

BHADRA CASTALLOY PRIVATE LIMITED
(formerly known as Bhadra Castalloys Private Limited)
CIN U27200KA2015PTC084976
BALANCE SHEET AS AT

Particulars	Note No.	Rs Million	
		As at March 31, 2019	As at March 31, 2018
A ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	4	55.8	53.6
(b) Goodwill	5	6.0	6.0
(c) Other non-current assets	7a	1.3	1.1
Total non-current assets		63.1	60.7
2 Current assets			
(a) Inventories	8	8.5	9.3
(b) Financial Assets			
(i) Trade receivables	9	21.2	20.9
(ii) Cash and cash equivalents	10	19.8	13.0
(iii) Other financial assets	11	0.4	0.1
(c) Other current assets	7b	1.0	0.4
Total current assets		50.9	43.7
Total assets		114.0	104.4
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	12	44.0	44.0
(b) Other equity	13	14.1	6.0
Total Equity		58.1	50.0
2 Non-current liabilities			
(a) Deferred tax liabilities - (net)	6	1.0	0.6
Total non-current liabilities		1.0	0.6
3 Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	15	26.0	17.5
(ii) Trade payables	16		
(A) Total outstanding dues of micro enterprises and small enterprises		0.5	0.4
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		13.3	12.5
(iii) Other financial liabilities	14	12.0	21.8
(b) Provisions	17	1.4	0.6
(c) Current tax liabilities (net)	18	0.1	0.1
(d) Other current liabilities	19	1.6	0.9
Total current liabilities		54.9	53.8
Total equity and liabilities		114.0	104.4

See accompanying notes forming part of the financial statements

In terms of our report attached

For R.G.N Price & Co.
Chartered Accountants
Firm Reg No. 002785S

S. Aditya Kumar
Aditya Kumar S.
Partner
Membership No. 232444



For and on behalf of the Board of Directors

Lokesh Saxena
Lokesh Saxena
Director
DIN: 07823712

Ramachar L
Ramachar L
Director
DIN: 02701965

Place: Bangalore
Date: May 24, 2019

BHADRA CASTALLOY PRIVATE LIMITED
(formerly known as Bhadra Castalloys Private Limited)
STATEMENT OF PROFIT AND LOSS

		Rs Million		
Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018	
I	Revenue from operations	20	112.6	101.8
II	Other income	21	0.9	0.3
III	Total Income (I+II)		113.5	102.1
IV	EXPENSES:			
	(a) Cost of raw materials and components consumed	22a	61.1	58.5
	(b) Changes in inventories and work-in-progress	22b	1.0	(1.3)
	(c) Excise duty on sale of goods	23	-	2.9
	(d) Employee benefits expense	24	12.5	11.2
	(e) Finance costs	25	2.5	1.7
	(f) Depreciation and amortization expense	26	2.5	2.5
	(g) Other expenses	27	22.6	20.5
	Total expenses (IV)		102.2	96.0
V	Profit before tax (III-IV)		11.3	6.1
VI	Tax Expenses:	28		
	(a) Current tax		2.6	1.1
	(b) Deferred tax		0.4	0.8
	Total tax expenses (a+b)		3.0	1.9
VII	Profit for the year (V-VI)		8.3	4.2
VIII	Other comprehensive income	29		
	(A) (i) Items that will not be reclassified to profit or loss:			*
	(a) Re-measurement gains/(losses) on defined benefit plans		(0.2)	-
	(A) (ii) Income tax relating to items that will not be reclassified to profit or loss:			
	(a) Re-measurement gains/(losses) on defined benefit plans		-	-
	Total other comprehensive income (A((i)+(ii)))		(0.2)	-
	* Re-measurement gains/(losses) on defined benefit plans 2017-18 Rs.17,198			
	Total comprehensive income for the year (VII+VIII)		8.1	4.2
	Earnings per equity share(face value of Rs 10 /- each):	33.5		
	(a) Basic - Rs.		1.89	0.95
	(b) Diluted - Rs.		1.89	0.95

See accompanying notes forming part of the financial statements

In terms of our report attached

For R.G.N Price & Co.
Chartered Accountants
Firm Reg No. 0027855

Aditya Kumar
Aditya Kumar S.
Partner
Membership No. 232444



For and on behalf of the Board of Directors

Lokesh Saxena
Lokesh Saxena
Director
DIN:07823712

Ramachar L
Ramachar L
Director
DIN: 02701965

Place: Bangalore
Date : May 14, 2019

BHADRA CASTALLOY PRIVATE LIMITED
(formerly known as Bhadra Castalloys Private Limited)
CASH FLOW STATEMENT

Particulars	Note No.	Rs Million	
		For the year ended March 31, 2019	For the year ended March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		11.3	6.1
Adjustment for:			
Depreciation and amortization		2.5	2.5
Finance cost		2.5	1.7
Interest income		(0.8)	(0.3)
Liabilities no longer required written back		-	-
Net unrealized exchange gains/(losses)		(0.1)	-
Re-measurement of gains/(losses) on defined benefit plans		(0.2)	-
Operating profit before changes in working capital		15.2	10.0
Changes in working capital			
Adjustments for (increase)/decrease in current assets:			
Inventories		0.8	(1.1)
Trade receivables		(0.3)	(6.0)
Other financial assets		(0.3)	-
Other current assets		(0.6)	(0.1)
Adjustments for increase/(decrease) in current liabilities:			
Trade Payables		1.0	2.8
Other financial liabilities		0.7	0.6
Short Term Provisions		0.8	0.4
Other Current Liabilities		0.7	0.3
Adjustments for (increase)/decrease in non-current assets:			
Other non-current assets		(0.2)	-
Cash generated from operating activities		17.8	6.9
Income tax paid (net of refunds)		(2.6)	(1.1)
Net Cash generated from operating activities (A)		15.2	5.8
A. CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(2.1)	(2.4)
Paid under Asset purchase agreement		(12.7)	-
Interest received		0.8	0.3
Net Cash generated from/(used) investing activities (B)		(14.0)	(2.1)
A. CASH FLOW FROM FINANCING ACTIVITIES			
Finance cost		(2.5)	(1.7)
Proceeds from loans from holding company		8.5	-
Interest accrued on loans from holding company		(0.4)	1.6
Net Cash used financing activities (C)		5.6	(0.1)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		6.8	3.6
Cash and cash equivalents as at March 31, 2018		13.0	9.4
Cash and cash equivalents as at March 31, 2019		19.8	13.0
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		6.8	3.6



BHADRA CASTALLOY PRIVATE LIMITED
 (formerly known as Bhadra Castalloys Private Limited)
CASH FLOW STATEMENT

Particulars	Note No.	Rs Million	
		For the year ended March 31, 2019	For the year ended March 31, 2018
Reconciliation of cash and cash equivalents with the balance sheet			
Cash on Hand		-	-
Balances with banks			
(i) In current accounts		4.8	4.0
(ii) In deposit accounts		15.0	9.0
Cash and cash equivalents at the end of the year		19.8	13.0

See accompanying notes forming part of the financial statements

Note:

- (a) The above cashflow statement has been prepared under indirect method as per Ind AS 7 'Cash flow statement'
 (b) Cash and cash equivalents include cash of Rs. 1,183/- (31.03.2018 Rs. 7,717/-)

Particulars	Opening Balance	Additions	Repayments	Closing balance
Loan	17.5	8.5	-	26.0

In terms of our report attached

For RGN Price & Co.
 Chartered Accountants
 Firm Reg No. 002785S

Aditya Kumar S.
 Aditya Kumar S.
 Partner
 Membership No. 232444



For and on behalf of the Board of Directors

Lokesh Saxena
 Lokesh Saxena
 Director
 DIN:07823712

Ramachar L
 Ramachar L
 Director
 DIN: 02701965

Place: Bangalore
 Date : May 29, 2019

Bhadra Castalloy Private Limited
(formerly known as Bhadra Castalloys Private Limited)

Notes to the financial statements for the year ended 31 March 2019

1 General information

1.1 Bhadra Castalloy Private Limited ('the Company', formerly known as Bhadra Castalloys Private Limited) is a Private Limited Company incorporated in India under the provisions of The Companies Act 2013 (the Act) and is a wholly owned subsidiary of DISA India Limited Bangalore. Its parent Company is DISA India Limited, Bangalore. The Company is a part of the Norican Group of Denmark and the Company's ultimate holding company is Norican Global A/S, Denmark. The Company is primarily engaged in the business of manufacturing and selling of high alloy steel castings in its manufacturing facility in Bhadravathi, Karnataka State and its registered office is at Bangalore, India.

1.2 The Company's financial statements were approved by the Company's Board of Directors on May 14, 2019

2 Significant accounting policies

2.1 The financial statements of Bhadra Castalloy Private Limited have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, and amended thereto.

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 judgments

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.

Critical estimates and judgments:

Areas involving critical judgments are

- i) Note 33.3 - Estimation of defined benefit obligations
- ii) Note 4 - Estimated useful life of Property, plant & equipment



Bhadra Castalloy Private Limited
(formerly known as Bhadra Castalloys Private Limited)

Notes to the financial statements for the year ended 31 March 2019

3 Summary of significant accounting policies:

3.1 Revenue recognition:

The major revenue for the Company is from the sale of castings. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties including Goods and Service Tax. The Company recognises revenue when it transfers control over a product / service to a customer, which coincides at the time of delivery.

3.1.1 Sale of goods:

Domestic and export sales are accounted on transfer of significant control to the customer which generally coincides with the dispatch of goods from the factory or the port as appropriate, and no continuing involvement of management to the degree associated with ownership nor effective control over the goods sold.

3.1.2 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.

3.1.3 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.

3.1.4 Commission Income

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

3.2 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other Leases are classified as operating leases.

3.2.1 As Lessor

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

3.2.2 As Lessee

Rental expenses from operating leases are recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue.



Bhadra Castalloy Private Limited
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Notes to the financial statements for the year ended 31 March 2019

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, that 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 Plan:

3.4.1 Provident Fund and ESIC

Contributions in respect of Employees Provident Fund are made to the Regional Provident Fund. These Contributions are recognized as expense in the year in which the services are rendered. The Company has no obligation other than the contribution payable to the Regional Provident fund.

Employee State Insurance:

Contributions to Employees State Insurance Scheme are recognized as expense in the year in which the services are rendered.

3.4.2 Defined Benefit Plan

Gratuity:

The Company accounts its liability for future gratuity benefits based on actuarial valuation, as at the Balance Sheet date, determined every year using the Projected Unit Credit method. Actuarial gains/losses are immediately recognized in retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The defined benefit obligation recognized in the balance sheet represents the present value of the Defined Benefit Obligation less the Fair Value of Plan Assets out of which the obligations are expected to be settled and adjusted for unrecognized past service cost, if any. Any asset arising out of this calculation is limited to the past service cost plus the present value of available refunds and reduction in future contributions.

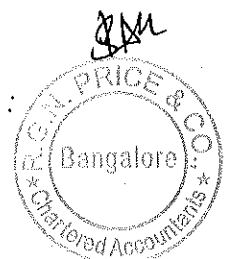
Compensated absences:

Compensated absences: Accumulated leave can be availed and/or encashed at any time during the tenure of employment, subject to terms and conditions of the scheme, the liability is recognized on the basis of an independent actuarial valuation. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in statement of profit and loss.

3.4.3 Short Term Employee Benefits

Short term employee benefits include short term compensated absences which is recognized based on the eligible leave at credit on the Balance Sheet date, and the estimated cost is based on the terms of the employment contract.

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.



Bhadra Castalloy Private Limited
(formerly known as Bhadra Castalloys Private Limited)
Notes to the financial statements for the year ended 31 March 2019

3.5 Taxation

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 effective from April 1, 2014.

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.

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 Goodwill and other Intangible assets

3.7.1 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.

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.



3.7.2 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.

3.8 Impairment of tangible and intangible assets (other than goodwill)

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.

3.9 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.

3.10 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 Financial Instruments

Financial assets and financial liabilities are recognized when 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.



3.12 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 amortised 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:

- a. Amortized cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and or interest.
- b. 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.
- c. 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.

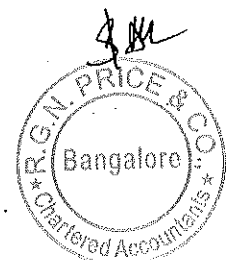
Derecognition: A financial asset is derecognized only when the contractual rights to the cash flows from the asset expire or when the company transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

3.13 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 amortised 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.



Bhadra Castalloy Private Limited
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Notes to the financial statements for the year ended 31 March 2019

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.

3.14 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before 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.

3.15 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 alloy castings is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance.

3.16 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.



BHADRA CASTALLOY PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 March 2019

a. Equity Share Capital:

	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning of the reporting period	4,400,000	44.00	4,400,000	44.00
Changes in the equity share capital during the year				
Balance at the end of the reporting period	4,400,000	44.00	4,400,000	44.00

b. Other equity

Particulars	Reserves and Surplus	Items of OCI	Total Equity
	Retained earnings	Remeasurements of defined benefit plans*	
Balance as at April 1, 2017	1.8		1.8
Profit for the year	4.2		4.2
Other comprehensive income	-	-	-
Total Comprehensive Income for the year	6.0	-	6.0
Balance as at March 31, 2018	6.0	-	6.0
Profit for the year	8.3		8.3
Other comprehensive income	-	(0.2)	(0.2)
Balance as at March 31, 2019	14.3	(0.2)	14.1

* Re-measurement gains/(losses) on defined benefit plans 2017-18 Rs.17,198

For R.G.N Price & Co.
Chartered Accountants
Firm Reg No. 0027855

S. Aditya Kumar
Aditya Kumar S.
Partner
Membership No. 232444



Place: Bangalore
Date: May 20, 2019

For and on behalf of the Board of Directors

Lokesh Saxena
Lokesh Saxena
Director
DIN: 07823712

Ramachar L
Ramachar L
Director
DIN: 02701965

Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

4 PROPERTY, PLANT AND EQUIPMENT

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of:	29.8	29.8
Land (Freehold)	10.9	11.3
Buildings	13.4	10.8
Plant & Machinery	0.0	0.0
Furniture & Fixtures	0.3	0.1
Office Equipment	1.2	1.3
Vehicles	0.2	0.3
Computers	55.8	53.6

Particulars	Land (Freehold)	Buildings	Plant & Machinery	Furniture & Fixtures	Office Equipment	Vehicles	Computers	Total
Gross carrying value								
At April 1, 2017	29.7	13.3	10.6	-	0.1	1.6	0.3	55.6
Additions	0.1	-	2.3	0.0	-	-	-	2.4
Disposals/Adjustments	-	-	-	0.0	-	-	-	0.0
At March 31, 2018	29.8	13.3	12.9	0.0	0.1	1.6	0.3	58.0
At April 1, 2018	29.8	13.3	12.9	0.0	0.1	1.6	0.3	58.0
Additions	-	0.7	3.8	-	0.2	-	-	4.7
Disposals/Adjustments	-	-	-	-	-	-	-	-
At March 31, 2019	29.8	14.0	16.7	0.0	0.3	1.6	0.3	62.7
Accumulated Depreciation								
At April 1, 2017	-	0.8	1.0	-	-	0.1	-	1.9
Depreciation expense	-	1.2	1.1	-	-	0.2	-	2.5
Disposals/Adjustments	-	-	-	-	-	-	-	-
At March 31, 2018	-	2.0	2.1	-	-	0.3	-	4.4
At April 1, 2018	-	2.0	2.1	-	-	0.3	-	4.4
Depreciation expense	-	1.1	1.2	-	0.0	0.1	0.1	2.5
Disposals/Adjustments	-	-	-	-	-	-	-	-
At March 31, 2019	-	3.1	3.3	-	0.0	0.4	0.1	6.9
Net carrying value March 31, 2019	29.8	10.9	13.4	0.0	0.3	1.2	0.2	55.8
Net carrying value March 31, 2018	29.8	11.3	10.8	0.0	0.1	1.3	0.3	53.6
Net carrying value April 1, 2017	29.7	12.5	9.6	-	0.1	1.5	0.3	53.7



Bhadra Castalloy Private Limited
 NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Carrying amounts of:	6.0	6.0
Goodwill*	6.0	6.0
Particulars		
Gross carrying value		
At April 1, 2017		6.0
Additions		-
Disposals/Adjustments		-
At March 31, 2018		6.0
At April 1, 2018		6.0
Additions		-
Disposals/Adjustments		-
At March 31, 2018		6.0
Accumulated Amortization/Impairment		
At April 1, 2017		-
Amortization expense/Impairment**		-
Disposals/Adjustments		-
At March 31, 2018		-
At April 1, 2018		-
Amortization expense/Impairment**		-
Disposals/Adjustments		-
At March 31, 2019		-
Carrying amount:		
At April 1, 2017		6.0
At March 31, 2018		6.0
At March 31, 2019		6.0

*Goodwill represents the amount of purchase considerations paid over and above the fair value of net assets taken over

**The Goodwill is tested for impairment and no provision is envisaged.



Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

6 DEFERRED TAX ASSET/(LIABILITY)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax asset on:		
Provision for gratuity	0.3	0.1
Provision for compensated absences	0.3	0.2
Preliminary expenses	0.4	0.4
Sub total (A)	1.0	0.7
Deferred tax liabilities on:		
Property, Plant and equipment and goodwill	2.0	1.3
Sub total (b)	2.0	1.3
Total (A-B)	(1.0)	(0.6)

Movement of deferred tax assets / liabilities
For the year Ended March 31, 2019

Particulars	Opening balance	Recognized in Profit or Loss	Recognized in other comprehensive income	Closing balance
Deferred tax asset on:				
Deferred tax asset on:				
Provision for gratuity	0.1	0.2	-	0.3
Provision for compensated absences	0.2	0.1	-	0.3
Preliminary expenses	0.4	-	-	0.4
Sub total (A)	0.7	0.3	-	1.0
Deferred tax liabilities on:				
Property, Plant and equipment and goodwill	1.3	0.7	-	2.0
Sub total (B)	1.3	0.7	-	2.0
Total (A-B)	(0.60)	(0.40)	-	(1.00)



Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

For the year Ended March 31, 2018

Particulars	Opening balance	Recognized in Profit or Loss	Recognized in other comprehensive income	Closing balance
Deferred tax asset on:				
Deferred tax asset on:				
Provision for gratuity	0.2	-0.1	-	0.1
Provision for compensated absences	0.7	-0.5	-	0.2
Preliminary expenses	-	0.4	-	0.4
Sub total (A)	0.9	-0.2	-	0.7
Deferred tax liabilities on:				
Property, Plant and equipment and goodwill	0.7	0.6	-	1.3
Sub total (B)	0.7	0.6	-	1.3
Total (A-B)	0.20	(0.80)	-	(0.60)

7 OTHER ASSETS

a) Non-current

Particulars	As at March 31, 2019	As at March 31, 2018
Capital advances	-	-
Deposits	1.3	1.1
Total	1.3	1.1

b) Current

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid expenses	0.5	0.4
Balance with government authorities	0.5	-
Total	1.0	0.4

8 INVENTORIES

Particulars	As at March 31, 2019	As at March 31, 2018
Inventories (valued at lower of cost and net realizable value)		
Raw materials	2.8	2.6
Work-in-progress	5.7	6.7
Total	8.5	9.3



Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

9 TRADE RECEIVABLE

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Other trade receivable	-	-
Considered good - Secured	-	-
Considered good - Unsecured	21.2	20.9
With Significant increase in credit risk	-	-
Credit impaired	-	-
Sub Total	21.2	20.9

10 CASH AND CASH EQUIVALENTS

Particulars	As at	As at
	March 31, 2019	March 31, 2018
A. Cash and cash equivalents:		
(a) Cash on hand*	-	-
(b) Balance with banks:		
-In current accounts	4.8	4.0
-Deposits of less than 90 days	15.0	9.0
Total	19.8	13.0

Note : (i)

*Cash in hand is Rs. 1,183/- (31.03.2018 Rs. 7,717/-)

11 OTHER FINANCIAL ASSETS

a) Current

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Interest accrued on term deposits with banks	0.4	0.1
Total	0.4	0.1



Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

12 SHARE CAPITAL

Particulars	As at March 31, 2019	As at March 31, 2018
Equity share capital	44.0	44.0
Total	44.0	44.0
Authorised equity share capital: 5,000,000 Equity shares of Rs.10 each	50.0	50.0
Issued, subscribed and fully paid up: 4,400,000 Equity shares of Rs.10 each	44.0	44.0
Total	44.0	44.0

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	4,400,000	4,400,000
Movement during the year	-	-
No. of equity shares outstanding at the end of the year	4,400,000	4,400,000
Equity share capital at the beginning of the year (Rs. Million)	44.0	44.0
Movement during the year	-	-
Equity share capital at the end of the year (Rs. Million)	44.0	44.0

ii) Details of shares held by holding company

Equity Shares

4,400,000 equity shares (100%) Wholly owned by DISA India Limited, Holding Company (ultimate holding company is Norican Global AS, Denmark)

iii) 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 ensuing Annual General meeting, except in case of Interim Dividend which is distributed based on available profits and as approved by the board of directors.



Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

13 OTHER EQUITY

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Retained earnings	14.1	6.0
Total	14.1	6.0

Particulars	As at	As at
	March 31, 2019	March 31, 2018
A. Retained earnings		
Opening balance	6.0	1.8
Movement during the year	-	-
Add : Profit for the year	8.3	4.2
Add : Other comprehensive income	(0.2)	-
Balance at end of the year	14.1	6.0

14 OTHER FINANCIAL LIABILITIES

a) Current

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Payable on purchase consideration	-	12.7
Payable on purchase of PPE	2.6	-
Contractually reimbursable expenses	5.9	4.7
Other Payables	1.1	1.4
Interest Payable - holding company	1.2	1.6
Salary payable to employees	1.2	1.4
Total	12.0	21.8



Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

15 BORROWINGS

Particulars	As at March 31, 2019	As at March 31, 2018
(Unsecured, considered good)		
Loan from holding company (carried at amortised cost) (Refer note 30)	26.0	17.5
Total	26.0	17.5

16 TRADE PAYABLES

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises	0.5	0.4
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 33.2)	13.3	12.5
Total	13.8	12.9

17 PROVISIONS

Particulars	As at March 31, 2019	As at March 31, 2018
Employee benefit payables: (Refer note 33.4)		
- Compensated absences	0.5	0.2
- Gratuity	0.9	0.4
Total	1.4	0.6

18 CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2019	As at March 31, 2018
Tax assets		
Advance income tax	2.5	1.0
Total	2.5	1.0
Tax liability		
Provision for income tax	2.6	1.1
Total	2.6	1.1
Net	0.1	0.1

19 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory liabilities (other than income tax)	0.3	0.9
Advances from customers	1.3	-
Total	1.6	0.9



Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

20 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Sale of products (Refer note (i) below)	112.6	101.8
Total	112.6	101.8

Notes

(i) **Sale of products comprises :**

Manufactured goods :

Parts of machinery

Parts of machinery	112.6	101.8
Sale of Manufactured goods Sub Total	112.6	101.8

21 OTHER INCOME

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest income (Refer note (i) below)	0.8	0.3
(b) Net gain on foreign currency transactions and translation	0.1	-
Total	0.9	0.3

Note:

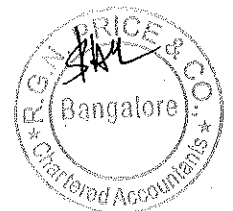
(i) **Interest income comprises of :**

Interest on deposits

Interest on deposits	0.8	0.3
Total	0.8	0.3

22a COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening Stock	2.6	2.8
Add : Purchases	61.3	58.3
Less : Closing Stock	2.8	2.6
Cost of raw materials consumed	61.1	58.5



Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

22b CHANGES IN INVENTORIES WORK-IN-PROGRESS

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventories at the end of the year:		
Work-in-progress	5.7	6.7
Sub Total	5.7	6.7
Inventories at the beginning of the year:		
Work-in-progress	6.7	5.4
Sub Total	6.7	5.4
TOTAL	1.0	(1.3)

23 EXCISE DUTY ON SALE OF GOODS

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Excise duty on sales of Machinery Parts (Excise duty for 3 months ending June 2018)	-	2.9
Total	-	2.9

24 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and wages	10.2	9.6
Contributions to provident fund (refer note 33.4)	1.5	1.2
Staff welfare expenses	0.8	0.4
Total	12.5	11.2

25 FINANCE COSTS

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest expense on:		
(i) Interest on intercompany loan	2.5	1.7
Total	2.5	1.7



Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

26 DEPRECIATION

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation of property, plant and equipment (refer note 4)	2.5	2.5
Total	2.5	2.5

27 OTHER EXPENSES

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Power and fuel	8.6	8.2
Rent*	-	-
Repairs and maintenance - Machinery	-	0.1
Insurance	0.1	0.4
Rates and taxes	0.3	0.3
Travelling and conveyance	0.7	0.7
Professional fees	3.7	1.7
Payments to auditors (refer note (i) below)	0.2	0.3
Security expenses	1.6	1.5
Telephone, postage and courier	0.1	0.1
Printing and stationery	0.1	0.1
Freight outwards	1.5	1.4
Group management fees	1.2	0.8
Advertisement and sales promotion	-	0.2
Contract workers expenses	4.5	-
Miscellaneous expenses	-	4.7
Total	22.6	20.5

* rent for the year is Rs.48,000/- (31.3.2018 Rs.48,000/-)

Note:

(i) Payments to auditors comprises :

Statutory audit	0.1	0.1
Tax Audit	0.1	0.1
Other services	-	0.1
Sub Total	0.2	0.3



Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

28 INCOME TAX RECOGNISED IN STATEMENT OF PROFIT AND LOSS

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax		
In respect of the current year	2.6	1.1
	2.6	1.1
Deferred tax charge		
In respect of the current year	0.4	0.8
	0.4	0.8
Total income tax expenses recognized in the current year	3.0	1.9

29 INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax charge / (benefit)		
Arising on income and expenses recognized in other comprehensive income		
Remeasurement of defined benefit obligation*	-	-
	-	-
Bifurcation of the income tax recognized in other comprehensive income in to		
Items that will not be reclassified to profit or loss	-	-
	-	-

The company's effective tax rate is 27.82% (March 31st 2018 - 25.75%)

Base rate	25.00%	25.00%
Surcharge	7.00%	0.00%
Cess	4.00%	3.00%
Effective tax rate*	27.82%	25.75%
Profit before tax (as per statement of profit and loss)	11.3	6.1
Tax based on effective tax rate on profit before tax	3.1	1.6
Add: Disallowances	0.5	0.2
Less: Exemptions	0.4	0.3
Less: Impact of differential depreciation	0.6	0.4
	2.6	1.1
Current tax expenses as per statement of profit and loss	2.6	1.1

Expected timeline within which deferred tax asset/liabilities expected to be reversed

Particulars	March 31, 2020	March 31, 2021	beyond March 31, 2022
Payment of Bonus	0.2	-	-
Impact of differential depreciation	0.4	0.1	1.5

*The reduction in effective tax rate is on account of amendment in law in charging lower income tax



30 Financial Instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2019 and March 31, 2018 is as follows:

Particulars	Carrying Value				Fair Value			
	FVTPL	FVTOCI	Cost/ amortised cost	Total	Level 1	Level 2	Level 3	Total
As at March 31, 2019								
Financial assets: [*]								
Trade receivables			21.2	21.2				-
Cash and cash equivalents			19.8	19.8				-
Other financial assets			0.4	0.4				-
Total financial assets			41.4	41.4				
Financial Liabilities:								
Other financial liabilities - Non current			-	-				-
Trade payables [*]			26.0	26.0				-
Loans [*]			12.0	12.0				-
Other financial liabilities			-	-				-
Total financial Liabilities			38.0	38.0				

^{*} are current in nature

Particulars	Carrying Value				Fair Value			
	FVTPL	FVTOCI	Cost/ amortised cost	Total	Level 1	Level 2	Level 3	Total
As at March 31, 2018								
Financial assets: [*]								
Trade receivables			20.9	20.9				-
Cash and cash equivalents			13.0	13.0				-
Other financial assets			0.1	0.1				-
Total financial assets			34.0	34.0				
Financial Liabilities:								
Other financial liabilities - Non current			-	-				-
Trade payables [*]			17.5	17.5				-
Loans [*]			21.8	21.8				-
Other financial liabilities			-	-				-
Total financial Liabilities			39.3	39.3				

^{*} are current in nature

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have a quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period

Level 2: Level 2 hierarchy includes financial instruments that are not traded in the active market is determined using the closing price as at the reporting period

Level 3: Level 2 if one or more of the significant inputs is not based on the observable market data, The instrument is included in level 3. This is the case for unlisted equity securities, preference shares and other non current investment is included in level 3.



31 **Recent accounting pronouncements**
 Ind AS 116 Leases -The Ministry of Corporate Affairs has issued a notification on 30th March 2019 indicating Ind AS 116 will be applicable from 1st April 2019. Ind AS 116 significantly changes the way the lease are being accounted including derecognition of operating leases. The Company is evaluating the impact of Ind AS 116 on its financials

32 **Financial risk management**
 The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below:

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of percentage of revenues generated from top customer and top 5 customers:

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Revenue from top customer	23.1	49.2
Revenue from top 5 customer	92.8	95.4

One customer accounted for more than 10% of the revenue for the year ended March 31, 2019

Investments

The Company limits its exposure to credit risk by generally investing in fixed deposits and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below:

Particulars	As at	
	March 31, 2019	April 1, 2018
Cash and cash equivalents	19.8	13.0
Interest bearing deposits with corporates	-	-
Total	19.8	13.0

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2018, March 31, 2017 and April 1, 2016 respectively

Particulars	As at	
	1-2 years	2 years and above
Trade payables	-	-
Loans	26.0	-
Other financial liabilities	12.0	-
Total	38.0	-

Particulars	As at	
	1-2 years	2 years and above
Trade payables	-	-
Loans	17.5	-
Other financial liabilities	21.8	-
Total	39.3	-



Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments.

The Company's borrowings and investments are primarily short-term, which do not expose it to significant interest rate risk.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows:

Particulars	March 31, 2019	March 31, 2018
Total equity attributable to the equity share holders of the Company	44.0	44.0
As percentage of total capital	63%	72%
Current borrowings	-	-
Non-current borrowings	26.0	17.5
Total borrowings	26.0	17.5
As a percentage of total capital	37%	28%
Total capital (borrowings and equity)	70.0	61.5

The Company is predominantly equity financed which is evident from the capital structure table. Further, the company has always been a net cash company with cash and bank balances along with investment which is predominantly investment in liquid and term deposits with banks being far in excess of debt.



Particulars	As at	As at
	March 31, 2019	March 31, 2018
33 Additional information to the financial statements		
33.1 Contingent Liabilities and Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided	Rs. 1.0 Mn.	(PY Rs. 0.4 Mn)
33.2 Disclosure under Micro, Small and Medium Enterprises Development Act ,2006		
Amount due and remaining unpaid		

33.3 Disclosure Pursuant to Ind AS-19

a) Defined Contribution Plans

The Company makes Provident Fund and Employees state Insurance Fund contributions to defined contribution plans for qualifying employees. Under the Schemes , the company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.0.8 Million for Provident Fund contributions and Rs.0.1 Million for Employees State Insurance scheme contribution as on 31st March 2019 in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes) .

b) Defined Benefit Plans

The Company offers gratuity and encashment of leave benefit to its employees.

(i) Gratuity

Expenses recognized in statement of profit and loss:	Year ended	Year ended
	March 31, 2019	March 31, 2018
Current Service cost	0.3	0.2
Net interest expenses	-	-
Expected return on plan assets	-	-
Component of defined benefit costs recognized in the statement of profit and loss:	0.3	0.2
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expenses)	-	-
Actuarial (gains)/losses arising from change in the financial assumptions*	0.1	-
Actuarial (gains)/losses arising from change in the experience assumptions*	0.1	-
Component of defined benefit costs recognized in the other comprehensive income	0.2	-
Total	0.5	0.2

The current service cost and the net interest expenses for the year are included in the 'Employee benefit expenses' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income

The amount included in the balance sheet arising from the entities obligation in respect of its defined benefit plans is as follows.

	Year ended	Year ended	Year ended
	March 31, 2019	March 31, 2018	March 31, 2017
Present value of defined benefit obligation (DBO)	0.9	0.4	0.2
Fair value of plan assets	-	-	-
Funded status [surplus/(deficit)]	-	-	-
Net liability arising from defined benefit obligations recognized in the balance sheet	0.9	0.4	0.2

A. Movement of Present value of the defined benefit obligation are as follows.

	Year ended	Year ended
	March 31, 2019	March 31, 2018
Opening defined benefit obligation	0.4	0.2
Current service cost	0.3	0.2
Interest cost	-	-
benefits paid	-	-
Actuarial (gains)/losses arising from change in the financial assumptions	0.1	-
Actuarial (gains)/losses arising from change in the experience assumptions	0.1	-
Closing defined benefit obligation	0.9	0.4



Bhadra Castalloy Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

B. Movement In the fair value of plan assets are as follows.

	Year ended March 31, 2019	Year ended March 31, 2018
Opening fair value of plan assets	-	-
Expected return on plan assets	-	-
Actual contributions from the company	-	-
Benefits paid	-	-
Remeasurement loss/(gain)	-	-
Actuarial (gains)/losses	-	-
Closing fair value of plan assets	-	-

Actual return on the plan assets is Rs. Nil (March 31, 2017 Rs: Nil)

Actuarial assumptions

The principle assumptions used for the purpose of actuarial valuations are shown in the table below. The assumptions as at the balance sheet date are used to determine the present value of defined benefit obligation at that date

	Year ended March 31, 2019	Year ended March 31, 2018
Financial Assumption:		
Discount rate	7.4%	7.5%
Salary escalation rate	10.0%	8.5%
Demographic assumption:		
Withdrawal rate	1.0%	8.0%
Mortality rate	IALM (2006-08)	IALM (2006-08)

As per the para83 of Ind AS 19 - Employee benefits the rate used to discount post employment benefit obligations (both funded and unfunded) shall be determined by reference to market yields at the end of each reporting period on government bonds.

Key Risks:

Actuarial risk: The risk that benefit costs more than expected. All assumptions used to project the liability cash flows are a source of risk. If actuarial experience turns out to be worse than expected experience - there could be a risk of being unable to meet the liabilities as and when they fall due. Eg if assumed salary growth turns out to be lesser than reality - this could cause a risk that the provision are inadequate in comparison to the actual benefits required to be paid

Investment risk: Plan is unfunded and hence no investment risk

Liquidity risk: Excessive withdrawals or deaths could put some liquidity pressure. Since the plan is unfunded, this could put the company in a liquidity stress position if there is a large batch of untimely withdrawals

Legislative risk: There could be change to regulation/legislation governing this plan that could effect the company adversely (eg. Introduction of minimum benefit) the change in regulation could potentially increase the plan liabilities. Recently the payment of Gratuity Act was amended to raise the benefit ceiling from Rs. 1 Million to Rs. 2 Million.

Sensitivity analysis for significant actuarial assumptions for the determination of the defined benefit obligations is as follows

	Impact on defined benefit obligations	
	increase Impact- on current DBO	decrease Impact- on current DBO
March 31, 2019		
Discount rate +1%/-1%	-9%	-10%
Salary escalation rate+1%/-1%	10%	9%
Withdrawal rate +25%/-25%	-1%	-1%
March 31, 2018		
Discount rate +1%/-1%	-8%	8%
Salary escalation rate+1%/-1%	8%	-8%
Withdrawal rate +25%/-25%	-2%	2%



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

(ii) Leave encashment

	Year ended March 31, 2019	Year ended March 31, 2018
Expenses recognized in statement of profit and loss:		
Current Service cost	0.2	0.2
Net interest expenses	0.1	-
Expected return on plan assets	-	-
Component of defined benefit costs recognized in the statement of profit and loss:	0.3	0.2
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expenses)	-	-
Actuarial (gains)/losses arising from change in the financial assumptions	-	-
Actuarial (gains)/losses arising from change in the experience assumptions	-	-
Component of defined benefit costs recognized in the other comprehensive income	-	-
Total	0.3	0.2

The current service cost and the net interest expenses for the year are included in the 'Employee benefit expenses' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income

The amount included in the balance sheet arising from the entities obligation in respect of its defined benefit plans is as follows.

	Year ended March 31, 2019	Year ended March 31, 2018
Present value of defined benefit obligation (DBO)	0.5	0.2
Fair value of plan assets	-	-
Funded status [surplus/(deficit)]	-	-
Net liability arising from defined benefit obligations recognized in the balance sheet	0.5	0.2

A. Movement of Present value of the defined benefit obligation are as follows

	Year ended March 31, 2019	Year ended March 31, 2018
Opening defined benefit obligation	0.2	-
Current service cost	0.2	0.2
Interest cost	0.1	-
benefits paid	-	-
Actuarial (gains)/losses arising from change in the financial assumptions	-	-
Actuarial (gains)/losses arising from change in the experience assumptions	-	-
Closing defined benefit obligation	0.5	0.2

B. Movement in the fair value of plan assets are as follows.

	Year ended March 31, 2019	Year ended March 31, 2018
Opening fair value of plan assets	-	-
Expected return on plan assets	-	-
Actual contributions from the company	-	-
Benefits paid	-	-
Remeasurement loss/(gain)	-	-
Actuarial (gains)/losses	-	-
Closing fair value of plan assets	-	-



Bhadra Castalloy Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

Actuarial assumptions

The principle assumptions used for the purpose of actuarial valuations are shown in the table below. The assumptions as at the balance sheet date are used to determine the present value of defined benefit obligation at that date

	Year ended March 31, 2019	Year ended March 31, 2018
Financial Assumption:		
Discount rate	7.4%	7.5%
Salary escalation rate	10.0%	8.5%
Demographic assumption:		
Withdrawal rate	1.0%	8.0%
Mortality rate	IALM (2006-08)	IALM (2006-08)

As per the para 83 of Ind AS 19 - Employee benefits the rate used to discount post employment benefit obligations (both funded and unfunded) shall be determined by reference to market yields at the end of each reporting period on government bonds.

Key Risks:

Actuarial risk: The risk that benefit costs more than expected. All assumptions used to project the liability cash flows area source of risk. If actuarial experience turns out to be worse than expected experience - there could be a risk of being unable to meet the liabilities as and when they fall due. Eg if assumed salary growth turns out to be lesser than reality - this could cause a risk that the provision are inadequate in comparison to the actual benefits required to be paid

Investment risk: Plan is unfunded and hence no investment risk

Liquidity risk: Excessive withdrawals or deaths could put some liquidity pressure. Since the plan is unfunded, this could put the company in a liquidity stress position if there is a large batch of untimely withdrawals

Legislative risk: There could be change to regulation/legislation governing this plan that could effect the company adversely (eg. Introduction of minimum benefit) the change in regulation could potentially increase the plan liabilities or decrease in assets

Sensitivity analysis for significant actuarial assumptions for the determination of the defined benefit obligations is as follows

	Impact on defined benefit obligations	
	Increase	decrease
March 31, 2018		
Discount rate +1%/-1%	-7%	-8%
Salary escalation rate+1%/-1%	7%	6%
Withdrawal rate +25%/-25%	0%	0%
	-	-
March 31, 2017		
Discount rate +1%/-1%	-	-
Salary escalation rate+1%/-1%	-	-
Withdrawal rate +25%/-25%	-	-
	-	-

33.4 Segment Information

Operating segment are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM) of the Company. The CODM, who is responsible for allocation resources and assessing performance of the operating segments is been identified as the director of the Company. Company operates only one business segment ie. machinery parts, which primarily Includes foundry castings, hence does not have any reportable segments as per Ind AS 108, "operating segments" The performance of the Company is mainly driven by sales made locally and hence, no separate geographical segments are identified.



Bhadra Castalloy Private Limited**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Rs Million

33.5 Earnings per share

	Year ended March 31, 2019	Year ended March 31, 2018
Net Profit for the year (Rs. Million)	8.3	4.2
Number of equity shares (in Numbers)	4.4	4.4
Basic and diluted earnings per share (Rs.)	1.9	1.0

33.6 Trade receivables

	For the year March 31, 2019	For the year March 31, 2018
Balance at the beginning of the year	20.9	14.9
Additions to the receivables during the year	132.9	120.1
Collections during the period	132.6	114.1
Balance at the end of the year	21.2	20.9

Advance received from Customeres

	For the year March 31, 2019	For the year March 31, 2018
Balance at the beginning of the year	-	-
Additions to the customer advances	1.3	-
Deletions from customer advances	-	-
Balance at the end of the year	1.3	-

Revenue:

Recognized in the reporting period from that was included in the contract liability at the beginning of the period

Nil

Revenue recognized in the reporting period from performance obligation satisfied or partially satisfied in previous period

Nil



Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

34. Related Party transactions

a) Details of related parties

Description of relationship	Name of Related Parties
Ultimate Holding Company	Norican Global AS
Holding Company	DISA India Limited
Fellow Subsidiary (as identified by the management)	<p>Norican A/S Norican Global A/S Norican Group ApS DISA Holding A/S DISA Industries A/S WGH Holding Corp Wheelabrator Group (Canada) ULC DISA (Changzhou) Machinery Ltd. DISA Trading (Shanghai) Co. Ltd. Kunshan Itaipresse Die-Casting Equipment Co. Ltd. Itaipresse Industrie (Shanghai) Co. Ltd. StrikoWestofen Thermal Equipment (Taicang) Ltd. Wheelabrator Czech s.r.o. Matrasur Composites SAS Wheelabrator Group SAS Wheelabrator Group GmbH Wheelabrator Group Holding GmbH LMCS Group Holding GmbH Light Metal Casting Solutions Group GmbH SWO Holding GmbH Norican Digital GmbH Light Metal Casting Equipment GmbH StrikoWestofen GmbH DISA Limited Hong Kong DISA India Ltd. DISA Technologies Private Ltd. Itaipresse Industrie S.r.l. Gauss Automazione S.p.A. DISA K.K. WG Plus de Mexico S de RL de CV StrikoWestofen de Mexico, S.A. de C.V. IP Mexico Die Casting S.A. de C.V. Wheelabrator Schlick Sp. Z.o.o. SWO Polska Sp. Z.o.o. Wheelabrator Group SLU DISA Industrie AG DISA Holding AG WGH UK Holdings Limited WGH UK Ltd. Wheelabrator Technologies (UK) Ltd. Wheelabrator Group Ltd. Striko UK Ltd. DISA Industries, inc. WG Global LLC DISA Holding LLC Wheelabrator Group, Inc. Wheelabrator (Delaware) LLC StrikoWestofen Dynarad Furnace Corp.</p>
Key Management Personnel (KMP)	<p>K. Duraisami (Director till December 31, 2018) Ramachar L (Director from December 31, 2018) Lokesh Saxena - Director Amar Nath Mohanty - CFO</p>



Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

b) Details of Related Party Transaction	
NAME OF THE RELATED PARTY	DISA INDIA LIMITED
Sale of goods	15.1 (8.4)
Purchase of goods	(0.2)
Reimbursement of Expenses - Group Management	1.2 (0.8)
Reimbursement of Expenses	(0.3)
Borrowings	8.5
Interest on loan - Expenses	2.5 (1.7)

Balances outstanding as at year end:	
	DISA INDIA LIMITED
Trade Receivable	(0.5)
Other Payable	5.9 (4.7)
Borrowings	26.0 17.5
Interest Payable	1.2 (1.6)
Share Capital	44.0 (44.0)


NAME OF THE RELATED PARTY	Castalloy Inc, USA
Sale of Goods	17.0 (0.1)
Trade Receivable	7.6 (0.1)


Managerial remuneration - disclosure		K. Duraisami (Director till December 31, 2018)
Short term		2.9 (1.2)
Long term		NIL
Retirement benefits		NIL
Post Retirement benefits		NIL
Managerial remuneration - disclosure		Ramachar L
Short term		0.3
Long term		NIL
Retirement benefits		NIL
Post Retirement benefits		NIL

Note: The above transactions have been carried out at arms length price

Place: Bangalore
 Date : May 21, 2019

For and on behalf of the Board of Directors


 Lokesh Saxena
 Director
 DIN:0782371


 Ramachar L
 Director
 DIN: 02701965

