. a) Details of non-Compliance, if any:

During the Financial year 2018-19, the Company has received a notice, relating to the past year 2014-15, from the Registrar of Companies, Bengaluru regarding delayed appointment of a whole time Company Secretary w.e.f. March 22, 2015 instead of from April 01, 2014. In this connection, the Company has filed an Adjudication Application before ROC, which is yet to be disposed.

b) Details of establishment of Vigil mechanism/ Whistle Blower Policy:

The Company has framed a Whistle Blower Policy aimed at Corporate Governance and continued Vigil Mechanism which is available on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies>. No person has been denied access to the Chairperson of the Audit Committee.

c) Details of compliance with mandatory requirements:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of the Listing Regulations. This Corporate Governance Report of the Company for the financial year 2019-20 as on March 31, 2020 is in compliance with the requirements of the Listing Regulations, as applicable.

d) Secretarial Compliance Certificate:

SEBI (LODR)(Amendment) Regulations, 2018 mandates the Company to obtain a 'Annual Secretarial Compliance Report' in the prescribed format from a Practicing Company Secretary which has been obtained and filed with the Stock Exchange on June 16, 2020, within the extended due date of July 31, 2020.

e) Compliance with Discretionary requirements:

The Company has also ensured the implementation of non mandatory items such as:

i. Un-modified opinion(s) in audit report:

The Auditors have issued an un-modified opinion on the financial statements of the Company.

ii. Reporting of Internal Auditors:

Internal Auditors directly report to the Chairperson of the Audit Committee. The Internal Auditors will have regular meetings with the Chairperson of the Audit committee.

13. General Body Meetings

Location and time of the last three Annual General Meetings:

Financial Year	Date	Venue	Time
2016-17	11-08-2017	Hotel Taj, Yashwanthpur, Bengaluru	11.00 AM
2017-18	09-08-2018	Hotel Taj, Yashwanthpur, Bengaluru	11.00 AM
2018-19	08-08-2019	Hotel Taj, Yashwanthpur, Bengaluru	11.00 AM

Special Resolutions passed in the previous three Annual General Meetings:

Financial Year	Special Resolutions
2016-17	(1) Appointment of Mr. Lokesh Saxena as Managing Director of the Company. (2) Alteration of 'Objects Clause' of Memorandum of Association of the Company. (3) Alteration of Articles of Association of the Company.
2017-18	Nil
2018-19	(1) Re-appointment of Ms. Deepa Agar Hingorani (DIN: 00206310) as Independent Director of the Company. (2) Re-appointment of Mr. Sanjay Narendrakumar Arte (DIN: 01000716) as Independent Director of the Company.

Special Resolutions passed through Postal Ballot:

Financial Year	Special Resolutions
2016-17	Postal Ballot Notice dated 12th August 2016 for Buy Back of Shares.

14. Disclosures

There are no materially significant Related Party Transactions during the year that have potential conflict with the interests of the Company at large. Transactions with the related parties are disclosed in Notes forming part of the Financial Statements under Sl. No. 40.

The Register of Contracts containing the transactions, in which Directors are interested, is placed before the Board every quarter and approved. These transactions are in the normal course of business entered at arm's length price.

During the last three years, there were no strictures or penalties imposed by either SEBI or the Stock Exchange or any statutory authority for non-compliance of any matter related to the capital markets.

Volatility of exchange rates is deemed not to pose significant risk as company has limited forex exposure. Risk has been mitigated by way of forward contracts as per policy.

The Company has paid a consolidated amount of Rs. 4.2 Million as total fees for all the services rendered by the statutory auditor and all the entities in the network firm/network entity of which statutory auditor is part of.

Disclosures relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided in the Board's Report forming part of this Annual Report.

15. Means of Communication

The Quarterly/Half Yearly/ Annual financial results are published in leading Newspapers such as 'Financial Express' (in English) and 'Sanjevani/Vishwawani' (in Kannada) and also are displayed on BSE website and the Company's website hence are not individually sent to the Shareholders. However, audited financial results for the Quarter and Year ended March 31, 2020 were not published in the newspapers in line with exemption granted by SEBI Circular dated May 12, 2020. The general information about the Company and the information as required under the Companies Act 2013, and SEBI (LODR) Regulations 2015 have been uploaded on the Company's website at <https://www.disagroup.com/en-in/investor-relations/downloads>.

16. General Information to Shareholders

(a) Annual General Meeting:

Date: August 12, 2020

Time: 11.00 AM IST

In line with the Ministry of Corporate Affairs (MCA) Circular No. 14/2020, 17/2020 and 20/2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, the 35th AGM of the Company is being convened and conducted through Video Conferencing.

Period 12 Months: April 2019 to March 2020

Date of Book Closure: August 5 to August 12, 2020 (both days inclusive)

Listed on Stock Exchange: BSE Limited. Scrip code is 500068

(Listing Fee for the Financial year 2019-20 has been paid within due date)

Date of payment of dividend: September 11, 2020

(Subject to shareholders' approval)

(b) Stock Market price data for the period April 2019 to March 2020

Period MM-YY	BSE-Sensex		Market Price (Rs.)	
	High	Low	High	Low
Apr-19	39487	38460	6399	5751
May-19	40125	36956	6065	5601
Jun-19	40312	38871	6497	5402
Jul-19	40032	37128	5750	4999
Aug-19	37807	36102	5750	4700
Sep-19	39441	35988	5399	4787
Oct-19	40392	37416	5499	4925
Nov-19	41164	40014	5605	4800
Dec-19	41810	40135	5100	4540
Jan-20	42274	40476	4999	3506
Feb-20	41709	38220	5050	3700
Mar-20	39083	25639	4545	2700

(c) Registrar and Transfer Agents (RTA)

Integrated Registry Management Services Private Limited, No. 30, Ramana Residency, Ground Floor, IV Cross, Sampige Road, Malleswaram, Bengaluru -560 003, Telephone: 23460815/816 is the Company's Registrar and Share Transfer Agents (RTA). They have the requisite registration with SEBI.

(d) Share Transfer System

The Company's Stakeholders' Relationship Committee meets regularly and expeditiously handles the procedures related to application for transfer of shares/transmission of shares and issue of duplicate share certificates. Based on exigencies, approvals are accorded through Circular Resolutions. The RTA has the requisite infrastructure to process all activities related to share transfers. The system is further audited by a Practising Company Secretary and the required certificates/reports to this effect as also those related to dematerialisation, reconciliation of Shares etc. are issued and filed with the Stock Exchanges where the Company's shares are listed.

As per SEBI (LODR) (Fourth Amendment) Regulations, 2018, with effect from April 1, 2019, except in case of transmission or transposition of securities, no transfer of securities shall be processed unless the securities are held in the dematerialized form.

The Company's shares are compulsorily traded in the demat form and the ISIN allotted is INE131C01011.

(e) Distribution of shareholding as on 31st March, 2020

Range of Shares	No. of Share Holders	% of Total Share Holders	No. of Shares Held	% of Shareholding
1 500	3197	98.10	131790	9.06
501 1000	28	0.86	20242	1.39
1001 2000	19	0.58	26363	1.81
2001 3000	3	0.09	7269	0.50
3001 4000	3	0.09	10376	0.71
4001 5000	2	0.06	8749	0.60
5001 10000	2	0.06	15056	1.04
10001 & above	5	0.15	1234360	84.88
Total	3259	100.00	1454205	100.00

(f) Dematerialization of shares and liquidity

About 98.37% of the 14,54,205 outstanding Equity Shares have been dematerialized up to March 31, 2020.

(g) Shareholding pattern as on March 31, 2020

Category	No of Shares	% Holding
Directors	10	-
Promoter but not Director	1088056	74.82
Director/Promoters Relatives	-	-
Sub Total	1088066	74.82
Banks & Financial Institutions, Insurance Companies, Mutual Funds	142181	9.78
Body Corporate	34918	2.40
NRI	18235	1.25
FPI	2000	0.14
Indian Promoter	-	-
Clearing Member	465	0.03
Trust	300	0.02
Investor Education and Protection Fund	11523	0.79
General Public	156517	10.76
Total	1454205	100.00

(h) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on Equity - NIL

(i) Plant Locations:

No.28-32, Satyamangala Industrial Area,
Tumkur -572 104.
Tel: +91 816 2214900/01

Plot No.50, KIADB Industrial Area,
Hosakote -562 114.
Tel: +91 9686199717/18

(j) Address for correspondence

Registered & Corporate Office:

DISA INDIA LIMITED
5th Floor, Kushal Garden Arcade
1A, Peenya Industrial Area
Peenya 2nd Phase
Bengaluru - 560 058.
Ph: 91-80-40201400 to 04

For DISA India Limited

Date : June 3, 2020
Place: Mumbai

Sanjay Arte
Chairman
DIN: 01000716

CEO/CFO CERTIFICATION FOR THE YEAR ENDED MARCH 31, 2020

To,
The Board of Directors
DISA INDIA LIMITED
Bengaluru

We, Lokesh Saxena, Managing Director and Amar Nath Mohanty, Chief Financial Officer of DISA India Limited, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2020 and that to the best of our knowledge and belief:
 - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee;
 - (1) there were no significant changes in internal control over financial reporting during the year ended March 31, 2020;
 - (2) there were no significant changes in accounting policies during the year ended March 31, 2020. Changes arising out of applicability of Ind AS 116 (Leases) with effect from April 01, 2019 have been discussed with the auditors; and
 - (3) there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Bengaluru
Date: May 28, 2020

Lokesh Saxena
Managing Director

Amar Nath Mohanty
Chief Financial Officer

BUSINESS RESPONSIBILITY REPORT

[As per Regulation 34(2)(f)]

GENERAL INFORMATION ABOUT THE COMPANY

Sl no.	Subject	Description
1	Corporate Identity Number (CIN) of the Company	L85110KA1984PLC006116
2	Name of the Company	DISA India Limited
3	Registered address	5th Floor, Kushal Garden Arcade, 1A, Peenya Industrial Area, Peenya 2nd Phase, Bengaluru – 560 058.
4	Website	https://www.disagroup.com
5	E-mail id	investor.relations@noricangroup.com
6	Financial Year reported	April 01, 2019 to March 31, 2020.
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Foundry Machinery, Filters NIC code 29292 & 29197
8	List three key products/services that the Company manufactures / provides (as in balance sheet)	Machinery-Moulding Machines, Filters and Surface Preparation machines, Parts of Machinery,
9	Total number of locations where business activity is undertaken by the Company a) Number of International Locations (Provide details of major 5) b) Number of National Locations	NIL 6(six): Peenya, Tumkur, Hosakote, New Delhi, Kolkata and Pune.
10	Markets served by the Company	Local/State/National/International

FINANCIAL DETAILS OF THE COMPANY

Sl no.	Subject	Amount (Million INR)
1	Paid up Capital	14.5
2	Total Turnover	2,236.0
3	Total profit after taxes	285.6
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax	2% of average net profits of the company made during the three immediately preceding financial years
5	List of activities in which expenditure in 4 above has been incurred	Refer to Annexure - A to the Board's report of the Annual Report.

OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes. Refer AOC-1 attached to the Board's Report in the Annual report.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Yes.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Yes. Less than 30%.

BR INFORMATION

1. Details of Director/Directors responsible for BR
 - (a) Details of the Director/Directors responsible for implementation of the BR policy/policies
 1. DIN Number : 07823712
 2. Name : Mr. Lokesh Saxena
 3. Designation: Managing Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	07823712
2	Name	Mr. Lokesh Saxena
3	Designation	Managing Director
4	Telephone number	+91 80 4020 1400
5	e-mail id	bangalore@noricangroup.com

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy or policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy /policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

Refer to Business Responsibility Policy available at <https://www.disagroup.com/en-in/investor-relations/policies>.

Index:

P1- Ethics, transparency & Accountability, P2-Product life cycle sustainability, P3-Employee wellbeing, P4-Stakeholder engagement, P5- Human Rights, P6-Protection of environment, P7- Responsible advocacy, P8-Inclusive growth and equitable development, P9-Customer Value.

3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company, within 3 months, 3-6 months, Annually, More than 1 year.

The policy has been adopted during the year 2019-20 and there was one review by the Board during the year and will be reviewed once in a year.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The BR report will be published once in year in the Annual report of the company. The link to view the policy is <https://www.disagroup.com/en-in/investor-relations/policies>.

PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency & Accountability

1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	No. The Company's ethics policy extends to the Company, Group, Suppliers, NGO etc.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	Our stakeholders include our shareholders, investors, customers, employees, vendors, Government and local communities. For details on Investors complaint and resolution, please to the 'Investors Complaints' in the Report on Corporate Governance section of this Annual report.

Principle 2: Product Lifecycle Sustainability

1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	DISA India Limited is a leading equipment manufacturer with advanced foundry & surface preparation process technology. It supplies complete foundry systems, surface preparation machines and environmental control systems (Filters). Its strategy focuses on making; • Its business sustainable. • Its customers business sustainable and • The eco system sustainable. A significant portion of the Company's and Norican Group's Research & Development efforts are focused on assisting our customers in reducing waste, reducing energy consumption as well as increasing in their yield in their production. By modifying, upgrading or replacing older equipment with newer Norican Technology, our customers can significantly reduce their environmental impact. Company is certified with QMS 9001-2015. 1. Foundry Machines DISA range of foundry machines (Moulding Machines as it is also called) serves the foundry industry with latest foundry technology equipment in moulding and sand preparation. DISA Moulding machines are designed to perform with energy efficiency, at higher machine efficiency, zero discharge to environment and support well to the Green industry initiatives in the foundry industry. DISA range of Sand Plant work towards 95% recycling of the sand with efficient mixers and which reduces consumption of raw materials favourable to the environment. Norican Digital solutions with DISA foundry equipment solution complies Industry 4.0 requirement. It is an IOT based system which detect and analyse process efficiency, energy consumption, waste generation on real time basis which help to reduce the carbon footprints. Norican Digital solutions helps bringing down the foundry scrap percentage and makes foundry Greener. Digital solutions can also facilitate traceability of manufactured products which is a critical need for automotive component safety for vehicles, DISAMATIC Industry 4.0 solutions (TAG) offer unique traceability in the casting industry. 2. Filters Environmental control equipment (Filters) manufactured by the company uses air filtration systems complying to governmental regulations. Filters are used in varieties of industries like Foundries, Steel, Cement to manage solid dust in the manufacturing process and protects the environment and helps maintaining the clean air. Numerous installations of DISA Filters clean millions of cubic meters of air every hour to make work environment pollution free. DISA product range of Filters are compact, safe and highly energy efficient and least life cycle cost of owning the equipment.
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		3. Surface Preparations Machines Surface preparation machines (shot blasting & Peening machines) manufactured by the company uses “Wheelabrator” European technology are used in varieties of industries like Foundries, Forgings, steel, construction equipment, Agricultural segments etc. to clean any metallic surface with dry descaling process with primary focus on repetitive usage of blasting media, saving energy, safe working conditions and prevent pollution in manufacturing replacing the age-old acid pickling process protecting the environment to a larger extent.
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): a. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain? b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	The company’s constant endeavor is to reduce consumptions of energy in all forms and at all levels, in the manufacturing facilities and in offices. Traditional lighting systems have been replaced with energy efficient lightings in all locations which has reduced the energy consumptions. Recycling of water, reuse of steel, wood and other scraps are always practiced.
3	Does the company have procedures in place for sustainable sourcing (including transportation)? a. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	Sustainable sourcing is an integral part of the Company’s procurement process. Company’s suppliers are categorized in three broad categories, Materials, Services and People. The Company has supply chain practices and believes in building long-term mutually beneficial relationships with the suppliers and one of the most important criteria for selecting the vendors is sustainability practice in their manufacturing locations.
4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? a. If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	While the criteria for selection of goods and services is quality, reliability and price, as far as possible, the Company procures the goods and services about 30% of its requirements from the MSMEs in the vicinity of the Company’s manufacturing units. The Company avails service from local service providers for housekeeping, security, gardening, transportation etc. For early turn around for less critical items like spares and consumables, the Company promotes local vendors in locations which have sizable presence.
5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	The Company focuses to reduce, recycle and reuse of input materials. Through constant improvements in production process, the Company has been able to reduce the use of raw materials % usage in the final product and utilities such as electricity, water and fuel. It has been constant endeavor of the Company to recycle the water treated through ETP for gardening, toilets etc. Through Rain Water Harvesting (RWH) system installed in Tumkur, the Company has been recharging the ground water. Wood waste and steel scrap are being reused for packing and transportation of finished goods to customers.

Principle 3: Employee Well Being

1	Total number of employees	315 (including employees on contractual basis)
2	Total number of employees hired on temporary/contractual/casual basis	70
3	Number of permanent women employees	8
4	Number of permanent employees with disabilities	NIL
5	Do you have an employee association that is recognized by management	Yes
6	What percentage of your permanent employees is members of this recognized employee association?	32% of our permanent employees are the members of recognized workmen employee union.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. What percentage of under mentioned employees were given safety & skill upgradation training in the last year?

The company's skill upgradation & job training program covers employees of all levels. Training on EHS (Employee Health and Safety) provided to all levels of employees include awareness sessions, mock drills, classroom sessions, periodic demonstrations relating to safety, security and wellbeing. The company has created Safety galleries in both its manufacturing locations to demonstrate the importance of safety as work and use of PPE at work.

a	Permanent Employees	>95%
b	Permanent Women Employees	100%
c	Casual/Temporary/Contractual Employees	>95%
d	Employees with Disabilities	NA

Principle 4: Stakeholder Engagement

1	Has the company mapped its internal and external stakeholders?	Yes. The Company's internal stakeholders are employees and external stakeholders are shareholders, investors, customers, vendors, government and local communities at large. The Company aims to maintain and enhance its professional and commercial relations with internal and external stakeholders based on mutual respect and high ethical standards.
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	The Company believes that sustainable development of communities where it operates is an essential part of the corporate social responsibility. The company's focus area is promoting education, providing financial assistance in the form of scholarships and providing career guidance to the less privileged in the society. The Company has also a policy to prevent sexual harassment of women at workplace.
3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.	Please refer 'Annexure A' to Board's Report i.e., 'Corporate Social Responsibility Initiatives'.

Principle 5: Human Rights

1	Does the policy of the company on human rights cover only the company or extend to the Group /Joint Ventures/ Suppliers/ Contractors/NGOs/Others?	The Company endeavors comply with applicable legislations and to conduct its business with strong dedication to human rights including ethical and responsible practices. It also complies with the Group policy in this respect. Use of child labour is prohibited.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaints have been received during the financial year.

Principle 6: Protection of Environment

1	Does the policy for Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors /NGOs/others?	The Company conducts its operations and activities with focus on reducing potential impacts on climate and environment. The company endeavors to comply with applicable laws, rules & regulations regarding climate and environment. The company follows its group global EHS practices. The company is committed to be a responsible corporate citizen within the communities in which it operates. The company is certified EMS- ISO 14001-2015, QMS-ISO 45001-2018.
2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.	The Company is committed to protect the environment, reduced usage of natural resources like energy, water and reducing environmental pollution. It has made provision of mass transit system in its manufacturing facilities Hosakote unit to reduce pollution. Star rated electrical and electronic equipment are used to conserve energy. Recycling of materials like wood/metal waste is practiced.
3	Does the company identify and assess potential environmental risks?	The Company recognizes environmental risk as a part of its risk identification process.
4	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	The Company does not have any such project.
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	The Company has taken number of initiatives in reducing the energy consumption and emission.
6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	No show cause/legal notices were received during the Financial Year 2019-20.

Principle 7: Responsible Advocacy

1	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	1. Confederation of Indian Industry (CII) 2. Federation of Indian Chamber of Commerce and Industry (FICCI) 3. Federation of Karnataka Chamber of Commerce and Industry (FKCCI) 4. Bangalore Chamber of Industry and Commerce (BCIC) 5. Engineering Exports Promotion Council (EEPC) 6. Association of Indian Forging Industry (AIFI) 7. Aluminum Casters' Association (ALUCAST) 8. Institute of Indian Foundrymen (IIF) 9. Society of Indian Automobile Manufacturers (SIAM) 10. Indo-Danish Business Association.
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).	The Company has advocated in industry forums for energy conservation.

Principle 8: Inclusive Growth and Equitable Development

1	Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.	The Company believes in empowering the economically weaker section of the society through education. With this objective in mind, it has framed its CSR Policy which in turn drives the CSR activities of the Company.
2	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?	CSR activities are carried out through a combination of in-house team as well as external NGO.
3	Have you done any impact assessment of your initiative?	Impact assessment has been carried out as part of the Company's internal planning and review process.
4	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	During the year, the Company has spent Rs. 5.56 Million towards promotion of education under its CSR program. For details of projects, kindly refer 'Annexure A' to Board's Report i.e., 'Corporate Social Responsibility Initiatives'.
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Yes. While undertaking the projects, we have selected a NGO which has good understanding of the grass root and has good processes in place to ensure that the initiatives are successfully adopted by the community. NGO submits the periodical reports to the Company. For projects directly undertaken by the Company, we have an internal team to ascertain the impact of the initiatives on the intended sections of the society.

Principle 9: Customer Value

1	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	The company has a mechanism for review and redressal of customers complaints on a regular and timely basis. There were no complaints which remain unattended.
2	Does the company display product information on the product label, over and above what is mandated as per local laws?	Not applicable.
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.	None
4	Did your company carry out any consumer survey/ consumer satisfaction trends?	The Company carries out the consumer satisfaction survey at periodic intervals.

ANNEXURE - E

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- (i) CIN: L85110KA1984PLC006116
- (ii) Registration Date: 25/05/1984
- (iii) Name of the Company: DISA INDIA LIMITED
- (iv) Category/Sub-Category of the Company: Company limited by shares and Indian Non Government Company
- (v) Address of the Registered office and contact details:
5th Floor, Kushal Garden Arcade, 1A Peenya Industrial Area,
Peenya 2nd Phase, Bengaluru - 560058, Karnataka.
Tel.: 080-40201400/03/04 Fax: 080-28391661
Email: investor.relations@noricangroup.com
Website: <https://www.disagroup.com/en-in>
- (vi) Whether Listed Company: Yes
- (vii) Name, Address and Contact details of Registrar and Transfer Agent:
Integrated Registry Management Services Private Limited [Formerly known as Integrated Enterprises (India) Ltd], 30, Ramana Residency, 4th Cross, Sampige Road,
Malleshwaram, Bengaluru - 560003, Karnataka.
Tel.: 080 - 23460815 to 818, Fax: 080 - 23460819, Email: corpserv@integratedindia.in
Website: www.integratedindia.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sl. No	Name and Description of main products/services	NIC Code of the Product/ Service	% of total turnover of the Company
1	Foundry Machinery	29292	84.4%
2	Filters	29197	15.6%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No	Name	CIN/GLN	Holding/Subsidiary	% of Shares held	Applicable section
1	DISA Holding AG Kasernenstrasse 1, 8184 Bachenbulach Switzerland	Foreign Company	Holding	54.10	2(46)
2	DISA Holding A/S, Hojager 8, Taastrup 2630 Denmark	Foreign Company	Holding	20.73	2(46)
3	Bhadra Castalloy Private Limited, 5th Floor, Kushal Garden Arcade, 1A Peenya Industrial Area, Bengaluru - 560058.	U27200KA2015 PTC084976	Subsidiary	100.00	2(87)

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(i) Category - wise Share Holding

	No. of Shares held at the beginning of the year – 01.04.2019				No. of Shares held at the end of the year – 31.03.2020				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL: (A) (1)	-	-	-	-	-	-	-	-	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	1088056	-	1088056	74.82	1088056	-	1088056	74.82	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	1088056	-	1088056	74.82	1088056	-	1088056	74.82	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	1088056	-	1088056	74.82	1088056	-	1088056	74.82	-
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	141746	200	141946	9.76	142181	-	142181	9.78	0.02
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FPI	2000	-	2000	0.14	2000	-	2000	0.14	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	143746	200	143946	9.90	144181	-	144181	9.91	0.02
(2) Non Institutions									
a) Bodies corporates									
i) Indian	36914	501	37415	2.57	34717	201	34918	2.40	-0.17
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	126034	40259	166293	11.44	133272	23255	156527	10.76	-0.68
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
NRI	17829	300	18129	1.25	18035	200	18235	1.25	-
Clearing Member	66	-	66	0.00	465	-	465	0.03	0.03
Trust	300	-	300	0.02	300	-	300	0.02	-
IEPF	-	-	-	-	11523	-	11523	0.79	0.79
SUB TOTAL (B)(2):	181143	41060	222203	15.28	198312	23656	221968	15.26	-0.02
Total Public Shareholding (B)= (B)(1)+(B)(2)	324889	41260	366149	25.18	342493	23656	366149	25.18	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1412945	41260	1454205	100.00	1430549	23656	1454205	100.00	0.00

ii) SHARE HOLDING OF PROMOTERS

Sl. No	Shareholders Name	Shareholding at the beginning of the year - 01.04.2019			Shareholding at the end of the year - 31.03.2020			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	DISA HOLDING AG	786657	54.10	-	786657	54.10	-	-
2	DISA HOLDING A/S	301399	20.73	-	301399	20.73	-	-
	Total	1088056	74.82	-	1088056	74.82	-	-

(iii) Change in Promoters' Shareholding

There is no change in Promoters' Shareholding during the year

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	NAME OF THE SHARE HOLDER & FOLIO NUMBER	SHAREHOLDING AT THE BEGINNING OF THE YEAR – 01.04.2019		CUMULATIVE SHAREHOLDING AT THE END OF THE YEAR – 31.03.2020	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	IN30378610001929 SBI SMALL CAP FUND	57365	3.94	70000	4.81
2	IN30016710049887 IDFC MULTI CAP FUND	76981	5.29	64781	4.45
3	1204720013676780 INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	0	0.00	11523	0.79
4	IN30012611261919 BANDA REAL ESTATE PRIVATE LIMITED	8590	0.59	7656	0.53
5	IN30005410067318 ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE	7400	0.51	7400	0.51
6	IN30012611266192 VMSALGAOCAR CORPORATION PRIVATE LIMITED	4911	0.34	4664	0.32
7	IN30317320219971 SUNITA AGGARWAL@	4085	0.28	4085	0.28
8	IN30115120313895 SUBODH NILKANTH PUROHIT #	3750	0.26	3855	0.27
9	IN30260310110882 INDUS SECURITIES PRIVATE LIMITED	3296	0.23	3296	0.23
10	IN30048423959525 ARA TRUSTEESHIP COMPANY PRIVATE LIMITED	4250	0.29	3225	0.22

@ - opening balance of 4085 shares were held in Folio Number - IN30047642233262

- opening balance of 3750 shares were held in Folio Number - IN30047640893342

(v) Shareholding of Directors and Key Managerial Personnel:

Mr. Lokesh Saxena, Managing Director	10 shares
Mr. G. Prasanna Bairy, Company Secretary	4 shares

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment – NIL.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. Remuneration of Managing Director:**

Sl. No.	Particulars of Remuneration	MINR
		Lokesh Saxena (MD)
1.	Gross salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	11.66
	(b) Value of perquisites under Section 17(2) of Income Tax Act, 1961	0.43
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	-
2.	Stock Option	0
3.	Sweat Equity	0
4.	Commission	
	as % of profit	0
	others	0
5.	Others	0.58
	TOTAL (A)	12.67

B. Remuneration of other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs. Million)
1	Independent Directors	Deepa Hingorani	Sanjay Arte	Shyamal Kumar Sinha	
	Fee for attending Board / Committee meetings	0.32	0.35	0.09	0.76
	Commission	0.40	0.40	0.39	1.19
	Total (1)	0.72	0.75	0.48	1.95
2	Other Non-Executive Directors				
	Fee for attending Board/ Committee Meetings	0	0	0	0
	Commission	0	0	0	0
	Total (2)	0	0	0	0
	TOTAL (B) = (1+2)	0.72	0.75	0.48	1.95

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Name of KMP (Rs Million)		Total Amount (Rs. Million)
		Amar Nath Mohanty (CFO)	G.Prasanna Bairy (CS)	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	8.47	3.35	11.82
	(b) Value of perquisites under Section 17(2) of Income-Tax Act, 1961	0.29	0.01	0.30
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission as % of profit others	0 0	0 0	0 0
5.	Others	0.47	0.28	0.76
	Total (C)	9.23	3.64	12.88

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

The Company, its Directors or other officers were not subject to penalties/punishment/ Compounding of offences during the Financial Year 2019-20.

ANNEXURE - F

PARTICULARS OF EMPLOYEES

Information as per Rule 5(1) of Chapter XIII, The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Nomination and Remuneration Committee continuously reviews the compensation of Managing Director and Senior Executives to align the Company goals to the compensation structure linked to individual Key Result Areas set out at the beginning of the year.

Directors and KMP		Remuneration (Rupees in Million)	Remuneration (Rupees in Million)	% increase in remuneration over the previous year	Ratio of remuneration for 2019-20 to MRE
		Apr 18 to Mar 19	April 19 to Mar 20		
Non executive Directors	Anders Wilhjelm #	-	-		NA
	Andrew James Matsuyama #	-	-		NA
	Ulla Hartvig Plathe Tonnesen #	-	-		NA
	Andrew Thomas Carmichael \$	-	-		NA
	Viraj Naidu** \$	1.55	-	-100.0%	NA
Independent Directors	Deepa Hingorani	0.66	0.72	9.1%	0.84
	Sanjay Arte &	0.52	0.75	44.2%	0.88
	Shyamal Sinha @	0.60	0.48	-20.0%	0.56
Managing Director	Lokesh Saxena	10.78	12.67	17.5%	14.80
KMP	Amar Nath Mohanty (CFO)	8.81	9.23	4.8%	10.79
	G.Prasanna Bairy (CS)	3.14	3.64	16.0%	4.26

Notes:

** Mr. Viraj Naidu's remuneration of Rs. 1.55 Million is pertaining to the services rendered by him in India during the Financial Year 2017-18.

\$ Mr. Andrew Thomas Carmichael and Mr. Viraj Naidu resigned from Board with effect from July 12, 2019.

Mr. Anders Wilhjelm, Mr. Andrew James Matsuyama and Ms. Ulla Hartvig Plathe Tonnesen were appointed as Directors from July 12, 2019.

& Mr. Sanjay Arte was appointed as Chairman of Board w.e.f July 12, 2019. Sitting fees payable to the Chairman of Board was increased from Rs. 30,000 per meeting to Rs. 40,000 per meeting from meeting dated August 8, 2019. Due to this reason, remuneration payable to Mr. Sanjay Arte has increased.

@ Mr. Shyamal Sinha's remuneration is pro-rata until March 22, 2020.

The median remuneration of employees (MRE) including Managing Director was Rs. 740,408 for the period ended March 31, 2019 and Rs. 855,667 for the year ended March 31, 2020.

The increase in MRE is 15.6% in the year ended March 31, 2020 over previous year ended March 31, 2019.

Number of permanent employees on roll at the end of March 31, 2019 and March 31, 2020 are 283 and 245 respectively.

The revenue has declined by 7.6% during the year. The average salary increase given to employees is 7%-10%.

This was based on the recommendation of the Nomination and remuneration Committee to revise the remuneration in line with the annual revision of industry benchmarks.

Your Company's market capitalisation decreased by 45.7% to Rs. 4,915 Million as of March 31, 2020 from Rs. 9,045 Million as of March 31, 2019.

The Price Earning ratio was 17.2 as of March 31, 2020 which is a decrease of 47% as compared to March 31, 2019.

The closing price of Company's equity share in BSE as of March 31, 2020 was Rs. 3,380 per share, representing an increase of 33,700% over the IPO price.

The Variable pay for the MD, CFO, CS and other managerial personnel are designed to ensure that it is competitive for attracting and retaining the best possible talent.

These variable pay structures have been approved by the Nomination and remuneration committee

During the Period ended March 31, 2020, there were no employees receiving the remuneration in excess of the highest paid Director (Managing Director).

The remuneration paid out are as per remuneration policy of the Company.

INDEPENDENT AUDITOR'S REPORT**To The Members of DISA India Limited****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of DISA India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 audit opinion on the standalone financial statements.

Key Audit Matters

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

Key Audit Matter	Auditor's Response
Revenue Recognition Refer Note 3.1 and Note 25 to the standalone financial statements. The Company recognizes revenue from sale of goods based on the terms and conditions of the agreements/arrangements, which vary with different customers. For sales transactions in a certain period around balance sheet date, it is essential to ensure whether the transfer of control of the goods by the Company to the customer occurs before the balance sheet date. Considering material sales transactions close to the year end and that revenue recognition is subject to transfer of control to the customers before the balance sheet date, we consider the risk of revenue from sale of goods being recognised in the incorrect period as a key audit matter.	Principal audit procedures performed: - We evaluated the design of internal controls over recognition of revenue in the appropriate period in accordance with the Company's accounting policy. - On a sample basis, we tested the operating effectiveness of the internal control relating to determination of point in time at which the transfer of control of the goods occurs. - On sample basis, we performed test of details of sales recorded close to the year end through following procedures: - Analysed the terms and conditions of the underlying agreements/arrangements with the customer, and - Verified evidence for transfer of control of the goods prior to the balance sheet date or otherwise from relevant supporting documents.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to the Board's report and Shareholders' Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) 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.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements ;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.008072S)

Monisha Parikh
Partner
(Membership No. 47840)
UDIN: 20047840AAAAABA3489

BENGALURU; June 3, 2020
MP/JKS/LS/2020

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)****Report on the Internal Financial Controls Over Financial Reporting 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 DISA India Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over

financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over

financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

BENGALURU; June 3, 2020
MP/JKS/LS/2020

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.008072S)

Monisha Parikh
Partner
(Membership No. 47840)
UDIN: 20047840AAAABA3489

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report of even date on Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act

- | | |
|---|---|
| <p>(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.</p> <p>(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.</p> <p>(c) According to the information and explanations given to us and the records examined by us the immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmation received from lender.</p> <p>(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.</p> <p>(iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:</p> <p>(a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company’s interest.</p> <p>(b) The schedule of repayment of principle and payment of interest has been stipulated and repayment or receipt of principle amounts and interest have been regular as per stipulations.</p> <p>(c) There is no overdue amount remaining outstanding as at the year-end.</p> | <p>(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 if the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.</p> <p>(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Hence reporting under clause (v) of the Order is not applicable.</p> <p>(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.</p> <p>(vii) According to the information and explanations given to us, in respect of statutory dues:</p> <p>(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods & Services Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.</p> <p>(b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods & Services Tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.</p> |
|---|---|

- (c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax, which have not been deposited as on March 31, 2020 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved and Unpaid (Rs. In Millions)
Central Excise Act, 1944	Excise Duty	Commissioner (Appeals)	F.Y. 2015-2018	1.89 ¹
Central Sales Tax Act, 1956	Central Sales Tax	Karnataka Appellate Tribunal	F.Y. 2012-2013	4.15 ²
Central Sales Tax Act, 1956	Central Sales Tax	Joint Commissioner (Appeals)	F.Y. 2015-2016	1.20 ³
Karnataka Tax on Entry of Goods Act, 1974	Entry Tax	Karnataka Appellate Tribunal	F.Y. 2012-2013	0.11 ⁴
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	A.Y. 2013-14	5.65 ⁵

There are no dues of duty of custom duty and Goods and Services Tax that have not been deposited as at March 31, 2020 on account of disputes.

- 1 Net of Rs.0.12 Million paid under protest.
- 2 Net of Rs.1.78 Million paid under protest.
- 3 Net of Rs.0.52 Million paid under protest.
- 4 Net of Rs.0.56 Million paid under protest.
- 5 Net of Rs.1.41 Million paid under protest.

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3(viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the Order is not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.008072S)

BENGALURU; June 3, 2020
MP/JKS/LS/2020

Monisha Parikh
Partner
(Membership No. 47840)
UDIN: 20047840AAAABA3489

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

Rs Million

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	4	148.0	154.3
(b) Capital work in progress		-	1.9
(c) Investment property	6	0.8	2.7
(d) Right-of-use asset	5	18.9	-
(e) Other intangible assets	7	2.0	0.8
(f) Financial assets			
(i) Investments in subsidiary company	8	44.0	44.0
(ii) Other financial assets	9a	28.2	10.9
(g) Deferred tax assets (Net)	10	6.9	4.7
(h) Other non-current assets	11a	7.5	18.2
Total non-current assets		256.3	237.5
2 Current assets			
(a) Inventories	12	550.6	642.7
(b) Financial assets			
(i) Trade receivables	13	182.8	188.9
(ii) Cash and cash equivalents	14	149.5	77.3
(iii) Bank balance other than (ii) above	15	944.7	901.2
(iv) Loans	16	26.0	26.0
(v) Other financial assets	9b	34.7	30.6
(c) Current tax assets (Net)	17a	40.7	22.9
(d) Other current assets	11b	114.2	87.1
Total current assets		2,043.2	1,976.7
Total assets		2,299.5	2,214.2
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	18	14.5	14.5
(b) Other equity	19	1,625.7	1,345.6
Total Equity		1,640.2	1,360.1
2 Liabilities			
2.1 Non-current liabilities			
(a) Financial liabilities			
(i) Other non current financial liabilities	20	17.2	-
Total non-current liabilities		17.2	-
2.2 Current liabilities			
(a) Financial liabilities			
(i) Trade payables	21		
(A) Total outstanding dues of micro enterprises and small enterprises		25.3	30.6
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises"		161.0	260.4
(ii) Other current financial liabilities	22	20.4	21.1
(b) Provisions	23	43.6	39.8
(c) Current tax liabilities (net)	17b	13.2	13.2
(d) Other current liabilities	24	378.6	489.0
Total current liabilities		642.1	854.1
Total equity and liabilities		2,299.5	2,214.2
See accompanying notes to the financial statements	1 to 44		

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants**Monisha Parikh**
PartnerAmar Nath Mohanty
Chief Financial OfficerPlace: Bengaluru
Date : June 3, 2020G. Prasanna Baiyy
Company Secretary

For and on behalf of the Board of Directors

Deepa Hingorani
Director
DIN: 00206310Lokesh Saxena
Managing Director
DIN: 07823712

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

Rs Million

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
I Revenue from operations	25	2,236.0	2,419.2
II Other income	26	76.9	69.2
III Total revenue (I+II)		2,312.9	2,488.4
IV Expenses			
(a) Cost of materials consumed	27	1,003.1	1,386.8
(b) Purchases of stock-in-trade	28	176.4	120.7
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	33.4	(104.8)
(d) Employee benefits expense	30	373.9	348.2
(e) Finance costs	31	4.3	4.0
(f) Depreciation and amortisation expense	32	34.8	21.0
(g) Other expenses	33	301.8	318.0
Total expenses (IV)		1,927.7	2,093.9
V Profit before tax (III-IV)		385.2	394.5
VI Tax expense:	34a		
(a) Current tax		101.4	119.0
(b) Deferred tax		(1.8)	(2.3)
Total tax expenses (a+b)		99.6	116.7
VII Profit for the year (V-VI)		285.6	277.8
VIII Other comprehensive income, net of taxes	34b		
(i) Items that will not be reclassified to profit or loss:		(1.6)	1.4
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.4	(0.4)
Total other comprehensive income (A((i)+(ii))		(1.2)	1.0
Total comprehensive income for the year (VII+VIII)		284.4	278.8
Earnings per equity share (Face value of Rs 10 /- each):	35		
(a) Basic - Rs.		196.40	191.03
(b) Diluted - Rs.		196.40	191.03
See accompanying notes to the financial statements	1 to 44		

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Monisha Parikh
Partner

Amar Nath Mohanty
Chief Financial Officer

Place: Bengaluru
Date : June 3, 2020

G. Prasanna Bairy
Company Secretary

For and on behalf of the Board of Directors

Deepa Hingorani
Director
DIN: 00206310

Lokesh Saxena
Managing Director
DIN: 07823712

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020**a. Equity Share Capital:****Rs Million**

	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the reporting year	14,54,205	14.50	14,54,205	14.50
Changes in the equity share capital during the year	-	-	-	-
Movement during the year	-	-	-	-
Balance at the end of the reporting year	14,54,205	14.50	14,54,205	14.50

b. Other equity

Particulars	Reserves & Surplus			Items of OCI	Total Equity
	Capital Reserve	Capital Redemption reserve	Retained earnings	Remeasurements of defined benefit plans	
Balance as at April 1, 2018	1.5	0.6	1,065.0	4.0	1,071.1
Profit for the year	-	-	277.8	-	277.8
Other comprehensive income (net of taxes)	-	-	-	1.0	1.0
Total Comprehensive Income for the year	1.5	0.6	1,342.8	5.0	1,349.9
Dividends	-	-	(3.6)	-	(3.6)
Tax on dividend	-	-	(0.7)	-	(0.7)
Balance as at March 31, 2019	1.5	0.6	1,338.5	5.0	1,345.6
Profit for the year	-	-	285.6	-	285.6
Other comprehensive income (net of taxes)	-	-	-	(1.2)	(1.2)
Total Comprehensive Income for the year	1.5	0.6	1,624.1	3.8	1,630.0
Dividends	-	-	(3.6)	-	(3.6)
Tax on dividend	-	-	(0.7)	-	(0.7)
Balance as at March 31, 2020	1.5	0.6	1,619.8	3.8	1,625.7

In terms of our report attached

For **Deloitte Haskins & Sells**

Chartered Accountants

Monisha Parikh

Partner

Amar Nath Mohanty

Chief Financial Officer

For and on behalf of the Board of Directors

Deepa Hingorani

Director

DIN: 00206310

Lokesh Saxena

Managing Director

DIN: 07823712

Place: Bengaluru

Date : June 3, 2020

G. Prasanna Bairy

Company Secretary

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Rs Million

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		385.2	394.5
Adjustments for:			
Depreciation and amortisation expense	32	34.8	21.0
Finance costs	31	4.3	4.0
Loss/(Profit) on sale of property, plant and equipment	26 & 33	(0.2)	0.8
Interest income	26	(73.1)	(59.4)
Bad trade receivables written off	33	0.8	-
Provision for doubtful trade receivables	11	1.8	2.2
Liability no longer required written back	26	-	(1.1)
Rental income	26	(1.4)	(1.3)
Net unrealised exchange gains/(losses)		0.3	(4.8)
Re-measurement of gains on defined benefit plans		(1.6)	1.4
Operating profit before changes in working capital		350.9	357.3
Changes in working capital			
Adjustments for (increase)/decrease in non-current assets:			
Other financial assets		(17.3)	(2.3)
Other non-current assets		10.7	(0.7)
Adjustments for (increase)/decrease in current assets:			
Inventories		92.1	(178.5)
Trade receivables		5.3	(66.8)
Other financial assets		(0.2)	(0.5)
Other current assets		(27.1)	58.8
Adjustments for increase/(decrease) in current liabilities:			
Trade payables		(106.8)	(20.8)
Other financial liabilities		(0.6)	(12.4)
Short term provisions		3.8	9.0
Other current liabilities		(110.4)	123.3
Cash generated from operating activities		200.4	266.4
Income tax paid		(119.2)	(118.6)
Net cash generated from operating activities (A)		81.2	147.8
B. CASH FLOW FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment		(45.3)	(25.5)
Proceeds from disposal of property, plant and equipment		0.7	0.8
Loan given to subsidiary company		-	(8.5)
Redemption/maturity of bank deposits		732.0	621.7
Investment in bank deposits		(778.4)	(756.0)
Interest received		69.2	55.0
Rental income		1.4	1.3
Net Cash generated from/(used) investing activities (B)		(20.4)	(111.2)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Rs Million

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
C. CASH FLOW FROM FINANCING ACTIVITIES (C)			
Finance costs (including interest on lease liabilities)	31	(4.3)	(2.7)
Payment of lease liabilities		20.0	-
Dividend paid		(3.6)	(3.6)
Tax on dividend		(0.7)	(0.7)
Net Cash used financing activities (C)		11.4	(7.0)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		72.2	29.6
Cash and cash equivalents as at the beginning of the year		77.3	47.7
Cash and cash equivalents at the end of the year		149.5	77.3
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		72.2	29.6
Cash and cash equivalents at the end of the year			
Comprises			
(a) Cash in hand		0.1	0.1
(b) Balance in current accounts		89.4	77.2
(c) Balance in deposit accounts		60.0	-
		149.5	77.3
See accompanying notes to the financial statements	1 to 44		

The above cash Statement of Cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash flows"

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Monisha Parikh
Partner

Amar Nath Mohanty
Chief Financial Officer

Place: Bengaluru
Date : June 3, 2020

G. Prasanna Bairy
Company Secretary

For and on behalf of the Board of Directors

Deepa Hingorani
Director
DIN: 00206310

Lokesh Saxena
Managing Director
DIN: 07823712

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1. General information

- 1.1. DISA India Limited ('the Company') is a public limited company incorporated in India in 1984 under the Companies Act 1956. It is listed on Bombay Stock Exchange and headquartered in Bengaluru. Its Promoters are DISA Holding AG of Switzerland and DISA Holding A/S of Denmark which hold 54.10% and 20.72% of share capital of the Company respectively. The Company's ultimate holding company is Norican Global A/S, Denmark.
- 1.2. The Company is a leading equipment manufacturer with advanced foundry and surface preparation process technology. It supplies complete foundry systems with DISA range of moulding machines, sand mixers with combination of sand plant equipment, surface preparation machines and environmental control systems to customers across the country with its network of sales offices in New Delhi, Pune, Kolkata and Bengaluru with its two manufacturing plants located in Tumkur and Hosakote in Bengaluru, Karnataka.
- 1.3. The Company's standalone financial statements were approved by the Company's Board of Directors on June 3, 2020

2. Significant accounting policies

- 2.1. The financial statements of the Company have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

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

2.2. Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

2.3. Functional currency

Financial statements are presented in Indian Rupees, which is the functional currency of the Company, and the currency of primary economic environment in which the Company operates. All the financial information presented in Indian Rupees has been rounded to the nearest million except shares and earning per share data which are presented in absolute terms.

2.4. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities & disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected.

As a result of government mandates in response to the global pandemic Covid-19, the Company's manufacturing plants and offices were temporarily closed from March 23, 2020. The Company resumed its manufacturing operations on May 4, 2020 to the extent permitted by the government regulations. In management's estimate, there has not been a significant change in the carrying value of receivables, inventory or property, plant and equipment as a result of the pandemic or the temporary plant closures. The impact of the global health pandemic and any additional government mandates in response to the pandemic, on the Company's financial position may change following the date of approval of these standalone financial statements.

Critical estimates and judgments:

Areas involving critical judgments are

- a) Note 12 – Inventories – Write down of inventories
- b) Note 36 - Estimation of defined benefit obligations
- c) Note 13 – Allowance for doubtful trade receivables - The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the company deals with.
- d) Note 4 – Property Plant and equipment - Indicators of impairment

3. Summary of significant accounting policies

3.1. Revenue Recognition

Revenue is measured at the fair value of consideration received or receivable and is net of goods & service tax, returns, discounts, sales incentives and other similar

allowances. The Company recognizes revenue when the amount of revenue and its related cost can be reliably measured, and it is probable that future economic benefits will flow to the entity and specific criteria in relation to satisfaction of performance obligations have been met for each for the Company's activities described below:

3.1.1. Sale of goods

Sale of goods are accounted on satisfaction of performance obligation by transfer of control of the goods to the customer when the customer obtains control of the asset, the significant risks and rewards of ownership of the asset is transferred to the customers and the customers have accepted the assets. In case of machineries/equipment which together form part of a contract for a larger group of machinery, revenue is recognized only when all significant machinery/equipment is transferred.

3.1.2. Services

Revenue from a contract to provide services is recognized by reference to the stage of completion of the contract as and when the company satisfies performance obligations.

3.1.3. Export Entitlements

Export entitlements from government authorities are recognized in the statement of profit & loss when the right to receive credit as per the terms of the scheme is established in respect of exports made by the Company and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

3.1.4. Interest Income

Interest Income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable. Dividend Income is recognized in the statement of profit and loss when the right to receive dividends is established.

3.1.5. Commission Income

Commission Income is recognized on accrual basis as per the terms of the agreement.

3.2. Leases

3.2.1. Till March 31, 2019 :

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement

Operating lease: Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Finance Lessee: Finance leases are capitalised at the commencement of the lease at the inception date fair value

of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

3.2.2. IND AS116 effective 01 April, 2019

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. As per the modified retrospective approach the right-of-use asset is recognized at the date of initial application. The ROU asset is measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application. On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of Rs.18.8 Million and a lease liability of Rs.20.0 Million.

Company as a Lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the

commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The lease liability is measured at amortised cost using the effective interest method. The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'Other financial liabilities' in the statement of financial position.

Short-term leases and leases of low-value assets: The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.

3.3. Foreign currency transactions & translations

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions.

Monetary items denominated in foreign currencies are restated at the rates prevailing on the balance sheet date. Exchange differences on monetary items are recognized in the statement of profit or loss in the period in which those arise.

Non-monetary items denominated in foreign currencies that are measured at fair value are restated to the functional currency at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not restated.

3.4. Employee benefits

Defined Contribution Plans:

3.4.1. Provident Fund, Superannuation Fund & ESIC

The Company's Provident Fund Scheme, Superannuation Fund and Employees' State Insurance are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the

employee renders the related service.

3.4.2. Defined Benefit Plans

Gratuity

The Company has taken a Group Gratuity Policy and Group Leave Encashment Scheme with an insurance company. These constitute the Defined Benefit Plans of the Company.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur.

Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

3.4.3. Short term & Other Long-Term Employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

3.5. Taxation

Income tax expense for the year comprises of current and deferred tax using rates at the balance sheet date.

3.5.1. Current Tax

The current tax payable is based on taxable profit for the year and any adjustment to tax payable in respect of previous years, computed as per Income Tax Act 1961. The current tax is calculated using effective tax rates that have been enacted by the end of the reporting period.

3.5.2. Deferred Tax

Deferred tax is recognized on temporary timing differences between the carrying amounts of assets and liabilities in the financial statements using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period.

3.6. Property, plant and equipment

Property, plant & equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost (i.e., Purchase cost, Net of duties), less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, non - refundable taxes & duties, freight and other directly attributable costs to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Freehold land is not depreciated.

Items such as spare parts, stand-by equipment and servicing equipment are recognized as property, plant and equipment if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Depreciation on Property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item

of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

3.7. Investment Properties

Investment properties are properties held to earn rentals and / or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 40 requirements for cost model.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

3.8. Other Intangible Assets

3.8.1. Recognition

Intangible assets that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

Intangible assets, with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives of four years.

Computer software, except standard utility software packages which are not integral part of the hardware are classified as Intangible assets.

3.8.2. Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

3.9. Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the

impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Corporate assets are also allocated to individual cash generating units when a reasonable and consistent basis of allocation can be identified, or otherwise corporate assets are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in statement of profit and loss.

3.10. Inventories

Raw materials, Components, Work-in-Progress, finished goods and Stock-in-trade are valued at lower of cost and net realizable value. Cost is ascertained on FIFO basis. Cost includes direct materials and where applicable direct labor costs and overhead costs that have been incurred in bringing the goods to the current location and condition. Work-in-progress and finished goods include appropriate proportion of overheads and where applicable.

3.11. Provisions

Provisions are recognized when the Company has a present obligation as a result of a past event that it is probable will result in an outflow of economic benefits that can be reasonably estimated.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

3.11.1. Warranties

Provisions for the expected cost of warranty obligations are recognized at the date of sale of the relevant products, based on the best estimate established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

3.12. Investment in subsidiaries

Investment in subsidiaries are carried at cost less

impairment if any.

3.13. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments and are recognized initially at fair value, and subsequently measured at either amortized cost or fair value through profit and loss or other comprehensive income. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (Other than financial assets recorded at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

3.14. Financial Assets

Recognition: Financial assets include investments, trade receivables, advances, security deposits, cash & cash equivalents.

Measurement: At initial recognition, the Company measures a financial asset at its fair value. In the case of financial assets which are recognized at fair value through profit or loss(FVTPL), its transaction costs are recognized in the statement of profit & loss. In other cases, the transaction costs are attributed to the acquisition value of the financial assets.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or at fair value depending on the classification of the financial assets.

Effective interest method: The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Classification: The Company determines the classification of assets at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification. Financial assets are classified as those measured at:

- Amortized cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and or interest.
- Fair value through other comprehensive income(FVTOCI)where the financial assets are held not only for collection of cash flow arising from payment of principal and interest but also from sale of such assets. Such assets are subsequently measured at fair value with unrealized gains or losses arising from changes in the fair value being recognized in other comprehensive income.
- Fair value through profit and loss(FVTPL)where the assets are managed in accordance with an approved investment

strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value with unrealized gains and losses arising from changes in the fair value being recognized in the statement of profit and loss in the period in which they arise.

Trade receivables, advances, security deposits, cash & cash equivalents etc are classified for measurement at amortized cost while investment may fall under any one of the aforesaid classes.

Impairment: The Company assesses at each reporting date whether a financial asset such as investment, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or efforts. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Derecognition: A financial asset is derecognized only when the contractual rights to the cash flows from the asset expire or when the Company transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

3.15. Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations.

Classification: Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. All financial liabilities are subsequently measured at amortized cost using the effective interest method or FVTPL.

Financial liabilities at FVTPL: Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising in measurement recognized in profit or loss. Net gain or loss recognized in the profit or loss on the financial liability is included in the Other income or Finance cost line item.

Derecognition: A financial liability is derecognized only when the Company's obligations are discharged, cancelled or have expired.

Derivative financial instruments

Derivative financial instruments such as foreign exchange forward contracts, if any, are held to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities. Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in the statement of Profit & Loss.

3.16. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any

deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash for the purpose of cash flow statement comprises cash on hand and demand deposits with banks. Cash equivalents are short term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.17. Segment reporting

Operating segments are components of the Company whose operating results are regularly reviewed by the Chief Operating Decision Maker [CODM] to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Manufacturing and selling of foundry machinery and machinery parts is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance (refer note 41).

3.18. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

4 PROPERTY, PLANT AND EQUIPMENT

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:		
Freehold land*	3.1	3.1
Buildings*	85.5	86.0
Plant and machinery	34.0	39.0
Furniture and fixtures	3.2	2.9
Office equipment	3.2	2.3
Patterns	4.0	3.9
Vehicles	5.2	6.1
Computers	9.8	11.0
	148.0	154.3

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
Gross carrying amount									
Balance as on April 1, 2018	3.1	157.5	243.5	10.9	11.4	28.7	5.7	23.4	484.2
Additions	-	0.3	5.6	1.6	1.2	0.2	4.8	10.1	23.8
Deletions	-	-	0.1	-	-	-	3.2	-	3.3
Balance as on March 31, 2019	3.1	157.8	249.0	12.5	12.6	28.9	7.3	33.5	504.7
Additions	-	2.8	4.0	0.9	1.9	1.5	-	4.8	15.9
Transferred from Investment property	-	4.6	-	-	-	-	-	-	4.6
Deletions	-	-	5.2	-	1.3	-	-	5.0	11.5
Balance as on March 31, 2020	3.1	165.2	247.8	13.4	13.2	30.4	7.3	33.3	513.7

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
Accumulated depreciation									
Balance as on April 1, 2018	-	66.8	202.1	9.2	9.5	23.3	2.1	18.3	331.3
Depreciation expense for the year	-	5.0	8.0	0.4	0.8	1.7	0.7	4.2	20.8
Deletions	-	-	0.1	-	-	-	1.6	-	1.7
Balance as on March 31, 2019	-	71.8	210.0	9.6	10.3	25.0	1.2	22.5	350.4
Depreciation expense for the year	-	5.2	8.5	0.6	1.0	1.4	0.9	6.0	23.6
Transferred from Investment property	-	2.7	-	-	-	-	-	-	2.7
Deletions	-	-	4.7	-	1.3	-	-	5.0	11.0
Balance as on March 31, 2020	-	79.7	213.8	10.2	10.0	26.4	2.1	23.5	365.7

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
Carrying amount									
Balance as on April 1, 2018	3.1	90.7	41.4	1.7	1.9	5.4	3.6	5.1	152.9
Balance as on March 31, 2019	3.1	86.0	39.0	2.9	2.3	3.9	6.1	11.0	154.3
Balance as on March 31, 2020	3.1	85.5	34.0	3.2	3.2	4.0	5.2	9.8	148.0

* First equitable mortgage on immovable property being land and building situated at Tumkur and Hosakote has been offered as security for the purpose of overdraft facility.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

		Rs Million
5	RIGHT-OF-USE ASSET	
Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:		
Building	18.9	-
	18.9	-
Particulars	Total	
Gross carrying amount		
Balance as on April 1, 2018		
New leases taken during the year		
Deletions		
Balance as at March 31, 2019		
Impact of adoption of Ind AS 116 (Refer Note 43)		
Deletions		
Balance as on March 31, 2020		
Particulars	Total	
Accumulated depreciation		
Balance as on April 1, 2018		
Depreciation expense for the year		
Deletions		
Balance as at March 31, 2019		
Impact of adoption of Ind AS 116 (Refer Note 43)		
Deletions		
Balance as on March 31, 2020		
Particulars	Total	
Carrying amount		
Balance as on April 1, 2018		
Balance as at March 31, 2019		
Balance as on March 31, 2020		

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

6 INVESTMENT PROPERTY Rs Million

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:	0.8	2.7
Investment property	0.8	2.7

Particulars	Investment Property
Cost or deemed cost	
Balance as on April 1, 2018	7.4
Additions	-
Deletions	-
Balance as on March 31, 2019	7.4
Additions	-
Transferred to property, plant and equipment	4.6
Balance as on March 31, 2020	2.8

Particulars	Investment Property
Accumulated depreciation	
Balance as on April 1, 2018	4.6
Depreciation expense for the year	0.1
Deletions	-
Balance as on March 31, 2019	4.7
Depreciation expense for the year	-
Transferred to property, plant and equipment	2.7
Balance as on March 31, 2020	2.0

Particulars	Investment Property
Carrying amount	
Balance as on April 1, 2018	2.8
Balance as on March 31, 2019	2.7
Balance as on March 31, 2020	0.8

Fair value of the company's investment property :

Fair valuation of Investment Properties as at March 31, 2020 has been arrived at on the basis of valuation carried out as on respective dates by an independent valuer not related to company. The valuer is registered with the authority which governs the valuers in India, and in the opinion of management he has appropriate qualifications and recent experience in the valuation of properties. For all Investment properties, fair value was determined based on the capitalisation of net income methods where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The capitalisation rate adopted is made by reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuer's knowledge of the factors specific to the respective properties. Thus, the significant unobservable inputs are as follows:

1. Monthly market rent, taking into account the difference in location, and individual factors, such as frontage and size, between the comparable and the property; and
2. Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition. The fair value hierarchy for all investment properties is Level 2 and the fair values are as under:

Fair value as at March 31, 2020 is Rs. 25.7 Million and as at March 31, 2019 was Rs. 40.9 Million.

Expenses and income in respect of investment properties Expenses (excluding depreciation) amounting to Rs. 0.1 Million (Year ended March 31, 2019: Rs. 0.1 Million) in respect of repairs, electricity charges, security expenses etc. are included in Note 33 'Other Expenses' and income amounting to Rs.1.4 Million (Year ended March 31, 2019: Rs.1.3 Million) is included in Note 26 'Other income'

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

7 OTHER INTANGIBLE ASSETS Rs Million

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:	2.0	0.8
Computer Software	2.0	0.8

Particulars	Computer Software
Cost or deemed cost	
Balance as on April 1, 2018	21.5
Additions	-
Deletions	-
Balance as on March 31, 2019	21.5
Additions	1.5
Deletions	-
Balance as on March 31, 2020	23.0

Particulars	Computer Software
Accumulated depreciation	
Balance as on April 1, 2018	20.4
Depreciation expense for the year	0.3
Deletions	-
Balance as on March 31, 2019	20.7
Depreciation expense for the year	0.3
Deletions	-
Balance as on March 31, 2020	21.0

Particulars	Computer Software
Carrying amount	-
Balance as on April 1, 2018	1.1
Balance as on March 31, 2019	0.8
Balance as on March 31, 2020	2.0

8 INVESTMENTS Rs Million

Particulars	As at March 31, 2020	As at March 31, 2019
Investments in subsidiary company		
Unquoted equity instruments (fully paid up) carried at cost		
Bhadra Castalloy Private Limited		
4,400,000 (March 31, 2019 : 4,400,000)		
fully paid up equity shares of Rs. 10 each	44.0	44.0
Total	44.0	44.0
Aggregate carrying value of unquoted investment	44.0	44.0

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

9 OTHER FINANCIAL ASSETS

a) Non-current

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits	9.2	10.9
Margin money fixed deposits with banks [refer note 15]	19.0	-
Total	28.2	10.9

b) Current

Particulars	As at March 31, 2020	As at March 31, 2019
Advances to employees	0.9	1.3
Security deposits	2.8	-
Interest accrued	25.4	21.5
Contractually reimbursable expenses	5.6	7.8
Total	34.7	30.6

10 DEFERRED TAX ASSET (NET)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax asset on:		
Provision for employee benefits	12.6	12.4
Provision for doubtful trade receivables	1.7	1.4
Sub total (A)	14.3	13.8
Deferred tax liabilities on:		
Property, Plant and equipment and intangible assets	7.5	9.1
Sub total (B)	7.5	9.1
Total (A-B)	6.9	4.7

Movement of deferred tax assets / liabilities
For the year ended March 31, 2020

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset on:				
Provision for employee benefits	12.4	(0.2)	0.4	12.6
Provision for doubtful trade receivables	1.4	0.3	-	1.7
Sub total (A)	13.8	0.1	0.4	14.3
Deferred tax liabilities on:				
Property, Plant and equipment and intangible assets	9.1	(1.6)	-	7.5
Sub total (B)	9.1	(1.6)	-	7.5
Total (A-B)	4.7	1.7	0.4	6.8

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2019				Rs Million
Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset on:				
Provision for employee benefits	12.8	-	(0.4)	12.4
Provision for doubtful trade receivables	0.9	0.5	-	1.4
Sub total (A)	13.7	0.5	(0.4)	13.8
Deferred tax liabilities on:				
Property, Plant and equipment and intangible assets	10.9	(1.8)	-	9.1
Sub total (B)	10.9	(1.8)	-	9.1
Total (A-B)	2.8	2.3	(0.4)	4.7

The applicable tax rates for the year ended March 31, 2019 and March 31, 2020 are 34.944% and 25.168% respectively

11 OTHER ASSETS

a) Non-current

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid rent	0.7	2.2
Prepaid expenses	0.7	-
Balance with government authorities	6.1	16.0
Total	7.5	18.2

b) Current

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	7.5	7.0
Prepaid rent	0.4	-
Advances to suppliers	8.6	10.2
Duty drawback receivable	4.3	5.5
Balance with government authorities	92.4	63.3
Others	1.0	1.1
Total	114.2	87.1

12 INVENTORIES

Particulars	As at March 31, 2020	As at March 31, 2019
(At lower of cost and net realisable value)		
Raw materials	248.9	307.6
[Goods in transit - Rs. 16.8 Million; (as at March 31, 2019 Rs. 18.3 Million)]		
Work-in-progress	272.7	293.0
Finished goods	6.4	21.4
Stock-in-Trade	22.6	20.7
Total	550.6	642.7

The cost of inventory recognised as an expense/(income) includes Rs. (1.7) Million (Year ended March 31, 2019: Rs. (4.8) Million) in respect of obsolete raw material, Nil (Year ended March 31, 2019 Rs.(0.1) Million), in respect of obsolete Work-in-progress Nil (Year ended March 31, 2019 Rs. (2.5) Million).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

13 TRADE RECEIVABLES

Rs Million

Particulars	As at March 31, 2020	As at March 31, 2019
Considered good - Unsecured	182.8	188.9
Doubtful trade receivables	6.6	4.9
	189.4	193.8
Less: Allowances for doubtful trade receivables	6.6	4.9
Total	182.8	188.9

Trade receivables are non-interest bearing and are generally on terms of 30-60 days

Movements in allowance for doubtful trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	4.9	2.7
Add: Provision created during the year	2.8	2.2
Less: Provision reversed during the year	1.1	-
Closing balance	6.6	4.9

14 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents:		
(a) Cash on hand	0.1	0.1
(b) Balance with banks:		
-In current accounts	89.4	77.2
-In deposit accounts	60.0	-
Total	149.5	77.3

15 OTHER BANK BALANCES

Particulars	As at March 31, 2020	As at March 31, 2019
Other balance with banks		
-Margin money fixed deposits with banks*	128.2	145.7
-In deposit accounts**	816.2	752.3
-Unpaid dividend accounts	0.3	3.2
Total	944.7	901.2

*Balances in margin money fixed deposits are held as security against guarantees and commitments.

**Pertain to fixed deposits with original maturity of more than three months.

16 LOANS

Particulars	As at March 31, 2020	As at March 31, 2019
(Unsecured, considered good)		
Loan to subsidiary company (refer note 38)	26.0	26.0
Total	26.0	26.0

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

17a CURRENT TAX ASSETS (NET)

Rs Million

Particulars	As at March 31, 2020	As at March 31, 2019
Advance tax [Net of provision for tax :Rs. 463.1 Million (March 31, 2019 - Rs. 361.7 Million)]	40.7	22.9
Total	40.7	22.9

17b CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for tax [Net of advance tax Rs. 377.2 Million (March 31, 2019 Rs. 377.2 Million)]	13.2	13.2
Total	13.2	13.2

18 SHARE CAPITAL

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised equity share capital: 5,000,000 Equity shares of Rs.10 each	50.0	50.0
Issued, subscribed and fully paid up: 1,454,205 Equity shares of Rs.10 each	14.5	14.5
Total	14.5	14.5

Notes:

i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year :

No of equity shares outstanding at the beginning of the year	14,54,205	14,54,205
Movement during the year	-	-
No of equity shares outstanding at the end of the year	14,54,205	14,54,205
Equity share capital at the beginning of the year (Rs. Million)	14.5	14.5
Movement during the year	-	-
Equity share capital at the end of the year (Rs. Million)	14.5	14.5

ii) Details of shares held by holding company, the ultimate holding company, their subsidiaries and associates:

Equity Shares		
Disa Holding AG, Switzerland	7,86,657	7,86,657
Disa Holding AS, Denmark	3,01,399	3,01,399
Disa Holding AG is a fully owned subsidiary of Disa Holding AS.		

iii) Details of shares held by each shareholder holding more than 5% shares:

Equity Shares		
Disa Holding AG, Switzerland	7,86,657	7,86,657
	54.10%	54.10%
Disa Holding AS, Denmark		
Disa Holding AG is a fully owned subsidiary of Disa Holding AS.	3,01,399	3,01,399
	20.73%	20.73%
Equity Shares are held by IDFC Premier Equity Fund	76,981	78,605
	5.29%	5.41%

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

iv) Details of rights, preferences and restrictions in respect of equity shares :

The Company has one class of Shares referred to as Equity Shares with par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the share holders.

The Equity shareholders are entitled to receive dividend proposed (if any) by the Board of Directors which is subject to the approval of the shareholders in the Annual General meeting, except in case of Interim Dividend.

v) During the year ended March 31, 2017, the Company has concluded the buyback of 56,000 fully paid equity shares.

19 OTHER EQUITY

Particulars	As at March 31, 2020	As at March 31, 2019
Retained earnings	1,623.6	1,343.5
Buyback of equity shares	0.6	0.6
Capital reserve	1.5	1.5
Total	1,625.7	1,345.6

Particulars	As at March 31, 2020	As at March 31, 2019
A. Retained earnings		
Opening balance	1,343.5	1,069.0
Add : Profit for the year	285.6	277.8
Add : Other comprehensive income	(1.2)	1.0
Less: Dividend (Refer Note below)	3.6	3.6
Less: Tax on dividend (Refer Note below)	0.7	0.7
Balance at end of the year	1,623.6	1,343.5

Particulars	As at March 31, 2020	As at March 31, 2019
B. Buyback of equity shares		
Opening balance	0.6	0.6
Add : Movement during the year	-	-
Closing balance	0.6	0.6

Particulars	As at March 31, 2020	As at March 31, 2019
C. Capital reserve		
Opening balance	1.5	1.5
Movement during the year	-	-
Closing balance	1.5	1.5

Note

2019-20

The Board of Directors at its meeting on May 23, 2019 had recommended a final dividend of 25% (Rs 2.5 per equity share of par value Rs 10 each) for the financial year ended March 31, 2019 which was approved by the shareholders at the Thirty Fourth Annual General meeting of the Company held on August 8, 2019.

2018-19

The Board of Directors at its meeting on May 24, 2018 had recommended a final dividend of 25% (Rs 2.5 per equity share of par value Rs 10 each) for the financial year ended March 31, 2018 which was approved by the shareholders at the Thirty Third Annual General meeting of the Company held on August 9, 2018.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

20 OTHER NON CURRENT FINANCIAL LIABILITIES

Rs Million

Particulars	As at March 31, 2020	As at March 31, 2019
Lease Liabilities	17.2	-
Total	17.2	-

21 TRADE PAYABLES

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises (Refer note 42)	25.3	30.6
Total outstanding dues of creditors other than micro enterprises and small enterprises	161.0	260.4
Total	186.3	291.0

22 OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
Unpaid dividends	0.3	3.2
Contractually reimbursable expenses	17.3	17.9
Lease Liabilities	2.8	-
Total	20.4	21.1

23 PROVISIONS

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for warranties *	10.5	11.9
Employee benefit payables (refer note 36)		
- Compensated absences	13.8	11.7
- Gratuity	19.3	16.2
Total	43.6	39.8

* Provision for Warranties

Warranty provisions represents cost of commitment made by the Company during the time sale which are accrued at recognition of revenue and are expected to be utilized within a period of one year.

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	11.9	7.9
Provision made during the year	8.4	14.2
Utilisations during the year	9.8	10.2
Provisions at the end of the year	10.5	11.9

24 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory liabilities	12.0	11.0
Advances from customers	366.6	478.0
Total	378.6	489.0

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

25 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Sale of products (Refer note (i) below)	2,182.1	2,374.6
(b) Sale of services (Refer note (ii) below)	29.0	24.6
(c) Other operating revenue (Refer note (iii) below)	24.9	20.0
Total	2,236.0	2,419.2
Notes		
(i) Sale of products comprises :		
Manufactured goods :		
Machinery	1,647.8	1,802.8
Parts of machinery	329.2	368.9
Sale of Manufactured goods Sub Total - A	1,977.0	2,171.7
Traded goods :		
Parts of machinery	205.1	202.9
Sales of Traded goods Sub Total - B	205.1	202.9
Total sale of products - A + B	2,182.1	2,374.6
(ii) Sale of service comprises:		
Engineering services	4.8	7.4
Supervision of installation services	20.7	17.0
Others	3.5	0.2
Sales of services - Total	29.0	24.6
(iii) Other operating revenue comprises :		
Commission income	14.3	10.4
Sale of scrap	2.0	4.8
Export incentives	8.6	4.8
Other operating revenue - Total	24.9	20.0

26 OTHER INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest income (Refer note (i) below)	73.1	59.4
(b) Net gain on foreign currency transactions and translation	0.6	1.5
(c) Other non-operating income (Refer note (ii) below)	3.2	8.3
Total	76.9	69.2
Notes		
(i) Interest income comprises:		
Interest on:		
Bank deposits	69.7	56.5
Security deposits	0.8	0.4
Loan to subsidiary	2.6	2.5
Total	73.1	59.4

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(ii) Other non-operating income comprises:		
Royalty	1.3	1.8
Profit on sales of assets (net)	0.2	-
Rental income	1.4	1.3
Liability no longer required written back	-	1.1
Miscellaneous	0.3	4.1
Total	3.2	8.3

27 COST OF MATERIALS CONSUMED

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Stock	307.6	233.9
Add : Purchases	944.4	1,460.5
Less : Closing Stock	248.9	307.6
Cost of materials consumed	1,003.1	1,386.8

28 PURCHASE OF STOCK-IN-TRADE

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Parts of machinery	176.4	120.7
Total	176.4	120.7

29 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories at the end of the year:		
Finished goods	6.4	21.4
Work-in-progress	272.7	293.0
Stock-in-trade	22.6	20.7
Sub Total	301.7	335.1
Inventories at the beginning of the year:		
Finished goods	21.4	25.2
Work-in-progress	293.0	171.7
Stock-in-trade	20.7	33.4
Sub Total	335.1	230.3
Total	33.4	(104.8)

30 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages	325.0	305.0
Contributions to provident and other funds (refer note 36.2)	35.5	27.2
Staff welfare expenses	13.4	16.0
Total	373.9	348.2

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

31 FINANCE COSTS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest expense on:		
(i) Bank guarantee commission	1.1	1.6
(ii) Interest others	-	1.9
(iii) Security deposits	3.2	0.5
Total	4.3	4.0

32 DEPRECIATION AND AMORTISATION

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on property, plant and equipment (refer note 4)	23.6	20.8
Amortisation on intangible assets (refer note 7)	0.3	0.1
Depreciation on ROU assets (refer note 5)	10.9	
Depreciation on investment properties (refer note 6)	-	0.1
Total	34.8	21.0

33 OTHER EXPENSES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Power and fuel	12.0	12.2
Rent	-	10.6
Repairs and maintenance - Buildings	4.3	10.7
Repairs and maintenance - Machinery	3.7	4.0
Repairs and maintenance - Others	5.2	4.9
Insurance	9.7	8.8
Rates and taxes	7.0	3.4
Travelling and conveyance	46.1	46.0
Legal and professional charges	12.8	10.7
Payments to auditors (refer note (i) below)	4.4	4.2
Security expenses	8.6	8.8
Telephone, postage and courier	2.5	2.4
Printing and stationery	1.4	2.2
Freight outwards	16.7	8.8
Commission expenses	14.0	6.2
Recruitment and training	3.0	3.3
Group management fees	30.1	27.3
Directors sitting fees and commission	2.0	1.8
Royalty	24.9	37.4
IT costs	1.5	2.2
Group IT costs	51.3	49.5
Expenditure on corporate social responsibility (refer note (ii) below)	5.6	4.3
Bad trade receivables written off	0.8	-
Provision for doubtful trade receivables (net of provision reversal Rs.1.0 Million; PY: Rs.Nil)	1.8	2.2
Advertisement and sales promotion	3.5	2.1
Net loss on foreign currency transactions and translation	0.4	-
Loss on sale of property, plant and equipment	-	0.8
Miscellaneous expenses	28.5	43.2
Total	301.8	318.0

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Note:		
(i) Payments to auditors comprises (Net of taxes) :		
(a) Statutory auditors		
Statutory audit	3.4	2.8
Tax Audit	0.5	0.5
Other services	0.4	0.4
Reimbursement of expenses	0.1	0.5
Sub Total	4.4	4.2
(b) Cost auditors		
Cost audit fee	0.2	0.2
Sub Total	0.2	0.2
Total	4.6	4.4
(ii) Expenditure on corporate social responsibility		
(a) Gross amount required to be spent by the company	5.6	4.3
(b) Amount spent		
(i) Amount paid during the year towards		
- Construction/acquisition of any asset	-	-
(ii) Amount paid during the year towards		
- On purposes other than above	5.6	4.3
(c) Yet to be paid in cash	-	-

34 INCOME TAXES

A INCOME TAX RECOGNISED IN STATEMENT OF PROFIT AND LOSS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax		
In respect of the current year	101.4	119.0
	101.4	119.0
Deferred tax		
In respect of the current year	(1.8)	(2.3)
	(1.8)	(2.3)
Total income tax expenses recognised in the current year	99.6	116.7

B INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Deferred tax charge / (benefit)		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	(0.4)	0.4
	(0.4)	0.4
Bifurcation of the income tax recognised in other comprehensive income in to		
Items that will not be reclassified to profit or loss	(0.4)	0.4
	(0.4)	0.4
Reconciliation of effective tax rate		
Profit before income taxes	385.2	394.5
Applicable tax rate	25.17%	29.12%
Expected income tax expenses	97.0	114.9
Adjustments to reconcile expected tax expenses to reported income tax expenses		
Effect of expenses not deductible in determining taxable profit	1.6	1.3
Effect on deferred tax balances due to change in income tax rate from 29.12 to 25.17 (PY 34.61% to 29.12%)	1.0	0.5
	2.6	1.8
Adjusted income tax expenses	99.6	116.7
Effective tax rate	25.84%	29.58%

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

35 EARNINGS PER SHARE (EPS)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Basic and Diluted Profit attributable to equity share holders (Rs. in Million)	285.6	277.8
Nominal Value of equity share (Rs./Share)	10.0	10.0
Weighted average number of ordinary equity share for Basic EPS (Nos.)	14,54,205	14,54,205
Basic and Diluted EPS (Rs./Share)	196.40	191.03

36 EMPLOYEE BENEFITS

As per Ind AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

1. Defined Benefit Plans

I. Expenses recognized in the Statement of Profit and Loss and Other Comprehensive Income for the year:

Particulars	Gratuity	
	In Million	
	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	5.3	4.7
Interest Cost	1.1	0.8
Amount recognised in Statement of Profit and Loss	6.4	5.5
Actuarial (gain)/loss		
a) arising from changes in financial assumption	(3.0)	1.6
b) arising from experience adjustments	4.7	0.2
c) arising from demographic assumption	-	0.3
Return on Plan assets excluded amount included in interest income	(0.1)	(3.5)
Amount recognised in other comprehensive income	1.6	(1.4)
Total	8.0	4.1

II. Reconciliation of opening and closing balances of defined benefit obligation:

Particulars	Gratuity	
	In Million	
	Year ended March 31, 2020	Year ended March 31, 2019
Defined benefit obligation at beginning of the year	70.4	60.4
Current service cost	5.3	4.7
Interest cost	5.1	4.4
Actuarial losses (gains)	1.7	2.1
Benefits paid	(8.8)	(1.2)
Defined benefit obligation at the end of the year	73.7	70.4

III. Reconciliation of Opening and Closing balances of fair value of plan assets:

Particulars	Gratuity	
	In Million	
	Year ended March 31, 2020	Year ended March 31, 2019
Fair value of plan assets at beginning of the year	54.2	47.2
Expected return on plan assets	4.0	3.6
Return on Plan assets excluded amount included in interest income	0.1	3.5
Contributions by employer	4.9	1.1
Benefits paid	(8.8)	(1.2)
Fair value of plan assets at end of the year	54.4	54.2

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

IV. Investment details:

Particulars	%invested as at Year ended March 31, 2020	%invested as at Year ended March 31, 2019
Investment with insurer (Investment in Policy of LIC)	100%	100%

V. The Principal assumption used in determining gratuity obligations are as follows:

Particulars	Gratuity	
	In Million	
	Year ended March 31, 2020	Year ended March 31, 2019
Mortality Table (LIC)	2006-08 (IALM)	2006-08 (IALM)
Discount Rate (per annum)	6.60%	7.70%
Rate of escalation in salary (per annum)	9.00%	9.00%

Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

These plans typically expose the Company to actuarial risks such as interest rate risk and salary risk.

- Interest risk: a decrease in the bond interest rate will increase the plan liability.
- Salary risk: the present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, a variation in the expected rate of salary increase of the plan participants will change the plan liability.

VI. Sensitivity Analysis

Significant actuarial assumptions for the determination of defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	Gratuity	
	In Million	
	Year ended March 31, 2020	Year ended March 31, 2019
Impact in present value of defined benefit obligation:		
If discount rate is increased by 0.5%	(2.3)	(2.0)
If discount rate is decreased by 0.5%	2.3	2.1
If salary escalation rate is increased by 0.5%	2.1	2.1
If salary escalation rate is decreased by 0.5%	(2.1)	(2.0)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

VII. Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The Insurance Company, as part of the policy rules, makes payment of all gratuity out goes happening during the year (subject to sufficiency of funds under the policy). The policy thus mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

VIII. Effect of Plan on Entity's Future Cash Flows

(i) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(ii) Expected contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is Rs. 6.9 Million.

IX. Expected outflow in future years (as provided in actuarial report)

Particulars	Gratuity	
	In Million	
	Year ended March 31, 2020	Year ended March 31, 2019
Expected outflow in 1st Year	6.9	6.7
Expected outflow in 2nd Year	11.2	13.6
Expected outflow in 3rd Year	7.8	8.4
Expected outflow in 4th Year	10.6	9.0
Expected outflow in 5th Year	6.8	13.2
Expected outflow in 6th to 10th Year	30.4	45.3

2. Defined Contribution Plans.

Contribution of Defined Contribution Plan, recognized as expense for the year are as under:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Employer's Contribution to Provident Fund	15.9	14.4
Employers' Contribution to Superannuation Fund	8.1	7.4

3. Actuarial Assumptions - Compensated Absences

Particulars	Compensated Absences	
	Year ended March 31, 2020	Year ended March 31, 2019
Mortality Table (LIC)	2006-08 (IALM)	2006-08 (IALM)
Discount Rate (per annum)	6.60%	7.70%
Rate of escalation in salary (per annum)	9.00%	9.00%

37 CONTINGENT LIABILITIES

Particulars	Balance as at March 31, 2020	Balance as at March 31, 2019
Claims against company not acknowledged as debt *		
Service tax	-	0.6
CST/VAT	9.0	19.4
Excise duty	2.0	1.4
Income tax	13.1	13.1

*Outflow, if any, arising out of the said claim including interest would depend on the outcome of the decision of the appellate authority and the Company's right for future appeal before the judiciary.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

38 LOAN TO GROUP COMPANIES

Name of Subsidiary	Loan given		Max amount outstanding during the year	Balance as at	
	Year ended March 31, 2020	Year ended March 31, 2019		Year ended March 31, 2020	Year ended March 31, 2019
Bhadra Castalloy Private Limited	-	8.5	26.0	26.0	26.0

Other than above, the Company has not given any loans or advances in the nature of loan to subsidiary and in which directors are interested.

There are no loans where either no interest is charged or interest is below the rate specified in section 186 of the Companies Act, 2013, wherever applicable.

39 FINANCIAL INSTRUMENTS

(i) Financial assets and liabilities

The carrying value and fair value of financial instrument by category is as follows

(ii) Categories of Financial Instruments

Particulars	Balance as at March 31, 2020	Balance as at March 31, 2019
(A) Financial assets		
Measured at amortised cost		
(a) Cash and bank balances	1,094.2	978.5
(b) Trade receivables	182.8	188.9
(c) Other financial assets	62.9	41.5
(d) Loan given to subsidiary company	26.0	26.0
(e) Investments in equity instruments	44.0	44.0
Total	1,409.9	1,278.9

Particulars	Balance as at March 31, 2020	Balance as at March 31, 2019
(B) Financial liabilities		
Measured at amortised cost		
(a) Trade payables	186.3	291.0
(b) Other financial liabilities	20.4	21.1
Total	206.7	312.1

The Carrying amount reflected above represents the Company's maximum exposure to credit risk for such financial assets.

(iii) Fair value hierarchy:

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(iv) Financial risk management objectives

The Company's financial liabilities comprise mainly of trade payables and other payables. The Company's financial assets comprise mainly of cash and cash equivalent, other balance with banks, loans, trade receivable and other receivable. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

(v) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, currency risk and other risk. Financial instruments affected by market risk includes trade payable, trade receivable, bank deposits, loans and advances.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has interest bearing bank deposits which are carrying fixed rate of interest, the exposure to risk of changes in market interest rates is minimal. The Company has not used any interest rate derivatives.

b) Foreign Currency Risk

Foreign Currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company does not enter into any derivative instruments for trading or speculative purposes.

The carrying amount of the Company's Foreign Currency denominated monetary items are as follows:

Particulars	Balance as at March 31, 2020	Balance as at March 31, 2019
Liabilities		
EURO	45.3	72.1
USD	22.5	49.8
Total Liabilities	67.8	121.9
Assets		
EURO	30.2	9.2
USD	7.5	3.4
GBP	0.3	1.9
Total Assets	38.0	14.5

Foreign Currency sensitivity analysis

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Euro and US Dollar.

The following table details the Company's sensitivity to a 10% increase and decrease in the Rupees against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes receivables and payable in currency other than the functional currency of the Company.

A 10% strengthening of the INR against key currencies to which the Company is exposed (net of hedge) would have led to additional gain in the Statement of Profit and Loss. A 10% weakening of the INR against these currencies would have led to an equal but opposite effect.

Analysis of 10% strengthening of the INR

Particulars	EURO Impact (net of tax)	
	Balance as at March 31, 2020 (Rs.in Million)	Balance as at March 31, 2019 (Rs.in Million)
Impact on profit or loss for the year	(1.1)	(4.5)
Impact on total equity as at the end of the reporting period	1.1	4.5
Particulars	USD Impact (net of tax)	
	Balance as at March 31, 2020 (Rs.in Million)	Balance as at March 31, 2019 (Rs.in Million)
Impact on profit or loss for the year	(1.1)	(3.0)
Impact on total equity as at the end of the reporting period	1.1	3.0

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

(vi) Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, derivative financial instruments, other balances with banks, loans and other receivables.

(a) Trade receivables management

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The Provision matrix takes into account historical credit loss experience and adjusted for forward -looking information.

The reversal/allowance for life time expected credit loss on customer balances for the year ended is disclosed in Note 13.

(b) Other financial assets

Credit risk arising from derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are nationalised and private banks.

(vii) Liquidity Risk

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The objective of liquidity risk management, is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents.

The following table detail the analysis of derivative as well as non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total
As at March 31, 2020				
Trade payables (Refer Note 21)	186.3	-	-	186.3
Other financial liabilities (Refer Note 20 & 22)	20.4	17.2	-	37.6
As at March 31, 2019				
Trade payables (Refer Note 21)	291.0	-	-	291.0
Other financial liabilities (Refer Note 20 & 22)	21.1	-	-	21.1

(viii) Capital management

The Company manages its capital structure with a view to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of Capital and the risks associated with each class of capital. The company does not have any borrowings and its entire capital is funded through equity

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

40 RELATED PARTY DISCLOSURES

a) Related parties and their relationship

Nature of relationship	Name of the relationship
Ultimate holding company	Norican Global A/S
Holding Company	DISA Holding AG
Subsidiary company	Bhadra Castalloy Private Limited
Fellow Subsidiaries	DISA Industrie AG DISA Technologies Private Ltd. DISA Industries A/S DISA K.K. DISA (Changzhou) Machinery Ltd. Wheelabrator Czech s.r.o. Wheelabrator Group GmbH Wheelabrator Group Ltd. DISA Industries, Inc. Norican A/S DISA Holding A/S Italpresse Industrie SpA Castalloy Inc, USA Wheelabrator Group (Canada) ULC
Key management personnel	Mr.Andrew Thomas Carmichael (up to July 12, 2019) Mr. Anders Wilhelm (from July 12, 2019) Mr.Viraj Naidu (up to July 12, 2019) Mr.Lokesh Saxena - Managing Director Ms.Deepa Hingorani Mr.Sanjay Arte Mr.Andrew J Matsuyama (from July 12, 2019) Ms.Ulla P Tonnesen (from July 12, 2019) Mr.Shymal Kumar Sinha Mr.Amarnath Mohanty - CFO

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

b) Details of related party transactions during the year ended March 31, 2020 and balances outstanding as at March 31, 2020

Name of the related party	Nature of transactions	Amount (Rs. in Million)	Outstanding balance as at March 31, 2020 (Rs. in Million)	Outstanding balance as at March 31, 2019 (Rs. in Million)
DISA Industries AG	Royalty expenses	5.9 (7.9)	Cr.0.3	Cr.3.1
	Reimbursement of expenses (receivable)	0.1 -		
DISA Technologies Private Ltd.	Service charges	5.5 (6.4)	Nil	Nil
	Reimbursement of expenses (Payable)	0.2 -		
DISA Industries A/S	Royalty expenses	17.0 (27.2)	Cr.5.1	Cr.56.4
	Service charges paid	- (0.3)		
	Import material	156.0 (202.3)		
	Service income	0.7 (1.4)		
	Export / sale of materials	99.1 (27.1)		
	Reimbursement of expenses (receivable)	6.1 (0.7)		
	Reimbursement of Warranty	- (0.1)		
	Commission received	12.5 (10.6)		
DISA K.K.	Export / sale of materials	12.5 (0.3)	Nil	Cr.3.7
DISA (Changzhou) Machinery Ltd.	Import material	6.8 (24.4)	Cr.1.7	Cr.0.8
	Export / sale of materials	1.7 (3.5)		
	Service income	- (0.7)		
	Royalty income	1.3 (1.8)		
Wheelabrator Czech s.r.o.	Import material	22.5 (29.2)	Cr.2.3	Cr.4.3
	Service fees	- (0.5)		
Wheelabrator Group GmbH	Royalty expenses	2.0 (2.3)		
	Commission received	1.3 -		

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
Rs Million

Name of the related party	Nature of transactions	Amount (Rs. in Million)	Outstanding balance as at March 31, 2020 (Rs. in Million)	Outstanding balance as at March 31, 2019 (Rs. in Million)
	Service income	- (0.5)	Nil	Nil
	Reimbursement of expenses (receivable)	0.1		
		-		
Wheelabrator Group Ltd. USA	Reimbursement of expenses (Payable)	- (0.3)	Nil	Cr.0.4
	Import material	2.0 (3.1)		
	Service income	3.4 (3.9)		
Striko Westofen GMBH	Reimbursement of expenses (Receivable)	- (0.1)	Nil	Nil
DISA Industries, Inc.	Export / sale of materials	0.6 (1.2)	Nil	Dr.0.1
Norican A/S	Group Management fee	30.1 (27.3)	Cr.17.3	Cr.17.9
	Group IT fee	51.3 (49.5)		
	Reimbursement of expenses (Payable)	1.0 (1.2)		
Bhadra Castalloy Private Limited	Purchase of material	14.8 (15.1)	Dr.33.3	Dr.33.06
	Reimbursement of group management fees	1.0 (1.2)		
	Interest on loan	2.6 (2.5)		
Italpresse Industrie SpA	Purchase of material	0.1 -	Cr.0.1	Nil
Mr.Lokesh Saxena	Remuneration paid	12.6 (11.4)	Nil	Nil
Ms.Deepa Hingorani	Commission and sitting fees paid	0.7 (0.7)	Cr.0.3	
Mr.Shymal Kumar Sinha	Commission and sitting fees paid	0.5 (0.6)	Cr.0.3	
Mr.Sanjay Arte	Commission and sitting fees paid	0.8 (0.5)	Cr.0.4	
Mr.Amarnath Mohanty	Remuneration paid	9.2 (9.3)	Nil	Nil

* Figures in brackets represent previous year numbers

Notes:

- The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company, which has been relied upon by the auditors.
- The above transactions are compiled from the date these parties became related.
- No amounts in respect of related parties have been written off/ back or provided for during the year.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

41 SEGMENT REPORTING

Entity - wide disclosures :

(i) Revenues from customers :

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
India	1,984.2	2,278.2
Outside India	251.8	141.0

(ii) Non-Current Assets :

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
India	256.3	237.5
Outside India	-	-

Non-current assets include property, plant and equipment, intangible assets, investment property capital advances and pre-paid expenses. It is allocated based on the geographic location of the respective assets.

(iii) Major customers :

The Company has no customer which accounts for more than 10% of the Company's total revenue for the year ended March 31, 2020 and March 31, 2019.

42 DISCLOSURES UNDER THE MSMED ACT, 2006

Disclosure under Micro, Small and Medium Enterprises Development Act ,2006

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	25.3	30.6
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amount of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of interest due and payable for the year	-	-
(vii) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note:

The above is determined to the extent such parties have been identified on the basis of information collected by the Management and this has been relied upon by the auditors.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

43 LEASES

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right-of-Use' asset of Rs.29.7 Mn, related accumulated depreciation of Rs. 10.9 Mn and a lease liability of Rs 20.0 Mn (Current portion: Rs. 2.8 Mn, Non-current portion: Rs. 17.2 Mn). The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share.

Reconciliation of operating lease commitments as at March 31, 2019 with the lease liabilities recognised in the balance sheet as at April 1, 2019

Operating lease commitments as at March 31, 2019	3,47,47,848
Discounted using the incremental borrowing rate as at April 1, 2019	9.9%
Recognition exemption for short term leases	-
Lease liabilities recognised as at April 1, 2019	2,97,34,107

44 PROPOSED DIVIDEND

The Board of Directors in their meeting held on June 3, 2020, proposed a final equity dividend of Rs. 2.5 per equity share of Rs 10.00 each fully paid up for the year 2019-20. The aggregate amount of final equity dividend proposed to be distributed is Rs 3.6 Million.

For and on behalf of the Board of Directors

Amar Nath Mohanty
Chief Financial Officer

Deepa Hingorani
Director
DIN: 00206310

Lokesh Saxena
Managing Director
DIN: 07823712

Place: Bengaluru
Date : June 3, 2020

G. Prasanna Bairy
Company Secretary

INDEPENDENT AUDITOR'S REPORT**To The Members of DISA India Limited****Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated financial statements of DISA India Limited ("the Parent") and its subsidiary, (the Parent and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditor on separate financial statements / of the subsidiary referred to in the Other Matters section below, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act 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 and the audit evidence obtained by the other auditor in terms of their report referred to in the sub-paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

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

Key Audit Matter	Auditor's Response
Revenue Recognition Refer Note 3.1 and Note 24 to the consolidated financial statements. The Company recognizes revenue from sale of goods based on the terms and conditions of the agreements/ arrangements, which vary with different customers. For sales transactions in a certain period around balance sheet date, it is essential to ensure whether the transfer of control of the goods by the Company to the customer occurs before the balance sheet date. Considering material sales transactions close to the year end and that revenue recognition is subject to transfer of control to the customers before the balance sheet date, we consider the risk of revenue from sale of goods being recognised in the incorrect period as a key audit matter.	Principal audit procedures performed: • We evaluated the design of internal controls over recognition of revenue in the appropriate period in accordance with the Company's accounting policy. • On a sample basis, we tested the operating effectiveness of the internal control relating to determination of point in time at which the transfer of control of the goods occurs. • On sample basis, we performed test of details of sales recorded close to the year end through following procedures: • Analysed the terms and conditions of the underlying agreements/ arrangements with the customer, and • Verified evidence for transfer of control of the goods prior to the balance sheet date or otherwise from relevant supporting documents.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to the Board's report and Shareholders' Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary audited by the other auditor, to the extent it relates to this entity and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary is traced from their financial statements audited by the other auditor.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of 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 including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent/Holding 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 the 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our

auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the, entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

- (a) We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs.115.3 Mn as at March 31, 2020, total revenues of Rs.113.5 Mn and net cash outflows amounting to Rs. 9.3 Mn for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on the separate financial statements of the subsidiary referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the report of the other auditor.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2020 taken on record by the Board of Directors of the Company and the report of the statutory auditors of its, subsidiary company incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting 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 and the subsidiary company, incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g) 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 Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary company incorporated in India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.008072S)

Monisha Parikh
Partner
(Membership No. 47840)
UDIN: 20047840AAAAAZ4386

BENGALURU; June 3, 2020
MP/JKS/LS/2020

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of DISA India Limited (hereinafter referred to as “Parent”) and its subsidiary company, which is a company incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary company, which are companies 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary company, 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary company, which is a company incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary company, which is a company incorporated in India.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor referred to in the Other Matters paragraph below, the Parent, and its subsidiary company, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.008072S)

BENGALURU; June 3, 2020
MP/JKS/LS/2020

Monisha Parikh
Partner
(Membership No. 47840)
UDIN: 20047840AAAAAZ4386

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

Rs Million

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	4	204.4	210.1
(b) Capital work in progress		-	1.9
(c) Investment property	6	0.8	2.7
(d) Right-of-use asset		18.9	-
(e) Goodwill	7	6.0	6.0
(f) Other intangible assets	8	2.0	0.8
(g) Financial assets			
(i) Other financial assets	9a	28.2	10.9
(h) Deferred tax assets (Net)	10a	6.9	4.7
(i) Other non-current assets	11a	9.0	19.5
Total non-current assets		276.2	256.6
2 Current assets			
(a) Inventories	12	562.7	651.2
(b) Financial assets			
(i) Trade receivables	13	196.7	210.1
(ii) Cash and cash equivalents	14	154.0	97.1
(iii) Bank balance other than (ii) above	15	963.7	901.2
(iv) Other financial assets	9b	27.3	23.9
(c) Current tax assets (Net)	16a	40.7	22.9
(d) Other current assets	11b	115.3	88.1
Total current assets		2,060.4	1,994.5
Total assets		2,336.6	2,251.1
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	17	14.5	14.5
(b) Other equity	18	1,649.9	1,359.7
Total Equity		1,664.4	1,374.2
2 Liabilities			
2.1 Non-current liabilities			
(a) Financial liabilities	9b		
(i) Other financial assets	19	17.2	-
(b) Deferred tax liabilities (Net)		1.3	1.0
Total non-current liabilities		18.5	1.0
2.2 Current liabilities			
(a) Financial liabilities			
(i) Trade payables	20		
(A) Total outstanding dues of micro enterprises and small enterprises		25.7	31.1
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises"		167.7	273.7
(ii) Other financial liabilities	21	21.8	26.0
(b) Provisions	22	45.7	41.2
(c) Current tax liabilities (net)	16b	13.9	13.3
(d) Other current liabilities	23	378.9	490.6
Total current liabilities		653.7	875.9
Total equity and liabilities		2,336.6	2,251.1
See accompanying notes to the financial statements to	1 to 44		

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Monisha Parikh
Partner

Amar Nath Mohanty
Chief Financial Officer

Place: Bengaluru
Date : June 3, 2020

G. Prasanna Baiy
Company Secretary

For and on behalf of the Board of Directors

Deepa Hingorani
Director
DIN: 00206310

Lokesh Saxena
Managing Director
DIN: 07823712

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020 Rs Million

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
I Revenue from operations	24	2,333.0	2,516.7
II Other income	25	76.0	67.6
III Total revenue (I+II)		2,409.0	2,584.3
IV Expenses			
(a) Cost of materials consumed	26	1,048.1	1,432.8
(b) Purchases of stock-in-trade	27	176.4	120.7
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	32.7	(103.8)
(d) Employee benefits expense	29	387.1	360.7
(e) Finance costs	30	4.3	4.0
(f) Depreciation and amortisation expense	31	37.7	23.5
(g) Other expenses	32	323.7	340.6
Total expenses (IV)		2,010.0	2,178.5
V Profit before tax (III-IV)		399.0	405.8
VI Tax expense:	33a		
(a) Current tax		104.7	121.6
(b) Deferred tax		(1.5)	(1.9)
Total tax expenses (a+b)		103.2	119.7
VII Profit for the year (V-VI)		295.8	286.1
VIII Other comprehensive income, net of taxes	33b		
(i) Items that will not be reclassified to profit or loss:		(1.7)	1.2
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.4	(0.4)
Total other comprehensive income (A((i)+(ii)))		(1.3)	0.8
Total comprehensive income for the year (VII+VIII)		294.5	286.9
Earnings per equity share (Face value of Rs 10 /- each):	34		
(a) Basic - Rs.		203.41	196.74
(b) Diluted - Rs.		203.41	196.74
See accompanying notes to the financial statements	1 to 44		

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Monisha Parikh
Partner

Amar Nath Mohanty
Chief Financial Officer

Place: Bengaluru
Date : June 3, 2020

G. Prasanna Bairy
Company Secretary

For and on behalf of the Board of Directors

Deepa Hingorani
Director
DIN: 00206310

Lokesh Saxena
Managing Director
DIN: 07823712

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020**a. Equity Share Capital:****Rs Million**

	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the reporting year	14,54,205	14.50	14,54,205	14.50
Changes in the equity share capital during the year	-	-	-	-
Balance at the end of the reporting year	14,54,205	14.50	14,54,205	14.50

b. Other equity

Particulars	Reserves & Surplus			Items of OCI	Total Equity
	Capital Reserve	Capital Redemption reserve	Retained earnings	Remeasurements of defined benefit plans	
Balance as at April 1, 2018	1.5	0.6	1,071.0	4.0	1,077.1
Profit for the year	-	-	286.1	-	286.1
Other comprehensive income (net of taxes)	-	-	-	0.8	0.8
Total Comprehensive Income for the year	1.5	0.6	1,357.1	4.8	1,364.0
Dividends	-	-	(3.6)	-	(3.6)
Tax on dividend	-	-	(0.7)	-	(0.7)
Balance as at March 31, 2019	1.5	0.6	1,352.8	4.8	1,359.7
Profit for the year	-	-	295.8	-	295.8
Other comprehensive income (net of taxes)	-	-	-	(1.3)	(1.3)
Total Comprehensive Income for the year	1.5	0.6	1,648.6	3.5	1,654.2
Dividends	-	-	(3.6)	-	(3.6)
Tax on dividend	-	-	(0.7)	-	(0.7)
Balance as at March 31, 2020	1.5	0.6	1,644.3	3.5	1,649.9

In terms of our report attached

For **Deloitte Haskins & Sells**

Chartered Accountants

Monisha Parikh

Partner

Amar Nath Mohanty

Chief Financial Officer

For and on behalf of the Board of Directors

Deepa Hingorani

Director

DIN: 00206310

Lokesh Saxena

Managing Director

DIN: 07823712

Place: Bengaluru

Date : June 3, 2020

G. Prasanna Baiyy

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Rs Million

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		399.0	405.8
Adjustments for:			
Depreciation and amortisation expense	31	37.7	23.5
Finance costs	30	4.3	4.0
Loss/(Profit) on sale of property, plant and equipment	25 & 32	(0.2)	0.8
Interest income	25	(71.5)	(57.7)
Bad trade receivables written off	32	0.8	-
Provision/(reversal) for doubtful trade receivables	11	1.8	2.2
Liability no longer required written back	25	-	(1.1)
Rental income	25	(1.4)	(1.3)
Net unrealised exchange gains/(losses)		0.3	(4.9)
Re-measurement of gains on defined benefit plans		(1.7)	1.2
Operating profit before changes in working capital		369.1	372.5
Changes in working capital			
Adjustments for (increase)/decrease in non-current assets:			
Other financial assets		(17.3)	(2.3)
Other non-current assets		10.5	(0.9)
Adjustments for (increase)/decrease in current assets:			
Inventories		88.5	(177.7)
Trade receivables		12.6	(67.6)
Other financial assets		(1.4)	0.7
Other current assets		(27.2)	58.2
Adjustments for increase/(decrease) in current liabilities:			
Trade payables		(113.5)	(19.3)
Other financial liabilities		(1.5)	(12.9)
Short term provisions		4.5	9.8
Other current liabilities		(111.7)	124.0
Cash generated from operating activities		212.6	284.5
Income tax paid		(121.9)	(121.2)
Net cash generated from operating activities (A)		90.7	163.3
B. CASH FLOW FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment		(51.4)	(40.3)
Proceeds from disposal of property, plant and equipment		0.7	0.8
Redemption/maturity of bank deposits		738.0	621.7
Investment in bank deposits		(803.4)	(756.0)
Interest received		69.5	52.6
Rental income		1.4	1.3
Net Cash generated from/(used) investing activities (B)		(45.2)	(119.9)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Rs Million

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
C. CASH FLOW FROM FINANCING ACTIVITIES (C)			
Finance costs (including interest on lease liabilities)	31	(4.3)	(2.7)
Payment of lease liabilities		20.0	-
Dividend paid		(3.6)	(3.6)
Tax on dividend		(0.7)	(0.7)
Net Cash used financing activities (C)		11.4	(7.0)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		56.9	36.4
Cash and cash equivalents as at the beginning of the year		97.1	60.7
Cash and cash equivalents at the end of the year		154.0	97.1
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		56.9	36.4
Cash and cash equivalents at the end of the year			
Comprises			
(a) In cash in hand		0.1	0.1
(b) In current accounts		93.9	82.0
(c) Deposit accounts		60.0	15.0
		154.0	97.1
See accompanying notes to the financial statements	1 to 44		

The above cash Statement of Cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash flows"

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Monisha Parikh
Partner

Amar Nath Mohanty
Chief Financial Officer

Place: Bengaluru
Date : June 3, 2020

G. Prasanna Baiyy
Company Secretary

For and on behalf of the Board of Directors

Deepa Hingorani
Director
DIN: 00206310

Lokesh Saxena
Managing Director
DIN: 07823712

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1. General information

- 1.1. DISA India Limited ("DISA India" or "the Company") along with its wholly owned subsidiary, Bhadra Castalloy Private Limited (formerly known as Bhadra Castalloys Private Limited), collectively called as "Group" is a leading equipment manufacturer with advanced foundry and surface preparation process technology. It supplies complete foundry systems with DISA range of moulding machines, sand mixers with combination of sand plant equipment, surface preparation machines and environmental control systems to customers across the country with its network of sales offices in New Delhi, Pune, Kolkata and Bengaluru with its two manufacturing plants located in Tumkur and Hosakote in Bengaluru, Karnataka.

- 1.2. The Group's consolidated financial statements were approved by the Company's Board of Directors on June 3, 2020.

2. Significant accounting policies

- 2.1. The financial statements of the Company have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

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

2.2. Basis of Preparation and Presentation

The Company consolidates an entity which it owns or controls. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

2.3. Functional currency

Consolidated financial statements are presented in Indian Rupees, which is the functional currency of the Group, and the currency of primary economic environment in which the Group operates. All the financial information presented in Indian Rupees has been rounded to the nearest million

except shares and earning per share data which are presented in absolute terms.

2.4. Use of estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities & disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected.

As a result of government mandates in response to the global pandemic Covid-19, the Group's manufacturing plants and offices were temporarily closed from March 23, 2020. The Group resumed its manufacturing operations on May 4, 2020 to the extent permitted by the government regulations. In management's estimate, there has not been a significant change in the carrying value of receivables, inventory or property, plant and equipment as a result of the pandemic or the temporary plant closures. The impact of the global health pandemic and any additional government mandates in response to the pandemic, on the Group's financial position may change following the date of approval of these consolidated financial statements.

Critical estimates and judgments:

Areas involving critical judgments are

- Note 12 – Inventories – Write down of inventories
- Note 35 – Estimation of defined benefit obligations
- Note 13 – Allowance for doubtful trade receivables - The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the company deals with.
- Note 4 – Property Plant and equipment - Indicators of impairment

3. Summary of significant accounting policies

3.1. Revenue Recognition

Revenue is measured at the fair value of consideration received or receivable and is net of goods & service tax, returns, discounts, sales incentives and other similar allowances. The Company recognizes revenue when the amount of revenue and its related cost can be reliably measured, and it is probable that future economic benefits will flow to the entity and specific criteria in relation to satisfaction of performance obligations have been met for each for the Company's activities described below:

3.1.1. Sale of goods

Sale of goods are accounted on satisfaction of performance obligation by transfer of control of the goods to the customer when the customer obtains control of the asset, the significant risks and rewards of ownership of the asset is transferred to the customers and the customers have accepted the assets. In case of machineries/equipment which together form part of a contract for a larger group of machinery, revenue is recognized only when all significant machinery/equipment is transferred.

3.1.2. Services

Revenue from a contract to provide services is recognized by reference to the stage of completion of the contract as and when the company satisfies performance obligations.

3.1.3. Export Entitlements

Export entitlements from government authorities are recognized in the statement of profit & loss when the right to receive credit as per the terms of the scheme is established in respect of exports made by the Group and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

3.1.4. Interest Income

Interest Income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable. Dividend Income is recognized in the statement of profit and loss when the right to receive dividend is established.

3.1.5. Commission Income

Commission Income is recognized on accrual basis as per the terms of the agreement.

3.2. Leases**3.2.1. Till March 31, 2019**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement

Operating lease: Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Finance Lessee: Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit

and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

3.2.2. With effective 1 April 2019

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. As per the modified retrospective approach the right-of-use asset is recognized at the date of initial application. The ROU asset is measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application. On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of Rs.18.8 Million and a lease liability of Rs. 20.0 Million.

Company as a Lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate. Certain lease arrangements include

the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The lease liability is measured at amortised cost using the effective interest method. The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'Other financial liabilities' in the statement of financial position.

Short-term leases and leases of low-value assets: The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.

3.3. Foreign currency transactions & translations

In preparing the consolidated financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions.

Monetary items denominated in foreign currencies are restated at the rates prevailing on the balance sheet date. Exchange differences on monetary items are recognized in the statement of profit or loss in the period in which those arise.

Non-monetary items denominated in foreign currencies that are measured at fair value, are restated to the functional currency at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not restated.

3.4. Employee benefits

Defined Contribution Plans:

3.4.1. Provident Fund, Superannuation Fund & ESIC

The Group's Provident Fund Scheme, Superannuation Fund and Employees' State Insurance are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.

3.4.2. Defined Benefit Plans

Gratuity

The Group has taken a Group Gratuity Policy and Group Leave Encashment Scheme with an insurance company. These constitute the Defined Benefit Plans of the Group.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur.

Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

3.4.3. Short term & Other Long-Term Employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees

up to the reporting date.

3.5. Taxation

Income tax expense for the year comprises of current and deferred tax using rates at the balance sheet date.

3.5.1. Current Tax

The current tax payable is based on taxable profit for the year and any adjustment to tax payable in respect of previous years, computed as per Income Tax Act 1961. The current tax is calculated using effective tax rates that have been enacted by the end of the reporting period.

3.5.2. Deferred Tax

Deferred tax is recognized on temporary timing differences between the carrying amounts of assets and liabilities in the consolidated financial statements using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period.

3.6. Property, plant and equipment

Property, plant & equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost (i.e., Purchase cost, Net of duties), less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, non - refundable taxes & duties, freight and other directly attributable costs to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Freehold land is not depreciated.

Items such as spare parts, stand-by equipment and servicing equipment are recognized as property, plant and equipment if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Depreciation on Property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

3.7. Investment Properties

Investment properties are properties held to earn rentals and / or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 40 requirements for cost model.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

3.8. Goodwill and Other Intangible Assets

3.8.1. Recognition

Goodwill represents the excess of the cost of an acquisition over the fair value of identifiable net assets acquired in a business combination. Goodwill is recognized as an asset and tested for impairment annually.

Other Intangible assets that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities) and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

Intangible assets, with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives of four years.

Computer software, except standard utility software packages which are not integral part of the hardware are classified as Intangible assets.

3.8.2. Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

3.9. Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if

any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. Corporate assets are also allocated to individual cash generating units when a reasonable and consistent basis of allocation can be identified, or otherwise corporate assets are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in statement of profit and loss.

3.10. Inventories

Raw materials, Components, Work-in-Progress, finished goods and Stock-in-trade are valued at lower of cost and net realizable value. Cost is ascertained on FIFO basis. Cost includes direct materials and where applicable direct labor costs and overhead costs that have been incurred in bringing the goods to the current location and condition. Work-in-progress and finished goods include appropriate proportion of overheads and where applicable.

3.11. Provisions

Provisions are recognized when the Group has a present obligation as a result of a past event that it is probable will result in an outflow of economic benefits that can be reasonably estimated.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

3.11.1. Warranties

Provisions for the expected cost of warranty obligations are recognized at the date of sale of the relevant products, based on the best estimate established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

3.12. Financial instruments

Financial assets and financial liabilities are recognized when

the Group becomes a party to the contractual provisions of the instruments and are recognized initially at fair value, and subsequently measured at either amortized cost or fair value through profit and loss or other comprehensive income. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (Other than financial assets recorded at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

3.13. Financial Assets

Recognition: Financial assets include investments, trade receivables, advances, security deposits, cash & cash equivalents.

Measurement: At initial recognition, the company measures a financial asset at its fair value. In the case of financial assets which are recognized at fair value through profit or loss (FVTPL), its transaction costs are recognized in the statement of profit & loss. In other cases, the transaction costs are attributed to the acquisition value of the financial assets.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or at fair value depending on the classification of the financial assets.

Effective interest method: The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Classification: The Group determines the classification of assets at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification. Financial assets are classified as those measured at:

- Amortized cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and or interest.
- Fair value through other comprehensive income (FVTOCI) where the financial assets are held not only for collection of cash flow arising from payment of principal and interest but also from sale of such assets. Such assets are subsequently measured at fair value with unrealized gains or losses arising from changes in the fair value being recognized in other comprehensive income.
- Fair value through profit and loss (FVTPL) where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale

decisions based on the fair value of such assets. Such assets are subsequently measured at fair value with unrealized gains and losses arising from changes in the fair value being recognized in the statement of profit and loss in the period in which they arise.

Trade receivables, advances, security deposits, cash & cash equivalents etc are classified for measurement at amortized cost while investment may fall under any one of the aforesaid classes.

Impairment: The Group assesses at each reporting date whether a financial asset such as investment, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or efforts. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Derecognition: A financial asset is derecognized only when the contractual rights to the cash flows from the asset expire or when the Group transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

3.14. Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations.

Classification: Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. All financial liabilities are subsequently measured at amortized cost using the effective interest method or FVTPL.

Financial liabilities at FVTPL: Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising in measurement recognized in profit or loss. Net gain or loss recognised in the profit or loss on the financial liability is included in the Other income or Finance cost line item.

Derecognition: A financial liability is derecognized only when the Group's obligations are discharged, cancelled or have expired.

Derivative financial instruments

Derivative financial instruments such as foreign exchange forward contracts, if any are held to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities. Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in the statement of Profit & Loss.

3.15. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or

payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

Cash for the purpose of cash flow statement comprises cash on hand and demand deposits with banks. Cash equivalents are short term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.16. Segment reporting

Operating segments are components of the Group whose operating results are regularly reviewed by the Chief Operating Decision Maker [CODM] to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Manufacturing and selling of foundry machinery and machinery parts is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance (refer note 40).

3.17. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

4 PROPERTY, PLANT AND EQUIPMENT

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:		
Freehold land*	33.3	32.9
Buildings*	95.2	96.9
Plant and machinery	48.0	52.4
Furniture and fixtures	3.2	2.9
Office equipment	3.5	2.6
Patterns	4.0	3.9
Vehicles	6.3	7.3
Computers	10.9	11.2
	204.4	210.1

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
Gross carrying amount									
Balance as on April 1, 2018	32.9	170.8	256.4	10.9	11.5	28.7	7.3	23.7	542.2
Additions	-	1.0	9.4	1.6	1.4	0.2	4.8	10.1	28.5
Deletions	-	-	0.1	-	-	-	3.2	-	3.3
Balance as on March 31, 2019	32.9	171.8	265.7	12.5	12.9	28.9	8.9	33.8	567.4
Additions	0.4	2.9	5.9	0.9	1.9	1.5	-	5.9	19.4
Transferred from Investment property	-	4.6	-	-	-	-	-	-	4.6
Deletions	-	-	5.2	-	1.3	-	-	5.0	11.5
Balance as on March 31, 2020	33.3	179.3	266.4	13.4	13.5	30.4	8.9	34.7	579.9

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
Accumulated depreciation									
Balance as on April 1, 2018	-	68.8	204.2	9.2	9.5	23.3	2.4	18.3	335.7
Depreciation expense for the year	-	6.1	9.2	0.4	0.8	1.7	0.8	4.3	23.3
Deletions	-	-	0.1	-	-	-	1.6	-	1.7
Balance as on March 31, 2019	-	74.9	213.3	9.6	10.3	25.0	1.6	22.6	357.3
Depreciation expense for the year	-	6.5	9.8	0.6	1.0	1.4	1.0	6.2	26.5
Transferred from Investment property	-	2.7	-	-	-	-	-	-	2.7
Deletions	-	-	4.7	-	1.3	-	-	5.0	11.0
Balance as on March 31, 2020	-	84.1	218.4	10.2	10.0	26.4	2.6	23.8	375.5

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
Carrying amount									
Balance as on April 1, 2018	32.9	102.0	52.2	1.7	2.0	5.4	4.9	5.4	206.5
Balance as on March 31, 2019	32.9	96.9	52.4	2.9	2.6	3.9	7.3	11.2	210.1
Balance as on March 31, 2020	33.3	95.2	48.0	3.2	3.5	4.0	6.3	10.9	204.4

* First equitable mortgage on immovable property being land and building situated at Tumkur and Hosakote has been offered as security for the purpose of overdraft facility.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

5 RIGHT-OF-USE ASSET

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:		
Building	18.9	-
	18.9	-
Particulars	Total	
Gross carrying amount		
Balance as on April 1, 2018		-
New leases taken during the year		-
Deletions		-
Balance as at March 31, 2019		-
Impact of adoption of Ind AS 116 (Refer Note 43)		29.7
Deletions		-
Balance as on March 31, 2020		29.7
Particulars	Total	
Accumulated depreciation		
Balance as on April 1, 2018		-
Depreciation expense for the year		-
Deletions		-
Balance as at March 31, 2019		-
Impact of adoption of Ind AS 116 (Refer Note 43)		10.9
Deletions		-
Balance as on March 31, 2020		10.9
Particulars	Total	
Carrying amount		-
Balance as on April 1, 2018		-
Balance as at March 31, 2019		-
Balance as on March 31, 2020		18.9

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

6 INVESTMENT PROPERTY Rs Million

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:	0.8	2.7
Investment property	0.8	2.7
Particulars	Investment Property	
Cost or deemed cost		
Balance as on April 1, 2018		7.4
Additions		-
Deletions		-
Balance as on March 31, 2019		7.4
Additions		-
Transferred to property, plant and equipment		4.6
Balance as on March 31, 2020		2.8
Particulars	Investment Property	
Accumulated depreciation		
Balance as on April 1, 2018		4.6
Depreciation expense for the year		0.1
Deletions		-
Balance as on March 31, 2019		4.7
Depreciation expense for the year		-
Transferred to property, plant and equipment		2.7
Balance as on March 31, 2020		2.0
Particulars	Investment Property	
Carrying amount		
Balance as on April 1, 2018		2.8
Balance as on March 31, 2019		2.7
Balance as on March 31, 2020		0.8

Fair value of the company's investment property :

Fair valuation of Investment Properties as at March 31, 2020 has been arrived at on the basis of valuation carried out as on respective dates by an independent valuer not related to company. The valuer is registered with the authority which governs the valuers in India, and in the opinion of management he has appropriate qualifications and recent experience in the valuation of properties. For all Investment properties, fair value was determined based on the capitalisation of net income methods where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The capitalisation rate adopted is made by reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuer's knowledge of the factors specific to the respective properties. Thus, the significant unobservable inputs are as follows:

1. Monthly market rent, taking into account the difference in location, and individual factors, such as frontage and size, between the comparable and the property; and
2. Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition. The fair value hierarchy for all investment properties is Level 2 and the fair values are as under:

Fair value as at March 31, 2020 is Rs. 25.7 Million and as at March 31, 2019 was Rs. 40.9 Million.

Expenses and income in respect of investment properties Expenses (excluding depreciation) amounting to Rs. 0.1 Million (Year ended March 31, 2019: Rs. 0.1 Million) in respect of repairs, electricity charges, security expenses etc. are included in Note 32 'Other Expenses' and income amounting to Rs. 1.4 Million (Year ended March 31, 2019: Rs. 1.3 Million) is included in Note 25 'Other income'

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

7 GOODWILL

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:	6.0	6.0
Goodwill	6.0	6.0
Gross carrying value		
At April 1, 2018		6.0
Additions		-
Disposals/Adjustments		-
At March 31, 2019		6.0
At April 1, 2019		6.0
Additions		-
Disposals/Adjustments		-
At March 31, 2020		6.0
Accumulated Amortization		
At April 1, 2018		-
Amortization expense/Impairment		-
Disposals/Adjustments		-
At March 31, 2019		-
At April 1, 2019		-
Amortization expense/Impairment		-
Disposals/Adjustments		-
At March 31, 2020		-
Net carrying value March 31,2020		6.0
Net carrying value March 31,2019		6.0
Net carrying value April 1,2018		6.0
Depreciation for the year		-
Eliminated on disposals		-
At March 31, 2020		6.0
Carrying amount:		
At April 1, 2018		6.0
At March 31, 2019		6.0
At March 31, 2020		6.0

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

8 OTHER INTANGIBLE ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:	2.0	0.8
Computer Software	2.0	0.8

Particulars	Computer Software
Cost or deemed cost	
Balance as on April 1, 2018	21.5
Additions	-
Deletions	-
Balance as on March 31, 2019	21.5
Additions	1.5
Deletions	-
Balance as on March 31, 2020	23.0

Particulars	Computer Software
Accumulated depreciation	
Balance as on April 1, 2018	20.4
Depreciation expense for the year	0.3
Deletions	-
Balance as on March 31, 2019	20.7
Depreciation expense for the year	0.3
Deletions	-
Balance as on March 31, 2020	21.0

Particulars	Computer Software
Carrying amount	-
Balance as on April 1, 2018	1.1
Balance as on March 31, 2019	0.8
Balance as on March 31, 2020	2.0

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

9 OTHER FINANCIAL ASSETS

a) Non-current

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits	9.2	10.9
Margin money fixed deposits with banks [refer note 15]	19.0	-
Total	28.2	10.9

b) Current

Particulars	As at March 31, 2020	As at March 31, 2019
Advances to employees	0.9	1.3
Security deposits	2.8	-
Interest accrued	22.7	20.7
Contractually reimbursable expenses	0.9	1.9
Total	27.3	23.9

10a DEFERRED TAX ASSET (NET)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax asset on:		
Provision for employee benefits	12.6	12.4
Provision for doubtful trade receivables	1.8	1.4
Sub total (A)	14.4	13.8
Deferred tax liabilities on:		
Property, Plant and equipment and intangible assets	7.5	9.1
Sub total (B)	7.5	9.1
Total (A)-(B)	6.9	4.7

Movement of deferred tax assets / liabilities
For the year ended March 31, 2020

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset on:				
Provision for employee benefits	12.4	(0.2)	0.4	12.6
Provision for doubtful trade receivables	1.4	0.4	-	1.8
Sub total (A)	13.8	0.2	0.4	14.4
Deferred tax liabilities on:				
Property, Plant and equipment and intangible assets	9.1	(1.6)	-	7.5
Sub total (B)	9.1	(1.6)	-	7.5
Total (A)-(B)	4.7	1.8	0.4	6.9

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2019				Rs Million
Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset on:				
Provision for employee benefits	13.1	(0.3)	(0.4)	12.4
Provision for doubtful trade receivables	1.3	0.1	-	1.4
Sub total (A)	14.4	(0.2)	(0.4)	13.8
Deferred tax liabilities on:				
Property, Plant and equipment and intangible assets	12.2	(3.1)	-	9.1
Sub total (B)	12.2	(3.1)	-	9.1
Total (A)-(B)	2.2	2.9	(0.4)	4.7

10b DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax asset on:		
Provision for employee benefits	0.4	0.3
Provision for compensated absences and other employee benefits	0.3	0.3
Preliminary Expenses	0.1	0.4
Sub total (A)	0.8	1.0
Deferred tax liabilities on:		
Property, Plant and equipment and intangible assets	2.1	2.0
Sub total (B)	2.1	2.0
Total (A)-(B)	1.3	1.0
Movement of deferred tax assets / liabilities		
For the year ended March 31, 2020		

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset on:				
Provision for employee benefits	0.3	0.1	-	0.4
Provision for compensated absences and other employee benefits	0.3	-	-	0.3
Preliminary Expenses	0.4	(0.3)	-	0.1
Sub total (A)	1.0	(0.2)	-	0.8
Deferred tax liabilities on:				
Property, Plant and equipment and intangible assets	2.0	0.1	-	2.1
Sub total (B)	2.0	0.1	-	2.1
Total (A)-(B)	1.0	0.3	-	1.3

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

For the year ended March 31, 2019

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset on:				
Provision for employee benefits	-	0.3	-	0.3
Provision for compensated absences and other employee benefits	-	0.3	-	0.3
Preliminary Expenses	-	0.4	-	0.4
Sub total (A)	-	1.0	-	1.0
Deferred tax liabilities on:				
Property, Plant and equipment and intangible assets	-	2.0	-	2.0
Sub total (B)	-	2.0	-	2.0
Total (A-B)	-	1.0	-	1.0

The applicable tax rates for the year ended March 31, 2019 and March 31, 2020 are 34.944% and 25.168% respectively

11 OTHER ASSETS

a) Non-current

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid rent	0.7	2.2
Prepaid expenses	0.7	-
Balance with government authorities	6.1	16.0
Other deposits	1.5	1.3
Total	9.0	19.5

b) Current

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	8.1	7.5
Prepaid rent	0.4	-
Advances to suppliers	8.6	10.2
Duty drawback receivable	4.6	5.5
Balance with government authorities	92.6	63.8
Others	1.0	1.1
Total	115.3	88.1

12 INVENTORIES

Particulars	As at March 31, 2020	As at March 31, 2019
(At lower of cost and net realisable value)		
Raw materials	254.6	310.4
[Goods in transit - Rs. 16.8 Million; (as at March 31, 2019 Rs. 18.3 Million)]		
Work-in-progress	279.1	298.7
Finished goods	6.4	21.4
Stock-in-Trade	22.6	20.7
Total	562.7	651.2

The cost of inventory recognised as an expense/(income) includes Rs. (1.7) Million (Year ended March 31, 2019: Rs. (4.8) Million) in respect of obsolete raw material, Nil (Year ended March 31, 2019 Rs. (0.1) Million), in respect of obsolete Work-in-progress Nil (Year ended March 31, 2019 Rs. (2.5) Million).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

13 TRADE RECEIVABLES

Rs Million

Particulars	As at March 31, 2020	As at March 31, 2019
Considered good - Unsecured	196.7	210.1
Doubtful trade receivables	6.6	4.9
	203.3	215.0
Less: Allowances for doubtful trade receivables	6.6	4.9
Total	196.7	210.1

Trade receivables are non-interest bearing and are generally on terms of 30-60 days

Movements in allowance for doubtful trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	4.9	2.7
Add: Provision created during the year	2.8	2.2
Less: Provision reversed during the year	1.1	-
Closing balance	6.6	4.9

14 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents:		
(a) Cash on hand	0.1	0.1
(b) Balance with banks:		
-In current accounts	93.9	82.0
-In deposit accounts	60.0	15.0
Total	154.0	97.1

15 OTHER BANK BALANCES

Particulars	As at March 31, 2020	As at March 31, 2019
Other balance with banks		
-Margin money fixed deposits with banks*	128.2	145.7
-In deposit accounts**	835.2	752.3
-Unpaid dividend accounts	0.3	3.2
Total	963.7	901.2

*Margin money fixed deposits with banks are held as security against guarantees and commitments.

**Pertain to fixed deposits with original maturity of more than three months.

16a CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance tax [Net of provision for tax :Rs. 463.1 Million (March 31, 2019 - Rs. 361.7 Million)]	40.7	22.9
Total	40.7	22.9

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

16b CURRENT TAX LIABILITIES (NET)

Rs Million

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for tax [Net of advance tax Rs. 377.2 Million (March 31, 2019 Rs. 377.2 Million)]	13.9	13.3
Total	13.9	13.3

17 SHARE CAPITAL

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised equity share capital:		
5,000,000 Equity shares of Rs.10 each	50.0	50.0
Issued, subscribed and fully paid up:		
1,454,205 Equity shares of Rs.10 each	14.5	14.5
Total	14.5	14.5

Notes:

i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year :

No of equity shares outstanding at the beginning of the year	14,54,205	14,54,205
Movement during the year	-	-
No of equity shares outstanding at the end of the year	14,54,205	14,54,205
Equity share capital at the beginning of the year (Rs. Million)	14.5	14.5
Movement during the year	-	-
Equity share capital at the end of the year (Rs. Million)	14.5	14.5

ii) Details of shares held by holding company, the ultimate holding company, their subsidiaries and associates:

Equity Shares		
Disa Holding AG, Switzerland	7,86,657	7,86,657
Disa Holding AS, Denmark	3,01,399	3,01,399
Disa Holding AG is a fully owned subsidiary of Disa Holding AS.		

iii) Details of shares held by each shareholder holding more than 5% shares:

Equity Shares		
Disa Holding AG, Switzerland	7,86,657	7,86,657
	54.10%	54.10%
Disa Holding AS, Denmark		
Disa Holding AG is a fully owned subsidiary of Disa Holding AS.	3,01,399	3,01,399
	20.73%	20.73%
Equity Shares are held by IDFC Premier Equity Fund	76,981	78,605
	5.29%	5.41%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

iv) Details of rights, preferences and restrictions in respect of equity shares :

The Company has one class of Shares referred to as Equity Shares with par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the share holders.

The Equity shareholders are entitled to receive dividend proposed (if any) by the Board of Directors which is subject to the approval of the shareholders in the Annual General meeting, except in case of Interim Dividend.

v) During the year ended March 31, 2017, the company had bought back 56,000 fully paid equity shares.

18 OTHER EQUITY

Particulars	As at March 31, 2020	As at March 31, 2019
Retained earnings	1,647.8	1,357.6
Buyback of equity shares	0.6	0.6
Capital reserve	1.5	1.5
Total	1,649.9	1,359.7

Particulars	As at March 31, 2020	As at March 31, 2019
A. Retained earnings		
Opening balance	1,357.6	1,075.0
Add : Profit for the year	295.8	286.1
Add : Other comprehensive income	(1.3)	0.8
Less: Dividend (Refer Note below)	3.6	3.6
Less: Tax on dividend (Refer Note below)	0.7	0.7
Balance at end of the year	1,647.8	1,357.6

Particulars	As at March 31, 2020	As at March 31, 2019
B. Buyback of equity shares		
Opening balance	0.6	0.6
Add : Movement during the year	-	-
Closing balance	0.6	0.6

Particulars	As at March 31, 2020	As at March 31, 2019
C. Capital reserve		
Opening balance	1.5	1.5
Movement during the year	-	-
Closing balance	1.5	1.5

Note

2019-20

The Board of Directors at its meeting on May 23, 2019 had recommended a final dividend of 25% (Rs 2.5 per equity share of par value Rs 10 each) for the financial year ended March 31, 2019 which was approved by the shareholders at the Thirty Fourth Annual General meeting of the Company held on August 8, 2019.

2018-19

The Board of Directors at its meeting on May 24, 2018 had recommended a final dividend of 25% (Rs 2.5 per equity share of par value Rs 10 each) for the financial year ended March 31, 2018 which was approved by the shareholders at the Thirty Third Annual General meeting of the Company held on August 9, 2018.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

19 OTHER NON CURRENT FINANCIAL LIABILITIES

Rs Million

Particulars	As at March 31, 2020	As at March 31, 2019
Lease Liabilities	17.2	-
Total	17.2	-

20 TRADE PAYABLES

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises (Refer note 42)	25.7	31.1
Total outstanding dues of creditors other than micro enterprises and small enterprises	167.7	273.7
Total	193.4	304.8

21 OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
Unpaid dividends	0.3	3.2
Payable on purchase of property, plant and equipment	-	2.6
Contractually reimbursable expenses	17.3	17.9
Other Payables	1.4	2.3
Lease Liabilities	2.8	-
Total	21.8	26.0

22 PROVISIONS

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for warranties *	10.5	11.9
Employee benefit payables (refer note 35)		
- Compensated absences	14.5	12.2
- Gratuity	20.7	17.1
Total	45.7	41.2

*Warranty provisions represents cost of commitment made by the Company during the time sale which are accrued at recognition of revenue and are expected to be utilized within a period of one year.

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	11.9	7.9
Provision made during the year	8.4	14.2
Utilisations during the year	9.8	10.2
Provisions at the end of the year	10.5	11.9

23 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory liabilities	12.3	11.3
Advances from customers	366.6	479.3
Total	378.9	490.6

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

24 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Sale of products (Refer note (i) below)	2,278.7	2,472.1
(b) Sale of services (Refer note (ii) below)	29.0	24.6
(c) Other operating revenue (Refer note (iii) below)	25.3	20.0
Total	2,333.0	2,516.7
Notes		
(i) Sale of products comprises :		
Manufactured goods :		
Machinery	1,647.8	1,802.8
Parts of machinery	425.8	466.4
Sale of Manufactured goods Sub Total - A	2,073.6	2,269.2
Traded goods :		
Parts of machinery	205.1	202.9
Sales of Traded goods Sub Total - B	205.1	202.9
Total sale of products - A + B	2,278.7	2,472.1
(ii) Sale of service comprises:		
Engineering services	4.8	7.4
Supervision of installation services	20.7	17.0
Others	3.5	0.2
Sales of services - Total	29.0	24.6
(iii) Other operating revenue comprises :		
Commission income	14.3	10.4
Sale of scrap	2.0	4.8
Export incentives	9.0	4.8
Other operating revenue - Total	25.3	20.0

25 OTHER INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest income (Refer note (i) below)	71.5	57.7
(b) Net gain on foreign currency transactions and translation	1.3	1.6
(c) Other non-operating income (Refer note (ii) below)	3.2	8.3
Total	76.0	67.6
Notes		
(i) Interest income comprises:		
Interest on:		
Bank deposits	70.7	57.3
Security deposits	0.8	0.4
Total	71.5	57.7

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

(ii) Other non-operating income comprises:

Royalty	1.3	1.8
Profit on sales of assets (net)	0.2	-
Rental income	1.4	1.3
Liability no longer required written back	-	1.1
Miscellaneous	0.3	4.1
Total	3.2	8.3

26 COST OF MATERIALS CONSUMED

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Stock	310.4	164.7
Add : Purchases	992.3	1,578.5
Less : Closing Stock	254.6	310.4
Cost of materials consumed	1,048.1	1,432.8

27 PURCHASE OF STOCK-IN-TRADE

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Parts of machinery	176.4	120.7
Total	176.4	120.7

28 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories at the end of the year:		
Finished goods	6.4	21.4
Work-in-progress	279.1	298.7
Stock-in-trade	22.6	20.7
Sub Total	308.1	340.8
Inventories at the beginning of the year:		
Finished goods	21.4	25.2
Work-in-progress	298.7	178.4
Stock-in-trade	20.7	33.4
Sub Total	340.8	237.0
Total	32.7	(103.8)

29 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages	336.3	315.2
Contributions to provident and other funds (refer note 35.2)	36.5	28.7
Staff welfare expenses	14.3	16.8
Total	387.1	360.7

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

30 FINANCE COSTS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest expense on:		
(i) Bank guarantee commission	1.1	1.6
(ii) Interest others	-	1.9
(iii) Security deposits	3.2	0.5
Total	4.3	4.0

31 DEPRECIATION AND AMORTISATION

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on property, plant and equipment (refer note 5)	26.5	23.3
Amortisation on intangible assets (refer note 7)	0.3	0.1
Depreciation on ROU assets (refer note 5)	10.9	-
Depreciation on investment properties (refer note 6)	-	0.1
Total	37.7	23.5

32 OTHER EXPENSES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Power and fuel	20.9	20.8
Rent	-	10.6
Repairs and maintenance - Buildings	4.3	10.7
Repairs and maintenance - Machinery	3.7	4.0
Repairs and maintenance - Others	5.2	4.9
Insurance	10.1	8.9
Rates and taxes	7.3	3.7
Travelling and conveyance	46.4	46.7
Legal and professional charges	14.7	14.4
Payments to auditors (refer note (i) below)	4.8	4.4
Security expenses	10.3	10.4
Telephone, postage and courier	2.7	2.5
Printing and stationery	1.5	2.3
Freight outwards	18.9	10.3
Commission expenses	14.0	6.2
Recruitment and training	3.0	3.3
Group management fees	31.1	28.5
Directors sitting fees and commission	2.0	1.8
Royalty	24.9	37.4
IT costs	1.5	2.2
Group IT costs	51.3	49.5
Expenditure on corporate social responsibility (refer note (ii) below)	5.6	4.3
Bad Debts written off	0.8	-
Provision for doubtful trade receivables (net of provision reversal Rs.1.0 Million; year ended March 31, 2020 : Rs. Nil)	1.8	2.2
Advertisement and sales promotion	3.5	2.1
Net loss on foreign currency transactions and translation	0.4	-
Loss on sale of property, plant and equipment	-	0.8
Contract worker expenses	4.4	4.5
Miscellaneous expenses	28.6	43.2
Total	323.7	340.6

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Note:		
(i) Payments to auditors comprises (Net of taxes) :		
(a) Statutory auditors		
Statutory audit	3.5	2.9
Tax Audit	0.6	0.6
Other services	0.4	0.4
Reimbursement of expenses	0.3	0.5
Sub Total	4.8	4.4
(b) Cost auditors		
Cost audit fee	0.2	0.2
Sub Total	0.2	0.2
Total	5.0	4.6
(ii) Expenditure on corporate social responsibility		
(a) Gross amount required to be spent by the company	4.0	4.0
(b) Amount spent		
(i) Amount paid during the year towards		
- On purposes other than above	5.6	4.3
(c) Yet to be paid in cash	-	-

33 INCOME TAXES

A INCOME TAX RECOGNISED IN STATEMENT OF PROFIT AND LOSS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax		
In respect of the current year	104.7	121.6
	104.7	121.6
Deferred tax		
In respect of the current year	(1.5)	(1.9)
	(1.5)	(1.9)
Total income tax expenses recognised in the current year	103.2	119.7

B INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Deferred tax charge / (benefit)		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	(0.4)	0.4
	(0.4)	0.4
Bifurcation of the income tax recognised in other comprehensive income in to		
Items that will not be reclassified to profit or loss	(0.4)	0.4
	(0.4)	0.4
Reconciliation of effective tax rate		
Profit before income taxes	399.0	405.8
Applicable tax rate	25.17%	29.12%
Expected income tax expenses	100.5	118.0
Adjustments to reconcile expected tax expenses to reported income tax expenses		
Effect of expenses not deductible in determining taxable profit	1.4	1.2
Effect on deferred tax balances due to change in income tax rate from 29.12 to 25.17 (PY 34.61% to 29.12%)	1.3	0.5
	2.7	1.7
Adjusted income tax expenses	103.2	119.7
Effective tax rate	25.85%	29.50%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

34 EARNINGS PER SHARE (EPS)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Basic and Diluted Profit attributable to equity share holders (Rs. in Million)	295.8	286.1
Nominal Value of equity share (Rs./Share)	10.0	10.0
Weighted average number of ordinary equity share for Basic EPS (Nos.)	14,54,205	14,54,205
Basic and Diluted EPS (Rs./Share)	203.41	196.74

35 EMPLOYEE BENEFITS

As per Ind AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

1. Defined Benefit Plans

I. Expenses recognized in the Statement of Profit and Loss and Other Comprehensive Income for the year:

Particulars	Gratuity	
	In Million	
	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	5.7	5.0
Interest Cost	1.1	0.8
Amount recognised in Statement of Profit and Loss	6.8	5.8
Actuarial (gain)/loss		
a) arising from changes in financial assumption	(2.9)	1.7
b) arising from experience adjustments	4.7	0.3
c) arising from demographic assumption	-	0.3
Return on Plan assets excluded amount included in interest income	(0.1)	(3.5)
Amount recognised in other comprehensive income	1.7	(1.2)
Total	8.5	4.6

II. Reconciliation of opening and closing balances of defined benefit obligation:

Particulars	Gratuity	
	In Million	
	Year ended March 31, 2020	Year ended March 31, 2019
Defined benefit obligation at beginning of the year	71.3	60.8
Current service cost	5.7	5.0
Interest cost	5.1	4.4
Actuarial losses (gains)	1.8	2.3
Benefits paid	(8.8)	(1.2)
Defined benefit obligation at the end of the year	75.1	71.3

III. Reconciliation of Opening and Closing balances of fair value of plan assets:

Particulars	Gratuity	
	In Million	
	Year ended March 31, 2020	Year ended March 31, 2019
Fair value of plan assets at beginning of the year	54.2	47.2
Expected return on plan assets	4.0	3.6
Return on Plan assets excluded amount included in interest income	0.1	3.5
Contributions by employer	4.9	1.1
Benefits paid	(8.8)	(1.2)
Fair value of plan assets at end of the year	54.4	54.2

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

IV. Investment details:

Particulars	%invested as at Year ended March 31, 2020	%invested as at Year ended March 31, 2019
Investment with insurer (Investment in Policy of LIC)	100%	100%

V. The Principal assumption used in determining gratuity obligations are as follows:

Particulars	Gratuity	
	In Million	
	Year ended March 31, 2020	Year ended March 31, 2019
Mortality Table (LIC)	2006-08 (IALM)	2006-08 (IALM)
Discount Rate (per annum)	6.60%	7.70%
Rate of escalation in salary (per annum)	9.00%	9.00%

Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

These plans typically the Group to actuarial risk such as interest rate risk and salary risk.

- Interest risk: a decrease in the bond interest rate will increase the plan liability.
- Salary risk: the present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, a variation in the expected rate of salary increase of the plan participants will change the plan liability.

VI. Sensitivity Analysis

Significant actuarial assumptions for the determination of defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	Gratuity	
	In Million	
	Year ended March 31, 2020	Year ended March 31, 2019
Impact in present value of defined benefit obligation:		
If discount rate is increased by 0.5%	(2.3)	(2.0)
If discount rate is decreased by 0.5%	2.3	2.1
If salary escalation rate is increased by 0.5%	2.1	2.1
If salary escalation rate is decreased by 0.5%	(2.1)	(2.0)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

VII. Asset Liability Matching Strategies

The Group has purchased insurance policy, which is basically a year-on year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The Insurance Company, as part of the policy rules, makes payment of all gratuity out goes happening during the year (subject to sufficiency of funds under the policy). The policy thus mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

VIII. Effect of Plan on Entity's Future Cash Flows

(i) Funding arrangements and Funding Policy

The Group has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.

(ii) Expected contribution during the next annual reporting period

The Group's best estimate of Contribution during the next year is Rs. 6.9 Million.

IX. Expected outflow in future years (as provided in actuarial report)

Particulars	Gratuity	
	In Million	
	Year ended March 31, 2020	Year ended March 31, 2019
Expected outflow in 1st Year	6.9	6.7
Expected outflow in 2nd Year	11.2	13.6
Expected outflow in 3rd Year	7.8	8.4
Expected outflow in 4th Year	10.6	9.0
Expected outflow in 5th Year	6.8	13.2
Expected outflow in 6th to 10th Year	30.4	45.3

2. Defined Contribution Plans.

Contribution of Defined Contribution Plan, recognized as expense for the year are as under:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Employer's Contribution to Provident Fund	16.7	15.2
Employers' Contribution to Superannuation Fund	8.1	7.4
Employers' Contribution to ESIC	0.1	0.1

3. Actuarial Assumptions - Compensated Absences

Particulars	Compensated Absences	
	Year ended March 31, 2020	Year ended March 31, 2019
Mortality Table (LIC)	2006-08 (IALM)	2006-08 (IALM)
Discount Rate (per annum)	6.60%	7.70%
Rate of escalation in salary (per annum)	9.00%	9.00%

36 CAPITAL AND OTHER COMMITMENTS

Particulars	Balance as at March 31, 2020	Balance as at March 31, 2019
Estimated amount of contracts remaining to be executed on capital accounts not provided for	-	1.0

37 CONTINGENT LIABILITIES

Particulars	Balance as at March 31, 2020	Balance as at March 31, 2019
Claims against company not acknowledged as debt *		
Service tax	-	0.6
CST/VAT	9.0	19.4
Excise duty	2.0	1.4
Income tax	13.1	13.1

*Outflow, if any, arising out of the said claim including interest would depend on the outcome of the decision of the appellate authority and the Company's right for future appeal before the judiciary.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

38 FINANCIAL INSTRUMENTS

(i) Financial assets and liabilities

The carrying value and fair value of financial instrument by category is as follows

(ii) Categories of Financial Instruments

Particulars	Balance as at March 31, 2020	Balance as at March 31, 2019
(A) Financial assets		
Measured at amortised cost		
(a) Cash and bank balances	1,117.7	998.3
(b) Trade receivables	196.7	210.1
(c) Other financial assets	55.5	34.8
Total	1,369.9	1,243.2
(B) Financial liabilities		
Measured at amortised cost		
(a) Trade payables	193.4	304.8
(b) Other financial liabilities	21.8	26.0
Total	215.2	330.8

The Carrying amount reflected above represents the Group's maximum exposure to credit risk for such financial assets.

(iii) Fair value hierarchy:

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(iv) Financial risk management objectives

The Group's financial liabilities comprise mainly of trade payables and other payables. The Company's financial assets comprise mainly of cash and cash equivalent, other balance with banks, loans, trade receivable and other receivable. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

(v) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, currency risk and other risk. Financial instruments affected by market risk includes trade payable, trade receivable, bank deposits, loans and advances.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Group has interest bearing bank deposits which are carrying fixed rate of interest, the exposure to risk of changes in market interest rates is minimal. The Group has not used any interest rate derivatives.

b) Foreign Currency Risk

Foreign Currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Group does not enter into any derivative instruments for trading or speculative purposes.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

The carrying amount of the Group's Foreign Currency denominated monetary items are as follow:

Particulars	Balance as at March 31, 2020	Balance as at March 31, 2019
Liabilities		
EURO	45.3	72.1
USD	22.5	49.8
Total Liabilities	67.8	121.9
Assets		
EURO	30.2	9.2
USD	7.5	3.4
GBP	0.3	1.9
Total Assets	38.0	14.5

Foreign Currency sensitivity analysis

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Euro and US Dollar.

The following table details the Group's sensitivity to a 10% increase and decrease in the Rupees against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes receivables and payable in currency other than the functional currency of the Group.

A 10% strengthening of the INR against key currencies to which the Group is exposed (net of hedge) would have led to additional gain in the Statement of Profit and Loss. A 10% weakening of the INR against these currencies would have led to an equal but opposite effect.

Analysis of 10% strengthening of the INR

Particulars	EURO Impact (net of tax)	
	Balance as at March 31, 2020 (Rs.in Million)	Balance as at March 31, 2019 (Rs.in Million)
Impact on profit or loss for the year	(1.1)	(4.5)
Impact on total equity as at the end of the reporting period	1.1	4.5

Particulars	USD Impact (net of tax)	
	Balance as at March 31, 2020 (Rs.in Million)	Balance as at March 31, 2019 (Rs.in Million)
Impact on profit or loss for the year	(1.1)	(3.3)
Impact on total equity as at the end of the reporting period	1.1	3.3

(vi) Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, derivative financial instruments, other balances with banks, loans and other receivables.

(a) Trade receivables management

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The Provision matrix takes into account historical credit loss experience and adjusted for forward -looking information.

The reversal/allowance for life time expected credit loss on customer balances for the year ended is disclosed in Note 13.

(b) Other financial assets

Credit risk arising from derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are nationalised and private banks.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

(vii) Liquidity Risk

Liquidity risk refers to the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The objective of liquidity risk management, is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents.

The following table detail the analysis of derivative as well as non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total
As at March 31, 2020				
Trade payables (Refer Note 19)	193.4	-	-	193.4
Other financial liabilities (Refer Note 19 & 21)	21.8	17.2	-	39.0
As at March 31, 2019				
Trade payables (Refer Note 19)	304.8	-	-	304.8
Other financial liabilities (Refer Note 19 & 21)	26.0	-	-	26.0

(viii) Capital management

The Group manages its capital structure with a view to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The Group's management reviews the capital structure of the Group on an annual basis. As part of this review, the management considers the cost of Capital and the risks associated with each class of capital. The Group does not have any borrowings and its entire capital is funded through equity.

39 RELATED PARTY DISCLOSURES

a) Related parties and their relationship

Nature of relationship	Name of the relationship
Ultimate holding company	Norican Global A/S
Holding Company	DISA Holding AG
Fellow Subsidiaries	DISA Industrie AG DISA Technologies Private Ltd. DISA Industries A/S DISA K.K. DISA (Changzhou) Machinery Ltd. Wheelabrator Czech s.r.o. Wheelabrator Group GmbH Wheelabrator Group Ltd. DISA Industries, Inc. Norican A/S DISA Holding A/S Italtipresse Industrie SpA Castalloy Inc, USA Wheelabrator Group (Canada) ULC
Key management personnel	Mr. Andrew Thomas Carmichael (up to July 12, 2019) Mr. Anders Wilhelm (from July 12, 2019) Mr. Viraj Naidu (up to July 12, 2019) Mr. Lokesh Saxena - Managing Director Ms. Deepa Hingorani Mr. Sanjay Arte Mr. Andrew J Matsuyama (from July 12, 2019) Ms. Ulla P Tonnesen (from July 12, 2019) Mr. Shymal Kumar Sinha Mr. Amarnath Mohanty - CFO

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

b) Details of related party transactions during the year ended March 31, 2020 and balances outstanding as at March 31, 2020

Name of the related party	Nature of transactions	Amount (Rs. in Million)	Outstanding balance as at March 31, 2020 (Rs. in Million)	Outstanding balance as at March 31, 2019 (Rs. in Million)
DISA Industries AG	Royalty expenses	5.9 (7.9)	Cr.0.3	Cr.3.1
	Reimbursement of expenses (receivable)	0.1 -		
DISA Technologies Private Ltd.	Service charges	5.5 (6.4)	Nil	Nil
	Reimbursement of expenses (Payable)	0.2 -		
DISA Industries A/S	Royalty expenses	17.0 (27.2)	Cr.5.1	Cr.56.4
	Service charges paid	- (0.3)		
	Import material	156.0 (202.3)		
	Service income	0.7 (1.4)		
	Export / sale of materials	99.1 (27.1)		
	Reimbursement of expenses (receivable)	6.1 (0.7)		
	Reimbursement of Warranty	- (0.1)		
	Commission received	12.5 (10.6)		
DISA K.K.	Export / sale of materials	12.5 (0.3)	Nil	Cr.3.7
DISA (Changzhou) Machinery Ltd.	Import material	6.8 (24.4)	Cr.1.7	Cr.0.8
	Export / sale of materials	1.7 (3.5)		
	Service income	- (0.7)		
	Royalty income	1.3 (1.8)		
Wheelabrator Czech s.r.o.	Import material	22.5 (29.2)	Cr. 2.3	Cr. 4.3
	Service fees	- (0.5)		
Wheelabrator Group GmbH	Royalty expenses	2.0 (2.3)		
	Commission received	1.3 -		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

Name of the related party	Nature of transactions	Amount (Rs. in Million)	Outstanding balance as at March 31, 2020 (Rs. in Million)	Outstanding balance as at March 31, 2019 (Rs. in Million)
	Service income	- (0.5)		
	Reimbursement of expenses (receivable)	0.1 -	Nil	Nil
Wheelabrator Group Ltd. USA	Reimbursement of expenses (Payable)	- (0.3)		
	Import material	2.0 (3.1)		
	Service income	3.4 (3.9)	Nil	Cr.0.4
Striko Westofen GMBH	Reimbursement of expenses (Receivable)	- (0.1)	Nil	Nil
DISA Industries, Inc.	Export / sale of materials	0.6 (1.2)	Nil	Dr.0.1
Norican A/S	Group Management fee	30.1 (27.3)		
	Group IT fee	51.3 (49.5)		
	Reimbursement of expenses (Payable)	1.0 (1.2)	Cr.17.3	Cr.17.9
Castalloy Inc, USA	Export / sale of materials	21.3 (17.0)	Dr.5.5	Dr.7.6
Castalloy UK	Export / sale of materials	0.3 -	Dr.0.3	Nil
Italpresse Industrie SpA	Purchase of material	0.1 -	Cr.0.1	Nil
Mr.Lokesh Saxena	Remuneration paid	12.6 (11.4)	Nil	Nil
Ms.Deepa Hingorani	Commission and sitting fees paid	0.7 (0.7)	Cr.0.3	
Mr.Shymal Kumar Sinha	Commission and sitting fees paid	0.5 (0.6)	Cr.0.3	
Mr.Sanjay Arte	Commission and sitting fees paid	0.8 (0.5)	Cr.0.4	
Mr.Amarnath Mohanty	Remuneration paid	9.2 (9.3)	Nil	Nil

* Figures in brackets represent previous year numbers

Notes:

- The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company, which has been relied upon by the auditors.
- The above transactions are compiled from the date these parties became related.
- No amounts in respect of related parties have been written off/ back or provided for during the year.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

40 SEGMENT REPORTING

Entity - wide disclosures :

(i) Revenues from customers :

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
India	2,059.6	2,358.7
Outside India	273.4	158.0

(ii) Non-Current Assets :

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
India	276.2	256.6
Outside India	-	-

Non-current assets include property, plant and equipment, intangible assets, investment property capital advances and pre-paid expenses. It is allocated based on the geographic location of the respective assets.

(iii) Major customers :

The Group has no customer which accounts for more than 10% of the Group's total revenue for the year ended March 31, 2020 and March 31, 2019.

41 ADDITIONAL INFORMATION AS REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013

Name of entity	Share of net assets As at March 31, 2020		Share of Profit or Loss As at March 31, 2020		Share of Other comprehensive income As at March 31, 2020		Share of Total comprehensive income As at March 31, 2020	
	As % of consolidated net assets	Amount (In million)	As % of consolidated profit or loss	Amount (In million)	As % of consolidated other comprehensive income	Amount (In million)	As % of consolidated total comprehensive income	Amount (In million)
Parent DISA India Limited	98.5%	1,640.2	96.6%	285.6	92.3%	(1.2)	96.6%	284.4
Subsidiary (Indian) Bhadra Castalloy Private Limited	1.5%	24.2	3.4%	10.2	7.7%	(0.1)	3.4%	10.1

42 DISCLOSURES UNDER THE MSMED ACT, 2006

Disclosure under Micro, Small and Medium Enterprises Development Act ,2006

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	25.7	31.1
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amount of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of interest due and payable for the year	-	-
(vii) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note:

The above is determined to the extent such parties have been identified on the basis of information collected by the Management and this has been relied upon by the auditors.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

43 LEASES

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right-of-Use' asset of Rs.29.7 Million, related accumulated depreciation of Rs. 10.9 Million and a lease liability of Rs 20.0 Million (Current portion: Rs. 2.8 Million, Non-current portion: Rs. 17.2 Million). The effect of this adoption is insignificant on the profit for the year and earnings per share.

Reconciliation of operating lease commitments as at March 31, 2019 with the lease liabilities recognised in the balance sheet as at April 1, 2019

Operating lease commitments as at March 31, 2019	3,47,47,848
Discounted using the incremental borrowing rate as at April 1, 2019	9.9%
Recognition exemption for short term leases	-
Lease liabilities recognised as at April 1, 2019	2,97,34,107

44 PROPOSED DIVIDEND

The Board of Directors in their meeting held on June 3, 2020, proposed a final equity dividend of Rs. 2.5 per equity share of Rs 10.00 each fully paid up for the year 2019-20. The aggregate amount of final equity dividend proposed to be distributed is Rs 3.6 Million.

For and on behalf of the Board of Directors

Amar Nath Mohanty
Chief Financial Officer

Deepa Hingorani
Director
DIN: 00206310

Lokesh Saxena
Managing Director
DIN: 07823712

Place: Bengaluru
Date : June 3, 2020

G. Prasanna Baiyy
Company Secretary

DISA INDIA LIMITED

CIN: L85110KA1984PLC006116

Registered Office: 5th Floor, Kushal Garden Arcade, 1A, Peenya Industrial Area, Peenya 2nd Phase, Bengaluru - 560058
Telephone: +91 80 40201403/04 Email: investor.relations@disagroup.com Web: www.disagroup.com

June 3, 2020

Dear Shareholder,

The Ministry of Corporate Affairs, Government of India ("MCA") has, by its circular dated April 21, 2011 announced a "Green Initiative in the Corporate Governance" by allowing paperless compliance by companies. In terms of the said circular, service of notice/documents by a Company to its shareholders required to be made under the provisions of the Companies Act, 2013 can be made through the electronic mode.

In line with the above initiative of the MCA, the Company proposes to send documents such as the Notice of the Annual General Meeting, Audited financial statements, Board's Report, Independent Auditors' Report, Secretarial Audit Report, Poll Papers etc., henceforth to all its esteemed shareholders, including your good self, in electronic form, through e-mail. To facilitate the same, we request you to furnish our e-mail id, quoting your folio number/DPID/Client ID to our Registrar and share Transfer Agent at the following address:

Integrated Registry Management Services Private Limited

No. 30, Ramana Residency,
4th Cross, Sampige Road,
Malleswaram, Bengaluru – 560 003.
Phone : 080-23460815-18, Fax : 080-23460819,
E-mail : irg@integratedindia.in

We are sure you would appreciate this welcome initiative taken by the MCA to reduce consumption of paper and thereby, protect the environment.

We expect to receive your support and co-operation in helping the Company to contribute its share to the said initiative.

Thanking you

Yours faithfully

For DISA India Limited

G. Prasanna Bairy

General Manager - Finance & Company Secretary

DISA INDIA LIMITED

CIN: L85110KA1984PLC006116

Registered Office: 5th Floor, Kushal Garden Arcade, 1A, Peenya Industrial Area, Peenya 2nd Phase, Bengaluru - 560058
Telephone: +91 80 40201403/04 Email: investor.relations@disagroup.com Web: www.disagroup.com

ECS MANDATE FORM

Members Holding Shares in Demat Form

Please inform ;
Integrated Registry Management Services Private Limited
No. 30, Ramana Residency,
4th Cross, Sampige Road, Malleswaram, Bengaluru – 560 003.

Members Holding Shares in Physical Mode

Please inform : Your DPs directly
(if not done earlier)

I hereby consent to have the amount of Dividend on my Equity Shares credited through the Electronic Clearing Service (Cash Clearing) (ECS) The particulars are:

1. Folio No. /Certificate No.	
2. Name of the 1st Holder	
3. Name of the Bank	
4. Full Address of the Branch	
5. Account number	
6. Account Type (Please tick the relevant account)	Savings /Current/Cash Credit
7. 9 Digit Code Number of the Bank appearing on the MICR cheque issued by the Bank (Please attach a photocopy of a cheque for verifying the accuracy of the Code Number)	

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I will not hold the Company responsible.

Signature of the 1st Holder

As per the

Specimen signature with the Company

Name :

Address :

Date :

DISA India Events

Over 100 delegates representing more than 50 foundries from across India have taken part in an event dedicated to building knowledge and fostering innovation. DISA India welcomed visitors to the historic Maharashtra city of Kolhapur for its annual DISA Customers' Day where, for the first time in the event's history, delegates received behind-the-scenes tours around three of India's most advanced foundries – with all equipment on show supplied as part of DISA India's Complete Foundry offering.

**Demonstrating
Indian foundry
innovation:
advanced technology
in action at unique
DISA
customer event**



A DISA FLEX 70HS moulding line was a highlight of the first stop: a tour of Zanvar Group's Kasturi foundry which also showcased a DISA sand plant, TM 285 mixer and a Wheelabrator shot blast machine.

New Melting Centre, the second foundry to open its doors for the event, proudly demonstrated its successful implementation of a "Complete Foundry with DISAMATIC C3-250 moulding line", a major development in a region still largely reliant on horizontal moulding lines.



Mauryaa Alloys completed the trio of tours. Here, delegates learned how DISA India helped Mauryaa construct its integrated, modern foundry and had the opportunity to view the DISA MATCH 24/28 moulding line in operation – one of the most compact lines in India.

DISA India Limited

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We are Norican

DISA | Italpresse Gauss | StrikoWestofen | Wheelabrator

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DISAMATIC® is a registered trademark of DISA Industries A/S.

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