

R.G.N. PRICE & CO.
Chartered Accountants

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GSTIN: 29AAAFR0651G1ZE
Unit No.202, 3rd Floor
'Prestige Nugget',
Infantry Road,
Bengaluru – 560 001.

Date: May 28th, 2020.

Independent Auditor's Report

To,

The Members of M/s. Bhadra Castalloy Private Limited)

(previously known as Bhadra Castalloys Private Limited).

Report on the Audit of the Financial Statements

We have audited the financial statements of Bhadra Castalloy Private Limited (previously known as Bhadra Castalloys Private Limited), ('the Company'), which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other



ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The Company has a practice to conduct physical verification at periodic intervals during the year. However, for the year ended March 31, 2020, the physical verification of inventory could not be carried out due to COVID-19 and restrictions imposed by the Government. Therefore, we have considered the results of the physical verification done at a date other than close to financial year, including the results of physical verification done post-balance sheet date till the date of this report, and conducted alternative audit procedures under Standards of Auditing 501 'Audit Evidence – Specific Considerations for Selected Items' to validate the physical quantity of inventory as at March 31, 2020; while expressing our opinion on the financial statements as of March 31, 2020 and reporting on the operating effectiveness of internal financial control over financial reporting as of the aforesaid date.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified



under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- a. Identify and assess the risks of material misstatement of the 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.



- b. Obtain an understanding of internal control to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(f) of the Act, we are also responsible for expressing an opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue a going concern;
- e. Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The balance sheet, the statement of profit and loss, the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March 2020, taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 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 B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
3. 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, since the Company is a wholly owned



subsidiary of a public limited company, requirements of Section 197 of the Act is applicable to the Company. 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.

4. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which needs to be disclosed in the financial statements.
 - ii. The Company does not have any material foreseeable losses or any long-term contracts including derivative contracts for which a provision is warranted.
 - iii. There are no amounts to be transferred to the Investor Education and Protection Fund.

For R.G.N. Price & Co.,
Chartered Accountants
Firm's Registration No. 002785 S



Aditya Kumar S.

Partner

Membership Number: 232444.

Place of Signature: Bengaluru.

UDIN: 20232444AAAAAI6665



Annexure A referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date

- (i) In respect of fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) Fixed assets are physically verified by the Management, during the year and no material discrepancies were observed during the course of physical verification.
 - (c) The title deeds of the immovable properties are held in the name of the Company.
- (ii) The Management has physically verified the inventories during the year and which in our opinion is commensurate to the size of the business and nature of its operations. No material discrepancies were noticed on such physical verification.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act.
- (iv) The Company has not granted any loans, investments, guarantees, and security to any persons where provisions of Section 185 and Section 186 of the Act applies.
- (v) The Company has not accepted any deposits under the provisions of Section 73 to 76 and other relevant provisions of the Act and hence reporting under Clause (v) of Para 3 of the Order does not apply.
- (vi) The maintenance of cost records specified by the central government under sub section (1) of the section 148 of the Act is not applicable to the Company for the period ended 31st March 2020 and accordingly reporting under sub-clause (vi) of clause 3 of the Order does not apply.
- (vii) (a) During the year ended 31st March 2020, the Company has been regular in remittance of statutory dues viz., provident fund, employee state insurance, tax deducted at source, professional tax, goods and services tax and other material statutory dues with the appropriate authorities.



No undisputed amounts payable in respect of provident fund, income tax, Goods and Service tax, and any other material statutory dues were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.

- (b) There are no income tax or sales tax or Service Tax or Goods and Service tax or duty of customs or duty of excise or value added tax that have not been deposited on account of any dispute.
- (viii) The Company has not taken any loan or borrowing or debentures from any financial institution, bank, government or debenture holders and hence reporting under sub-clause (viii) of clause 3 of the Order does not apply.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instrument) and term loans during the period so reporting under sub clause (ix) of the Order does not apply.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees noticed or reported during the period, nor have we been informed of any such case by the Management.
- (xi) The Company is a wholly owned subsidiary of M/s. Disa India Limited (a public company and listed entity). By virtue of being a wholly owned subsidiary of a public company, the provisions of deemed public company would apply to the Company. In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) Since the Company is not a Nidhi Company, reporting under Clause (xii) of Para 3 of the Order does not apply.
- (xiii) Based on the information and explanations given to us, we report that all the transactions with the related parties are in compliance with Section 177 and 188 of the Act and the same has been disclosed in the financial statements as required by the applicable Ind AS.




- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence reporting under sub clause (xiv) of clause 3 of the Order does not apply.
- (xv) Based on the information and explanations given to us, we report that the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) Based on the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For R.G.N. Price & Co.,

Chartered Accountants

Firm Regn. No: 002785 S

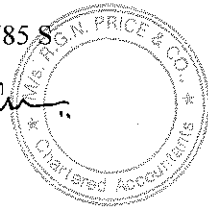


Aditya Kumar S.

Partner

Membership No.: 232444.

Place: Bangalore



Annexure B referred to in Clause (f) of Paragraph of Report on Other Legal and Regulatory Requirements of our report of even date

We have audited the internal financial controls over financial reporting of **M/s Bhadra Castalloy Private Limited (previously known as "M/S Bhadra Castalloys Private Limited)** ('the Company') as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

According to the information and explanations given to us and based on our audit, in our opinion the Company has, in all material respects, an adequate internal financial controls over financial reporting; and such internal financial control over financial reporting were operating effectively as at March 31, 2020; based on the internal control over financial reporting criteria established by the Company considering the essential components of the internal control stated in the Guidance Note of Internal Financial Controls over Financial Reporting issued by Institute of Chartered Accountants of India.

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 (the Guidance Note) 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 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 (the Act).

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards of Auditing, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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.

For R.G.N. Price & Co.,

Chartered Accountants

Firm Regn. No: 002785 S

S. Aditya Kumar

Aditya Kumar S.

Partner

Membership No.: 232444.

Place: Bangalore



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

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	56.4	55.8
(b) Goodwill	5	6.0	6.0
(c) Other non-current assets	7a	1.5	1.3
Total non-current assets		63.9	63.1
2 Current assets			
(a) Inventories	8	12.1	8.5
(b) Financial Assets			
(i) Trade receivables	9	13.9	21.2
(ii) Cash and cash equivalents	10	4.5	13.8
(iii) Bank balance other than (ii) above	11	19.0	6.0
(iv) Other financial assets	12	0.8	0.4
(c) Other current assets	7b	1.1	1.0
Total current assets		51.4	50.9
Total assets		115.3	114.0
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	13	44.0	44.0
(b) Other equity	14	24.2	14.1
Total Equity		68.2	58.1
2 Non-current liabilities			
(a) Deferred tax liabilities - (net)	6	1.3	1.0
Total non-current liabilities		1.3	1.0
3 Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	16	26.0	26.0
(ii) Trade payables	17		
(A) Total outstanding dues of micro enterprises and small enterprises		0.4	0.5
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		6.7	13.3
(iii) Other financial liabilities	15	9.6	12.0
(b) Provisions	18	2.1	1.4
(c) Current tax liabilities (net)	19	0.7	0.1
(d) Other current liabilities	20	0.3	1.6
Total current liabilities		45.8	54.9
Total equity and liabilities		115.3	114.0

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

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 28, 2020

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

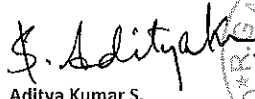
Rs Million

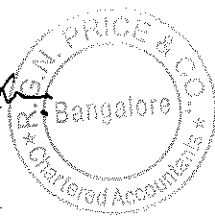
Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
I Revenue from operations	21	111.8	112.6
II Other income	22	1.7	0.9
III Total Income (I+II)		<u>113.5</u>	<u>113.5</u>
IV EXPENSES:			
(a) Cost of raw materials and components consumed	23a	59.8	61.1
(b) Changes in inventories and work-in-progress	23b	(0.7)	1.0
(c) Employee benefits expense	24	13.2	12.5
(d) Finance costs	25	2.6	2.5
(e) Depreciation and amortization expense	26	2.9	2.5
(f) Other expenses	27	21.9	22.6
Total expenses (IV)		<u>99.7</u>	<u>102.2</u>
V Profit before tax (III-IV)		13.8	11.3
VI Tax Expenses:	28		
(a) Current tax		3.3	2.6
(b) Deferred tax		0.3	0.4
Total tax expenses (a+b)		<u>3.6</u>	<u>3.0</u>
VII Profit for the year (V-VI)		10.2	8.3
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		(0.1)	(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)))		<u>(0.1)</u>	<u>(0.2)</u>
Total comprehensive income for the year (VII+VIII)		10.1	8.1
Earnings per equity share(face value of Rs 10 /- each):	33.5		
(a) Basic - Rs.		2.32	1.89
(b) Diluted - Rs.		2.32	1.89

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


Aditya Kumar S.
Partner
Membership No. 232444



For and on behalf of the Board of Directors


Lokesh Saxena
Director
DIN:07823712


Ramachar L
Director
DIN: 02701965

Place: Bangalore
Date : May 28, 2020

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

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		13.8	11.3
Adjustment for:			
Depreciation and amortization		2.9	2.5
Finance cost		2.6	2.5
Interest income		(1.0)	(0.8)
Liabilities no longer required written back		-	-
Net unrealized exchange gains/(losses)		(0.7)	(0.1)
Re-measurement of gains/(losses) on defined benefit plans		(0.1)	(0.2)
Operating profit before changes in working capital		17.5	15.2
Changes in working capital			
Adjustments for (increase)/decrease in current assets:			
Inventories		(3.6)	0.8
Trade receivables		7.3	(0.3)
Other financial assets		(0.4)	(0.3)
Other current assets		(0.1)	(0.6)
Adjustments for increase/(decrease) in current liabilities:			
Trade Payables		(6.0)	1.0
Other financial liabilities		(2.1)	0.7
Short Term Provisions		0.7	0.8
Other Current Liabilities		(1.3)	0.7
Adjustments for (increase)/decrease in non-current assets:			
Other non-current assets		(0.2)	(0.2)
Cash generated from operating activities		11.8	17.8
Income tax paid (net of refunds)		(2.7)	(2.6)
Net Cash generated from operating activities (A)		9.1	15.2
B. CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(6.1)	(2.1)
Paid under Asset purchase agreement		-	(12.7)
Investment in bank deposits		(19.0)	(6.0)
Redemption/maturity of bank deposits		6.0	-
Interest received		1.0	0.8
Net Cash generated from/(used) investing activities (B)		(18.1)	(20.0)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Finance cost		(2.6)	(2.5)
Proceeds from loans from holding company		-	8.5
Interest accrued on loans from holding company		2.3	(0.4)
Net Cash used financing activities (C)		(0.3)	5.6
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(9.3)	0.8
Cash and cash equivalents as at March 31, 2019		13.8	13.0
Cash and cash equivalents as at March 31, 2020		4.5	13.8
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(9.3)	0.8



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

Rs Million

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Reconciliation of cash and cash equivalents with the balance sheet			
Cash on Hand		-	-
Balances with banks			
(i) In current accounts		4.5	4.8
(ii) In deposit accounts		-	9.0
Cash and cash equivalents at the end of the year		4.5	13.8

See accompanying notes forming part of the financial statements

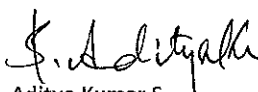
Note:

- (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. 1,739/- (31.03.2019 Rs. 1,183/-)

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


In terms of our report attached


For RGN Price & Co.
 Chartered Accountants
 Firm Reg No. 0027855


 Aditya Kumar S.
 Partner
 Membership No. 232444



For and on behalf of the Board of Directors


 Lokesh Saxena
 Director
 DIN:07823712


 Ramachar L.
 Director
 DIN: 02701965

Place: Bangalore
 Date : May 28, 2020



Bhadra Castalloy Private Limited

(formerly known as Bhadra Castalloys Private Limited)

Notes to the financial statements for the year ended 31 March 2020

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, 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 28, 2020

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



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Bhadra Castalloy Private Limited
(formerly known as Bhadra Castalloys Private Limited)
Notes to the financial statements for the year ended 31 March 2020

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 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.

3.3 Employee benefits

Defined Contribution Plan:

3.3.1 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.



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3.3.2 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 re-classified 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 inets are subsequently m

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.

3.3.3 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.

3.4 Taxation

3.4.1 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.

3.4.2 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.



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Bhadra Castalloy Private Limited

(formerly known as Bhadra Castalloys Private Limited)

Notes to the financial statements for the year ended 31 March 2020

3.5 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.

3.6 Goodwill and other Intangible assets

3.6.1 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.

3.6.2 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.



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Bhadra Castalloy Private Limited

(formerly known as Bhadra Castalloys Private Limited)

Notes to the financial statements for the year ended 31 March 2020

3.7 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.

3.8 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.

3.9 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)

3.10 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.



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3.11 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.

3.12 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.



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

Notes to the financial statements for the year ended 31 March 2020

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 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.

3.13 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.

3.14 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.

3.15 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.



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BHADRA CASTALLOY PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 March 2020

		Rs. Million	
		As at March 31, 2020	As at March 31, 2019
No. of Shares	Amount	No. of Shares	Amount
4,400,000	44.00	4,400,000	44.00
Balance at the end of the reporting period		4,400,000	44.00

a. Equity Share Capital:

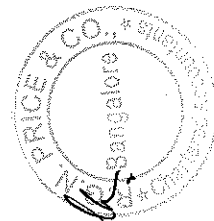
Balance as at the beginning of the reporting period
Changes in the equity share capital during the year

Balance at the end of the reporting period

b. Other equity

Particulars	Reserves and Surplus		Items of OCI	Total Equity
	Retained earnings	Remeasurements of defined benefit plans*		
Balance as at April 1, 2018	6.0			6.0
Profit for the year	8.3			8.3
Other comprehensive income	-	(0.2)		(0.2)
Total Comprehensive Income for the year	14.3	(0.2)		14.1
Balance as at March 31, 2019	14.3	(0.2)		14.1
Profit for the year	10.2			10.2
Other comprehensive income	-	(0.1)		(0.1)
Balance as at March 31, 2020	24.5	(0.3)		24.2

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



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

Place: Bangalore
Date : May 28, 2020

For and on behalf of the Board of Directors

[Signature]
Ramachar L
Director
DIN: 02701965

[Signature]
Lokesh Saxena
Director
DIN: 07823712

[Signature]

4 PROPERTY, PLANT AND EQUIPMENT

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:		
Land (Freehold)	30.2	29.8
Buildings	9.7	10.9
Plant & Machinery	14.0	13.4
Furniture & Fixtures	0.0	0.0
Office Equipment	0.3	0.3
Vehicles	1.1	1.2
Computers	1.1	0.2
	<u>56.4</u>	<u>55.8</u>

Particulars	Land (Freehold)	Buildings	Plant & Machinery	Furniture & Fixtures	Office Equipment	Vehicles	Computers	Total
Gross carrying value								
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
At April 1, 2019	29.8	14.0	16.7	0.0	0.3	1.6	0.3	62.7
Additions	0.4	0.1	1.9	-	-	-	1.1	3.5
Disposals/Adjustments	-	-	-	-	-	-	-	-
At March 31, 2020	30.2	14.1	18.6	0.0	0.3	1.6	1.4	66.2
Accumulated Depreciation								
At April 1, 2018	-	2.0	2.1	-	-	0.3	-	4.4
Depreciation expense	-	1.1	1.2	-	-	0.1	0.1	2.5
Disposals/Adjustments	-	-	-	-	-	-	-	-
At March 31, 2019	-	3.1	3.3	-	-	0.4	0.1	6.9
At April 1, 2019	-	3.1	3.3	-	-	0.4	0.1	6.9
Depreciation expense	-	1.3	1.3	-	-	0.1	0.2	2.9
Disposals/Adjustments	-	-	-	-	-	-	-	-
At March 31, 2020	-	4.4	4.6	-	-	0.5	0.3	9.8
Net carrying value March 31, 2020	30.2	9.7	14.0	0.0	0.3	1.1	1.1	56.4
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 April 1, 2018	29.8	11.3	10.8	0.0	0.1	1.3	0.3	53.6



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Bhadra Castalloy Private Limited
 NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

5 GOODWILL

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Carrying amounts of:	6.0	6.0
Goodwill*	6.0	6.0
Particulars		
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/Impairment		
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		-
Carrying amount:		
At April 1, 2018		6.0
At March 31, 2019		6.0
At March 31, 2020		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.



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6 DEFERRED TAX ASSET/(LIABILITY)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax asset on:		
Provision for gratuity	0.4	0.3
Provision for compensated absences	0.2	0.2
Provision for bonus	0.1	0.1
Preliminary expenses	0.1	0.4
Sub total (A)	0.8	1.0
Deferred tax liabilities on:		
Property, Plant and equipment and goodwill	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	Recognized in Profit or Loss	Recognized in other comprehensive income	Closing balance
Deferred tax asset on:				
Deferred tax asset on:				
Provision for gratuity	0.3	0.1	-	0.4
Provision for compensated absences	0.2	0.0	-	0.2
Provision for bonus	-	0.1	-	0.1
Preliminary expenses	0.4	(0.3)	-	0.1
Sub total (A)	0.9	(0.1)	-	0.8
Deferred tax liabilities on:				
Property, Plant and equipment and goodwill	2.0	0.1	-	2.1
Sub total (B)	2.0	0.1	-	2.1
Total (A-B)	(1.10)	(0.20)	-	(1.30)

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	-0.0	-	0.2
Preliminary expenses	0.4	-	-	0.4
Sub total (A)	0.7	0.2	-	0.9
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)	(0.50)	-	(1.10)



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Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

7 OTHER ASSETS

a) Non-current

Particulars	As at March 31, 2020	As at March 31, 2019
Deposits	1.5	1.3
Total	1.5	1.3

b) Current

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	0.6	0.5
Duty drawback receivable	0.3	-
Balance with government authorities	0.2	0.5
Total	1.1	1.0

8 INVENTORIES

Particulars	As at March 31, 2020	As at March 31, 2019
Inventories (valued at lower of cost and net realizable value)		
Raw materials	5.7	2.8
Work-in-progress	6.4	5.7
Total	12.1	8.5

9 TRADE RECEIVABLE

Particulars	As at March 31, 2020	As at March 31, 2019
Other trade receivable		
Considered good - Secured	-	-
Considered good - Unsecured	13.9	21.2
With Significant increase in credit risk	-	-
Credit impaired	-	-
Sub Total	13.9	21.2

10 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2020	As at March 31, 2019
A. Cash and cash equivalents:		
(a) Cash on hand*	-	-
(b) Balance with banks:		
-In current accounts	4.5	4.8
-Deposits of less than 90 days	-	9.0
Total	4.5	13.8

Note : (i)

*Cash in hand is Rs. 1,739/- (31.03.2019 Rs. 1,183/-)



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Bhadra Castalloy Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

11 OTHER BANK BALANCES

Particulars	As at March 31, 2020	As at March 31, 2019
Other balance with banks		
-In deposit accounts*	19.0	6.0
Total	19.0	6.0

*Balances in deposit accounts is fixed bank deposits remaining maturity more than three months from original date and less than twelve months

12 OTHER FINANCIAL ASSETS

a) Current

Particulars	As at March 31, 2020	As at March 31, 2019
Interest accrued on term deposits with banks	0.8	0.4
Total	0.8	0.4

13 SHARE CAPITAL

Particulars	As at March 31, 2020	As at March 31, 2019
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



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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.

14 OTHER EQUITY

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Retained earnings	24.2	14.1
Total	24.2	14.1

Particulars	As at	As at
	March 31, 2020	March 31, 2019
A. Retained earnings		
Opening balance	14.1	6.0
Movement during the year	-	-
Add : Profit for the year	10.2	8.3
Add : Other comprehensive income	(0.1)	-0.2
Balance at end of the year	24.2	14.1

15 OTHER FINANCIAL LIABILITIES

a) **Current**

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Payable on purchase of PPE	-	2.6
Contractually reimbursable expenses	4.7	5.9
Other Payables	0.9	1.1
Interest Payable - holding company	3.5	1.2
Employee benefits payable	0.5	1.2
Total	9.6	12.0

16 BORROWINGS

Particulars	As at	As at
	March 31, 2020	March 31, 2019
(Unsecured, considered good)		
Loan from holding company (carried at amortised cost)	26.0	26.0
(Refer note 32)		
Total	26.0	26.0



17 TRADE PAYABLES

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises	0.4	0.5
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 33.2)	6.7	13.3
Total	7.1	13.8

18 PROVISIONS

Particulars	As at March 31, 2020	As at March 31, 2019
Employee benefit payables: (Refer note 33.3)		
- Compensated absences	0.7	0.5
- Gratuity	1.4	0.9
Total	2.1	1.4

19 CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2020	As at March 31, 2019
Tax assets		
Advance income tax	5.6	2.5
Total	5.6	2.5
Tax liability		
Provision for income tax	6.3	2.6
Total	6.3	2.6
Net	0.7	0.1

20 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory liabilities (other than income tax)	0.3	0.3
Advances from customers	-	1.3
Total	0.3	1.6



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Bhadra Castalloy Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Million

21 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)	111.4	112.6
(b) Other operating revenue (Refer note (ii) below)	0.4	-
Total	111.8	112.6

Notes

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

Manufactured goods :

Parts of machinery

Parts of machinery	111.4	112.6
Sale of Manufactured goods Sub Total	111.4	112.6

(ii) **Other operating revenue comprises :**

Export incentives

Export incentives	0.4	-
Other operating revenue - Total	0.4	-

22 OTHER INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest income (Refer note (i) below)	1.0	0.8
(b) Net gain on foreign currency transactions and translation	0.7	0.1
Total	1.7	0.9

Note:

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

Interest on deposits

Interest on deposits	1.0	0.8
	1.0	0.8

23a COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Stock	2.8	2.6
Add : Purchases	62.7	61.3
Less : Closing Stock	5.7	2.8
Cost of raw materials consumed	59.8	61.1



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

Rs Million

23b CHANGES IN INVENTORIES WORK-IN-PROGRESS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventories at the end of the year:		
Work-in-progress	6.4	5.7
Sub Total	6.4	5.7
Inventories at the beginning of the year:		
Work-in-progress	5.7	6.7
Sub Total	5.7	6.7
TOTAL	(0.7)	1.0

24 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages	11.3	10.2
Contributions to provident fund (refer note 33.3)	1.0	1.5
Staff welfare expenses	0.9	0.8
Total	13.2	12.5

25 FINANCE COSTS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest expense on:		
(i) Interest on intercompany loan	2.6	2.5
Total	2.6	2.5

26 DEPRECIATION

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment (refer note 4)	2.9	2.5
Total	2.9	2.5



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27 OTHER EXPENSES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Power and fuel	8.9	8.6
Rent*	-	-
Repairs and maintenance - Machinery	-	-
Insurance	0.4	0.1
Rates and taxes	0.3	0.3
Travelling and conveyance	0.3	0.7
Professional fees	1.9	3.7
Payments to auditors (refer note (i) below)	0.4	0.2
Security expenses	1.7	1.6
Telephone, postage and courier	0.2	0.1
Printing and stationery	0.1	0.1
Freight outwards	2.2	1.5
Group management fees	1.0	1.2
Contract workers expenses	4.4	4.5
Miscellaneous expenses	0.1	-
Total	21.9	22.6

* rent for the year is Rs.48,000/- (31.3.2019 Rs.48,000/-)

Note:

(i) Payments to auditors comprises :

Statutory audit	0.1	0.1
Tax Audit	0.1	0.1
Other services	0.2	-
Sub Total	0.4	0.2

28 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	3.3	2.6
	3.3	2.6
Deferred tax charge		
In respect of the current year	0.3	0.4
	0.3	0.4
Total income tax expenses recognized in the current year	3.6	3.0



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29 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 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 25.17%* (March 31st 2019 - 25.82%)

Base rate	22.00%	25.00%
Surcharge	10.00%	7.00%
Cess	4.00%	4.00%
Effective tax rate*	25.17%	27.82%

Profit before tax (as per statement of profit and loss)	13.8	11.3
Tax based on effective tax rate on profit before tax	3.5	3.1
Add: Disallowances	0.4	0.5
Less: Exemptions	0.3	0.4
Less: Impact of differential depreciation	0.3	0.6
	3.3	2.6
Current tax expenses as per statement of profit and loss	3.3	2.6

* As per section 115BAA company has adapted reduced income tax rate of 22% basic.

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

Particulars	March 31, 2021	March 31, 2022	beyond March 31, 2023
Payment of Bonus	0.1	-	-
Impact of differential depr	0.6	0.1	1.4



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30 Financial instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2020 and March 31, 2019 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, 2020								
Financial assets:*								
Trade receivables			13.9	13.9				-
Cash and cash equivalents			4.5	4.5				-
Other bank balances			19.0	19.0				-
Other financial assets			0.8	0.8				-
Total financial assets	-	-	38.2	38.2	-	-	-	-
Financial Liabilities:								
Trade payables*			7.1	7.1				-
Loans*			26.0	26.0				-
Other financial liabilities			9.6	9.6				-
Total financial liabilities	-	-	42.7	42.7	-	-	-	-

* 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, 2019								
Financial assets:*								
Trade receivables			21.2	21.2				-
Cash and cash equivalents			13.8	13.8				-
Other bank balances			6.0	6.0				-
Other financial assets			0.4	0.4				-
Total financial assets	-	-	41.4	41.4	-	-	-	-
Financial Liabilities:								
Trade payables*			13.8	13.8				-
Loans*			26.0	26.0				-
Other financial liabilities			12.0	12.0				-
Total financial liabilities	-	-	51.8	51.8	-	-	-	-

* 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 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, 2020	March 31, 2019
Revenue from top customer	23.1	23.1
Revenue from top 5 customer	91.0	92.8

One customer accounted for more than 10% of the revenue for the year ended March 31, 2020

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, 2020	April 1, 2019
Cash and cash equivalents	4.5	13.8
Other bank balances	19.0	6.0
Interest bearing deposits with corporates	-	-
Total	23.5	19.8

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2020 and March 31, 2019 respectively

Particulars	As at	
	1-2 years	2 years and above
Trade payables	7.1	-
Loans	26.0	-
Other financial liabilities	9.6	-

Particulars	As at	
	1-2 years	2 years and above
Trade payables	13.8	-
Loans	26.0	-
Other financial liabilities	12.0	-

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, 2020	March 31, 2019
	Total equity attributable to the equity share holders of the Company	44.0
As percentage of total capital	63%	63%
Current borrowings	26.0	26.0
Non-current borrowings	-	-
Total borrowings	26.0	26.0
As a percentage of total capital	37%	37%
Total capital (borrowings and equity)	70.0	70.0

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.

32 Borrowings

Name of the parent company	Borrowings		Max amount outstanding during the year	Balance as at	
	Year ended	Year ended		March 31, 2020	March 31, 2019
	March 31, 2020	March 31, 2019			
DISA India Limited	-	8.5	26.0	26.0	26.0

Above loan is demand loan which is at 9.9% interest. Other than above, the Company has not borrowed any loans or advances in the nature of borrowings and in which directors are interested.



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Particulars	As at	As at
	March 31, 2020	March 31, 2019

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 Nil (PY Rs. 1.0 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.1.0 Million for Provident Fund contributions and Rs.0.1 Million for Employees State insurance scheme contribution as on 31st March 2020 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

	Year ended March 31, 2020	Year ended March 31, 2019
Expenses recognized in statement of profit and loss:		
Current Service cost	0.4	0.3
Net interest expenses	-	-
Expected return on plan assets	-	-
Component of defined benefit costs recognized in the statement of profit and loss	0.4	0.3
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	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	0.1	0.2
Total	0.5	0.5

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, 2020	Year ended March 31, 2019	Year ended March 31, 2018
Present value of defined benefit obligation (DBO)	1.4	0.9	0.4
Fair value of plan assets	-	-	-
Funded status [surplus/(deficit)]	-	-	-
Net liability arising from defined benefit obligations recognized in the balance sheet	1.4	0.9	0.4

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

	Year ended March 31, 2020	Year ended March 31, 2019
Opening defined benefit obligation	0.9	0.4
Current service cost	0.4	0.3
Interest cost	-	-
benefits paid	-	-
Actuarial (gains)/losses arising from change in the financial assumptions	0.1	0.1
Actuarial (gains)/losses arising from change in the experience assumptions	-	0.1
Closing defined benefit obligation	1.4	0.9

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

	Year ended March 31, 2020	Year ended March 31, 2019
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	-	-



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Actual return on the plan assets is Rs. Nil (March 31, 2019 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, 2020	Year ended March 31, 2019
Financial Assumption:		
Discount rate	6.5%	7.4%
Salary escalation rate	10.0%	10.0%
Demographic assumption:		
Withdrawal rate	1.0%	1.0%
Mortality rate	IALM (2012-14)	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. 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.

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, 2020		
Discount rate +1%/-1%	-9%	10%
Salary escalation rate+1%/-1%	10%	-9%
Withdrawal rate +25%/-25%	-1%	1%
March 31, 2019		
Discount rate +1%/-1%	-9%	-10%
Salary escalation rate+1%/-1%	10%	9%
Withdrawal rate +25%/-25%	-1%	-1%

(ii) Leave encashment

	Year ended March 31, 2020	Year ended March 31, 2019
Expenses recognized in statement of profit and loss:		
Current Service cost	0.3	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	0.3
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	(0.1)	-
Component of defined benefit costs recognized in the other comprehensive income	(0.1)	-
Total	0.2	0.3

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



Bhadra Castalloy Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Rs Million	
	Year ended March 31, 2020	Year ended March 31, 2019
Present value of defined benefit obligation (DBO)	0.7	0.5
Fair value of plan assets	-	-
Funded status (surplus/(deficit))	-	-
Net liability arising from defined benefit obligations recognized in the balance sheet	0.7	0.5

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

	Year ended March 31, 2020	Year ended March 31, 2019
Opening defined benefit obligation	0.5	0.2
Current service cost	0.3	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	(0.1)	-
Closing defined benefit obligation	0.7	0.5

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

	Year ended March 31, 2020	Year ended March 31, 2019
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	-	-

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, 2020	Year ended March 31, 2019
Financial Assumption:		
Discount rate	6.5%	7.4%
Salary escalation rate	10.0%	10.0%
Demographic assumption:		
Withdrawal rate	1.0%	1.0%
Mortality rate	IALM (2012-14)	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 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, 2020		
Discount rate +1%/-1%	-6%	7%
Salary escalation rate+1%/-1%	6%	-6%
Withdrawal rate +25%/-25%	0%	0%
March 31, 2019		
Discount rate +1%/-1%	-7%	-8%
Salary escalation rate+1%/-1%	7%	6%
Withdrawal rate +25%/-25%	0%	0%



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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.

33.5 Earnings per share

	Year ended March 31, 2020	Year ended March 31, 2019
Net Profit for the year (Rs. Million)	10.2	8.3
Number of equity shares (in Numbers)	4.4	4.4
Basic and diluted earnings per share (Rs.)	2.3	1.9

33.6 Trade receivables

	Year ended March 31, 2020	Year ended March 31, 2019
Balance at the beginning of the year	21.2	20.9
Additions to the receivables during the year	131.9	132.9
Collections during the period	139.2	132.6
Balance at the end of the year	13.9	21.2

Advance received from Customeres

	Year ended March 31, 2020	Year ended March 31, 2019
Balance at the beginning of the year	1.3	-
Additions to the customer advances	-	1.3
Deletions from customer advances	1.3	-
Balance at the end of the year	-	1.3

33.7

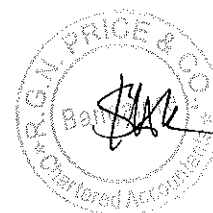
Ind AS 116 "Leases" applicable with effect from April 1, 2019. Company does not have any lease property, so there is no impact on Leases accounting

34.1 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

34.2 Impact of Covid-19

The Company has evaluated the impact of COVID – 19 resulting from the possibility of constraints for sale of products. The Company has concluded that the impact of COVID – 19 is not material based on such evaluation. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.



35. 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)	Norican A/S Norican Group ApS Norican Holdings ApS Norican Digital GmbH Castalloy, Inc. DISA (Changzhou) Machinery Ltd. DISA Holding A/S DISA Holding AG DISA Holding II A/S DISA Holding LLC DISA Industrie AG DISA Industrieanlagen GmbH DISA Industries A/S DISA Industries, Inc. DISA K.V. DISA Limited Hong Kong DISA Technologies Private Ltd. DISA Trading (Shanghai) Co. Ltd. Gauss Automations S.p.A. Impact Finlithers Ltd. IP Mexico Die Casting S.A. de C.V. Itapresse France S.a.r.l. Itapresse Industrie (Shanghai) Co. Ltd. Itapresse Industrie S.p.A. Itapresse of America, Inc. Kunshan Itapresse Die-Casting Light Metal Casting Equipment GmbH Light Metal Casting Solutions Group GmbH LMCS Group Holding GmbH Matrosur Composites SAS OFT Oberflächentechnik Maschinen und Werkzeuge Handels GmbH Striko UK Ltd. StrikoWestfalen de Mexico, S.A. de C.V. StrikoWestfalen Dynarad Furnace Corp. StrikoWestfalen GmbH StrikoWestfalen Thermal Equipment (Talcang) Ltd. SWO Holding GmbH SWO Polska Sp. z o.o. Walter Trowal S.a.r.l. WG Global LLC WG Plus de Mexico S de RL de CV WG Plus Servicios S de R. l de CV WGH Holding Corp WGH UK Holdings Limited WGH UR Ltd. Wheelabrator (Delaware) LLC Wheelabrator Berger Stiftung GmbH Wheelabrator Czech S.r.o. Wheelabrator Group (Canada) ULC Wheelabrator Group GmbH Wheelabrator Group Holding GmbH Wheelabrator Group Ltd. Wheelabrator Group SAS Wheelabrator Group SUU Wheelabrator Group, Inc. Wheelabrator OFT GmbH Wheelabrator Schlick Sp. z o.o. Wheelabrator Technologies (UK) Ltd.
Key Management Personnel (KMP)	K. Duraisami (Director till December 31, 2018) Ramachari L. (Director from December 31, 2018) Lokesh Saxena - Director Amar Hain Mohanty - CFO



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	14.8 (15.1)
Reimbursement of Expenses - Group Management	1.0 (1.2)
Borrowings	- (8.5)
Interest on loan - Expenses	2.6 (2.5)

Balances outstanding as at year end:	DISA INDIA LIMITED
Trade Receivable	0.9 -
Other Payable	4.7 (5.9)
Borrowings	26.0 (26.0)
Interest Payable	3.5 (1.2)
Share Capital	44.0 (44.0)

NAME OF THE RELATED PARTY	Castalloy Inc, USA
Sale of Goods	21.3 (17.0)
Trade Receivable	5.5 (7.6)

NAME OF THE RELATED PARTY	Castalloy UK
Sale of Goods	0.3 -
Trade Receivable	0.3 -

Managerial remuneration - disclosure	K. Duraisami (Director till December 31,2018)
Short term	1.3 (2.9)
Long term	Nil
Retirement benefits	NIL
Post Retirement benefits	NIL

Managerial remuneration - disclosure	Ramachar L
Short term	1.3 (0.3)
Long term	0.1
Retirement benefits	NIL
Post Retirement benefits	NIL

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

Place: Bangalore
 Date : May 28, 2020

For and on behalf of the Board of Directors



Lokesh Saxena
 Director
 DIN:07823712

Ramachar L
 Director
 DIN: 02701965

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