

# DISA India Limited

37<sup>th</sup> Annual Report – 2021-22





# Managing Director's Message



Dear Shareholder,

It is with immense pride and pleasure that I present the Annual Report 2021-22 to you. Pride, as we achieved the best ever results for DIL, both on revenues and profits, since we started India operations in 1984, and pleasure, as we have done it in the most unpredictable times of our professional life. This speaks volumes of the confidence shown by our customers & other stakeholders. It's imperative to mention, that the outcome for the year is a result of unmatched support and guidance received from our Board of Directors from time to time.

Your company embarked upon an important journey in 2021 on improving sustainability. In December 2021, DIL along with the Norican group signed its commitment letter to the **Science-Based Targets Initiative (SBTi)** – making it the first among its peers to do so. We committed to reducing greenhouse gas (GHG) emissions and to help limit global warming.

Last two years have been testing times for all companies, and your company is no exception to it. However, your company has successfully implemented actions, which has helped not only to navigate the current crisis, but also prepare herself for the future.

Your company has undertaken the following important actions during the year:

- **Plant Expansion:** Major expansion undertaken at Tumkur plant to enhance efficiency, synergise people capabilities for DIL operations, and initiated consolidation of the operations in Tumkur location
- **Norican Digital:** Started and implemented the digital offerings for key customers thus affecting their overall efficiencies and costs
- **Distribution Network:** Continued the creation of distribution network for aftermarket business by adding new distributor locations, thus establishing presence across major Norican installations near – Delhi/ NCR, Ludhiana, Pune, Kolhapur, Ahmedabad, Rajkot, Jamshedpur, Coimbatore & Bengaluru
- **Exports:** Ventured into new market of Qatar in Middle East by creating DISA Foundry in collaboration with a key customer at Doha, and continued to sell equipment across key markets of USA, Turkey, Australia through global Norican
- **Organization:** Reinforced the organisation with key people and made it lean & pro-active which improved productivity

Like earlier years, your company stands committed to the cause of education through its CSR program. The scholarship initiative at National Institute of Advanced Manufacturing Technology (NIAMT), Ranchi for B. Tech students continues to recognise bright young minds. At the same time, the scholarships to the deprived and meritorious students continue to get the patronage across government schools, near our manufacturing operations, benefitting many young students.

At the start of the new fiscal, your company has seen severe challenges across supply chain, commodity prices, overall inflationary trends and cautious investment decisions due to uncertainties created by the ongoing war in Europe. This is in addition to the largely subdued demand from automotive business and retail consumption in India. However, infrastructure investments continued to hold good specially railways, road construction, airports, waterways, defence and energy sectors to name a few.

The measures undertaken in the last few years has increased the agility and adaptability of your company. This has enabled it to deal with the ever-changing environment. We have been in constant deliberation with our group organisations to come up with actions and result that have a global perspective. The second half of the fiscal year looked challenging due to a reduced demand, and the overall flow of order in the India market. Our focus in the OEM business is to make inroads in newer markets beyond India, while the focus in aftermarket is to present newer models, to support production efficiencies and obtain higher share of business. Even in these tough times, we continued to enjoy the most significant share in foundry business, due to our "Complete Foundry" approach to the market, which is unmatched in the industry. Finally, our aim is to make our customers more efficient than ever before, and to help them produce castings at the lowest cost per kilogram.

DIL team takes this opportunity to thank our customers, suppliers, and other stakeholders for showing strong faith in our approach towards business. It strengthens our resolve to embark on a more successful journey in the coming years. Our resolute employees should not go unsung in this message as they are the ones who make things happen for all of us. A special thanks to the Norican Group Management team, for their undeterred support and guidance in this journey, we truly stay indebted.

We commit ourselves to enhance the shareholder's value as always.

Lokesh Saxena  
Managing Director

**Board of Directors**  
Ms. Deepa Hingorani, Chairperson  
Mr. Anders Wilhjelm  
Ms. Ulla P. Tonnesen  
Mr. Bhagya Chandra Rao- Independent Director  
Mr. Michael Declan Guerin  
Mr. Lokesh Saxena – Managing Director

**Chief Financial Officer** Mr. Amar Nath Mohanty

**Company Secretary** Mr. G. Prasanna Bairy

**Bankers**

Kotak Mahindra Bank Ltd.  
HDFC Bank Ltd.  
HSBC Ltd.

**Registrars**

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

**Registered Office**

World Trade Center (WTC)  
6th Floor, Unit No. S-604  
Brigade Gateway Campus  
26/1, Dr. Rajkumar Road  
Malleswaram-Rajajinagar  
Bengaluru - 560 055  
Ph: +91 80 2249 6700

**Stock Exchange**

BSE Ltd.  
Mumbai

**Auditors**

Deloitte Haskins & Sells  
Bengaluru

**Solicitors**

Chander Kumar & Associates  
Bengaluru

**Internal Auditors**

Protiviti India Member (Pvt.) Ltd, Bengaluru

**Secretarial Auditor**

Mr. Vijayakrishna KT  
Bengaluru

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# Board of Directors



**Deepa Agar Hingorani**

Independent Director & Chairperson



**Anders Wilhelm**

Director



**Declan Guerin**

Director



**Bhagya Chandra Rao**

Independent Director



**Ulla Hartvig Plathe Tonnesen**

Director



**Lokesh Saxena**

Managing Director



## NOTICE

NOTICE is hereby given that the Thirty Seventh (37<sup>th</sup>) Annual General Meeting of DISA India Limited will be held on Friday, the 12<sup>th</sup> day of August, 2022 at 11.00 AM IST through Video Conferencing (VC) to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including the consolidated financial statements) of the Company for the year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend of Rs. 10/- per Equity Share of Rs. 10/- each (100%) for the Financial Year ended March 31, 2022.
3. To appoint a Director in place of Mr. Michael Declan Guerin (DIN: 0009055549), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

4. To ratify the remuneration of Cost Auditors.

To consider, and if thought fit, to pass, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof], Messrs. Rao, Murthy & Associates, Cost Accountants, Bengaluru (Reg. No.000065), appointed as Cost Auditors of the Company for conducting the cost audit of the accounts and records for the Financial Year ended March 31, 2022 with a remuneration of Rs.1,65,000/- (Rupees One Lakh Sixty Five Thousand only) plus applicable taxes and reimbursement of out of pocket expenses, at actuals, as approved by the Board of Directors, be and is hereby ratified.”

By Order of the Board of Directors  
For DISA India Limited

Date: May 25, 2022  
Place: Bengaluru

G Prasanna Bairy  
Company Secretary  
Membership No.: ACS 35584

### NOTES:

1. In view of disruptions caused by COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 and General Circular No. 02/2021 dated January 13, 2021 (collectively “MCA Circulars”), permitted companies to conduct Annual General Meeting (AGM) through video conferencing or other audio visual means (VC) till December 31, 2021, subject to compliance with various conditions mentioned therein. Similarly, SEBI vide Circular No. 79 dated May 12, 2020 and Circular No. 11 dated January 15, 2021 granted certain relaxations pertaining to dispatch of hard copies of Annual Reports and Proxy Forms to listed entities who conduct their AGM through electronic mode till December 31, 2021. Further, MCA vide General Circular No. 02/2022 dated May 5, 2022 extended the option to conduct the AGM through VC till December 31, 2022. Similarly, SEBI vide Circular No. 62 dated May 13, 2022 extended the relaxations pertaining to dispatch of hard copies of Annual Reports and Proxy Forms to listed entities who conduct their AGM through electronic mode till December 31, 2022 subject to certain conditions. In compliance with the MCA Circulars, SEBI Circulars and applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 37<sup>th</sup> AGM of your Company is being convened and conducted through VC.
2. The Company has facilitated the Members to participate in the 37<sup>th</sup> AGM through VC facility provided by Central Depository Services Limited (CDSL). The instructions for participation by Members are given in the subsequent paragraphs. Participation in AGM through VC shall be allowed on a first-come-first-served basis.
3. As per MCA Circulars, Members attending the 37<sup>th</sup> AGM through VC will be reckoned for the purpose of quorum as per Section 103 of the Companies Act, 2013.
4. For exercising the votes by the Members by electronic means, the Company has provided the facility of remote e-voting as well as e-voting during the AGM. The procedure for using the remote e-voting facility as well as e-voting during the AGM is given in the subsequent paragraphs.
5. Members joining the AGM through VC shall be permitted to exercise their right to vote using the e-voting facility at the AGM, provided they have not cast their votes using remote e-voting facility. The Members who have already cast their votes prior to AGM using the remote e-voting facility may also join the AGM through VC; but shall not be entitled to cast their votes again at the AGM.
6. As per the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and such proxy need

not be a member of the Company. Since 37<sup>th</sup> AGM is being held through VC as per MCA Circulars and SEBI Circulars, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 37<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice. Similarly, as this AGM is being held through VC, the route map is not annexed to this notice.

7. Corporate Members may authorize their representatives for casting the votes using remote e-voting facility or for participation and voting in the AGM using VC. Institutional Investors are encouraged to attend and vote at the AGM through VC.
8. In line with MCA Circulars and SEBI Circulars, the Annual Report for the Financial Year 2021-22 along with Notice of 37<sup>th</sup> AGM of the Company *inter-alia* indicating the process and manner of e-voting are being sent only by electronic mode to those Members whose email IDs are registered with the Company/Depository Participant(s) for communication. Physical copies of the Annual Report will be sent by permitted mode to those Members who request for the same.

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

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

9. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the directors are interested, maintained as per the Companies Act, 2013 will be available for electronic inspection by the Members during the AGM. All the documents referred to in the Notice will also be available for electronic inspection by the Members without any fee from the date of circulation of this notice up to the date of AGM i.e., August 12, 2022. Members seeking to inspect such documents may send an email to [investor.relations@noricangroup.com](mailto:investor.relations@noricangroup.com).
10. Members seeking clarifications on the Annual Report are requested to send an email to [investor.relations@noricangroup.com](mailto:investor.relations@noricangroup.com) on or before August 5, 2022. This would enable the Company to compile the information and provide replies at the meeting.
11. Persons holding the shares on August 4, 2022 (Record Date) would be entitled to attend the AGM. The Register of Members and the Share Transfer books of the Company will remain closed from August 5, 2022 to August 12, 2022 (both days inclusive).
12. Subject to the provisions of Section 123 of the Companies Act, 2013, Dividend as recommended by the Board of Directors, if declared, at the AGM, will be disbursed on or before September 11, 2022 to those Members whose name appear in the Register of Members (in respect of shares held in physical form) or in the records of Depositories as Beneficial Owners of Shares (in respect of shares in dematerialized form) as on the record date i.e August 4, 2022.
13. Dividend will be paid electronically through various online transfer modes to those Members who have updated their bank accounts. For Members who are yet to update their bank account details, dividend demand drafts will be sent to their registered addresses through post.
14. Pursuant to the changes introduced by the Finance Act 2020 w.e.f. April 1, 2020, Dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source, as applicable, at the time of making the payment of the said Dividend.

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

#### Resident Shareholders

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

Tax to be deducted at source for FY 2022-23, wherever applicable, would be as under:

Particulars	Applicable Rate	Documents required (if any)
Shareholders having the PAN	10%	Update the PAN and the residential status as per Income Tax Act, 1961 if not already done with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agent (in case of shares held in physical mode).
	NIL	Form 15G (applicable to any person other than a Company or a Firm)/Form 15H (applicable to an Individual above the age of 60 years), provided that all the required eligibility conditions are met, and a copy of PAN is furnished.



Particulars	Applicable Rate	Documents required (if any)
Shareholders not having PAN/ Invalid PAN	20%	-
Shareholders submitting the Order under Section 197 of the Income Tax Act, 1961 (Act)	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority along with a copy of PAN.
Shareholders (e.g. LIC, GIC) for whom Section 194 of the Act is not applicable	NIL	Declaration that it has full beneficial interest with respect to the shares owned by it along with PAN.
Shareholders, being Alternative Investment Funds (AIFs)	NIL	A declaration that the AIFs are registered under SEBI as per SEBI Regulations.
Shareholders covered under Section 196 of the Act (e.g. Mutual Funds, Govt.)	NIL	Certificate of registration u/s 10(23D) issued by the appropriate authority along with PAN, documentary evidence that the person is covered under said Section 196 of the Act.

Resident individual shareholders are requested to ensure that Aadhar Number is linked with PAN within the prescribed timelines. In case of failure to link, PAN shall be considered as inoperative/invalid and hence, tax at 20% shall be deducted in such cases.

#### TDS to be deducted at higher rate in case of non-filers of Return of Income:

The Finance Act, 2021, has inter-alia inserted the provisions of Section 206AB of the Act with effect from July 1, 2021. The provisions of said section require the Company to deduct tax at higher of the following rates from amount paid/ credited to 'specified person':

- i. At twice the rate specified in the relevant provision of the Income Tax Act; or
- ii. At twice the rate(s) in force; or
- iii. At the rate of 5%.

The 'specified person' in relation to Financial Year 2022-23 means a person who has:

- a. not filed the income tax return for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for filing the income tax return under section 139(h) of the Act has expired; and
- b. subjected to tax deduction/collection at source in aggregate amounting to Rs. 50,000 or more in the aforesaid previous year.

Your Company will deduct the tax in accordance with guidelines provided by the Government to comply with the provisions of section 206AB. Tax deducted in accordance with said guidelines will be final and your Company shall not refund/adjust said amount subsequently. Your Company might also seek necessary declarations from you to comply with the provisions of this section. The non-resident who does not have a permanent establishment is excluded from the scope of a specified person.

#### Non - Resident Shareholders

As per Section 90 of the Income Tax Act, the non-resident shareholder has the option of being governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder, if they are more beneficial to them. Please refer to the below table for details of documents to avail Tax Treaty benefits.

Particulars	Applicable Rate	Documents required (if any)
Shareholders, being Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess) as per Section 196D of Income Tax Act, 1961  <b>OR</b> Tax Treaty Rate (whichever is lower)	<ol style="list-style-type: none"> <li>a. Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.</li> <li>b. Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident, valid for FY 22-23.</li> <li>c. Self-declaration in Form 10F.</li> <li>d. Self-declaration by the non-resident shareholder about having no Permanent Establishment in India in accordance with the applicable Tax Treaty.</li> <li>e. Self-declaration of Beneficial ownership by the non-resident shareholder.</li> </ol>

Particulars	Applicable Rate	Documents required (if any)
Other Non-resident shareholders	20% (plus applicable surcharge and cess)  <b>OR</b>  Tax Treaty Rate (whichever is lower)	a. Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities. b. Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident, valid for FY 22-23. c. Self-declaration in Form 10F. d. Self-declaration by the non-resident shareholder about having no Permanent Establishment in India in accordance with the applicable Tax Treaty. e. Self-declaration of Beneficial ownership by the non-resident shareholder.
Shareholders submitting the Order under Section 197 of the Income Tax Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority.

In case, PAN is not available, the non-resident shareholder (other than a company) shall furnish (a) name, (b) email id, (c) contact number, (d) address in residency country, (e) Tax Identification Number of the residency country.

It is recommended that shareholders should independently satisfy their eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA.

Kindly note that the Company is not obligated to apply beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate as per DTAA for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

Soft copies of following documents may be downloaded from the link <https://www.integratedindia.in/ExemptionFormSubmission.aspx>:

01. Form 15G.
02. Form 15H.
03. Form 10F.
04. Declaration from residents.
05. Declaration from non-residents.
06. Declaration under Rule 37BC from non-residents (other than companies) not having PAN.

Duly filled and signed aforesaid documents, as applicable, should be mailed to [investor.relations@noricangroup.com](mailto:investor.relations@noricangroup.com) or uploaded on the weblink of RTA i.e., <https://www.integratedindia.in/ExemptionFormSubmission.aspx> on or before August 5, 2022, 11.59 PM (IST), to enable the Company to determine the appropriate TDS/withholding tax rate applicable.

No communication on the tax determination/deduction received post August 5, 2022 shall be considered for payment of Dividend.

While deducting the withholding of taxes as mentioned above, the residential status of the shareholders will be considered as per the data available with the Company/RTA/the Depository Participants (the "DPs"). In case there is change in their status, then the shareholders are requested to update their current status with the Company/RTA/the DPs on or before August 5, 2022.

If the tax on said Dividend is deducted at a higher rate due to non-receipt of or satisfactory completeness of the afore-mentioned details/documents by August 5, 2022, the shareholder may claim an appropriate refund in the return of income filed with their respective tax authorities.

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

The Company will arrange to send a copy of the TDS certificate to shareholders in due course, post payment of the said Dividend. Shareholders will also be able to view electronic credit of TDS in Form 26AS, which can be downloaded from the website of Income Tax Department.

15. As per Section 124 of the Companies Act, 2013, the amount of Dividend remaining unpaid or unclaimed within 30 days from the date of declaration shall be transferred to 'unpaid dividend account' of the Company. Amount transferred to 'unpaid dividend account', which remains unpaid or unclaimed for a period of seven years from the date of transfer, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Similarly, all the Shares in respect of which Dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the IEPF.
16. In line with the provisions of Section 124 of the Companies Act, 2013, members who have not so far encashed the Dividend, for any of the Dividends declared earlier, are requested to make their claims to the Company immediately.

Please note that in respect of unclaimed dividend amount and the shares transferred to IEPF, Shareholders may claim the Dividend and corresponding shares transferred to IEPF including all benefits accruing on such shares, if any, from IEPF authorities after following the procedure prescribed in the Companies Act, 2013 and Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

17. The Shares of the Company are compulsorily traded in dematerialized form as per the directions of the Stock Exchange. Accordingly, members who have not opted for dematerialization of shares are once again reminded to take steps to dematerialize their holdings. Further, the members may note that as per SEBI(LODR) (Fourth Amendment) Regulations, 2018, with effect from April 1, 2019, except in case of transmission or transposition of securities, no transfer of securities shall be processed unless the securities are held in the dematerialized form.

Pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021, the Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. The aforesaid communication is also available on the website of the Company. Attention of the Members holding Shares of the Company in physical form is invited to go through the said important communication under the web link at <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/notices>.

Moreover, SEBI Circular dated January 25, 2022 requires the companies to issue the securities to investors only in dematerialized form while processing the service requests such as issue of duplicate securities certificates, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. In view of the above, shareholders holding equity shares in physical form are urged to get their shares dematerialized so that they will be able to transfer them freely and participate in corporate actions. Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website under the link <https://www.disagroup.com/en-in/investor-relations/investor-grievances>.

18. Members holding the shares in physical form are requested to communicate the changes, if any, in their addresses, bank account details and other necessary details to the Company's Registrar and Share Transfer Agent, Integrated Registry Management Services Private Limited, 30, Ramana Residency, IV Cross, Sampige Road, Malleswaram, Bengaluru-560 003. Members holding the shares in

dematerialized form are requested to communicate such changes to the concerned Depository Participant.

19. Members who are yet to register their e-mail address/ Mobile number are requested to register the same with the Depository through their Depository Participants in respect of shares held in dematerialized form. Members holding the shares in physical form may register their e-mail address/ Mobile number by writing to the Company's Registrar and Share Transfer Agent.
20. Non-resident Indian shareholders are requested to immediately inform the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be, about the following matters:-
- the change in residential status on return to India for permanent settlement, and
  - the particulars of the NRE account with a bank in India, if not furnished earlier.
21. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form may submit their PAN details to the Company's Registrar and Share Transfer Agents or the Company.
22. Members holding shares in single name in physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13, as prescribed by the Government may be obtained from the Registrar and Share Transfer Agent or the Secretarial Department of the Company at its Registered Office. This document has also been uploaded on the weblink of the Company i.e., [www.disagroup.com/en-in/investor-relations/investor-grievances](http://www.disagroup.com/en-in/investor-relations/investor-grievances).
23. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the Meeting, is annexed hereto.
24. Procedure for e-voting and joining AGM through VC:
- In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the 37<sup>th</sup> AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting agency. The facility to cast the votes by the members using remote e-voting as well as the

e-voting system on the date of the AGM will be provided by CDSL.

The voting period begins on August 7, 2022 (9.00 AM IST) and ends on August 11, 2022 (5.00 PM IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record date) of August 4, 2022 may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

To increase the efficiency of the e-voting process, SEBI, vide Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, intended to enable e-voting to all the demat account holders by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders should be

permitted to cast their votes without having to register again with the e-voting service providers, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

As required by this Circular, Individual shareholders holding securities in demat mode are allowed to vote through their demat accounts maintained with Depositories and Depository Participants. Hence, members are advised to update their mobile numbers and email Ids in their respective demat accounts to access e-voting facility.

The detailed e-voting procedure is as under:

- a. Pursuant to above said SEBI Circular, login procedure for e-voting and joining virtual meetings for Individual shareholders holding securities in demat mode is given below:

Shareholder Type	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting the vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there will be links provided to access the system of all e-voting service providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-voting service providers' website directly.</li> <li>3. If the user is not registered for Easi / Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>4. Alternatively, the user may directly access e-voting page by providing demat Account Number and PAN No. from a e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered mobile &amp; email as recorded in the demat account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting service providers</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1. Users who have already registered for NSDL IDeAS facility, may visit the e-Services website of NSDL i.e., <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On clicking on the 'Beneficial Owner' icon under 'Login' under 'IDeAS' section, a new screen will open. After successful authentication using the User ID and Password, user will be able to see e-voting services. Click on 'Access to e-Voting' under e-voting services will lead to e-voting page. Click on company name or e-voting service provider name will redirect to e-voting service provider website for casting the vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user has not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select 'Register Online for IDeAS' portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3. Alternatively, the user may visit the e-voting website of NSDL i.e., <a href="https://www.evoting.nsd.com">https://www.evoting.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-Voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Shareholder Type	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-Voting service provider name will redirect to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at abovementioned websites.

For any technical issues related to login through Depository i.e., CDSL and NSDL, individual shareholders holding securities in demat mode may access the helpdesk as under:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issues in login may contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call at 022- 23058738 and 022-23058542-43.
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issues in login may contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

- b. The instructions for remote e-voting for Members (other than individual shareholders holding shares in Demat form) & physical shareholders are as under:
  - i. The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - ii. Click on "Shareholders" module.
  - iii. Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - iv. Next enter the Image Verification as displayed and Click on Login.
  - v. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

- vi. If you are a first-time user, follow the steps given below:

	<b>For shareholders holding shares in demat Form (other than Individual shareholders) and in Physical Form</b>
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
	Members who have not updated their PAN with the Company/Depository Participant are requested to use sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details or Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</li> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii) above.</li> </ul>

- c. After entering these details appropriately, click on "SUBMIT" tab.
- d. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat account holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- e. For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- f. Click on the EVSN relevant to 'DISA India Limited' on which you choose to vote.
- g. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES/NO" is available for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- h. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- i. After selecting the resolution, if you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- j. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- k. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- l. If a demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.
- ii. The Members can join the AGM through VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- iii. System requirements for best VC experience:  
Though any internet enabled device i.e., Laptop, Desktop, Smartphone or a Tablet may be used to join the meeting, members are encouraged to join the AGM through Laptop/Tablet for better experience. Laptop with at least Core2duo processor, 1GB RAM, good quality multimedia kit and latest version of Internet Browser are preferred. Members are requested to download the Cisco WebEx meeting tool in advance and enable the camera during the AGM.  
Members connecting from Mobile Devices, Tablets or Laptop connected via Mobile Hotspot might experience Audio/Video loss due to fluctuations in their respective networks. To mitigate any such glitches, it is recommended to use stable Wi-Fi or LAN connection (without proxy & firewall) with a speed of 2 Mbps or more.
- iv. Members who would like to ask questions or express their views at the AGM may register themselves as a speaker by sending a mail with their name, demat account number/folio number, email id, mobile number to investor.relations@noricangroup.com on or before August 5, 2022. The Company reserves the right to limit the number of members asking the questions depending on the time availability at the AGM.
- v. Only those shareholders who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting.

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

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

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

- i. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- ii. Only those members, who are present in the AGM through VC facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible

- to vote through e-voting system available during the AGM.
- iii. If any votes are cast by the members through e-voting available during the AGM and if those members have not participated in the meeting through VC facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.
  - iv. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote again at the AGM.

**Note for Non – Individual Shareholders and Custodians:**

- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investor.relations@noricangroup.com](mailto:investor.relations@noricangroup.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**Other instructions:**

- i. The voting rights of shareholders shall be in proportion to their Shares of the Paid-up Equity Share Capital of the Company as on the cut-off date of August 4, 2022.
- ii. The Board of Directors has appointed Mr. Vijayakrishna K T (Membership No. FCS 1788) and failing him Mr. Parameshwar G Bhat (Membership No. FCS 886o), Practising Company Secretaries, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- iii. The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer’s Report shall be communicated to the Stock Exchange, CDSL and RTA and will also be displayed on the Company’s website, <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/notices>.

Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the AGM Notice and holding shares as of the cut-off date i.e., August 4, 2022 may obtain the login ID and password by sending a request to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or by contacting the RTA, Integrated Registry Management Services Private Limited, 30, Ramana Residency, IV Cross, Sampige Road, Malleswaram, Bengaluru-560 003 [Telephone +91-80-23460815-818, Fax: +91-80-23460819 and email id [irg@integratedindia.in](mailto:irg@integratedindia.in)].

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

25. Brief resume and other information in respect of Director seeking re-appointment at the AGM as required under regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

**Agenda Item – 3**

**Appointment of Mr. Michael Declan Guerin retiring by rotation:**

**Name:** Mr. Michael Declan Guerin (DIN: 0009055549)

**Age:** 52 years

**Qualification:** Chartered Management Accountant (CMA) from CIMA, United Kingdom.

**Expertise:** Mr. Michael Declan Guerin is the CFO of Norican Group and has more than 21 years of significant international experience across industrial goods segment. Mr. Declan’s latest employment was at Rolls-Royce Holdings plc as Group Chief Restructuring Officer and as CFO for the Marine sector. Before that he had various roles in Cargotec Oyj ending as CFO of their MacGregor division. He had also worked for Caterpillar and DHL.

**Directorships in other Companies:**

	<b>Directorships in other Companies</b>	<b>Position</b>
1	WGH UK Limited	Director
2	Norican A/S	Director
3	WGH Hold Corp (BVI)	Director
4	Norican Group ApS	Director
5	WGH UK Holdings Limited	Director
6	Wheelabrator Group Limited	Director
7	Wheelabrator Technologies (UK) Limited	Director
8	Italpresse Industrie SpA	Director
9	Gauss Automazione SpA	Director
10	Wheelabrator Group SAS	Director
11	ROFFEY PARK INSTITUTE LIMITED, United Kingdom	Director

**Committee Memberships:**

DISA India Limited:

<b>Name of the Committee</b>	<b>Position</b>
Audit Committee	Member
Risk Management Committee	Member

Shareholding: NIL

By Order of the Board of Directors  
For DISA India Limited

Date: May 25, 2022  
Place: Bengaluru

G Prasanna Bairy  
Company Secretary  
Membership No.: ACS 35584



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 4 – To ratify the remuneration of Cost Auditors.**

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

Based on the recommendation of the Audit Committee, the Board of Directors at its Meeting held on May 20, 2021, had re-appointed Messrs. Rao, Murthy & Associates as Cost Auditors, for conducting the Cost Audit for the financial year 2021-22 on a remuneration of Rs. 1,65,000/- (Rupees One Lakh Sixty-Five Thousand only) plus applicable taxes and reimbursement of out of pocket expenses at actuals.

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

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

By Order of the Board of Directors  
For DISA India Limited

Date: May 25, 2022  
Place: Bengaluru

G Prasanna Bairy  
Company Secretary  
Membership No.: ACS 35584

**FORM AOC-1**

Statement pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with rule 5 of the Companies (Accounts) Rules, 2014 relating to Subsidiary Company for the year ended March 31, 2022

<b>Rs. Million</b>		
<b>Sl no.</b>	<b>Particulars</b>	<b>Details</b>
1	Name of the Subsidiary	Bhadra Castalloy Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April 1, 2021 to March 31, 2022 same as holding company's reporting period
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees & Indian Subsidiary
4	Share capital	44.0
5	Reserves & surplus	41.8
6	Total assets	138.1
7	Total liabilities	138.1
8	Investments	0.0
9	Turnover	106.6
10	Profit before taxation	15.5
11	Provision for taxation	4.0
12	Profit after taxation	11.5
13	Proposed Dividend	0.0
14	% of shareholding	100%

For and on behalf of the Board of Directors

Deepa Hingorani  
Director  
DIN: 00206310  
Singapore

Lokesh Saxena  
Managing Director  
DIN: 07823712  
Bengaluru

Amar Nath Mohanty  
Chief Financial Officer  
Bengaluru

G Prasanna Bairy  
Company Secretary  
Bengaluru

Date: May 25, 2022

**FORM NO. AOC-2**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto for the year ended March 31, 2022

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

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

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

Date of the Board Meeting in which transactions were approved: August 12, 2021, November 11, 2021, February 4, 2022 & May 25, 2022.

SL. NO.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Rupees Million
1	DISA Industrie AG	Royalty Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	6.9
2	DISA Technologies Pvt Ltd	Service Fees Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	9.8
3	DISA Technologies Pvt Ltd	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.1
4	DISA Industries A/S Denmark	Royalty Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	8.4
5	DISA Industries A/S Denmark	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	200.8
6	DISA Industries A/S Denmark	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	13.8
7	DISA Industries A/S Denmark	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	226.1
8	DISA Industries A/S Denmark	Service Income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	3.1
9	DISA Industries A/S Denmark	Commission Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	8.9
10	DISA K. K. Japan	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.3
11	DISA (Changzhou) Machinery Ltd	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	18.6
12	DISA (Changzhou) Machinery Ltd	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	2.3
13	DISA (Changzhou) Machinery Ltd	Royalty Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	3.0
14	Wheelabrator Czech s.r.o.	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	23.4

SL. NO.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Rupees Million
15	Wheelabrator Czech s.r.o.	Service Income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	2.5
16	Wheelabrator Group GMBH	Royalty Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	3.4
17	Wheelabrator Group GMBH	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.4
18	Wheelabrator Group SAS	Commission Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.2
19	DISA Industries Inc	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.9
20	Norican A/S	Group Management services Fees	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	23.6
21	Norican A/S	Group IT Fees	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	43.8
22	Norican A/S	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.9
23	Italpresse Industrie SpA	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	10.1
24	Bhadra Castalloy Pvt Ltd	Purchases	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	22.6
25	Bhadra Castalloy Pvt Ltd	Reimbursement of Expenses (Received)	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.0
26	Bhadra Castalloy Pvt Ltd	Interest on Loan Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	2.6
27	Bhadra Castalloy Pvt Ltd	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.4
28	Bhadra Castalloy Pvt Ltd	Service Income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.1

By the order of the Board

Date: May 25, 2022  
Place: Singapore

Deepa Hingorani  
Director  
DIN: 00206310

## BOARD'S REPORT

The Board of Directors has the pleasure in presenting the 37<sup>th</sup> Annual Report and Audited Financial Statements for the Financial Year ended March 31, 2022 together with the Independent Auditors' Report.

### FINANCIAL RESULTS

Your Company has achieved highest ever Revenue from Operations of Rs. 2,476.7 Million for the year 2021-22 with an increase of 39.5% over previous year 2020-21 despite the challenging economic activity both during 2<sup>nd</sup> and 3<sup>rd</sup> wave of the pandemic, which mounted operational challenges by restricting movement & disrupting supply chain. Profit After Tax for the year increased by 58.9% to Rs. 374.4 Million from the previous year boosted by the external price corrections, higher revenue, procurement & cost control strategies executed to suit the environment. Company's drive to focus on employee health and safety was continued and unabated throughout the year.

Summarized financial results for the year are given below.

	Rs. Million	
Description	2021-22	2020-21
<b>Revenue from Operations(net)</b>	<b>2,476.7</b>	<b>1,775.1</b>
<b>Profit before depreciation, tax &amp; finance cost</b>	<b>544.5</b>	<b>356.9</b>
Less: Depreciation	33.4	37.4
Less: Finance Cost	7.8	3.9
Less: Tax Expenses (including deferred tax)	128.9	80.0
<b>Profit After Tax</b>	<b>374.4</b>	<b>235.6</b>
Add: Other Comprehensive income	1.0	3.2
<b>Total Comprehensive income for the year, net of tax</b>	<b>375.4</b>	<b>238.8</b>
Add: Balance in Profit & Loss account brought forward from previous year	1,844.3	1,620.0
<b>Profit Available for Appropriation</b>	<b>2,219.7</b>	<b>1,858.8</b>
<b>Appropriation:</b>		
Interim Dividend declared for the year	218.1	-
Final Dividend (proposed)	14.5	14.5
Balance in Profit & Loss Account	1,987.1	1,844.3
Earnings Per Share (Rs)	257.5	162.0
Market price per share as on March 31 (Rs)	6,240.0	4,682.9

### PERFORMANCE OF THE COMPANY

The best ever Revenue from Operations for the Financial Year 2021-22 of Rs 2,476.7 Million was achieved driven by strong order backlog at the beginning of the year and operational efficiencies. This excellent milestone was achieved in a very

uncertain environment of mounted operational challenges restricting movement, disruption of supply chain and the factory expansion work being undertaken in Tumkur manufacturing facility to build the factory of the future. Company's various strategies to overcome supply chain hurdles, to contain inflationary pressures, control discretionary expenses and conservation of cash reflected in the lead to a best result for the year in the history of the Company.

The Company was able to sustain the inflationary pressure of input materials and logistics cost through its advance buying strategy which helped improve the operating margin. Increase in Aftermarket Parts Revenue contributed significantly in improving profit for the year.

The relentless commitment and dedication of every employee to overcome many business challenges has enabled the Company to close the year with a robust financial performance in the uncertain situation which prevailed throughout the year. The Company continued to stay focused on the health and wellbeing of its employees and their families through multiple health care measures. The Company continued its initiatives and actions for keeping the employee safe, by 'work from home' option and continuous guidance on the uncertain environment. Standard Operating Practices and COVID-19 preventive measures were continued with more focus. Business Continuity Plan (BCP) was reviewed regularly to ensure the control on both business and employees' health & safety.

The slide in the automotive sector in the middle of the year with challenging numbers on cars, two wheelers and HCV segments led to deceleration of growth seen in the last fiscal. However, the infrastructure industries showed a progressive trend in segments of Railways, Renewable Energy, Steel, Cement, Airports and ports and exports. Broadly, industrial segment even now is better poised for growth than the automotive segment.

In this scenario, the Company has maintained its market share in key businesses.

### CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the Financial Year.

### DIVIDEND

The Company has been accruing and preserving cash for growth, for future capital investment, to meet working capital requirements and to cover for appropriate market & economic risks.

Considering the dividend track record of the Company and based on the Company's performance during the current Year 2021-22, Board of Directors have declared an Interim Dividend of Rs 150/- per Equity Share (1500%) involving a cash outlay of Rs.218.1 Million, which was paid on April 25, 2022. The Directors have also recommended a Final Dividend of Rs. 10/- per Equity Share of Rs. 10/- each (i.e., 100%), amounting to Rs. 14.5

Million. Total Dividend for the year, subject to approval of Final Dividend by the shareholders works out to Rs. 232.6 Million.

As provided in the Finance Act 2020, from the Financial Year 2020-21 and onwards dividend is being taxed in the hands of recipients. Information about taxation of dividend is included in AGM Notice.

**RESERVE**

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

**SHARE CAPITAL**

The Authorized Equity Share Capital of your Company is Rs. 50 Million. The Issued, Subscribed and Paid-up Equity Share Capital of your Company as on March 31, 2022 stood at Rs. 14.5 Million.

During the year under review, your Company has not issued any shares with differential voting rights nor granted Stock Options or Sweat Equity. The Company has also not bought back any of its shares during the year under review. As on March 31, 2022, no other Directors held shares or convertible instruments of the Company except the Managing Director who held 1 (one) Equity Share of the Company.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**ECONOMIC SCENARIO AND OUTLOOK**

As we enter the new Financial Year, we are seeing a much more unpredictable world due to global situation arising out of the war in Ukraine, and the subsequent impact of the same across the world. We are not immune to any of these situations. Your Company does not have a direct business exposure to the war zone and not impacted by restrictions on both Russia and Belarus. This war has indirectly disrupted supply chains, put unprecedented inflationary pressures leading to extremely unpredictable business environment.

At the same time Covid-19 also keeps coming back in many ways due to its very nature.

There is still underutilization of existing capacities and liquidity continues to be a big issue. This would impact the pace of growth of capital goods industry. The year begins with unpredictability for all the businesses and your Company is no exception to it. However, the Company has the inherent ability to take suitable measures to tide over these environments and respond to the ever-changing external developments from time to time.

**INDUSTRY OUTLOOK AND OPPORTUNITIES**

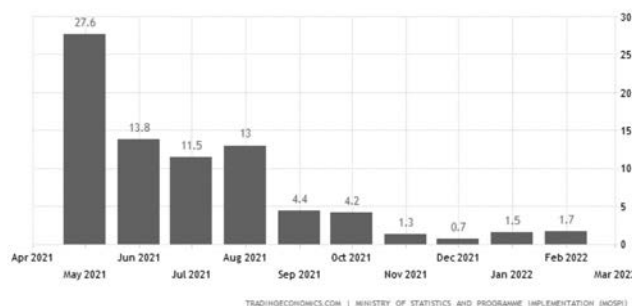
The GDP growth estimates for the Financial Year 2022-23 is approximately 7.5% - 8%. The government spending on infrastructure continues to run full steam. Divestment initiatives have been implemented to generate funds to use for the infrastructure development programs. This would help your

Company to work for new applications across segments like Steel, Construction and Energy. Your Company is also looking to support companies doing exports for establishing right quality for their end products. Your Company also sees many export opportunities to the Middle East, Turkey, Brazil and a few Sub-Saharan nations seeking to industrialize their economies.

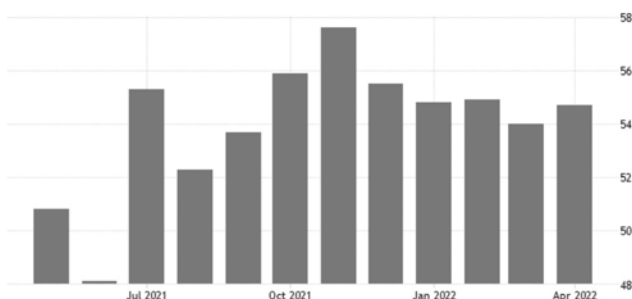
Although there are no visible signs of the 4<sup>th</sup> Wave, things could change quickly, which may have a negative impact on the overall business environment like the last few waves.

The Index of Industrial Production (IIP) and Purchasing Managers' Index (PMI) have historically been good indicators for business sentiments in capital goods order intake. Movements in IIP and PMI have been explained through the following charts.

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



**Manufacturing PMI:**



SOURCE: TRADINGECONOMICS.COM

**MARKET DEVELOPMENT**

Your Company was recovering well from the hugely uncertain environment impacted by the Pandemic. But the threat of uncertainties, unfolded by the current geopolitical issues, has hindered the market.

The Company's full foundry solution is more visible not only in India but also in Middle East, where your Company is building a new foundry at Doha, Qatar with a new customer. The Company has also exported a few machines to Turkish market with the help of group company in Denmark.

Norican digital offer to the market has been evaluated and the same is also getting implemented in some of the flagship foundries in India, creating a stronger partnership beyond equipment sales.

Aftermarket distribution business has now 6 distributors across

9 warehouse locations across all parts of the country near the key installation base – Ludhiana, Manesar, Kolhapur, Pune, Jamshedpur, Coimbatore, Ahmedabad, Rajkot and Bangalore. The Company has also waged a war against the pirate parts sellers, by conducting performance trials and proving reduction on overall cost of operations for the end users.

Your Company has embarked upon the journey of SBTi (Science Based targets initiative) by signing the pledge along with the Parent, Norican Group to reduce carbon footprint. There is an immense focus on the implementation of this initiative and to

find out areas of impact to start the process.

### KEY RATIOS

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

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

Particulars	Standalone			Consolidated		
	2021-22	2020-21	Change %	2021-22	2020-21	Change %
Operation Profit Margin (EBITA) %	16.5%	12.6%	30.2	16.6%	12.6%	31.1
Net Profit Margin %	15.1%	13.3%	13.9	15.1%	13.0%	15.5
Debtor Turnover Ratio	9.3	9.5	(2.3)	9.0	9.2	(2.1)
Inventory Turnover Ratio	6.2	4.3	46.6	6.3	4.3	45.3
Earnings Per Share (Rs)	257.5	162.0	58.9	265.4	166.0	59.8

During the year, there were significant favorable changes in the above ratios. Increase in Revenue by 39.5% and control on cost have improved both Operating Profit Margin & Net profit margin for the year and has resulted in higher Earnings Per Share. Increase in Inventory Turnover Ratio was due to higher

buying of input materials for executing increased order intake during the year and to overcome the unavailability due to uncertain external environment.

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

Particulars	Standalone			Consolidated		
	2021-22	2020-21	Change %	2021-22	2020-21	Change %
Return on Net Worth %	18.6%	12.6%	47.7	18.7%	12.7%	47.8

Return on net worth is computed by dividing the net profit by year end net worth. Increase in Net profit during the year has increased the return on Net worth.

### CORPORATE SOCIAL RESPONSIBILITY

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

"NORICAN Scholarship" program has made scholarship available to students in eight educational institutions in the neighborhood of your Company's plants situated at Tumkur and Hosakote in Bengaluru. During the Financial Year, scholarships were provided to 454 needy students. Directors have the pleasure to report that your Company has provided scholarships to 2,341 students since inception. In addition, your Company has invested in infrastructure development for the schools to provide drinking water, teaching aids and sanitation. Your Company has also extended scholarships to 50 meritorious Engineering students

through an NGO 'Foundation for Excellence India Trust' and since inception 442 students have been given the scholarships.

The Company has also partnered with National Institute of Advanced Manufacturing Technology (NIAMT) [Formerly National Institute of Foundry and Forge Technology (NIFFT)], Ranchi and put in place a scholarship in the name of "Jan Johansen DISAMATIC Scholarship" to provide scholarship to 5 top meritorious students every year to create Industry Academia interface to create future foundry men. During the year, the Company has spent Rs. 0.4 Million towards this scholarship.

The Company's policy on Corporate Social Responsibility and CSR projects pursued by the Company are available on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies>.

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

### RISK MANAGEMENT

During the year, your Board has constituted Risk Management Committee comprising three Directors, Managing Director and the Chief Financial Officer. The Committee met two times

during the year. This Committee shoulders the responsibility of monitoring and reviewing the risk management plan and periodical review of the Risk Management Policy and appraise the Board about risk assessment and mitigation procedure. It also undertakes to ensure that Executive Management controls risks by means of properly designed risk management framework.

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

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

### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Your Company has formulated a Whistle Blower Policy for vigil mechanism which is available in the website of the Company at <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies/>. Complaints raised, if any, are dealt with as per this policy. No complaints have been received during the year 2021-2022.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

There has been no change in the constitution of Board during the year under review. None of the Directors is disqualified from being appointed as such under the provision of Section 164 of the Companies Act, 2013.

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

The Independent Directors, Ms. Deepa Hingorani and Mr. Bhagya Chandra Rao have maintained highest standards of integrity in their dealings with the Company. They also possess the requisite expertise and experience (including Proficiency) necessary for acting as Independent Directors of the Company. Annual Declarations received from both for the year 2021-22 contain affirmations regarding registrations in the data bank.

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

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

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

### **INDEPENDENT DIRECTORS**

Declarations under Section 149(7) of the Companies Act, 2013 have been received from all the Independent Directors

of the Company confirming that they meet the criteria of independence as provided in Sub-Section 6 of Section 149 of the said Act and as per the SEBI (LODR) Regulations, 2015 (the Listing Regulations).

The Board has evaluated the Independent Directors and confirms that Ms. Deepa Hingorani and Mr. Bhagya Chandra Rao have fulfilled the independence criteria as specified in the Listing Regulations and their independence from the management.

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

### **MEETINGS OF THE BOARD OF DIRECTORS**

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

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. The Agenda of the Meetings were circulated to Directors in advance. Minutes of the Meetings of the Board of Directors were circulated amongst the Directors for their perusal.

### **BOARD EVALUATION**

Pursuant to the requirements of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has carried out an annual evaluation of its own performance, its Committees and of individual Directors.

Further, the Independent Directors, at their exclusive Meeting held on February 03, 2022, reviewed the performance of the Board, its Chairman and Non-Independent Directors and other items as stipulated under the Listing Regulations. The Independent Directors have also declared their independence. The Nomination and Remuneration Committee has reviewed the existing criteria for evaluation of performance of the Independent Directors and the Board and reviewed the existing policy of remuneration of Directors.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of



the Company for that year;

- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **INTERNAL FINANCIAL CONTROL**

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

The scope and authority of the Internal Audit (IA) is defined every year by the Audit Committee. To maintain its objectivity and independence, the Internal Auditors report to Chairman of the Audit Committee and the Board. The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company and its compliance with accounting procedures, financial reporting and policies at all locations of the Company. Based on the report of internal audit, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Any significant audit observations and corrective actions thereon are presented to the Audit Committee and the Board. No major internal control weakness was identified during the year. The Company also has a well-functioning Whistle Blower Policy in place.

The Board has appointed Protiviti India Member Private Limited to continue as the Internal Auditors of your Company for the Financial Year 2022-23.

### **DEPOSITS**

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

### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

Your Company has one Wholly Owned Subsidiary "Bhadra

Castalloy Private Limited".

The performance of Subsidiary during the Financial Year 2021-22, being the sixth year of operations, has been quite satisfactory. The Audited Financial Results of the Wholly Owned Subsidiary for the Financial Year ended March 31, 2022, are consolidated with the Financial Results of the Company for the Financial Year. Revenue from operations and Profit after tax of the Subsidiary Company were Rs. 106.6 Million and Rs. 11.5 Million respectively. Revenue from operations for the year was 25.7% higher and Profit after tax was 94.9% higher as compared to previous year.

Consolidated Revenue from Operations of the Company for the year was Rs. 2560.7 Million as against Rs. 1850.6 Million in the previous year, with an increase of 38.4%.

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

Your Company did not have any Joint Venture or Associate Company at the end of the Financial Year.

### **RELATED PARTY TRANSACTIONS**

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

All the Related Party Transactions were placed before the Audit Committee as well as the Board for approval. Prior omnibus approval of the Audit Committee was obtained on an yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are reviewed and a statement giving details of all Related Party Transactions is placed before the Audit Committee and the Board of Directors for their noting/approval on quarterly basis. The details of all Related Party Transactions are disclosed in the Sl. No. 44 of the Notes forming part of the Financial Statements.

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties in Form AOC-2 is part of this report.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and the details of all the Related Party Transactions are disclosed in the financials. The Policy is available on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies>.

## GROUP COMPANIES

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

Name of Subsidiary	Country
Norican A/S	Denmark
Norican Global A/S	Denmark
Norican Group ApS	Denmark
Norican Holdings ApS	Denmark
DISA Holding A/S	Denmark
DISA Holding II A/S	Denmark
DISA Industries A/S	Denmark
Wheelabrator Group NV	Belgium
WGH Holding Corp.	British Virgin Islands
Wheelabrator Group (Canada) ULC	Canada
DISA (Changzhou) Machinery Ltd.	China
Italpresse Industrie (Shanghai) Co. Ltd.	China
Kunshan Italpresse Die-casting Equipment Co., Ltd	China
StrikoWestofen Thermal Equipment (Taicang) Co. Ltd.	China
Wheelabrator Czech s.r.o.	Czech Republic
Matrasur Composites SAS	France
Wheelabrator Group SAS	France
Walther Trowal S.à.r.l	France
Italpresse France S.à.r.l	France
Wheelabrator Group GmbH	Germany
Wheelabrator Group Holding GmbH	Germany
Wheelabrator-Berger Stiftung GmbH	Germany
OT Oberflächentechnik Maschinen und Werkzeuge Handels GmbH	Germany
DISA Industrieanlagen GmbH	Germany
Wheelabrator OFT GmbH	Germany
Nolten GmbH	Germany
LMCS Group Holding GmbH	Germany
Light Metal Casting Solutions Group GmbH	Germany
SWO Holding GmbH	Germany
Norican Digital GmbH	Germany
Light Metal Casting Equipment GmbH	Germany
StrikoWestofen GmbH	Germany
DISA Limited Hong Kong	Hong Kong
DISA India Limited	India
DISA Technologies Private Ltd.	India

Name of Subsidiary	Country
Bhadra Castalloy Private Limited	India
Italpresse Gauss S.p.A.	Italy
DISA K.K.	Japan
WG Plus de Mexico S de RL de CV	Mexico
WG Plus Servicios S de RL de CV	Mexico
StrikoWestofen de Mexico, S.A. de C.V	Mexico
IP Mexico Die Casting S.A. de C.V.	Mexico
Wheelabrator Schlick Sp. Z.o.o.	Poland
SWO Polska Sp. Z.o.o.	Poland
Wheelabrator Group SLU	Spain
DISA Industrie AG	Switzerland
DISA Holding AG	Switzerland
Blast Cleaning Techniques Ltd	United Kingdom
Castalloy Europe Ltd	United Kingdom
WGH UK Holdings Limited	United Kingdom
WGH UK Ltd.	United Kingdom
Wheelabrator Technologies (UK) Ltd.	United Kingdom
Wheelabrator Group Ltd.	United Kingdom
Striko UK Ltd.	United Kingdom
Abrasive Developments Ltd	United Kingdom
Spencer & Halstead Ltd	United Kingdom
Impact Finishers Ltd. United Kingdom 100% Dormant	United Kingdom
Vacu-Blast International	United Kingdom
DISA Industries Inc.	United States
WG Global LLC	United States
DISA Holding LLC	United States
Wheelabrator Group Inc.	United States
Castalloy Inc	United States
Wheelabrator (Delaware) LLC	United States
StrikoWestofen Dynarad Furnace Corp.	United States
Italpresse of America Inc	United States
Schmidt Manufacturing, Inc	United States
Bob Schmidt, Inc	United States

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

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

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

Your Company has made an investment of Rs. 44 Million in the Equity Share Capital of its Wholly Owned Subsidiary Company, Bhadra Castalloy Private Limited during the year 2015-16. It has extended interest-bearing intercompany demand loan of Rs. 26 Million in the year 2016-17 for the purpose of financing the purchase considerations paid for acquisition of the foundry by the Subsidiary. The Company had also given a Corporate Guarantee of Rs. 35 Million to Kotak Mahindra Bank on behalf of its subsidiary for providing banking facilities. The above Investment in equity, loan extended and guarantees given are well within the limits prescribed under the provisions of Section 186 of the Companies Act, 2013.

### **STATUTORY AUDITORS**

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

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

### **COST AUDITORS**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost records maintained by the Company in respect of its activity are required to be audited. Your Board has, in its Meeting held on May 20, 2021, based on the recommendation of the Audit Committee, appointed M/s. Rao, Murthy & Associates, Bengaluru as Cost Auditors of the Company for the Financial Year ended March 31, 2022.

### **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Vijayakrishna KT, Practising Company Secretary to undertake the Secretarial Audit of the Company for the Financial Year ended March 31, 2022. The Report of the Secretarial Auditor is annexed in **Annexure-B**.

## **EXPLANATION BY BOARD ON ADVERSE COMMENTS BY AUDITORS**

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

### **CORPORATE GOVERNANCE**

As required under Listing Regulations, certificates from Mr. Vijayakrishna KT, Practising Company Secretary, regarding

compliance with conditions of Corporate Governance as well as a confirmation [as required by Schedule V Part C (10) (i)] that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority are annexed as **Annexure C**.

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

As required by SEBI (LODR)(Amendment) Regulations, 2018, 'Annual Secretarial Compliance Report' issued by Mr. Vijayakrishna KT, Practising Company Secretary for the Financial Year ended March 31, 2022 will be filed with BSE within the due date of May 30, 2022.

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

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

### **BUSINESS RESPONSIBILITY REPORT**

From the year 2020-21 onwards, your Company is required to include Business Responsibility Report in the Annual Report describing the initiatives taken by the Company from environmental, social and governance perspective. The Business Responsibility Report is annexed as **Annexure D**.

### **INDUSTRIAL RELATIONS**

Industrial relations have been cordial and constructive, which have helped your Company to achieve production targets. The Company's three-year long-term agreement with the workmen expired on September 30, 2021 and it has been renewed with another three-year long-term agreement effective from October 01, 2021 to September 30, 2024.

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

#### **CONSERVATION OF ENERGY**

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

Your Company gives highest priority to conservation of energy through better supervision and training of employees to reduce the usage of electricity. The Company is also exploring the procurement of green energy to meet the energy requirements of its factories and that of its subsidiary.

#### **TECHNOLOGY ABSORPTION**

Your Company has been continuously seeking and adapting new technology from Principals in order to develop skills locally and

meet specific needs of Indian and global customers. Personnel at all levels are routinely sent to Principal's factories and design offices abroad for training and updating their skills.

### RESEARCH AND DEVELOPMENT

During the Financial Year, your Company has not spent any amount on Research and Development.

### FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company has earned Rs. 497.1 Million of foreign exchange and expended Rs. 397.8 Million foreign exchange during the Financial Year under review.

### ANNUAL RETURN

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

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

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

### PARTICULARS OF EMPLOYEES

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

Name of the employee	Designation	Remuneration Rs. Million
Mr. Lokesh Saxena	Managing Director	15.2
Mr. Amar Nath Mohanty	Chief Financial Officer	10.2

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

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure (**Annexure E**) forming part of this report. Further,

the report and the accounts are being sent to the Members excluding the particulars of top ten employees. In terms of Section 136 of the Act, the particulars of top ten employees is open for electronic inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

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

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

The following is a summary of sexual harassment complaints received and disposed off during the Financial Year 2021-22.

No of complaints received: **NIL**.

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

### ACKNOWLEDGEMENT

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

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

For and on behalf of the Board of Directors

Date: May 25, 2022

Place: Singapore

Deepa Hingorani

Chairperson

DIN: 00206310

**Affirmation regarding Compliance with Code of Conduct**

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

I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them, for the Financial Year ended March 31, 2022.

For DISA India Limited

Date: May 25, 2022  
Place: Bengaluru

Lokesh Saxena  
Managing Director  
DIN: 07823712

**ANNEXURE - A**

**THE ANNUAL REPORT ON CSR ACTIVITIES**

1. Brief outline on CSR Policy of the Company.

As part of its initiatives under “Corporate Social Responsibility” (CSR), the Company has undertaken projects in the area of Education. These projects are in accordance with Schedule VII of the Companies Act, 2013.

During the financial year ended March 31, 2022, the Company has spent CSR amount by providing scholarships (DISA & Wheelabrator scholarships) to 509 Students across Karnataka. Direct scholarships were provided to 454 meritorious students at the identified institutions in the vicinity of company’s Manufacturing Plants in Tumkur

and Hosakote. These scholarships were directly awarded to the students by the Company’s CSR Implementation team with the help of the Institution heads. Scholarships were provided to 50 Engineering students across Karnataka & neighboring states through an NGO, Foundation for Excellence India Trust under Career Excellence Program. Scholarship to 5 meritorious students of National Institute of Advanced Manufacturing Technology (NIAMT) [Formerly National Institute of Foundry and Forge Technology (NIFFT)], Ranchi were provided “Jan Johansen DISAMATIC Scholarship”. The Company also spent CSR amount on improvement of drinking water & sanitation facility in 8 educational institutions in and around Tumkur and Hosakote Manufacturing Plants.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Bhagya Chandra Rao (C)	Independent Director	1	1
2	Mr. Lokesh Saxena	Managing Director	1	1
3	Ms. Ulla Hartvig Plathe Tonnesen	Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company- <https://www.disagroup.com/en-in/investor-relations>.

Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).- NA

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (Rs. Million)	Amount required to be set- off for the financial year, if any (Rs. Million)
1	NA	Nil	Nil
2	NA	Nil	Nil
3	NA	Nil	Nil
	<b>TOTAL</b>	Nil	Nil

6. Average net profit of the company as per Section 135(5).- Rs. 372 Million.

activities of the previous financial years. – NIL.

7.

a. Two percent of average net profit of the Company as per Section 135(5). – Rs. 7.4 Million.

c. Amount required to be setoff for the financial year, if any. – NIL.

b. Surplus arising out of the CSR projects or programs or

d. Total CSR obligation for the financial year (7a+7b-7c). – Rs. 7.4 Million.

8. a. CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (Rs. Million)	Amount Unspent (Rs. Million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer.
7.4	Nil	NA	NA	Nil	NA

- b. Details of CSR amount spent against ongoing projects for the financial year

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration	Amount allocated for the project (Rs. Million)	Amount spent in the current financial Year (Rs. Million)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs. Million)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration No.
1	DISA and Wheelabrator Scholarship.	(ii)	Yes	Karnataka	Tumkur & Bengaluru Rural	12 Months	4.4	4.4	-	Yes	NA	NA
2	DISA and Wheelabrator Scholarship.	(ii)	Yes	Karnataka	Tumkur & Bengaluru Rural	12 Months	2.0	2.0	-	No	Foundation for Excellence India Trust	CSRo 00020 53
3	Facility improvement at the Institutions.	(ii)	Yes	Karnataka	Tumkur & Bengaluru Rural	12 Months	0.6	0.6	-	Yes	NA	NA
4	Jan Johansen DISA-MATIC Scholarship.	(ii)	Yes	Karnataka	Tumkur & Bengaluru Rural	12 Months	0.4	0.4	-	Yes	NA	NA
	<b>TOTAL</b>						<b>7.4</b>	<b>7.4</b>	-			

c. Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent in the current financial Year (Rs. Million)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
1	NA	NA	NA	NA	NA	Nil	NA	NA	NA
	<b>TOTAL</b>	NA	NA	NA	NA	Nil	NA	NA	NA

- d. Amount spent in Administrative Overheads. - NIL  
e. Amount spent on Impact Assessment, if applicable. - N.A.  
f. Total amount spent for the Financial Year (8b+8c+8d+8e)- Rs. 7.4 Million.  
g. Excess amount for set off, if any. - NIL

Sl. No.	Particulars	Amount (in Rs. Million)
(i)	Two percent of average net profit of the company as per section 135(5)	7.4
(ii)	Total amount spent for the Financial Year	7.4
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

9. a. Details of Unspent CSR amount for the preceding three financial years:

Sl. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. Million)	Amount spent in the Reporting Financial Year (Rs. Million)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding Financial Years. (Rs. Million)
				Name of the Fund	Amount (Rs. Million)	Date of transfer	
1	2018-19	Nil	Nil	NA	Nil	NA	Nil
2	2019-20	Nil	Nil	NA	Nil	NA	Nil
3	2020-21	Nil	Nil	PM-CARES	0.3	29-09-2021	Nil
	<b>TOTAL</b>	Nil	Nil		0.3		Nil

Due to lack of legal clarity of expenditure incurred on disinfection / sanitization during the year 2020-21, the Company has transferred Rs. 0.3 Million to PM Cares fund (eligible fund specified under Schedule VII of Companies Act, 2013) within the statutory deadline of September 30, 2021.



b. Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (Rs. Million)	Amount spent on the project in the reporting Financial Year (Rs. Million)	Cumulative amount spent at the end of reporting Financial Year (Rs. Million)	Status of the project- Completed / Ongoing
1.	NA	NA	NA	NA	Nil	Nil	Nil	NA
2.	NA	NA	NA	NA	Nil	Nil	Nil	NA
3.	NA	NA	NA	NA	Nil	Nil	Nil	NA
	TOTAL				Nil	Nil	Nil	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year.

**Not Applicable.**

- Date of creation or acquisition of the capital asset(s).
  - Amount of CSR spent for creation or acquisition of capital asset.
  - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
  - Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5). Not Applicable.

Sd/- Lokesh Saxena Managing Director DIN:07823712	Sd/- Bhagya Chandra Rao Chairman- CSR committee DIN:00211127
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**ANNEXURE B**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

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

To  
The Members  
DISA India Limited  
Bengaluru

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by DISA India Limited for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2011;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018
- (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (i) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- (j) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (k) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (l) Circulars/Guidelines issued there under;
- (vi) There are no industry specific laws applicable to the Company pursuant to the business carried by the Company;
- (vii) The other general laws as may be applicable to the Company including the following:

**(1) Employer/Employee Related laws & Rules:**

- The Factories Act, 1948
- The Employees State Insurance (ESI) Act, 1948
- The Employees Provident Funds & Miscellaneous Provisions Act, 1952
- Contract Labour (R&A) Act, 1970
- The Minimum Wages Act, 1948
- The Payment of Wages Act, 1936
- The Payment of Gratuity Act, 1972
- The Payment of Bonus Act, 1965
- The Maternity Benefit Act, 1961
- The Equal Remuneration Act, 1976
- The Employment Exchanges (CNV) Act, 1959
- The Karnataka Labour Welfare Fund Act, 1965
- The Apprentices Act, 1961

- The Industrial Employment Standing Orders Act, 1946
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013
- The Karnataka Industrial Establishments (National & Festival) Holidays Act, 1963
- The Karnataka Public Safety (Measures) Enforcement Act, 2017
- Karnataka Shops & Commercial Establishment Act, 1961

**(2) Environment Related Acts & Rules:**

- The Environment Protection Act, 1986
- The Water (Prevention & Control of Pollution) Act, 1974
- The Air (Prevention & Control of Pollution) Act, 1981
- Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.
- The Karnataka Ground Water (Regulation for Protection of Sources of Drinking Water) Act, 1999

**(3) Economic/Commercial Laws & Rules:**

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

I have also examined compliances with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and General Meeting i.e. SS-1 and SS-2.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above and filings of the returns were undertaken in time or within the extended time limits.

Further, I report that as per the details and documents provided before me, the Company has already taken steps towards installing a Structured Digital Database (SDD) in software format with the required details as prescribed in Regulation 3(5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and represented that there is a robust prevailing system for tracking of sharing the Unpublished Price Sensitive Information (UPS).

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the year under review.

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

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

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

Place: Bengaluru  
Date: 25.05.2022

Vijayakrishna K T  
Practising Company Secretary  
FCS No.: 1788 C P No.: 980  
UDIN: F001788D000387767

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

**'Annexure'**

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

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

financial records and Books of Accounts of the Company including records under The Income Tax Act, The Central Excise Act, The Customs Act, The Goods and Services Tax Act.

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

Place: Bengaluru  
Date:25.05.2022

Vijayakrishna K T  
Practising Company Secretary  
FCS No.: 1788 C P No.: 980  
UDIN: F001788D000387767

ANNEXURE- C

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

To  
The Members of  
DISA India Limited  
Bengaluru

I have examined all the relevant records of DISA India Limited ('the Company') for the purpose of certifying the compliances of the conditions of Corporate Governance by the Company, for the year ended 31st March, 2022 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

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

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

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

Place: Bengaluru  
Date: 25.05.2022

Vijayakrishna K T  
Practising Company Secretary  
FCS No.: 1788 C P No.: 980  
UDIN: F001788D000387701

**ANNEXURE- C**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To  
The Members  
DISA India Limited  
World Trade Center (WTC), 6thFloor  
Unit No S-604 Brigade  
Gateway Campus, 26/1, Dr. Rajkumar Road,  
Malleswaram, Rajajinagar  
Bangalore - 560055

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of DISA INDIA LIMITED (hereinafter referred to as 'the Company') having CIN: L85110KA1984PLC006116 and having its Registered Office at World Trade Center (WTC), 6thFloor, Unit No S-604 Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram, Rajajinagar, Bangalore - 560055, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31<sup>st</sup> March, 2022 has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of appointment in the Company</b>
1	Ms. Deepa Agar Hingorani	00206310	15/08/2006
2	Mr. Lokesh Saxena	07823712	21/06/2017
3	Mr. Bhagya Chandra Rao	00211127	28/01/2021
4	Mr. Anders Wilhjelm	08507772	12/07/2019
5	Ms. Ulla Hartvig Plathe Tonnesen	08507796	12/07/2019
6	Mr. Michael Declan Guerin	09055549	11/02/2021

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bengaluru  
Date: 25.05.2022

Vijayakrishna K T  
Practising Company Secretary  
FCS No.: 1788 C P No.: 980  
UDIN: F001788D000387789

**ANNEXURE-D**

**REPORT ON CORPORATE GOVERNANCE**

**1. Company's Philosophy on Code of Governance:**

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

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

**2. Board of Directors:**

**Composition & Size of the Board**

As on March 31, 2022, the Board comprised of six Directors including two Independent Non-Executive Directors, three Non-Independent Non-Executive Directors and one Executive Director. All of them are professionals from varied fields and have high levels of education and in-depth corporate experience.

The Board of Directors of your Company is headed by an Independent Non-Executive Director as Chairperson.

As at the Financial Year ended March 31, 2022, the Board of Directors of the Company comprised of optimum combination of Executive and Non-Executive Directors including a Woman Director. Chairperson of the Board is an Independent Non-Executive Director and not less than one-third (two directors) of the Board of Directors comprised of Independent Directors which is in conformity with the provisions of the Companies Act, 2013 and the

Listing Regulations. Ms. Deepa Hingorani, Independent Director is the Chairperson of the Board.

The Board of Directors confirms that all the Independent Directors of the Company are compliant with the provisions of Companies Act, 2013 and fulfill the conditions specified under Listing Regulations and are Independent of the Management of the Company. Ms. Deepa Hingorani and Mr. Bhagya Chandra Rao, Independent Directors have registered in the data bank of Independent Directors as required by Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 and the Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019. Mr. Bhagya Chandra Rao has cleared the online proficiency self-assessment test and furnished the proof of same. However, in case of Ms. Deepa Hingorani it is not applicable as she has been a Director in various companies for more than ten years. Annual Declarations received from them for the year 2021-22 contain affirmations regarding registrations in the data bank.

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

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

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

Name of Director	DIN	No. of Board Meetings attended	Attendance at last AGM on August 12, 2021	No. of other Directorships	Membership of Board Committees in other Listed Companies	Category of the Director
Deepa Hingorani *	00206310	5	Present	7	NIL	Independent Non-Executive
Bhagya Chandra Rao **	00211127	5	Present	2	5	Independent Non-Executive
Anders Wilhjelm	08507772	5	Present	2	NIL	Non-Independent Non-Executive
Ulla H P Tonnesen	08507796	5	Present	NIL	NIL	Non-Independent Non-Executive
Michael Declan Guerin ***	009055549	5	Present	11	NIL	Non-Independent Non-Executive
Lokesh Saxena	07823712	4	Absent	2	NIL	Executive

\* Ms. Deepa Hingorani, Independent Director, was appointed as Chairperson of the Company with effect from January 28, 2021.

\*\* Mr. Bhagya Chandra Rao was appointed as an Independent Director of the Company with effect from January 28, 2021. The appointment was approved by the Shareholders during the AGM held on August 12, 2021. Mr. Bhagya Chandra Rao is also an Independent Director at Wendt India Limited. He is a Member of the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee in Wendt India Limited.

\*\*\* Mr. Michael Declan Guerin was appointed as an Additional Director of the Company with effect from February 11, 2021. During the AGM held on August 12, 2021, he was appointed as a Director of the Company.

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

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

The Company has issued letters of appointment to all the Independent Directors as per Schedule IV to the

Companies Act, 2013 and the terms and conditions of their appointment have been disclosed on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies>.

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

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

As required by law, brief profiles and other particulars of the Directors seeking appointment/re-appointment are given in the Notice convening the 37th Annual General Meeting.

### **Skills, Expertise and Competence of the Board of Directors**

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

<b>Skills / Expertise/ Competencies</b>	<b>Explanation</b>	<b>Details of Directors possessing such Skills/ Expertise/Competencies</b>
Governance & Board Service	Ability to provide appropriate governance for a publicly listed company, and to maintain board and management accountability to the shareholders, whilst acting responsibly towards other stakeholders in the business.	<ul style="list-style-type: none"> <li>• Ms. Deepa Hingorani</li> <li>• Mr. Bhagya Chandra Rao</li> <li>• Mr. Anders Wilhjelm</li> <li>• Ms. Ulla H P Tønnesen</li> <li>• Mr. Michael Declan G</li> <li>• Mr. Lokesh Saxena</li> </ul>
Business Operations	Knowledge of Business, Strategy formulation and deployment, Brand management, Customer relationships, assessment of customer feedback and taking appropriate actions for the betterment of the Company.	<ul style="list-style-type: none"> <li>• Ms. Deepa Hingorani</li> <li>• Mr. Bhagya Chandra Rao</li> <li>• Mr. Anders Wilhjelm</li> <li>• Ms. Ulla H P Tønnesen</li> <li>• Mr. Michael Declan G</li> <li>• Mr. Lokesh Saxena</li> </ul>
Financial Management	Ability to assess and interpret the financial statements and draw accurate conclusions from them.	<ul style="list-style-type: none"> <li>• Ms. Deepa Hingorani</li> <li>• Mr. Bhagya Chandra Rao</li> <li>• Mr. Anders Wilhjelm</li> <li>• Ms. Ulla H P Tønnesen</li> <li>• Mr. Michael Declan G</li> <li>• Mr. Lokesh Saxena</li> </ul>
Manufacturing Operations	Knowledge of manufacturing operations with details of benchmarking the operational capability in the organization and industry context. Experience of handling complex supply chain environment.	<ul style="list-style-type: none"> <li>• Mr. Bhagya Chandra Rao</li> <li>• Ms. Ulla H P Tønnesen</li> <li>• Mr. Lokesh Saxena</li> </ul>



Skills / Expertise/ Competencies	Explanation	Details of Directors possessing such Skills/ Expertise/Competencies
Risk Management	Assessment, understanding and managing both Internal and external risks involved in the business.	<ul style="list-style-type: none"> <li>• Ms. Deepa Hingorani</li> <li>• Mr. Bhagya Chandra Rao</li> <li>• Mr. Anders Wilhjelm</li> <li>• Ms. Ulla H P Tønnesen</li> <li>• Mr. Michael Declan G</li> <li>• Mr. Lokesh Saxena</li> </ul>

### Board Meetings held during the Financial Year along with the dates of the Meetings

The Meetings of the Board/Committees are normally planned a year in advance and the notice of each Board / Committee Meetings is issued 7 days ahead of the date of the Meetings. The Board meets at least once in a quarter to transact various businesses including approval of the quarterly financial results of the Company. Detailed agenda with suitable explanatory notes of the Meetings are circulated to the Directors in advance.

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

During the Financial Year, the Board met 5 (five) times on the following dates:

**May 20, 2021, August 12, 2021, November 11, 2021, February 4, 2022 and March 28, 2022. All these meetings were held through Video Conferencing (VC) mode.**

During the Financial Year, a separate Meeting of the Independent Directors was held on February 3, 2022 through Video Conferencing (VC) mode without the attendance of Non-Independent Directors and Members of the Management.

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

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

### Compliance with the Code of Conduct for prevention of Insider Trading

The Code of Conduct for Prevention of Insider Trading

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

### 3. Audit Committee:

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

Mr. Bhagya Chandra Rao is the Chairman of the Committee. The Committee has three Members.

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

### Meetings and the attendance during the Financial Year

The Committee met 4 (four) times during the Financial Year on the following dates:

**May 20, 2021, August 12, 2021, November 11, 2021 and February 4, 2022. All these meetings were held through Video Conferencing (VC) mode.**

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

Name of Members	No. of Meetings Attended
Mr. Bhagya Chandra Rao	4
Ms. Deepa Hingorani	4
Mr. Michael Declan Guerin	4

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

**4. Nomination and Remuneration Committee:**

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

The Committee reviews the following among others:

1. Formulation of criteria for evaluation of Independent Directors and the Board;
2. Devising a Policy on Board diversity;
3. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;

4. Various criteria including minimum and maximum age, minimum qualification, desired background, diversity, evaluation and remuneration criteria for the Directors, KMPs and other employees.

Mr. Bhagya Chandra Rao is the Chairman of the Committee. The Committee has three Members.

Managing Director is invited to the Committee Meetings whenever necessary.

**Meetings and the attendance during the Financial Year**

The Committee met 2 (two) times during the Financial Year on the following dates:

**August 12, 2021 and February 4, 2022. All these meetings were held through Video Conferencing (VC) mode.**

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

Name of Members	No. of Meetings Attended
Mr. Bhagya Chandra Rao	2
Ms. Deepa Hingorani	2
Mr. Anders Wilhjelm	2

**Remuneration Policy, Performance Evaluation, Policy on Board Diversity**

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

	Directors	KMP (CEO)	KMP (CFO)	KMP (CS)	Sr. Employees
Min. Age	35	35	35	25	30
Max. Age	70	DIL's Retirement Age			
Min. Qualification	Graduate	Graduate / Diploma	MBA (Fin) & / or CA	CS	Graduate/Diploma
Desired Background (But Not limited to)	Experience in Sr. Role in Related Market Segments	As set by the Board		Member of ICSI	As set by CEO
	Experience in Finance Field				
	Understanding of Danish MNCs				
	Exposure at Board levels of other companies				
	Global Outlook				
	Notable Unique Achievement				
Diversity	Fair mix of women & men				
	Optimized mix of Functional Expertise				

	<b>Directors</b>	<b>KMP (CEO)</b>	<b>KMP (CFO)</b>	<b>KMP (CS)</b>	<b>Sr. Employees</b>
Evaluation	Actions aligned with the Company's Interest/Image	Performance against KRAs/KPIs			
	Strategic Inputs to the Board / Management				
	Integrity				
	Compliance				
	Attendance in Board Meetings				
Remuneration	Within Regulatory Limits	Benchmarked to similar roles in comparable Industry			
	Comparable Industry Norms				
	No remuneration for Promoter Employee Directors				
	Performance / Involvement based differentiation allowed				

#### 5. Stakeholders' Relationship Committee:

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

Ms. Deepa Hingorani is the Chairperson of the Committee. The Committee has four members.

#### Meetings and the attendance during the Financial Year

The Committee met 2 (two) times during the Financial Year on the following dates:

**May 20, 2021 and February 4, 2022. All these Meetings were held through Video Conferencing (VC) mode.**

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

<b>Name of the Members</b>	<b>No. of Meetings Attended</b>
Ms. Deepa Hingorani	2
Mr. Bhagya Chandra Rao	2
Mr. Lokesh Saxena	2
Ms. Ulla Hartvig Plathe Tonnesen	2

One investor complaint was received during the Financial Year 2021-22 (June Qtr.-NIL, Sep Qtr.-1, Dec Qtr.-NIL and March Qtr.-NIL) and was disposed off within the stipulated time. There were no pending investor complaints as on March 31, 2022. There were no pending share transfers as on March 31, 2022.

With effect from April 1, 2019, transfer of shares is

permitted only in demat mode. Further, SEBI Circular dated January 25, 2022 requires the companies to issue the securities to investors only in dematerialized form while processing the service requests such as issue of duplicate securities certificates, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

#### Name, designation & address of the Compliance Officer:

Mr. G. Prasanna Bairy  
General Manager - Finance & Company Secretary,  
DISA India Limited,  
World Trade Center (WTC), 6th Floor, Unit No. S-604,  
Brigade Gateway Campus, 26/1, Dr. Rajkumar Road,  
Malleswaram-Rajajinagar,  
Bengaluru - 560 055.  
E-Mail: investor.relations@noricangroup.com  
Phone: 91-80- 22496715  
Fax: 91-80- 22496750

#### 6. Risk Management Committee:

The Risk Management Committee among other things, has to formulate a detailed risk management policy containing a framework for identification of internal and external risks, oversee the implementation of risk management policy and ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the company.

Constitution of Risk Management Committee was not applicable to your Company till the Financial Year 2020-21. SEBI (LODR) (Second Amendment) Regulations, 2021 dated May 5, 2021 required top 1,000 listed entities (based on

Market Capitalization as on March 31, 2021) to constitute a Risk Management Committee w.e.f. from Financial Year 2021-22. Since your Company was placed within top 1,000 listed companies based on Market Capitalization as on March 31, 2021, your Company has constituted a Risk Management Committee on August 12, 2021 with five Members.

Ms. Deepa Hingorani was appointed as Chairperson of the Committee. Two Independent Directors, one Non-Independent Non-Executive Director, Managing Director and the Chief Financial Officer are the members of this Committee.

**Meetings and the attendance during the Financial Year**

The Committee met 2 (two) times during the Financial Year on the following dates:

**November 11, 2021 and February 4, 2022. All these Meetings were held through Video Conferencing (VC) mode.**

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

Name of the Members	No. of Meetings Attended
Ms. Deepa Hingorani	2
Mr. Bhagya Chandra Rao	2
Mr. Michael Dechlan Guerin	2
Mr. Lokesh Saxena	2
Mr. Amar Nath Mohanty	2

**7. Remuneration of Directors:**

The details of remuneration paid to the Directors during the Financial Year 2021-22 is as under:

a. Managing Director

**Rs. Million**

Directors	Salary	Performance Bonus & incentives	Other Perquisites	PF & Superannuation	Total
Mr. Lokesh Saxena	11.3	2.6	0.0	1.3	15.2

b. Non-Executive Independent Directors

**Rs. Million**

Name	Sitting fees	Commission
Ms. Deepa Hingorani	0.4	0.4
Mr. Bhagya Chandra Rao	0.4	0.4
Total	0.8	0.8

c. Non-Executive Non-Independent Directors

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

The Sitting fees mentioned above indicate payment for participation in the Board and Committee Meetings. Sitting fees payable to the Chairperson of Board is Rs. 40,000/- (Rupees Forty Thousand Only) per Meeting and sitting fees payable to Chairperson of Committees is Rs. 30,000/- (Rupees Thirty Thousand Only) per Meeting. Sitting fees payable to other Members for attending the Board/Committee Meetings is Rs. 20,000/- (Rupees Twenty Thousand Only) per Meeting. The total amount of commission payable to Independent Directors is Rs. 400,000/- p.a. (Rupees Four Lakhs Only) in respect of any one Financial Year for the proportionate period of their Board membership with the Company, subject to the approval by the Board and Shareholders, if required. The Company reimburses the expenses incurred for participation in the Board/Committee Meetings and expenses in connection with performing the duties as a Director.

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

**7. Corporate Social Responsibility (CSR) Committee:**

The Company has complied with the provisions of Section 135 of the Companies Act, 2013 and the Corporate Social Responsibility Committee has discharged its functions during the Financial Year under review. The composition of the Committee and meeting details are furnished in 'Annexure A' to Board's Report i.e., 'The Annual Report on CSR Activities'.

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

The Committee met once during the Financial Year on February 4, 2022 through Video Conferencing (VC) mode.

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

Mr. Bhagya Chandra Rao is the Chairman of Corporate Social Responsibility Committee.

## 8. Related Party Transactions:

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

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

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

## 9. Unclaimed Dividend:

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

On June 22, 2021, the Company has transferred Rs. 43,375/- to IEPF towards unclaimed dividend for the calendar year 2013 (Rs. 27,61,400/- and Rs. 42,925/- were transferred to IEPF during the FY 2019-20 and FY 2020-21 respectively towards unclaimed dividend for the calendar year 2011 and 2012). On July 12, 2021, the Company has transferred 805 shares (on which dividend has not been paid or claimed for seven consecutive years) to IEPF as compared to 11,523 shares and 1,107 shares transferred during the FY 2019-20 and FY 2020-21 respectively.

During the year, one shareholder received 100 shares and Rs. 44,800/- from IEPF towards dividend for 2011 and earlier years. Online verification report for this claim was filed by the Company during the FY 2020-21.

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

Year	Type of Dividend	Dividend per share (Rs.)	Date of Dividend Declaration	Due date for Transfer to IEPF	Amount (Rs.)*
2014-15	Final	2.50	06-08-2015	26-09-2022	44,610
2015-16	Final	2.50	12-08-2016	23-10-2023	45,583
2016-17	Final	2.50	11-08-2017	04-10-2024	50,870
2017-18	Final	2.50	09-08-2018	09-10-2025	53,510
2018-19	Final	2.50	08-08-2019	04-10-2026	26,880
2019-20	Final	2.50	12-08-2020	13-10-2027	20,732
2020-21	Final	10.00	12-08-2021	13-10-2028	90,446

\* Balances as on March 31, 2022.

## 10. Risk Management:

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

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

During the year, your Company has constituted the Risk Management Committee.

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

## 11. CEO/CFO Certification:

Managing Director and the CFO of the Company have certified to the Board of Directors, *inter-alia*, the true and fair view of financial statements and adequacy of Internal Controls for the financial reporting for the year ended

March 31, 2022. CEO/CFO Certification is part of this report.

**12.**

**a. Details of non-Compliance, if any:**

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

**b. Details of establishment of Vigil mechanism/ Whistle Blower Policy:**

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

**c. Details of Policy for determining 'Material Subsidiaries':**

Policy for determining 'Material Subsidiaries' is available on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies>.

**d. Details of compliance with mandatory requirements:**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of the Listing Regulations. This Corporate Governance Report of the Company for the Financial Year 2021-22 as on March 31, 2022 is in compliance with the requirements of the Listing Regulations, as applicable.

**e. Secretarial Compliance Certificate:**

SEBI (LODR)(Amendment) Regulations, 2018 mandates the Company to obtain a 'Annual Secretarial Compliance Report' in the prescribed format from a Practising Company Secretary. This Report has been received and will be filed with the Stock Exchange within the due date.

**f. Compliance with Discretionary requirements:**

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

i. Un-modified opinion(s) in Audit Report:

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

ii. Reporting of Internal Auditors:

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

**13. General Body Meetings:**

Location and time of the last three Annual General Meetings:

Financial Year	Date	Venue	Time
2018-19	08-08-2019	Hotel Taj, Yashwanthpur, Bengaluru	11.00 AM
2019-20	12-08-2020	Through Video Conferencing (VC)	11.00 AM
2020-21	12-08-2021	Through Video Conferencing (VC)	11.00 AM

Special Resolutions passed in the previous three Annual General Meetings:

Financial Year	Special Resolutions
2018-19	1. Re-appointment of Ms. Deepa Agar Hingorani (DIN: 00206310) as Independent Director of the Company. 2. Re-appointment of Mr. Sanjay Narendrakumar Arte (DIN: 01000716) as Independent Director of the Company.
2019-20	1. Re-appointment of Mr. Lokesh Saxena (DIN: 07823712) as Managing Director of the Company.
2020-21	1. Payment of remuneration exceeding fifty percent (50%) of the total remuneration payable to all Non-Executive Directors to Ms. Deepa Hingorani (DIN: 00206310).

Special Resolutions passed through Postal Ballot: NIL

**14. Disclosures:**

There are no materially significant Related Party Transactions during the year that have potential conflict with the interests of the Company at large. Transactions with the related parties are disclosed in Notes forming part of the Financial Statements under Sl. No. 44.

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

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

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

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

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

#### 15. Means of Communication:

The Quarterly/Half Yearly/ Annual financial results are published in leading Newspapers such as 'Financial Express' (in English) and 'Sanjevani/Vishwavani' (in Kannada) and also are displayed on BSE website and the Company's website hence are not individually sent to the Shareholders. The general information about the Company and the information as required under the Companies Act 2013, and SEBI (LODR) Regulations 2015 have been uploaded on the Company's website at <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/notices>.

#### 16. General Information to Shareholders:

##### a. Annual General Meeting:

Date: August 12, 2022  
Time: 11.00 AM IST

In line with the Ministry of Corporate Affairs (MCA) Circular No. 14/2020, 17/2020, 20/2020, 02/2021 and 02/2022 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62, the 37<sup>th</sup> AGM of the Company is being convened and conducted through Video Conferencing.

Period 12 Months: April 2021 to March 2022  
Date of Book Closure: August 5 to August 12, 2022 (both days inclusive)

Listed on Stock Exchange: BSE Limited. Scrip code is 500068  
(Listing Fee for the Financial Year 2022-23 has been paid within due date)

Date of payment of dividend: September 11, 2022  
(Subject to Shareholders' approval)

##### b. Stock Market price data for the period April 2021 to March 2022:

Period	BSE-Sensex		Market Price (Rs. / Share)	
	High	Low	High	Low
Apr-21	50376	47204	5000	4355

Period	BSE-Sensex		Market Price (Rs. / Share)	
May-21	52013	48028	5187	4400
Jun-21	53127	51451	5855	4376
Jul-21	53291	51803	5655	5152
Aug-21	57625	52804	5990	5200
Sep-21	60412	57264	5840	5400
Oct-21	62245	58551	5798	4870
Nov-21	61036	56383	6200	5195
Dec-21	59203	55133	6039	5311
Jan-22	61475	56410	7600	5600
Feb-22	59618	54383	7944	5630
Mar-22	58891	52261	6656	5232

##### c. Registrar and Share Transfer Agents (RTA):

Integrated Registry Management Services Private Limited, No. 30, Ramana Residency, Ground Floor, IV Cross, Sampige Road, Malleswaram, Bengaluru -560 003, Telephone: 080 23460815/816 is the Company's Registrar and Share Transfer Agents (RTA). They have the requisite registration with SEBI.

##### d. Share Transfer System:

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

As per SEBI (LODR) (Fourth Amendment) Regulations, 2018, with effect from April 1, 2019, except in case of transmission or transposition of securities, no transfer of securities shall be processed unless the securities are held in the dematerialized form. Further, SEBI Circular dated January 25, 2022 requires the companies to issue the securities to investors only in dematerialized form while processing the service requests such as issue of duplicate securities certificates, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

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

**e. Distribution of shareholding as on March 31, 2022:**

Range of Shares		No. of Share Holders	% of Total Share Holders	No. of Shares Held	% of Share-holding
1	500	4464	98.87	161292	11.09
501	1000	25	0.55	17027	1.17
1001	2000	9	0.20	12298	0.85
2001	3000	6	0.13	14852	1.02
3001	4000	1	0.02	3855	0.27
4001	5000	1	0.02	4451	0.31
5001	10000	3	0.07	18585	1.28
10001	& above	6	0.13	1221845	84.02
<b>Total</b>		<b>4515</b>	<b>100.00</b>	<b>1454205</b>	<b>100.00</b>

**f. Dematerialization of shares and liquidity:**

About 98.58% of the 14,54,205 outstanding Equity Shares have been dematerialized up to March 31, 2022

**g. Shareholding pattern as on March 31, 2022:**

Category	No of Shares	% Holding
Directors	1	-
Promoter but not Director	1088056	74.82
Director/Promoters Relatives	-	-
<b>Sub Total (A)</b>	<b>1088057</b>	<b>74.82</b>
Banks & Financial Institutions, Insurance Companies, Mutual Funds	126097	8.67
Body Corporate	15077	1.04
NRI	10866	0.75
FPI	255	0.02
Indian Promoter	-	-
Clearing Member	389	0.03
Trust	-	-
Investor Education and Protection Fund	13235	0.91
General Public	200229	13.77
<b>Sub Total (B)</b>	<b>366148</b>	<b>25.18</b>
<b>Total (A) + (B)</b>	<b>1454205</b>	<b>100.00</b>

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

**i. Plant Locations:**

No.28-32, Satyamangala Industrial Area, Tumkur -572 104, Karnataka. Tel: +91 0816-2214900 / 2214901	Plot No.50, KIADB Industrial Area, Hosakote -562 114, Karnataka. Tel: +91-9686199717/18
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**j. Address for correspondence:**

**Registered & Corporate Office:**

DISA INDIA LIMITED,  
World Trade Center (WTC),  
6th Floor, Unit No. S-604,  
Brigade Gateway Campus,  
26/1, Dr. Rajkumar Road,  
Malleswaram-Rajajinagar,  
Bengaluru - 560 055.  
Ph: 91-80-22496700 to 03

**k. Dividend Distribution Policy:**

Dividend Distribution Policy is placed on the website of the Company at [www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies](http://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies).

For DISA India Limited

Date: May 25, 2022  
Place: Singapore

Deepa Hingorani  
Chairperson  
DIN: 00206310



**CEO/CFO CERTIFICATION FOR THE YEAR ENDED MARCH 31, 2022**

To,

The Board of Directors  
DISA INDIA LIMITED  
Bengaluru

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

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee;
1. there were no significant changes in internal control over financial reporting during the year ended March 31, 2022;
  2. there were no significant changes in accounting policies during the year ended March 31, 2022; and
  3. there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Bengaluru  
Date: May 17, 2022

Lokesh Saxena  
Managing Director

Amar Nath Mohanty  
Chief Financial Officer

## BUSINESS RESPONSIBILITY REPORT

[As per Regulation 34(2)(f) of SEBI (LODR Regulations, 2015)]

### GENERAL INFORMATION ABOUT THE COMPANY

S.no	Subject	Description
1	Corporate Identity Number (CIN) of the Company	<b>L85110KA1984PLC006116</b>
2	Name of the Company	<b>DISA India Limited</b>
3	Registered address	World Trade Center (WTC), 6th Floor, Unit No. S-604, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bengaluru - 560 055.
4	Website	<a href="https://www.disagroup.com">https://www.disagroup.com</a>
5	E-mail id	investor.relations@noricangroup.com
6	Financial Year reported	April 01, 2021 to March 31, 2022.
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Foundry Machinery, Filters NIC code 29292 & 29197
8	List three key products/services that the Company manufactures / provides (as in balance sheet)	Machinery-Moulding Machines, Filters and Surface Preparation machines, Parts of Machinery,
9	Total number of locations where business activity is undertaken by the Company a. Number of International Locations (Provide details of major 5) b. Number of National Locations	NIL  6 (six): Bengaluru, Tumkur, Hosakote, New Delhi, Kolkata and Pune.
10	Markets served by the Company	Local/State/National/International

### FINANCIAL DETAILS OF THE COMPANY

S.no	Subject	Amount (Rs. Million)
1	Paid up Capital	14.5
2	Total Turnover	2,476.7
3	Total profit after taxes	374.4
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax	2% of average net profits of the company made during the three immediately preceding Financial Years.
5	List of activities in which expenditure in 4 above has been incurred	Refer to Annexure - A to the Board's report of the Annual Report.

### OTHER DETAILS

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

**BR INFORMATION**

1. Details of Director/Directors responsible for BR

a. Details of the Director/Directors responsible for implementation of the BR policy/policies

1. DIN Number : 07823712
2. Name : Mr. Lokesh Saxena
3. Designation : Managing Director

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

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

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

b. Details of the BR head

S.No	Particulars	Details
1	DIN Number (if applicable)	07823712
2	Name	Mr. Lokesh Saxena
3	Designation	Managing Director
4	Telephone number	+91 80 22496700
5	e-mail id	bengaluru@norican-group.com

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

**Index:**

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

3. Governance related to BR

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

**The policy has been adopted during the year 2019-20 and there is one review in a year.**

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

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

**PRINCIPLE-WISE PERFORMANCE**

**Principle 1: Ethics, Transparency & Accountability**

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

**Principle 2: Product Lifecycle Sustainability**

1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	<p>DISA India Limited is a leading equipment manufacturer with advanced foundry &amp; surface preparation process technology. It supplies complete foundry systems, surface preparation machines and environmental control systems (Filters).</p> <p>Its strategy focuses on making;</p> <ul style="list-style-type: none"> <li>• Its business sustainable.</li> <li>• Its customers' business sustainable and</li> <li>• The eco system sustainable.</li> </ul> <p>A significant portion of the Company's and Norican Group's Research &amp; Development efforts are focused on assisting our customers in reducing waste, reducing energy consumption as well as increasing yield in their production. By modifying, upgrading or replacing older equipment with newer Norican Technology, our customers can significantly reduce their environmental impact. Company is certified with QMS - ISO 9001:2015.</p> <p><b>1. Foundry Machines</b></p> <p>DISA range of foundry machines (Moulding Machines as it is also called) serves the foundry industry with latest foundry technology equipment in moulding and sand preparation. DISA Moulding machines are designed to perform with energy efficiency, at higher machine efficiency, zero discharge to environment and support well to the Green industry initiatives in the foundry industry.</p> <p>DISA range of Sand Plant works towards 95% recycling of the sand with efficient mixers and which reduces consumption of raw materials favourable to the environment.</p> <p>Norican Digital solutions with DISA foundry equipment solution complies Industry 4.0 requirement. It is an IOT based system which detect and analyse process efficiency, energy consumption, waste generation on real time basis which help to reduce the carbon footprints. Norican Digital solutions helps bringing down the foundry scrap percentage and makes foundry Greener. Digital solutions can also facilitate traceability of manufactured products which is a critical need for automotive component safety for vehicles, DISAMATIC Industry 4.0 solutions (TAG) offer unique traceability in the casting industry.</p>
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		<p><b>2. Filters</b></p> <p>Environmental control equipment (Filters) manufactured by the company uses air filtration systems complying to governmental regulations. Filters are used in varieties of industries like Foundries, Steel, Cement to manage solid dust in the manufacturing process and protects the environment and helps maintaining the clean air. Numerous installations of DISA Filters clean millions of cubic meters of air every hour to make work environment pollution free. DISA product range of Filters are compact, safe and highly energy efficient and least life cycle cost of owning the equipment.</p> <p><b>3. Surface Preparations Machines</b></p> <p>Surface preparation machines (shot blasting &amp; Peening machines) manufactured by the company uses “Wheelabrator” European technology are used in varieties of industries like Foundries, Forgings, Steel, Construction equipment, Agricultural segments etc. to clean any metallic surface with dry descaling process with primary focus on repetitive usage of blasting media, saving energy, safe working conditions and prevent pollution in manufacturing replacing the age-old acid pickling process protecting the environment to a larger extent.</p>
2	<p>For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):</p> <p>a. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?</p> <p>b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?</p>	<p>The company’s constant endeavor is to reduce consumption of energy in all forms and at all levels, in the manufacturing facilities and in offices.</p> <p>Traditional lighting systems have been replaced with energy efficient lightings in all locations which has reduced the energy consumptions. Recycling of water, reuse of steel, wood and other scraps are always practiced.</p>
3	<p>Does the company have procedures in place for sustainable sourcing (including transportation)?</p> <p>a. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.</p>	<p>Sustainable sourcing is an integral part of the Company’s procurement process. Company’s suppliers are categorized in three broad categories, Materials, Services and People. The Company has supply chain practices and believes in building long-term mutually beneficial relationships with the suppliers and one of the most important criteria for selecting the vendors is sustainability practice in their manufacturing locations. The Company is also exploring the possibility to procure green renewable energy.</p> <p>The Company has embarked upon the journey of SBTi (Science Based targets initiative) by signing the pledge along with the Parent, Norican Group to reduce carbon footprint. There is a huge focus on the implementation of this initiative and to find out areas of impact to start the process.</p>
4	<p>Has the company taken any steps to procure goods and services from local &amp; small producers, including communities surrounding their place of work?</p> <p>a. If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</p>	<p>While the criteria for selection of goods and services is quality, reliability and price, as far as possible, the Company procures the goods and services about 30% of its requirements from the MSMEs in the vicinity of the Company’s manufacturing units.</p> <p>The Company avails service from local service providers for housekeeping, security, gardening, transportation etc. For early turn around for less critical items like spares and consumables, the Company promotes local vendors in locations which have sizable presence.</p>

5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	The Company focuses to reduce, recycle and reuse of input materials. Through constant improvements in production process, the Company has been able to reduce the use of raw materials in the final product and utilities such as electricity, water and fuel. It has been constant endeavor of the Company to recycle the water treated through ETP for gardening, toilets etc. Through Rainwater Harvesting (RWH) system installed in Tumkur, the Company has been recharging the ground water. Wood waste and steel scrap are being reused for packing and transportation of finished goods to customers.
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**Principle 3: Employee Well Being**

1	<b>Total number of employees</b>	<b>340 (including employees on contractual basis)</b>
2	Total number of employees hired on temporary/contractual/casual basis	90
3	Number of permanent women employees	5
4	Number of permanent employees with disabilities	NIL
5	Do you have an employee association that is recognized by management	Yes
6	What percentage of your permanent employees is members of this recognized employee association?	29% of our permanent employees are the members of recognized workmen employee union.

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

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

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

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

The company has given special focus from the topmost level for health, safety & security of employees and other stake holders to keep the workplace safe & hygienic in view of the global Pandemic Covid-19.

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

**Principle 4: Stakeholder Engagement**

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

**Principle 5: Human Rights**

1	Does the policy of the company on human rights cover only the company or extend to the Group /Joint Ventures/ Suppliers/Contractors/ NGOs/Others?	The Company endeavors to comply with applicable legislations and to conduct its business with strong dedication to human rights including ethical and responsible practices. It also complies with the Group policy in this respect. Use of child labour is prohibited.
2	How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management?	One Investor complaint has been received and resolved during the Financial Year.

**Principle 6: Protection of Environment**

1	Does the policy for Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors / NGOs/others?	The Company conducts its operations and activities with focus on reducing potential impacts on climate and environment. The company endeavors to comply with applicable laws, rules & regulations regarding climate and environment. The Company follows its group global EHS practices. The Company is committed to be a responsible corporate citizen within the communities in which it operates. The Company is certified EMS- ISO 14001-2015, QMS-ISO 45001:2018.
2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.	The Company is committed to protect the environment, reduced usage of natural resources like energy, water and reducing environmental pollution. It has made provision of mass transit system in its manufacturing facilities in Tumkuru and Hosakote units to reduce pollution. Star rated electrical and electronic equipments are used to conserve energy. Recycling of materials like wood/metal waste is practiced.
3	Does the company identify and assess potential environmental risks?	The Company recognizes environmental risk as a part of its risk identification process.  The Company has embarked upon the journey of SBTi (Science Based targets initiative) by signing the pledge along with the Parent, Norican Group to reduce carbon footprint. There is a huge focus on the implementation of this initiative and to find out areas of impact to start the process.
4	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	The Company does not have any such project.
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	The Company has taken number of initiatives in reducing the energy consumption and emission.
6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the Financial Year being reported?	Yes
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	During the year, Hosakote unit has received two show cause notices from Karnataka State Pollution Control Board. Satisfactory replies were furnished within the stipulated time.

**Principle 7: Responsible Advocacy**

1	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	<ol style="list-style-type: none"> <li>1. Confederation of Indian Industry (CII)</li> <li>2. Federation of Karnataka Chamber of Commerce and Industry (FKCCI)</li> <li>3. Bengaluru Chamber of Industry and Commerce (BCIC)</li> <li>4. Engineering Exports Promotion Council (EEPC)</li> <li>5. Association of Indian Forging Industry (AIFI)</li> <li>6. Aluminum Casters' Association (ALUCAST)</li> <li>7. Institute of Indian Foundrymen (IIF)</li> <li>8. Indo-Danish Business Association.</li> <li>9. Karnataka Employers' Association.</li> </ol>
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2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).	The Company has advocated in industry forums for energy conservation.
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**Principle 8: Inclusive Growth and Equitable Development**

1	Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.	The Company believes in empowering the economically weaker section of the society through education. With this objective in mind, it has framed its CSR Policy which in turn drives the CSR activities of the Company.
2	Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?	CSR activities are carried out through a combination of in-house team as well as external NGO.
3	Have you done any impact assessment of your initiative?	Impact assessment has been carried out as part of the Company's internal planning and review process.
4	What is your company's direct contribution to community development projects? - Amount in INR and the details of the projects undertaken.	During the year, the Company has spent Rs. 7.4 Million towards promotion of education under its CSR program. For details of projects, kindly refer 'Annexure A' to Board's Report i.e., 'The Annual Report on CSR Activities'.
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Yes. While undertaking the projects, we have selected a NGO which has good understanding of the grass root and has good processes in place to ensure that the initiatives are successfully adopted by the community. NGO submits the periodical reports to the Company. For projects directly undertaken by the Company, we have an internal team to ascertain the impact of the initiatives on the intended sections of the society.

**Principle 9: Customer Value**

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

**ANNEXURE - E**

**PARTICULARS OF EMPLOYEES**

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

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

Directors and KMP		Remuneration (Rs. Million)	Remuneration (Rs. Million)	% increase in remuneration over the previous year	Ratio of remuneration for 2021-22 to MRE
		Apr 20 to Mar 21	April 21 to Mar 22		
Non executive Directors	Anders Wilhjelm	-	-		NA
	Andrew James Matsuyama	-	-		NA
	Ulla Hartvig Plathe Tonnesen	-	-		NA
	Neil Christopher Moseley	-	-		NA
	Michael Dechlan Guerin	-	-		NA
Independent Directors	Deepa Hingorani	0.8	0.8	2.4%	0.82
	Sanjay Arte #	0.4	-		NA
	Bhagya Chandra Rao @	0.2	0.8	338.9%	0.77
Managing Director	Lokesh Saxena	12.9	15.2	17.9%	14.84
Key Managerial Personnel	Amar Nath Mohanty (CFO)	9.2	10.2	10.9%	9.97
	G.Prasanna Bairy (CS)	3.4	4.1	20.3%	3.99

Notes:

# Mr. Sanjay Arte was the Chairman of the Company until his demise on November 10, 2020. He was entitled to pro-rata commission up to November 10, 2020.

@ Mr. Bhagya Chandra Rao was appointed as an Independent Director with effect from January 28, 2021. He was paid pro-rata commission for the FY 2020-21.

The median remuneration of employees (MRE) including Managing Director was Rs. 1,027,114 for the year ended March 31, 2022 and Rs. 980,545 for the year ended March 31, 2021.

The increase in MRE is 4.7% in the year ended March 31, 2022 over previous year ended March 31, 2021.

Number of permanent employees on roll at the end of March 31, 2021 and March 31, 2022 are 240 and 250 respectively.

The revenue has increased by 39.5% during the year. The average salary increase given to employees is 8%. This was based on the recommendation of the Nomination and Remuneration Committee to revise the remuneration in line with the annual revision of industry benchmarks.

Your Company's market capitalisation increased by 33.2% to Rs. 9,074 Million as of March 31, 2022 from Rs. 6,810 Million as of March 31, 2021.

The Price Earning ratio decreased by 15.6% to 24.4 as of March 31, 2022 from 28.9 as of March 31, 2021.

The closing price of Company's equity share in BSE as of March 31, 2022 was Rs. 6,240 per share, representing an increase of 62,300% over the IPO price.

The Variable pay for the MD, CFO, CS and other managerial personnel are designed to ensure that it is competitive for attracting and retaining the best possible talent. These variable pay structures have been approved by the Nomination and Remuneration Committee.

During the year ended March 31, 2022, there were no employees receiving the remuneration in excess of the highest paid Director (Managing Director).

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

## INDEPENDENT AUDITOR'S REPORT

To The Members of DISA India Limited

Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of DISA India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Revenue Recognition</b></p> <p>Refer Note 3.1 and Note 27 to the standalone financial statements.</p> <p>The Company recognizes revenue from sale of goods based on the terms and conditions of the agreements/ arrangements, which vary with different customers. For sale transactions in a certain period around balance sheet date, it is essential to ensure whether the transfer of control of the goods by the Company to the customer occurs before the balance sheet date. Considering material sale transactions close to the year end and that revenue recognition is subject to transfer of control to the customers before the balance sheet date, we consider the risk of revenue from sale of goods being recognised in the incorrect period as a key audit matter.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> <li>• We tested the internal controls relating to determination of point in time at which the transfer of control of goods occurs for revenue recognition in the appropriate period in accordance with the Company's accounting policy.</li> <li>• For a selection of sale transactions recorded close to the year end, we performed the following audit procedures: <ul style="list-style-type: none"> <li>◦ Analysed the terms and conditions of the underlying agreements/arrangements with the customer, and</li> <li>◦ Verified evidence for transfer of control of the goods prior to the balance sheet date or otherwise from relevant supporting documents.</li> </ul> </li> </ul>

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Corporate Sustainability Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

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

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

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

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

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

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

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

going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the standalone financial statements.

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 41 to the standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign

entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities "Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the

representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act.

As stated in Note 20 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

**Monisha Parikh**  
Partner  
(Membership No. 47840)  
[UDIN: 22047840AJOHM8282]

**BENGALURU;** May 25, 2022  
MP/LS/2022

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of DISA India Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditor’s Responsibility**

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

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

risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material

respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the

essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**BENGALURU;** May 25, 2022  
MP/LS/2022

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

**Monisha Parikh**  
Partner  
(Membership No. 47840)  
[UDIN: 22047840AJ0JHM8282]



## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i.
  - a.
    - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital-work-in-progress, investment properties and relevant details of right-of-use assets.
    - B. The Company has maintained proper records showing full particulars of intangible assets.
  - b. Some of the property, plant and equipment, capital work in-progress, investment properties and right-of-use-assets were physically verified during the year by the Management in accordance with a programme of verification, which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
  - c. Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, capital work in progress and investment property are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for guarantees, are held in the name of the Company based on confirmations directly received by us from the lenders / custodians.
  - d. The Company has not revalued any of its property, plant and equipment, right-of-use assets and intangible assets during the year.
  - e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - a. The inventories except for goods-in-transit were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods-in-transit, the goods have been received subsequent to the year end or confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.
  - b. According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements and book debt statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
  - iii. The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
  - iv. The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
  - v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under clause (v) of the Order is not applicable.
  - vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

- a. Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year. There were no undisputed amounts payable in respect of Goods and Services tax, Provident

Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	1.85 <sup>1</sup>	F.Y. 2013-2018	Commissioner (Appeals)
Central Sales Tax Act, 1956	Central Sales Tax	4.15 <sup>2</sup>	F.Y. 2012-2013	Karnataka Appellate Tribunal
Karnataka Tax on Entry of Goods Act, 1974	Entry Tax	0.11 <sup>3</sup>	F.Y. 2012-2013	Karnataka Appellate Tribunal
Income Tax Act, 1961	Income Tax	5.65 <sup>4</sup>	A.Y. 2013-14	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	0.15	A.Y. 2018-19	Income Tax Appellate Tribunal

1. Net of Rs.0.16 Million paid under protest.
2. Net of Rs.1.78 Million paid under protest.
3. Net of Rs.0.56 Million paid under protest.
4. Net of Rs.1.41 Million paid under protest.

viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix.

- a. The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the financial year for long-term purposes by the Company.
- e. The Company has not made any investment in or given any new loan or advances to its subsidiary during the year and hence, reporting under clauses (ix)(e) of the Order is not applicable.
- f. The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

x.

- a. The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

xi.

- a. To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c. As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable to the Company.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- xiv.
- a. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- b. We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 31, 2021 and the internal audit report where issued after the balance sheet date for the period January 1, 2022 to February 28, 2022 for the period under audit.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or directors of its Holding Company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
- a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- b. The Group does not have any CIC as part of the group and accordingly, reporting under clause (xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amounts for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

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

**BENGALURU;** May 25, 2022  
MP/LS/2022

**Monisha Parikh**  
Partner  
(Membership No. 47840)  
[UDIN: 22047840AJOHM8282]

**STANDALONE BALANCE SHEET AS AT MARCH 31, 2022**

Rs Million

Particulars		Note No.	As at March 31, 2022	As at March 31, 2021
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, plant and equipment	4	266.4	142.0
	(b) Capital work in progress	5	36.0	-
	(c) Investment property	7	4.6	2.6
	(d) Right-of-use assets	6	34.1	55.5
	(e) Other intangible assets	8	0.8	1.4
	(f) Financial assets			
	(i) Investments in subsidiary company	9	44.0	44.0
	(ii) Other non-current financial assets	10a	7.7	136.5
	(g) Deferred tax assets (Net)	11	8.6	6.9
	(h) Other non-current assets	12a	8.0	8.0
	<b>Total non-current assets</b>		<b>410.2</b>	<b>396.9</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	13	510.6	282.5
	(b) Financial assets			
	(i) Trade receivables	14	342.3	189.4
	(ii) Cash and cash equivalents	15	34.6	84.2
	(iii) Bank balance other than (ii) above	16	1,855.6	1,595.7
	(iv) Loans	17	26.0	26.0
	(v) Other current financial assets	10b	53.4	60.7
	(c) Current tax assets (Net)		30.9	31.5
	(d) Other current assets	12b	47.3	54.1
	<b>Total current assets</b>		<b>2,900.7</b>	<b>2,324.1</b>
	<b>Total assets</b>		<b>3,310.9</b>	<b>2,721.0</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity share capital	19	14.5	14.5
	(b) Other equity	20	2,003.7	1,860.9
	<b>Total Equity</b>		<b>2,018.2</b>	<b>1,875.4</b>
<b>2</b>	<b>Liabilities</b>			
<b>2.1</b>	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Other non current financial liabilities			
	(a) Lease liabilities	21	29.4	49.7
	<b>Total non-current liabilities</b>		<b>29.4</b>	<b>49.7</b>
<b>2.2</b>	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Trade payables	22		
	(I) Total outstanding dues of micro enterprises and small enterprises		122.3	75.7
	(II) Total outstanding dues of creditors other than micro enterprises and small enterprises		250.6	141.6
	(ii) Lease liabilities	23	8.5	7.7
	(iii) Other current financial liabilities	24	273.0	20.6
	(b) Provisions	25	40.9	32.7
	(c) Current tax liabilities (net)		14.1	14.1
	(d) Other current liabilities	26	553.9	503.5
	<b>Total current liabilities</b>		<b>1,263.3</b>	<b>795.9</b>
	<b>Total equity and liabilities</b>		<b>3,310.9</b>	<b>2,721.0</b>
	<b>See accompanying notes to the financial statements</b>	1 to 47		

In terms of our report attached

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

**Monisha Parikh**  
Partner  
(Membership No. 47840)

For and on behalf of the Board of Directors

**Lokesh Saxena**  
Managing Director  
DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

Place: Bangalore  
Date : May 25, 2022

**Bhagya Chandra Rao**  
Director  
DIN:00211127

**G. Prasanna Bairy**  
Company Secretary

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022**

Rs. Million

Particulars		Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>I</b>	Revenue from operations	27	2,476.7	1,775.1
<b>II</b>	Other income	28	103.2	95.0
<b>III</b>	<b>Total revenue (I+II)</b>		<b>2,579.9</b>	<b>1,870.1</b>
<b>IV</b>	<b>Expenses</b>			
	a. Cost of materials consumed	29	1,279.9	654.7
	b. Purchases of stock-in-trade	30	205.0	159.5
	c. Changes in inventories of finished goods, stock-in-trade and work-in-progress	31	(96.3)	196.0
	d. Employee benefits expense	32	362.8	311.1
	e. Finance costs	33	7.8	3.9
	f. Depreciation and amortisation expense	34	33.4	37.4
	g. Other expenses	35	284.0	191.9
	<b>Total expenses (IV)</b>		<b>2,076.6</b>	<b>1,554.5</b>
<b>V</b>	<b>Profit before tax (III-IV)</b>		<b>503.3</b>	<b>315.6</b>
<b>VI</b>	<b>Tax expense:</b>	36a		
	a. Current tax		130.9	81.1
	b. Deferred tax		(2.0)	(1.1)
	<b>Total tax expenses (a+b)</b>		<b>128.9</b>	<b>80.0</b>
<b>VII</b>	<b>Profit for the year (V-VI)</b>		<b>374.4</b>	<b>235.6</b>
<b>VIII</b>	<b>Other comprehensive income, net of taxes</b>	36b		
	A i. Items that will not be reclassified to profit or loss:		1.3	4.3
	ii. Income tax relating to items that will not be reclassified to profit or loss		(0.3)	(1.1)
	<b>Total other comprehensive income (A((i)+(ii))</b>		<b>1.0</b>	<b>3.2</b>
	<b>Total comprehensive income for the year (VII+VIII)</b>		<b>375.4</b>	<b>238.8</b>
	Earnings per equity share (Face value of Rs 10 /- each):	38		
	a. Basic - Rs.		257.46	162.01
	b. Diluted - Rs.		257.46	162.01
	See accompanying notes to the financial statements	1 to 47		

In terms of our report attached

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

**Monisha Parikh**  
Partner  
(Membership No. 47840)

Place: Bangalore  
Date : May 25, 2022

For and on behalf of the Board of Directors

**Lokesh Saxena**  
Managing Director  
DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

Place: Bangalore  
Date : May 25, 2022

**Bhagya Chandra Rao**  
Director  
DIN:00211127

**G. Prasanna Bairy**  
Company Secretary

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022**

**a. Equity Share Capital:**

Rs. Million

	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the reporting year	14,54,205	14.50	14,54,205	14.50
Changes in the equity share capital during the year	-	-	-	-
Movement during the year	-	-	-	-
<b>Balance at the end of the reporting year</b>	<b>14,54,205</b>	<b>14.50</b>	<b>14,54,205</b>	<b>14.50</b>

Particulars	Reserves & Surplus			Items of OCI	Total Equity
	Capital Reserve	Capital Redemption reserve	Retained earnings	Remeasurements of defined benefit plans	
<b>Balance as at April 1, 2020</b>	1.5	0.6	1,619.8	3.8	1,625.7
Profit for the year	-	-	235.6	-	235.6
Other comprehensive income (net of taxes)	-	-	-	3.2	3.2
<b>Total Comprehensive Income for the year</b>	1.5	0.6	1,855.4	7.0	1,864.5
Dividends	-	-	(3.6)	-	(3.6)
Tax on dividend	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	1.5	0.6	1,851.8	7.0	1,860.9
Profit for the year	-	-	374.4	-	374.4
Other comprehensive income (net of taxes)	-	-	-	1.0	1.0
Total Comprehensive Income for the year	1.5	0.6	2,226.2	8.0	2,236.3
Dividends	-	-	(232.6)	-	(232.6)
Balance as at March 31, 2022	1.5	0.6	1,993.6	8.0	2,003.7

In terms of our report attached

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

**Monisha Parikh**  
Partner  
(Membership No. 47840)

Place: Bangalore  
Date : May 25, 2022

For and on behalf of the Board of Directors

**Lokesh Saxena**  
Managing Director  
DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

Place: Bangalore  
Date : May 25, 2022

**Bhagya Chandra Rao**  
Director  
DIN:00211127

**G. Prasanna Bairy**  
Company Secretary

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022**

		Rs. Million	
Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before tax		503.3	315.6
Adjustments for:			
Depreciation and amortisation expense	34	33.4	37.4
Finance costs	33	7.8	3.9
Profit on sale of property, plant and equipment	28	(1.6)	(0.9)
Interest income	28	(89.5)	(80.8)
Bad trade receivables written off	35	1.8	-
Provision for doubtful trade receivables	14	2.2	0.8
Liability no longer required written back	28	-	(3.0)
Rental income	28	(2.5)	(1.8)
Net unrealised exchange (gains)/losses		(1.9)	(1.5)
Re-measurement of (gains)/losses on defined benefit plans		1.3	4.3
Operating profit before changes in working capital		<b>454.3</b>	<b>274.0</b>
<b>Changes in working capital</b>			
<b>Adjustments for (increase)/decrease in non-current assets:</b>			
Other financial assets		(0.8)	2.3
Other non-current assets		-	(0.5)
<b>Adjustments for (increase)/decrease in current assets:</b>			
Inventories		(228.1)	268.1
Trade receivables		(157.6)	(7.8)
Other financial assets		7.1	(11.5)
Other current assets		6.8	60.1
<b>Adjustments for (increase)/decrease in non-current liabilities:</b>			
Other financial liabilities			
<b>Adjustments for increase/(decrease) in current liabilities:</b>			
Trade payables		158.2	35.9
Other financial liabilities		5.2	(2.5)
Short term provisions		8.2	(10.9)
Other current liabilities		50.4	124.9
<b>Cash generated from operating activities</b>		<b>303.7</b>	<b>732.1</b>
Income tax paid (net)		(130.3)	(71.0)
<b>Net cash generated from operating activities (A)</b>		<b>173.4</b>	<b>661.1</b>

<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Payment for purchase of property, plant and equipment			(146.5)	(63.7)
Proceeds from disposal of property, plant and equipment			3.3	0.9
Loan given to subsidiary company			-	-
Redemption/maturity of bank deposits			1,098.7	836.9
Investment in bank deposits			(1,010.8)	(1,598.5)
Dividend Transfer to separate bank account			(218.1)	-
Interest received			89.7	66.3
Rental income			2.5	1.8
<b>Net Cash used in investing activities (B)</b>			<b>(181.2)</b>	<b>(756.3)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Finance costs	33		(7.8)	(3.9)
Payment of lease liabilities			(19.5)	(22.1)
Increase in lease liabilities			-	59.5
Dividend paid			(14.5)	(3.6)
Tax on dividend			-	-
<b>Net Cash (used in) / generated from financing activities (C)</b>			<b>(41.8)</b>	<b>29.9</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>			<b>(49.6)</b>	<b>(65.3)</b>
Cash and cash equivalents as at the beginning of the year			<b>84.2</b>	<b>149.5</b>
Cash and cash equivalents at the end of the year			<b>34.6</b>	<b>84.2</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			<b>(49.6)</b>	<b>(65.3)</b>
<b>Cash and cash equivalents at the end of the year</b>				
Comprises				
(a) Cash in hand			-	0.1
(b) Balance in current accounts			34.6	84.1
			<b>34.6</b>	<b>84.2</b>
<b>See accompanying notes to the financial statements</b>		1 to 47		

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

#### Changes in liabilities arising from financing activities for the year ended March 31, 2022

Particulars	As at 1 April 2021	Financing cash flows	Fair Value adjustment	Recognition of liability / Other adjustments	As at 31 March 2022
Lease liabilities	57.4	(19.5)	-	-	29.4



**Changes in liabilities arising from financing activities for the year ended March 31, 2021**

Particulars	Rs. Million				
	As at 1 April 2020	Financing cash flows	Fair Value adjustment	Recognition of liability/ Other adjustments	As at 31 March 2021
Lease liabilities	20.0	(22.1)	0.9	58.6	57.4

In terms of our report attached

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

**Monisha Parikh**  
Partner  
(Membership No. 47840)

Place: Bangalore  
Date : May 25, 2022

For and on behalf of the Board of Directors

**Lokesh Saxena**  
Managing Director  
DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

Place: Bangalore  
Date : May 25, 2022

**Bhagya Chandra Rao**  
Director  
DIN:00211127

**G. Prasanna Bairy**  
Company Secretary

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### 1. General information

- 1.1 DISA India Limited ('the Company') is a public limited company incorporated in India in 1984 under the Companies Act 1956. It is listed on Bombay Stock Exchange and headquartered in Bangalore. Its Promoters are DISA Holding AG of Switzerland and DISA Holding A/S of Denmark which hold 54.10% and 20.73% of share capital of the Company respectively. The Company's ultimate holding company is Norican Global A/S, Denmark.
- 1.2 The Company is a leading equipment manufacturer with advanced foundry and surface preparation process technology. It supplies complete foundry systems with DISA range of moulding machines, sand mixers with combination of sand plant equipment, surface preparation machines and environmental control systems to customers across the country with its network of sales offices in New Delhi, Pune, Kolkata and Bangalore with its two manufacturing plants located in Tumkur and Hosakote in Bangalore, Karnataka.
- 1.3 The Company's standalone financial statements were approved by the Company's Board of Directors on May 25, 2022.

### 2. Significant accounting policies

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

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

### 2.2 Basis of Preparation and Presentation

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/

or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

### 2.3 Functional currency

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

### 2.4 Use of estimates and judgements

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

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

The Company has assessed the effects of the global pandemic COVID-19 in the preparation of these standalone financial statements. The Company has undertaken various initiatives to control costs. In the management's assessment, there have been no significant changes in the carrying amounts of receivables, inventories or property, plant and equipment and it does not anticipate any challenge in meeting its financial obligations. The impact of the pandemic may be different from that estimated at the date of approval of these standalone financial statements given the uncertainties associated with its nature and duration. The Company's management will continue to closely monitor any material change to the Company's financial position due to the pandemic and its impact on the future economic conditions.

Critical estimates and judgments:

Areas involving critical judgments are

- Note 13 – Inventories – Write down of inventories
- Note 39 - Estimation of defined benefit obligations
- Note 14 – Allowance for doubtful trade receivables - The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company

considered current and anticipated future economic conditions relating to industries the company deals with.

### **3. Summary of significant accounting policies**

#### **3.1 Revenue Recognition**

Revenue is measured at the fair value of consideration received or receivable and is net of goods & service tax, returns, discounts, sales incentives and other similar allowances. The Company recognizes revenue when the amount of revenue and its related cost can be reliably measured, and it is probable that future economic benefits will flow to the entity and specific criteria in relation to satisfaction of performance obligations have been met for each for the Company's activities described below:

##### **3.1.1. Sale of goods:**

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

##### **3.1.2. Services**

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

##### **3.1.3. Export Entitlements**

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

##### **3.1.4. Interest Income**

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

##### **3.1.5. Commission Income**

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

#### **3.2 Leasing**

##### **Company as a Lessee:**

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains,

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

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

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

##### **Short-term leases and leases of low-value assets:**

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The company does not recognize the lease in respect of low value assets, such lease rentals are charged to expenses.

##### **Company as a Lessor**

Leases in which the Company does not transfer

substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised under investment property and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.

### **3.3 Foreign currency transactions & translations**

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

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

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

### **3.4 Employee benefits**

#### **3.4.1. Defined Contribution Plans:**

##### **Provident Fund, Superannuation Fund & ESIC**

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

#### **3.4.2. Defined Benefit Plans**

##### **Gratuity**

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

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

Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings

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

Defined benefit costs are categorized as follows:

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

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

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

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

#### **3.4.3. Short term & Other Long-Term Employee benefits**

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

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

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

### **3.5 Taxation**

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

#### **3.5.1. Current Tax**

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

### **3.5.2. Deferred Tax**

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

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

### **3.6 Property, plant and equipment**

Property, plant & equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, 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.

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 except as follows.

Vehicles - 5 years.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

### **3.7 Investment Properties**

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

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn

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

### **3.8 Other Intangible Assets**

#### **3.8.1. Recognition**

Intangible assets that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. 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) if any, and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

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

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

#### **3.8.2. Derecognition of intangible assets**

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

### **3.9 Impairment of tangible and intangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Corporate assets are also allocated to individual cash generating units when a reasonable and consistent basis of allocation can be identified, or otherwise corporate assets are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs

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

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

### **3.10 Inventories**

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

### **3.11 Provisions**

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

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

#### **3.11.1. Warranties**

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

### **3.12 Investment in subsidiaries**

Investment in subsidiaries are carried at cost less impairment if any.

### **3.13 Financial instruments**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments and are recognized initially at fair value, and subsequently measured at either

amortized cost or fair value through profit and loss or other comprehensive income. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (Other than financial assets recorded at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

### **3.14 Financial Assets**

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

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

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

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

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

- 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.

### 3.15 Financial liabilities

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

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

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

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

#### Derivative financial instruments

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

### 3.16 Cash flow statement

Cash flows are reported using the indirect method,

whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

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

### 3.17 Segment reporting

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

Manufacturing and selling of foundry machinery and machinery parts is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance (refer note 45).

### 3.18 Earnings per share

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

### 3.19 Standards Issued but Not Effective

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards from April 1, 2022.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 103 – Business Combination
- iii. Ind AS 109 – Financial Instrument
- iv. Ind AS 16 – Property, Plant and Equipment
- v. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- vi. Ind AS 41 – Agriculture

Application of above standards are not expected to have any significant impact on the Company's financial statements.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

4	<b>PROPERTY, PLANT AND EQUIPMENT</b>	<b>Rs Million</b>	
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>	
<b>Carrying amounts of:</b>			
Freehold land*	3.1	3.1	
Buildings*	164.3	79.3	
Plant and machinery	64.2	25.4	
Furniture and fixtures	15.3	9.8	
Office equipment	6.8	8.1	
Patterns	2.2	2.9	
Vehicles	4.9	6.6	
Computers	5.6	6.8	
	<b>266.4</b>	<b>142.0</b>	

<b>Particulars</b>	<b>Freehold land</b>	<b>Buildings</b>	<b>Plant and machinery</b>	<b>Furniture and fixtures</b>	<b>Office equipment</b>	<b>Patterns</b>	<b>Vehicles</b>	<b>Computers</b>	<b>Total</b>
<b>Gross carrying amount</b>									
Balance as on April 1, 2020	3.1	165.2	247.8	13.4	13.2	30.4	7.3	33.3	513.7
Additions	-	0.8	-	7.9	6.2	-	3.7	2.4	21.0
Transferred from Investment property	-	4.7	-	-	-	-	-	-	4.7
Deletions	-	-	2.1	0.6	0.5	-	2.4	4.7	10.3
<b>Balance as on March 31, 2021</b>	<b>3.1</b>	<b>161.3</b>	<b>245.7</b>	<b>20.7</b>	<b>18.9</b>	<b>30.4</b>	<b>8.6</b>	<b>31.0</b>	<b>519.7</b>
Additions	-	93.7	47.1	6.8	0.9	0.3	-	2.6	151.4
Transferred to Investment property	-	5.8	-	-	-	-	-	-	5.8
Deletions	-	9.6	7.5	7.6	5.3	-	-	2.6	32.6
<b>Balance as on March 31, 2022</b>	<b>3.1</b>	<b>239.6</b>	<b>285.3</b>	<b>19.9</b>	<b>14.5</b>	<b>30.7</b>	<b>8.6</b>	<b>31.0</b>	<b>632.7</b>



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
<b>Accumulated depreciation</b>									
Balance as on April 1, 2020	-	79.7	213.8	10.2	10.0	26.4	2.1	23.5	365.7
Depreciation expense for the year	-	5.1	8.6	1.3	1.3	1.1	2.3	5.4	25.1
Transferred from Investment property	-	2.8	-	-	-	-	-	-	2.8
Deletions	-	-	2.1	0.6	0.5	-	2.4	4.7	10.3
<b>Balance as on March 31, 2021</b>	-	<b>82.0</b>	<b>220.3</b>	<b>10.9</b>	<b>10.8</b>	<b>27.5</b>	<b>2.0</b>	<b>24.2</b>	<b>377.7</b>
Depreciation expense for the year	-	5.1	8.2	1.3	2.1	1.0	1.7	3.8	23.2
Transferred to Investment property	-	3.7	-	-	-	-	-	-	3.7
Deletions	-	8.1	7.4	7.6	5.2	-	-	2.6	30.9
<b>Balance as on March 31, 2022</b>	-	<b>75.3</b>	<b>221.1</b>	<b>4.6</b>	<b>7.7</b>	<b>28.5</b>	<b>3.7</b>	<b>25.4</b>	<b>366.3</b>

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
<b>Carrying amount</b>									
Balance as on April 1, 2020	3.1	85.5	34.0	3.2	3.2	4.0	5.2	9.8	148.0
Balance as on March 31, 2021	3.1	79.3	25.4	9.8	8.1	2.9	6.6	6.8	142.0
Balance as on March 31, 2022	3.1	164.3	64.2	15.3	6.8	2.2	4.9	5.6	266.4

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

There are no proceedings which have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

5	<b>CAPITAL WORK IN PROGRESS</b>	<b>Rs. Million</b>	
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>	
Carrying amounts of:			
Capital work in progress	36.0	-	
	<b>36.0</b>	<b>-</b>	

**CWIP ageing shedule**

<b>Particulars</b>		<b>Amount of CWIP for a period of</b>				<b>Total</b>
		<b>Less than 1 year</b>	<b>1 -2 years</b>	<b>2 -3 years</b>	<b>More than 3 years</b>	
1	Projects in progress	36.0	-	-	-	36.0
2	Projects temporarily suspended	-	-	-	-	-
	Total	36.0	-	-	-	36.0

Note : The Company does not have any Capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

Rs. Million

**6 RIGHT-OF-USE ASSETS**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Carrying amounts of:</b>		
Building	34.1	55.5
	<b>34.1</b>	<b>55.5</b>

Particulars	Total	
<b>Gross carrying amount</b>		
Balance as on April 1, 2020	-	29.7
Additions	-	59.5
Deletions	-	29.7
<b>Balance as at March 31, 2021</b>	-	<b>59.5</b>
Additions	-	
Adjustments		11.9
Deletions	-	-
<b>Balance as on March 31, 2022</b>	-	<b>47.6</b>

Particulars	Total	
<b>Accumulated depreciation</b>		
Balance as on April 1, 2020	-	10.9
Depreciation expense for the year	-	11.6
Deletions	-	18.5
<b>Balance as at March 31, 2021</b>	-	<b>4.0</b>
Depreciation expense for the year	-	9.5
Adjustments		-
Deletions	-	-
<b>Balance as on March 31, 2022</b>	-	<b>13.5</b>

Particulars	Total	
<b>Carrying amount</b>		
Balance as on April 1, 2020	-	18.9
Balance as at March 31, 2021	-	55.5
Balance as on March 31, 2022	-	34.1

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

Rs. Million

**7 INVESTMENT PROPERTY**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Carrying amounts of:</b>	<b>4.6</b>	<b>2.6</b>
Investment property	4.6	2.6
<b>Particulars</b>	<b>Investment Property</b>	
<b>Cost or deemed cost</b>		
Balance as on April 1, 2020		2.8
Additions		-
Transferred to property, plant and equipment		4.6
Deletions		-
<b>Balance as on March 31, 2021</b>		<b>7.4</b>
Additions		-
Transferred from property, plant and equipment		5.8
Deletions		-
<b>Balance as on March 31, 2022</b>		<b>13.2</b>
<b>Particulars</b>	<b>Investment Property</b>	
<b>Accumulated depreciation</b>		
Balance as on April 1, 2020		2.0
Depreciation expense for the year		-
Transferred to property, plant and equipment		2.8
Deletions		-
<b>Balance as on March 31, 2021</b>		<b>4.8</b>
Depreciation expense for the year		0.1
Transferred from property, plant and equipment		3.7
Deletions		-
<b>Balance as on March 31, 2022</b>		<b>8.6</b>
<b>Particulars</b>	<b>Investment Property</b>	
<b>Carrying amount</b>		
Balance as on April 1, 2020		0.8
Balance as on March 31, 2021		2.6
Balance as on March 31, 2022		4.6

**Fair value of the company's investment property :**

Fair valuation of Investment Properties as at March 31, 2022 has been arrived at on the basis of valuation carried out by an independent valuer not related to the Company. The valuer is registered with the authority which governs the valuers in India, and in the opinion of the management he has appropriate qualifications and relevant experience in valuation of properties. For all Investment properties, fair value was determined based on the capitalisation of net income method where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

of similar properties in the neighbourhood. The capitalisation rate adopted is with reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuer's knowledge of the factors specific to the respective properties. Thus, the significant unobservable inputs are as follows:

1. Monthly market rent, taking into account the difference in location, and individual factors, such as frontage and size, between the comparable and the property; and
2. Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition. The fair value hierarchy for all investment properties is Level 2 and the fair values are as under: Fair value as at March 31, 2022 is Rs. 50.4 Million and as at March 31, 2021 was Rs. 35 Million. Expenses and income in respect of investment properties : Expenses (excluding depreciation) amounting to Rs. 0.2 Million (Year ended March 31, 2021:Rs. 0.2 Million). Expenses in respect of repairs, electricity charges, security expenses etc. are included in Note 35 'Other Expenses' and income amounting to Rs.2.5 Million (Year ended March 31, 2021: Rs.1.8 Million) is included in Note 28 'Other income'

### 8 OTHER INTANGIBLE ASSETS

Particulars	Rs. Million	
	As at March 31, 2022	As at March 31, 2021
<b>Carrying amounts of :</b>	<b>0.8</b>	<b>1.4</b>
Computer Software	0.8	1.4
<b>Particulars</b>	<b>Computer Software</b>	
<b>Cost or deemed cost</b>		
Balance as on April 1, 2020		23.0
Additions		-
Deletions		-
<b>Balance as on March 31, 2021</b>		<b>23.0</b>
Additions		-
Deletions		-
<b>Balance as on March 31, 2022</b>		<b>23.0</b>
<b>Particulars</b>	<b>Computer Software</b>	
<b>Accumulated depreciation</b>		
Balance as on April 1, 2020		21.0
Amortisation expense for the year		0.6
Deletions		-
<b>Balance as on March 31, 2021</b>		<b>21.6</b>
Amortisation expense for the year		0.6
Deletions		-
<b>Balance as on March 31, 2022</b>		<b>22.2</b>
<b>Particulars</b>	<b>Computer Software</b>	
Carrying amount		
Balance as on April 1, 2020		2.0
Balance as on March 31, 2021		1.4
<b>Balance as on March 31, 2022</b>		<b>0.8</b>

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

		Rs Million	
<b>9</b>	<b>INVESTMENTS</b>		
	<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
	<b>Investments in subsidiary company</b>		
	Unquoted equity instruments (fully paid up) carried at cost		
	<b>Bhadra Castalloy Private Limited</b>		
	4,400,000 (March 31, 2021 : 4,400,000) fully paid up equity shares of Rs. 10 each	44.0	44.0
	<b>Total</b>	<b>44.0</b>	<b>44.0</b>
	Aggregate carrying value of unquoted investment	44.0	44.0
<b>10</b>	<b>OTHER FINANCIAL ASSETS</b>		
<b>a)</b>	<b>Non-current</b>		
	<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
	Security deposits	7.7	6.9
	Other bank deposits	-	129.6
	<b>Total</b>	<b>7.7</b>	<b>136.5</b>
<b>b)</b>	<b>Current</b>		
	<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
	Advances to employees	2.1	1.3
	Security deposits	2.5	12.9
	Interest accrued	39.7	39.9
	Contractually reimbursable expenses	9.1	6.6
	<b>Total</b>	<b>53.4</b>	<b>60.7</b>
<b>11</b>	<b>DEFERRED TAX ASSETS (NET)</b>		
	<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
	<b>Deferred tax asset on:</b>		
	Provision for employee benefits	12.5	10.6
	IND AS 116 impact	1.0	0.5
	Provision for doubtful trade receivables	2.4	1.9
	Sub total (A)	15.9	13.0
	<b>Deferred tax liabilities on:</b>		
	Property, Plant and equipment and intangible assets	7.3	6.1
	Sub total (B)	7.3	6.1
	<b>Total (A-B)</b>	<b>8.6</b>	<b>6.9</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

**Movement of deferred tax assets / liabilities**

<b>For the year ended March 31, 2022</b>				<b>Rs. Million</b>
<b>Particulars</b>	<b>Opening balance</b>	<b>Recognised in Statement of Profit and Loss</b>	<b>Recognised in other comprehensive income</b>	<b>Closing balance</b>
<b>Deferred tax asset on:</b>				
Provision for employee benefits	10.6	2.2	(0.3)	12.5
IND AS 116 impact	0.5	0.5	-	1.0
Provision for doubtful trade receivables	1.9	0.5	-	2.4
Sub total (A)	13.0	3.2	(0.3)	15.9
<b>Deferred tax liabilities on:</b>				
Property, Plant and equipment and intangible assets	6.1	1.2	-	7.3
Sub total (B)	6.1	1.2	-	7.3
<b>Total (A-B)</b>	<b>6.9</b>	<b>2.0</b>	<b>(0.3)</b>	<b>8.6</b>

<b>For the year ended March 31, 2021</b>				
<b>Particulars</b>	<b>Opening balance</b>	<b>Recognised in Statement of Profit and Loss</b>	<b>Recognised in other comprehensive income</b>	<b>Closing balance</b>
<b>Deferred tax asset on:</b>				
Provision for employee benefits	12.6	(0.9)	(1.1)	10.6
IND AS 116 impact	-	0.5	-	0.5
Provision for doubtful trade receivables	1.7	0.2	-	1.9
Sub total (A)	14.3	(0.2)	(1.1)	13.0
<b>Deferred tax liabilities on:</b>				
Property, Plant and equipment and intangible assets	7.4	(1.3)	-	6.1
Sub total (B)	7.4	(1.3)	-	6.1
<b>Total (A-B)</b>	<b>6.9</b>	<b>1.1</b>	<b>(1.1)</b>	<b>6.9</b>

The applicable tax rate for the year ended March 31, 2022 and March 31, 2021 is 25.17%

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

<b>12 OTHER ASSETS</b>		<b>Rs. Million</b>	
<b>a)</b>	<b>Non-current</b>		
	<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
	Prepaid rent	2.3	2.9
	Prepaid expenses	0.7	0.1
	Balance with government authorities	5.0	5.0
	<b>Total</b>	<b>8.0</b>	<b>8.0</b>
<b>b)</b>	<b>Current</b>		
	<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
	Prepaid expenses	14.1	6.6
	Prepaid rent	0.6	0.8
	Advances to suppliers	11.9	7.0
	Duty drawback receivable	8.5	1.8
	Balance with government authorities	8.8	37.9
	Others	3.4	-
	<b>Total</b>	<b>47.3</b>	<b>54.1</b>
<b>13</b>	<b>INVENTORIES</b>		
	<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
	(At lower of cost and net realisable value)		
	Raw materials	308.6	176.8
	[Goods in transit - Rs. 30.0 Million; (as at March 31, 2021 Rs. 13.1 Million)]		
	Work-in-progress	145.8	88.6
	Finished goods	41.9	-
	Stock-in-Trade	14.3	17.1
	<b>Total</b>	<b>510.6</b>	<b>282.5</b>
	The cost of inventory recognised as an expense includes Rs. 4.1 Million (Year ended March 31, 2021: Rs. 7.7 Million)		
	(a) in respect of obsolete raw material, 4.1 Million (Year ended March 31, 2021: Rs.7.5 Million)		
	(b) in respect of obsolete Work-in-progress : Nil (Year ended March 31, 2021: Rs 0.2 Million).		
<b>14</b>	<b>TRADE RECEIVABLES</b>		
	<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
	Considered good - Secured	-	-
	Considered good - Unsecured	342.3	189.4
	Doubtful trade receivables	9.6	7.4
		351.9	196.8
	Less: Allowances for doubtful trade receivables	9.6	7.4
	<b>Total</b>	<b>342.3</b>	<b>189.4</b>

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



Movements in allowance for doubtful trade receivables

Rs. Million

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	7.4	6.6
Add: Provision created during the year	2.7	1.5
Less: Provision reversed during the year	0.5	0.7
<b>Closing balance</b>	<b>9.6</b>	<b>7.4</b>

**Trade Receivable aging**

As at March 31, 2022

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	107.7	230.3	4.3	-	-	-	342.3
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	3.8	2.8	0.4	2.6	9.6
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Gross Trade Receivables</b>	<b>107.7</b>	<b>230.3</b>	<b>8.1</b>	<b>2.8</b>	<b>0.4</b>	<b>2.6</b>	<b>351.9</b>
<b>Less: allowance for credit losses</b>							<b>(9.6)</b>
<b>Net Trade Receivables</b>							<b>342.3</b>

As at March 31, 2021

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	108.4	76.6	4.4				189.4
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	0.8	3.0	2.4	1.2	7.4
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Gross Trade Receivables</b>	<b>108.4</b>	<b>76.6</b>	<b>5.2</b>	<b>3.0</b>	<b>2.4</b>	<b>1.2</b>	<b>196.8</b>
<b>Less: allowance for credit losses</b>							<b>(7.4)</b>
<b>Net Trade Receivables</b>							<b>189.4</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

15	<b>CASH AND CASH EQUIVALENTS</b>	Rs. Million	
Particulars	As at March 31, 2022	As at March 31, 2021	
<b>Cash and cash equivalents:</b>			
a. Cash on hand	-	0.1	
b. Balance with banks:			
-In current accounts	34.6	84.1	
<b>Total</b>	<b>34.6</b>	<b>84.2</b>	

16	<b>OTHER BANK BALANCES</b>		
Particulars	As at March 31, 2022	As at March 31, 2021	
<b>Other balance with banks</b>			
-Margin money fixed deposits with banks*	48.6	159.6	
-In deposit accounts**	1,588.5	1,435.8	
-Unpaid dividend accounts	218.5	0.3	
<b>Total</b>	<b>1,855.6</b>	<b>1,595.7</b>	

\*Held as security against guarantees and commitments.

\*\*With original maturity of more than three months.

17	<b>LOANS</b>		
Particulars	As at March 31, 2022	As at March 31, 2021	
(Unsecured, considered good)			
Loan to subsidiary company (refer note 42)	26.0	26.0	
<b>Total</b>	<b>26.0</b>	<b>26.0</b>	

18a	<b>CURRENT TAX ASSETS (NET)</b>		
Particulars	As at March 31, 2022	As at March 31, 2021	
Advance tax [Net of provision for tax :Rs. 594.1 Million (March 31, 2021 - Rs. 463.1 Million)]	30.9	31.5	
<b>Total</b>	<b>30.9</b>	<b>31.5</b>	

18b	<b>CURRENT TAX LIABILITIES (NET)</b>		
Particulars	As at March 31, 2022	As at March 31, 2021	
Provision for tax [Net of advance tax Rs. 450.5 Million (March 31, 2021 Rs. 450.5 Million)]	14.1	14.1	
<b>Total</b>	<b>14.1</b>	<b>14.1</b>	

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

19	SHARE CAPITAL	Rs. Million	
Particulars	As at March 31, 2022	As at March 31, 2021	
<b>Authorised equity share capital:</b>			
5,000,000 Equity shares of Rs.10 each	50.0	50.0	
<b>Issued, subscribed and fully paid up:</b>			
1,454,205 Equity shares of Rs.10 each	14.5	14.5	
<b>Total</b>	<b>14.5</b>	<b>14.5</b>	
<b>Notes:</b>			
<b>i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:</b>			
No of equity shares outstanding at the beginning of the year	1,454,205	1,454,205	
Movement during the year	-	-	
No of equity shares outstanding at the end of the year	1,454,205	1,454,205	
Equity share capital at the beginning of the year (Rs. Million)			
	14.5	14.5	
Movement during the year			
	-	-	
Equity share capital at the end of the year (Rs. Million)			
	<b>14.5</b>	<b>14.5</b>	
<b>ii) Details of shares held by holding company, the ultimate holding company, their subsidiaries and associates:</b>			
<b>Equity Shares</b>			
Disa Holding AG, Switzerland	786,657	786,657	
Disa Holding AS, Denmark	301,399	301,399	
Disa Holding AG is a fully owned subsidiary of Disa Holding AS.			
<b>iii) Details of shares held by each shareholder holding more than 5% shares:</b>			
Equity Shares			
Disa Holding AG, Switzerland	7,86,657	7,86,657	
	54.10%	54.10%	
Disa Holding AS, Denmark			
Disa Holding AG is a fully owned subsidiary of Disa Holding AS.	3,01,399	3,01,399	
	20.73%	20.73%	
Equity Shares are held by SBI Small Cap fund			
	73,578	70,000	
	5.06%	4.81%	
<b>iv) Details of rights, preferences and restrictions in respect of equity shares:</b>			
The Company has one class of Shares referred to as Equity Shares with par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the share holders.			
The Equity shareholders are entitled to receive dividend proposed (if any) by the Board of Directors which is subject to the approval of the shareholders in the Annual General meeting, except in case of Interim Dividend.			
<b>v) During the year ended March 31, 2017, the Company has concluded the buyback of 56,000 fully paid equity shares.</b>			

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

20	OTHER EQUITY	Rs. Million	
		As at March 31, 2022	As at March 31, 2021
	<b>Particulars</b>		
	Retained earnings	2,001.6	1,858.8
	Capital Redemption Reserve (Buyback of equity shares)	0.6	0.6
	Capital reserve	1.5	1.5
	<b>Total</b>	<b>2,003.7</b>	<b>1,860.9</b>
	<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>A</b>	<b>Retained earnings</b>		
	Opening balance	1,858.8	1,623.6
	Add : Profit for the year	374.4	235.6
	Add : Other comprehensive income	1.0	3.2
	Less: Final dividend (Refer Note below)	14.5	3.6
	Less: Interim dividend (Refer Note below)	218.1	-
	Balance at end of the year	2001.6	1,858.8

Note:

2021-22:

The Board of Directors at its meeting on May 20, 2021 had recommended a final dividend of 100% (Rs 10.0 per equity share of par value Rs 10 each) for the financial year ended March 31, 2021, which was approved by the shareholders at the Thirty Sixth Annual General Meeting of the Company held on August 12, 2021.

The Board of Directors at its meeting held on March 28, 2022 declared an interim dividend of Rs. 150 per share (1500%) amounting to Rs 218.1 Million for the financial year 2021-22. This has been paid on April 25, 2022.

The Board of Directors at its meeting on May 25, 2022 has recommended a final dividend of 100% (Rs 10.0 per equity share of par value Rs 10 each) for the financial year ended March 31, 2022, subject to the approval of the shareholders at the next Annual General meeting of the Company. The aggregate amount of final equity dividend proposed to be distributed is Rs 14.5 Million.

2020-21:

The Board of Directors at its meeting on June 3, 2020 had recommended a final dividend of 25% (Rs 2.5 per equity share of par value Rs 10 each) for the financial year ended March 31, 2020 which was approved by the shareholders at the Thirty Fifth Annual General meeting of the Company held on August 12, 2020.

B	Particulars	As at	
		March 31, 2022	March 31, 2021
	<b>Capital Redemption Reserve (Buyback of equity shares)</b>		
	Opening balance	0.6	0.6
	Add : Movement during the year	-	-
	Closing balance	0.6	0.6
<b>C</b>	<b>Capital reserve</b>		
	Opening balance	1.5	1.5
	Movement during the year	-	-
	Closing balance	1.5	1.5

**Retained earnings**

Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders (other than balance in Other Comprehensive Income).

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

**Buyback of equity shares**

During the year ended March 31, 2017, the Company had concluded the buyback of 56,000 fully paid equity shares as approved by the board of directors on August 12, 2016 at a price of Rs. 4,800/- per share amounting to Rs. 268.8 Million. Further Capital Redemption reserve of Rs 0.6 Million has been created as an apportionment from retained earnings. Consequent to the buyback, share capital has reduced by Rs. 0.6 Million

**Capital reserve**

Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.

21	<b>OTHER NON CURRENT FINANCIAL LIABILITIES</b>	Rs. Million	
		As at March 31, 2022	As at March 31, 2021
	<b>Particulars</b>		
	Lease Liabilities	29.4	49.7
	<b>Total</b>	<b>29.4</b>	<b>49.7</b>

22	<b>TRADE PAYABLES</b>	Rs. Million	
		As at March 31, 2022	As at March 31, 2021
	<b>Particulars</b>		
	Total outstanding dues of micro enterprises and small enterprises (Refer note 46)	122.3	75.7
	Total outstanding dues of creditors other than micro enterprises and small enterprises	250.6	141.6
	<b>Total</b>	<b>372.9</b>	<b>217.3</b>

**Trade Payable aging**

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	< 1 year	1 - 2 years	2 - 3 years	More than 3 years		
Total outstanding dues of micro enterprises and small enterprises	122.3	-	-	-	-	122.3	
Total outstanding dues of creditors other than micro enterprises and small enterprises	141.1	107.6	1.9	-	-	250.6	
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	
<b>Total</b>	<b>263.4</b>	<b>107.6</b>	<b>1.9</b>	<b>-</b>	<b>-</b>	<b>372.9</b>	

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

Rs. Million

As at March 31, 2021							
Particulars	Not due	Outstanding for following periods from due date of payment					Total
		< 1 year	1 - 2 years	2 - 3 years	More than 3 years		
Total outstanding dues of micro enterprises and small enterprises	75.7	-	-	-	-	-	75.7
Total outstanding dues of creditors other than micro enterprises and small enterprises	109.7	30.4	1.5	-	-	-	141.6
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>185.4</b>	<b>30.4</b>	<b>1.5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>217.3</b>

**23 LEASE LIABILITIES**

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	8.5	7.7
<b>Total</b>	<b>8.5</b>	<b>7.7</b>

**24 OTHER CURRENT FINANCIAL LIABILITIES**

Particulars	As at March 31, 2022	As at March 31, 2021
Unpaid dividends	0.3	0.3
Dividend payable	218.1	-
Payable on purchase of property, plant and equipment	34.5	5.5
Contractually reimbursable expenses	20.1	14.8
<b>Total</b>	<b>273.0</b>	<b>20.6</b>

**25 PROVISIONS**

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for warranties *	14.9	7.3
Employee benefit payables (refer note 39)		
- Compensated absences	10.0	12.7
- Gratuity	16.0	12.7
<b>Total</b>	<b>40.9</b>	<b>32.7</b>

**\* Provision for Warranties**

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

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

Rs. Million

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	7.3	10.5
Provision made during the year	14.5	7.3
Utilisations during the year	6.9	10.5
Provisions at the end of the year	<b>Total 14.9</b>	<b>7.3</b>

**26 OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory liabilities	10.5	10.2
Advances from customers	543.4	493.3
	<b>Total 553.9</b>	<b>503.5</b>

**27 REVENUE FROM OPERATIONS**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Sale of products (Refer note (i) below)	2,425.4	1,731.7
b. Sale of services (Refer note (ii) below)	22.8	27.1
c. Other operating revenue (Refer note (iii) below)	28.5	16.3
	<b>Total 2,476.7</b>	<b>1,775.1</b>

**Notes**

**i. Sale of products comprises :**

Manufactured goods :

Machinery	1,756.1	1,247.4
Parts of machinery	424.8	290.2
<b>Sale of Manufactured goods Sub Total - A</b>	<b>2,180.9</b>	<b>1,537.6</b>

Traded goods :

Parts of machinery	244.5	194.1
<b>Sales of Traded goods Sub Total - B</b>	<b>244.5</b>	<b>194.1</b>

**Total sale of products - A + B**

2,425.4 1,731.7

**ii. Sale of service comprises:**

Engineering services	5.0	4.6
Supervision of installation services	16.4	20.7
Others	1.4	1.8
<b>Sales of services - Total</b>	<b>22.8</b>	<b>27.1</b>

**iii. Other operating revenue comprises :**

Commission income	9.1	10.5
Sale of scrap	3.5	1.4
Export incentives	15.9	4.4
<b>Other operating revenue - Total</b>	<b>28.5</b>	<b>16.3</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

Rs. Million

**28 OTHER INCOME**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Interest income (Refer note (i) below )	89.5	80.8
b. Net gain on foreign currency transactions and translation	5.3	5.2
c. Other non-operating income (Refer note (ii) below )	8.4	9.0
<b>Total</b>	<b>103.2</b>	<b>95.0</b>

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
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**Notes**

**i. Interest income comprises :**

Interest on:

Bank deposits	86.2	76.6
Security deposits	0.7	1.6
Loan to subsidiary	2.6	2.6
	<b>89.5</b>	<b>80.8</b>

**ii. Other non operating income comprises:**

Royalty	3.0	1.4
Profit on sales of property, plant and equipment (net)	1.6	0.9
Rental income	2.5	1.8
Liability no longer required written back	-	3.0
Miscellaneous	1.3	1.9
<b>Total</b>	<b>8.4</b>	<b>9.0</b>

**29 COST OF MATERIALS CONSUMED**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Stock	176.8	248.9
Add : Purchases	1,411.7	582.6
Less : Closing Stock	308.6	176.8
<b>Cost of materials consumed</b>	<b>1,279.9</b>	<b>654.7</b>

**30 PURCHASE OF STOCK-IN-TRADE**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Parts of machinery	205.0	159.5
<b>Total</b>	<b>205.0</b>	<b>159.5</b>



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs. Million

31 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Inventories at the end of the year:</b>		
Finished goods	41.9	-
Work-in-progress	145.8	88.6
Stock-in-trade	14.3	17.1
<b>Sub-Total</b>	<b>202.0</b>	<b>105.7</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	-	6.4
Work-in-progress	88.6	272.7
Stock-in-trade	17.1	22.6
<b>Sub-Total</b>	<b>105.7</b>	<b>301.7</b>
<b>Increase / Decrease</b>	<b>(96.3)</b>	<b>196.0</b>

32 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages	316.0	273.7
Contributions to provident and other funds (refer note 39.2)	28.2	30.0
Staff welfare expenses	18.6	7.4
<b>Total</b>	<b>362.8</b>	<b>311.1</b>

33 FINANCE COSTS

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Interest expense on:</b>		
i. Bank guarantee commission	1.5	1.2
ii. Interest others	1.6	-
iii. Security deposits	4.7	2.7
<b>Total</b>	<b>7.8</b>	<b>3.9</b>

34 DEPRECIATION AND AMORTISATION

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment (refer note 4)	23.2	25.1
Amortisation on intangible assets (refer note 8)	0.6	0.7
Depreciation on ROU assets (refer note 6)	9.5	11.6
Depreciation on investment properties (refer note 7)	0.1	-
<b>Total</b>	<b>33.4</b>	<b>37.4</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

Rs. Million

**35 OTHER EXPENSES**

<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Power and fuel	9.8	8.3
Repairs and maintenance - Buildings	1.2	1.3
Repairs and maintenance - Machinery	3.0	2.3
Repairs and maintenance - Others	5.3	4.3
Insurance	9.9	10.0
Rates and taxes	2.6	0.3
Travelling and conveyance	19.4	10.4
Legal and professional charges	8.1	10.2
Payments to auditors (refer note (i)(a) below)	4.2	4.0
Security expenses	7.4	7.7
Telephone, postage and courier	2.0	2.0
Printing and stationery	0.8	0.7
Freight outwards	57.9	14.5
Commission expenses	11.3	2.8
Recruitment and training	2.7	3.2
Group management fees	23.6	16.5
Directors sitting fees and commission	1.6	1.5
Royalty	17.1	15.0
IT costs	10.9	6.6
Group IT costs	43.8	49.0
Expenditure on corporate social responsibility (refer note (ii) below)	7.7	7.0
Bad trade receivables written off	1.8	-
Provision for doubtful trade receivables (net of provision reversal Rs.2.2 Millon; PY: Rs.0.7 Million)	2.2	0.8
Advertisement and sales promotion	0.3	0.6
Net loss on foreign currency transactions and translation	-	-
Miscellaneous expenses	29.4	12.9
<b>Total</b>	<b>284.0</b>	<b>191.9</b>

**Notes:**

**(i) Payments to auditors comprises (Net of taxes):**

**(a) Statutory auditors**

Statutory audit	3.7	3.4
Tax Audit	0.5	0.5
Other services	-	0.1
Reimbursement of expenses	-	-
<b>Sub Total</b>	<b>4.2</b>	<b>4.0</b>

**(b) Cost auditors**

Cost audit fee	0.2	0.2
<b>Sub Total</b>	<b>0.2</b>	<b>0.2</b>
<b>Total</b>	<b>4.4</b>	<b>4.2</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

Rs. Million

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>(ii) Expenditure on corporate social responsibility</b>		
(a) Amount required to be spent by the Company during the year	7.4	7.0
(b) Amount of expenditure incurred on purpose other than construction / acquisition of any asset	7.7	7.0
(c) Excess spend of prior years set off during the year	-	-
(d) Shortfall at the end of the year [(d)=(a)-(b)-(c)]	-	-
(e) Total of previous years shortfall	-	-
(f) Reason for shortfall	NA	NA
(a) Students scholarship	4.4	3.9
(b) Welfare of the school	0.6	0.4
(c) Foundation for Excellence (FFE) sponsored program	2.0	2.0
(d) National Institute of Advanced Manufacturing Technology	0.4	0.4
(e) Others	0.3	0.3
<b>Total</b>	<b>7.7</b>	<b>7.0</b>

**36 INCOME TAXES**

**A INCOME TAX RECOGNISED IN STATEMENT OF PROFIT AND LOSS**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Current tax</b>		
In respect of the current year	130.9	81.1
	130.9	81.1
<b>Deferred tax</b>		
In respect of the current year	(2.0)	(1.1)
	(2.0)	(1.1)
<b>Total income tax expenses recognised in the current year</b>	<b>128.9</b>	<b>80.0</b>

**B INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax charge / ( benefit )</b>		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	0.3	1.1
	0.3	1.1
<b>Bifurcation of the income tax recognised in other comprehensive income in to</b>		
Items that will not be reclassified to profit or loss	0.3	1.1
	0.3	1.1

**Reconciliation of effective tax rate**

Profit before income taxes	503.3	315.6
Applicable tax rate	25.17%	25.17%
Expected income tax expenses	126.7	79.4

**Adjustments to reconcile expected tax expenses to reported income tax expenses**

Effect of expenses not deductible in determining taxable profit	2.2	0.6
	<hr/>	<hr/>
	2.2	0.6
Adjusted income tax expenses	128.9	80.0
Effective tax rate	25.61%	25.36%

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

**37 Ratios**

Particulars		Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	Variance
1	Current ratio	Current Assets	Current Liabilities	2.30	2.92	-21%
2	Debt-Equity ratio (Refer below note 'a')	Debt	Shareholder's Equity	0.02	0.03	-39%
3	Debt Service coverage ratio	EBIT	Finance costs	65.53	81.92	-20%
4	Return on equity (ROE) (Refer below note 'b')	PAT	Average Shareholder's Equity	0.19	0.13	43%
5	Inventory turnover ratio (Refer below note 'c')	Revenue from operations	Average Inventory	6.25	4.26	47%
6	Trade receivable turnover ratio	Revenue from operations	Average Accounts Receivable	9.32	9.54	-2%
7	Trade payable turnover ratio (Refer below note 'd')	Purchases	Average Trade Payables	4.78	2.89	66%
8	Net capital turnover ratio (Refer below note 'e')	Revenue from operations	Working Capital	1.51	1.16	30%
9	Net profit ratio	PAT	Revenue from operations	0.15	0.13	14%
10	Return on capital employed (ROCE) (Refer below note 'f')	EBIT	Capital Employed	0.20	0.12	69%
11	Return on investment(ROI) (Refer below note 'g')	Other Income	Average Cash and Cash equivalents	1.45	0.66	121%

Notes:

EBIT - Earnings before interest and taxes.

PAT - Profit after tax

The Company does not have any borrowings. Debt pertains to current and non-current lease liabilities.

Working capital - Current assets less current liabilities

Capital employed - Total equity

Other income - Interest on bank deposits

**Explanation for variances exceeding 25%:**

- a. Decrease in Debt-Equity ratio is on account of decrease in lease liabilities.
- b. Increase in ROE is due to increase in PAT by 59% from preceding year.
- c. The inventory turnover ratio in the previous year was lower mainly on account of the impact of the Covid-19 related lock-downs and resultant sluggish economic conditions.
- d. Increase in trade payables turnover ratio is contributed by higher buying of input materials.
- e. Increase in Net capital turnover ratio is due to 40% increase in sales from preceding year.
- f. Increase in ROCE primarily due to increase in EBIT by 82% from the preceding year.
- g. Increase in ROI is on account of decrease in average cash and cash equivalents.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

38	<b>EARNINGS PER SHARE (EPS)</b>	Rs. Million	
		For the year ended March 31, 2022	For the year ended March 31, 2021
	<b>Particulars</b>		
	<b>Basic and Diluted</b>		
	Profit attributable to equity share holders (Rs. Rs. Million)	374.4	235.6
	Nominal Value of equity share (Rs./Share)	10.0	10.0
	Weighted average number of ordinary equity share for Basic EPS (Nos.)	<b>14,54,205</b>	<b>14,54,205</b>
	Basic and Diluted EPS (Rs./Share)	<b>257.46</b>	<b>162.01</b>

39	<b>EMPLOYEE BENEFITS</b>	Rs. Million	
	As per Ind AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:		

1. Defined Benefit Plans

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

Particulars	Gratuity	
	Rs. Million	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Current service cost</b>	4.8	5.1
Interest Cost	0.6	1.0
<b>Amount recognised in Statement of Profit and Loss</b>	<b>5.4</b>	<b>6.1</b>
<b>Actuarial (gain)/loss</b>		
a) arising from changes in financial assumption	(1.6)	(4.0)
b) arising from experience adjustments	0.6	(0.9)
c) arising from demographic assumption	-	-
Return on Plan assets excluded amount included in interest income	(0.3)	0.6
<b>Amount recognised in other comprehensive income</b>	<b>(1.3)</b>	<b>(4.3)</b>
<b>Total</b>	<b>4.1</b>	<b>1.8</b>

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

Particulars	Gratuity	
	Rs. Million	
	As at March 31, 2022	As at March 31, 2021
<b>Defined benefit obligation at beginning of the year</b>	72.3	73.7
Current service cost	4.8	5.1
<b>Interest cost</b>	4.6	4.6
<b>Actuarial losses (gains)</b>	(1.0)	(4.9)
Benefits paid	(8.6)	(6.2)
Defined benefit obligation at the end of the year	<b>72.1</b>	<b>72.3</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

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

Particulars	Gratuity	
	Rs. Million	
	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at beginning of the year	59.6	54.4
Expected return on plan assets	4.0	3.6
Return on Plan assets excluded amount included in interest income	0.3	(0.6)
Contributions by employer	0.8	8.4
Benefits paid	(8.6)	(6.2)
Fair value of plan assets at end of the year	<b>56.1</b>	<b>59.6</b>

**IV. Investment details:**

Particulars	Gratuity	
	Rs. Million	
	As at March 31, 2022	As at March 31, 2021
Investment with insurer (Investment in Policy of LIC)	100%	100%

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

Particulars	Gratuity	
	Rs. Million	
	As at March 31, 2022	As at March 31, 2021
Mortality Table (LIC)	2006-08 (IALM)	2006-08 (IALM)
Discount Rate (per annum)	6.90%	6.70%
Rate of escalation in salary (per annum)	6% for 1st 3 year, 7% for next 3 years, 8% thereafter	6% for 1st 3 year, 7% for next 3 years, 8% thereafter

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

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

a) Interest risk: a decrease in the bond interest rate will increase the plan liability.

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

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

**VI. Sensitivity Analysis**

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

Particulars	Gratuity	
	Rs. Million	
	As at March 31, 2022	As at March 31, 2021
Impact in present value of defined benefit obligation:		
If discount rate is increased by 0.5%	(2.1)	(2.2)
If discount rate is decreased by 0.5%	2.1	2.1
If salary escalation rate is increased by 0.5%	1.9	2.0
If salary escalation rate is decreased by 0.5%	(1.9)	(1.9)

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

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

**VII. Asset Liability Matching Strategies**

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

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

(i) Funding arrangements and Funding Policy

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

(ii) Expected contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is Rs. 7.4 Million.



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

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

Particulars	Gratuity	
	Rs. Million	
	As at March 31, 2022	As at March 31, 2021
Expected outflow in 1st Year	7.4	7.2
Expected outflow in 2nd Year	13.4	11.4
Expected outflow in 3rd Year	8.5	10.2
Expected outflow in 4th Year	6.6	7.5
Expected outflow in 5th Year	6.1	6.4
Expected outflow in 6th to 10th Year	35.3	31.2

**I. Expenses recognized in the Statement of Profit and Loss for the year:**

Particulars	Compensated Absences	
	Rs. Million	
	As at March 31, 2022	As at March 31, 2021
Amount recognised in Statement of Profit and Loss	0.4	0.7

**II. The Principal assumption used in determining compensated absences obligations are as follows:**

Particulars	Compensated Absences	
	Rs. Million	
	As at March 31, 2022	As at March 31, 2021
Mortality Table (LIC)	2006-08 (IALM)	2006-08 (IALM)
Discount Rate (per annum)	6.90%	6.70%
Rate of escalation in salary (per annum)	6% for 1st 3 year, 7% for next 3 years, 8% thereafter	6% for 1st 3 year, 7% for next 3 years, 8% thereafter

**2. Defined Contribution Plans.**

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

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Employer's Contribution to Provident Fund	14.4	13.7
Employers' Contribution to Superannuation Fund	7.9	7.9
Employers' Contribution to ESIC	0.1	0.1

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

<b>40 CAPITAL AND OTHER COMMITMENTS</b>	<b>Rs. Million</b>	
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Estimated amount of contracts remaining to be executed on capital accounts not provided for	35.90	-

<b>41 CONTINGENT LIABILITES</b>		
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Claims against company not acknowledged as debt *		
CST/VAT #	6.6	8.3
Entry tax @	0.7	0.7
Excise duty \$	2.0	2.0
Income tax ^	13.3	13.1

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

# Pertains to pending C forms.

@ Pertains to certain demands on account of tax applicability.

\$ Pertains to certain demands on excise duty related to free replacements and damaged goods.

\* Pertains to certain demands on account of certain disallowances / adjustments.

Management believes that the position taken by it on these matters is tenable and hence, no adjustment has been made to the financial statements.

<b>42 LOAN TO GROUP COMPANIES</b>					
<b>Name of Subsidiary</b>	<b>Loan given</b>		<b>Max amount outstanding during the year</b>	<b>Balance as at</b>	
	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>		<b>March 31, 2022</b>	<b>March 31, 2021</b>
Bhadra Castalloy Private Limited	-	-	26.0	26.0	26.0

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

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

The said loan is repayable on demand.

	<b>Type of Borrower</b>	<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
		<b>Amount of loan or advance in the nature of loan outstanding</b>	<b>Percentage to the total Loans and Advances in the nature of loans</b>	<b>Amount of loan or advance in the nature of loan outstanding</b>	<b>Percentage to the total Loans and Advances in the nature of loans</b>
	Related parties	26.0	100%	26.0	100%

**43 FINANCIAL INSTRUMENTS**

**(i) Financial assets and liabilities**

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

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

**(ii) Categories of Financial Instruments**

Particulars	Rs. Million	
	Balance as at March 31, 2022	Balance as at March 31, 2021
<b>(A) Financial assets</b>		
<b>Measured at amortised cost</b>	2,363.6	2,136.5
(a) Cash and bank balances	1,890.2	1,679.9
(b) Trade receivables	342.3	189.4
(c) Other financial assets	61.1	197.2
(d) Loan given to subsidiary company	26.0	26.0
(e) Investments in equity instruments	44.0	44.0
<b>Total</b>	<b>2,363.6</b>	<b>2,136.5</b>
<b>(B) Financial liabilities</b>		
<b>Measured at amortised cost</b>		
(a) Trade payables	372.9	217.3
(b) Other financial liabilities	310.9	78.0
<b>Total</b>	<b>683.8</b>	<b>295.3</b>

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

**iii. Fair value hierarchy:**

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

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

**iv. Financial risk management objectives**

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

**v. Market Risk**

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

**a. Interest Rate Risk**

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

**b. Foreign Currency Risk**

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

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

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

Particulars	Rs. Million	
	Balance as at March 31, 2022	Balance as at March 31, 2021
Liabilities		
EURO	107.1	142.0
USD	3.5	3.1
<b>Total Liabilities</b>	<b>110.7</b>	<b>145.1</b>
Assets		
EURO	81.2	7.3
USD	1.0	5.2
<b>Total Assets</b>	<b>82.2</b>	<b>12.5</b>

**Foreign Currency sensitivity analysis**

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

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

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

**Analysis of 10% strengthening of the INR**

Particulars	EURO Impact (net of tax)	
	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. Million)	(Rs. Million)
Impact on profit or loss for the year	(1.9)	(10.1)
Impact on total equity as at the end of the reporting period	1.9	10.1

Impact on profit or loss for the year	USD Impact (net of tax)	
	Year ended March 31, 2022	Year ended March 31, 2021
	(Rs. Million)	(Rs. Million)
Impact on profit or loss for the year	(0.2)	0.2
Impact on total equity as at the end of the reporting period	0.2	(0.2)

**vi. Credit Risk**

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

**a. Trade receivables management**

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

The reversal/allowance for life time expected credit loss on customer balances for the year ended is disclosed in Note 14.

**b. Other financial assets**

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

**vii. Liquidity Risk**

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

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

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total (Rs. Million)
<b>As at March 31, 2022</b>				
Trade payables (Refer Note 22)	372.9	-	-	372.9
Other financial liabilities (Refer Note 21, 23 & 24)	281.5	29.4	-	310.9
<b>As at March 31, 2021</b>				
Trade payables (Refer Note 22)	217.3	-	-	217.3
Other financial liabilities (Refer Note 21, 23 & 24)	28.3	49.7	-	78.0

**viii. Capital management**

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

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

44 RELATED PARTY DISCLOSURES	
a) Related parties and their relationship	
Nature of relationship	Name of the relationship
Ultimate holding company	Norican Global A/S
Holding Company	DISA Holding AG and DISA Holding A/S
Subsidiary company	Bhadra Castalloy Private Limited
Fellow Subsidiaries	DISA Industries AG
	DISA Technologies Private Ltd.
	DISA Industries A/S
	DISA K.K.
	DISA (Changzhou) Machinery Ltd.
	Wheelabrator Czech s.r.o.
	Wheelabrator Group GmbH
	Wheelabrator Group Ltd.
	DISA Industries, Inc.
Norican A/S	

	DISA Holding A/S
	Italtipresse Industrie SpA
	Castalloy Inc, USA
	Striko Westofen GMBH
	Castalloy UK
	Wheelabrator Group (Canada) ULC
Key management personnel	Mr.Lokesh Saxena - Managing Director
	Ms.Deepa Hingorani
	Mr.Sanjay Arte ( up to November 10, 2020)
	Mr.Andrew J Matsuyama (from July 12, 2019 to Oct 8, 2020)
	Ms.Guerin Declan ( From February 11, 2021)
	Mr.Neil Moseley ( Up to February 11, 2021)
	Mr.Bhagya Chandra Rao (from January 28, 2021)
	Mr.Amarnath Mohanty - CFO

b) Details of related party transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022				
Name of the related party	Nature of transactions	Amount	Outstanding balance as at March 31, 2022	Outstanding balance as at March 31, 2021
		(Rs. Rs. Million)	(Rs. Rs. Million)	(Rs. Rs. Million)
DISA Industries AG	Royalty expenses	6.9 (2.1)	Cr.2.8	Cr.0.5
	Reimbursement of expenses (receivable)	- (0.1)		
DISA Technologies Private Ltd.	Service charges	9.8 (12.0)	Cr.0.3	Cr.3.2
	Reimbursement of expenses (Payable)	0.1 (0.1)		
DISA Industries A/S	Royalty expenses	8.4 (10.1)	Cr.38.3	Cr.31.7
	Import material	200.8 (168.2)		
	Service income	3.1 (1.6)		
	Export / sale of materials	226.1 (132.2)		
	Reimbursement of expenses (Payable)	13.8 (0.1)		
	Commission received	8.9 (5.6)		
DISA K.K.	Export / sale of materials	0.3 (0.2)	Nil	Nil

DISA (Changzhou) Machinery Ltd.	Import material	18.6	Cr.3.7	Dr.0.9
		(9.5)		
	Export / sale of materials	2.3		
		(2.1)		
Royalty income	3.0			
	(1.4)			
Wheelabrator Czech s.r.o.	Import material	23.4	Cr.5.2	Cr.3.0
		(13.3)		
Service fees	2.5			
	(1.6)			
Wheelabrator Group GmbH	Royalty expenses	3.4	Cr.1.0	Cr.0.3
		(1.2)		
	Export / sale of materials	0.4		
		-		
	Service income	-		
(0.3)				
Reimbursement of expenses (receivable)	-			
	(0.1)			
Wheelabrator Group (SAS)	Commission received	0.2	Nil	Nil
		(0.4)		
DISA Industries, Inc.	Export / sale of materials	1.9	Dr.0.1	Dr.0.7
		1.0		
Norican A/S	Group Management fee	23.6	Cr.20.1	Cr.14.8
		(16.5)		
	Group IT fee	43.8		
		(49.0)		
Reimbursement of expenses (Payable)	0.9			
	(0.8)			
Bhadra Castalloy Private Limited	Purchase of material	22.6	Dr.33.5	Dr.33.5
		(9.3)		
	Reimbursement of group management fees	1.0		
		(0.8)		
	Reimbursement of expenses (Payable)	-		
		(0.3)		
	Sales of material	0.4		
(0.1)				
Rental Income	0.1			
	(0.1)			
Interest on loan	2.6			
	(2.6)			
Italpresse Industrie SpA	Commission income	-	Cr.3.1	Cr.1.9
		(4.5)		
	Purchase of material	10.1		
(3.3)				

Mr.Lokesh Saxena	Remuneration	15.2	Nil	Nil
		(12.9)		
Ms.Deepa Hingorani	Commission and sitting fees	0.8	Nil	Nil
		(0.8)		
Mr.Sanjay Arte	Commission and sitting fees	-	Nil	Nil
		(0.5)		
Mr.Bhagya Chandra Rao	Commission and sitting fees	0.8	Nil	Nil
		(0.2)		
Mr.Amar Nath Mohanty	Remuneration	10.2	Nil	Nil
		(9.2)		

\* Figures in brackets represent previous year numbers

**Notes:**

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

**45 SEGMENT REPORTING**

Entity - wide disclosures :

**(i) Revenues from customers :**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
India	1,981.8	1,607.7
Outside India	494.9	167.4

**(ii) Non-Current Assets :**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
India	410.2	396.9
Outside India	-	-

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

**(iii) Major customers :**

The Company has no customer which accounts for more than 10% of the Company's total revenue for the year ended March 31, 2022 and March 31, 2021.

**46 DISCLOSURES UNDER THE MSMED ACT, 2006**

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	122.3	75.7
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amount of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-



(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of interest due and payable for the year	-	-
(vii) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note:

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

#### **47 Additional regulatory information not disclosed elsewhere in the financial statements**

- i. As per section 248 of the Companies Act, 2013, there are no balances outstanding or transactions with struck off companies.
- ii. The Company has not traded / invested in Crypto currency or virtual currency.
- iii. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- iv. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- v. The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- vi. The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, except as disclosed in the financial statements.
- vii. The Company is not a declared willful defaulter by any bank or financial institution or other lender.

For and on behalf of the Board of Directors

**Lokesh Saxena**  
Managing Director  
DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

**Bhagya Chandra Rao**  
Director  
DIN:00211127

**G. Prasanna Bairy**  
Company Secretary

Place: Bangalore  
Date : May 25, 2022

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## INDEPENDENT AUDITOR'S REPORT

To The Members of DISA India Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of DISA India Limited ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditor on separate financial statements of the subsidiary referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated

cash flows and their consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

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

Key Audit Matter	Auditor's Response
<p><b>Revenue Recognition</b></p> <p>Refer Note 3.1 and Note 26 to the consolidated financial statements.</p> <p>The Group recognizes revenue from sale of goods based on the terms and conditions of the agreements/arrangements, which vary with different customers. For sale transactions in a certain period around balance sheet date, it is essential to ensure whether the transfer of control of the goods by the Group to the customer occurs before the balance sheet date. Considering material sale transactions close to the year end and that revenue recognition is subject to transfer of control to the customers before the balance sheet date, we consider the risk of revenue from sale of goods being recognised in the incorrect period as a key audit matter.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> <li>• We tested the internal controls relating to determination of point in time at which the transfer of control of goods occurs for revenue recognition in the appropriate period in accordance with the Group 's accounting policy.</li> <li>• For a selection of sale transactions recorded close to the year end, we performed the following audit procedures: <ul style="list-style-type: none"> <li>◦ Analysed the terms and conditions of the underlying agreements/ arrangements with the customer, and</li> <li>◦ Verified evidence for transfer of control of the goods prior to the balance sheet date or otherwise from relevant supporting documents.</li> </ul> </li> </ul>

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in Management Discussion and

Analysis, Board's report including Annexures to the Board's report and Shareholders' Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the consolidated financial statements does

not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of subsidiary, to the extent it relates to this entity and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary is traced from their financial statements audited by the other auditor.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Consolidated Financial Statements**

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

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

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

reporting process of the Group.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

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

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

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

disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Parent included in the consolidated financial statements of which we are the independent auditors. For the other entity which has been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

### **Other Matters**

- a. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs.138.1 Million as at March 31, 2022, total revenues of Rs.108.8 Million and net cash outflows amounting to Rs. 2.8 Million for the year ended on that date, as considered

in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on the separate financial statements of the subsidiary referred to in the Other Matters section above we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, and the report of the other auditor.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2022 taken on record by the Board of Directors of the Company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our

separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's report of subsidiary company incorporated in India, the remuneration paid by the Parent and subsidiary company to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group; Refer Note 40.
  - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary company incorporated in India.
  - iv)
- (a) The respective Managements of the Parent and its subsidiary which is a company incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Parent and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, no funds have been received by the Parent or subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or the subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditor of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The final dividend proposed in the previous year, declared and paid by the Parent and its subsidiary company which is a company incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act

As stated in Note 19 to the consolidated financial statements, the Board of Directors of the Parent and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's

Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditor of respective companies included in the consolidated financial statements to which reporting under CARO is applicable,

as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements.

BENGALURU; May 25, 2022  
MP/LS/2022

For DELOITTE HASKINS & SELLS  
Chartered Accountants  
(Firm's Registration No.008072S)

Monisha Parikh  
Partner  
(Membership No. 47840)  
UDIN: 22047840AJOJQB7868

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of DISA India Limited (hereinafter referred to as “Parent”) and its subsidiary company which is a company incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditor’s Responsibility**

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

Our audit involves performing procedures to obtain audit

evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary company, which is company incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary company which is a company incorporated in India.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



### **Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor referred to in the Other Matters paragraph below, the Parent and its subsidiary company, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated

in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

For DELOITTE HASKINS & SELLS  
Chartered Accountants  
(Firm's Registration No.008072S)

BENGALURU; May 25, 2022  
MP/LS/2022

Monisha Parikh  
Partner  
(Membership No. 47840)  
UDIN: 22047840AJOJQB7868

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022**

Rs Million

Particulars		Note No.	As at March 31, 2022	As at March 31, 2021
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
<b>2</b>	a. Property, plant and equipment	4	315.9	194.6
<b>B</b>	b. Capital work in progress	5	36.0	-
<b>1</b>	c. Investment property	7	4.6	2.6
<b>2</b>	d. Right-of-use assets	6	34.1	55.5
<b>2.1</b>	e. Goodwill	8	6.0	6.0
<b>2.2</b>	f. Other intangible assets	9	0.8	1.4
	g. Financial assets			
	(i) Other non current financial assets	10a	7.7	136.5
	h. Deferred tax assets (Net)	11a	8.6	6.9
	i. Other non-current assets	12a	9.5	9.5
	<b>Total non-current assets</b>		<b>423.2</b>	<b>413.0</b>
	<b>Current assets</b>			
	a. Inventories	13	521.9	291.4
	b. Financial assets			
	(i) Trade receivables	14	362.5	203.7
	(ii) Cash and cash equivalents	15	37.0	89.4
	(iii) Bank balance other than (ii) above	16	1,898.6	1,633.7
	(iv) Other current financial assets	10b	47.5	53.2
	c. Current tax assets (Net)	17a	30.9	31.5
	d. Other current assets	12b	48.2	54.4
	<b>Total current assets</b>		<b>2,946.6</b>	<b>2,357.3</b>
	<b>Total assets</b>		<b>3,369.8</b>	<b>2,770.3</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity share capital	18	14.5	14.5
	(b) Other equity	19	2,045.5	1,890.9
	<b>Total Equity</b>		<b>2,060.0</b>	<b>1,905.4</b>
	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Other non current financial liabilities			
	(a) Lease liabilities	20	29.4	49.7
	(b) Deferred tax liabilities (Net)	11b	1.3	1.3
	<b>Total non-current liabilities</b>		<b>30.7</b>	<b>51.0</b>
	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Trade payables	21		
	(A) Total outstanding dues of micro enterprises and small enterprises		122.4	76.7
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		261.5	151.1
	(ii) Lease liabilities	22	8.5	7.7
	(iii) Other current financial liabilities	23	275.0	22.9
	(b) Provisions	24	43.2	35.3
	(c) Current tax liabilities (net)	17b	14.3	15.2
	(d) Other current liabilities	25	554.2	505.0
	<b>Total current liabilities</b>		<b>1,279.1</b>	<b>813.9</b>
	<b>Total equity and liabilities</b>		<b>3,369.8</b>	<b>2,770.3</b>
	See accompanying notes to the financial statements	1 to 45		

In terms of our report attached

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

**Monisha Parikh**  
Partner  
(Membership No. 47840)

For and on behalf of the Board of Directors

**Lokesh Saxena**  
Managing Director  
DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

Place: Bangalore  
Date : May 25, 2022

**Bhagya Chandra Rao**  
Director  
DIN:00211127

**G. Prasanna Bairy**  
Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022**

Rs Million

Particulars		Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Revenue from operations	26	2,560.7	1,850.6
II	Other income	27	102.8	93.8
<b>III</b>	<b>Total revenue (I+II)</b>		<b>2,663.5</b>	<b>1,944.4</b>
<b>IV</b>	<b>Expenses</b>			
	(a) Cost of materials consumed	28	1,314.2	688.6
	(b) Purchases of stock-in-trade	29	205.0	159.5
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	(98.7)	197.5
	(d) Employee benefits expense	31	375.2	322.6
	(e) Finance costs	32	7.8	3.9
	(f) Depreciation and amortisation expense	33	36.5	40.4
	(g) Other expenses	34	304.7	208.4
	<b>Total expenses (IV)</b>		<b>2,144.7</b>	<b>1,620.9</b>
<b>V</b>	<b>Profit before tax (III-IV)</b>		<b>518.8</b>	<b>323.5</b>
<b>VI</b>	<b>Tax expense:</b>	35a		
	(a) Current tax		135.0	83.1
	(b) Deferred tax		(2.1)	(1.1)
	<b>Total tax expenses (a+b)</b>		<b>132.9</b>	<b>82.0</b>
<b>VII</b>	<b>Profit for the year (V-VI)</b>		<b>385.9</b>	<b>241.5</b>
<b>VIII</b>	<b>Other comprehensive income, net of taxes</b>	35b		
<b>A</b>	(i) Items that will not be reclassified to profit or loss:		1.7	4.2
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.4)	(1.1)
	<b>Total other comprehensive income (A((i)+(ii))</b>		<b>1.3</b>	<b>3.1</b>
	<b>Total comprehensive income for the year (VII+VIII)</b>		<b>387.2</b>	<b>244.6</b>
	Earnings per equity share (Face value of Rs 10 /- each):	37		
	(a) Basic - Rs.		265.37	166.07
	(b) Diluted - Rs.		265.37	166.07
	<b>See accompanying notes to the financial statements</b>	1 to 45		

In terms of our report attached

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

**Monisha Parikh**  
Partner  
(Membership No. 47840)

Place: Bangalore  
Date : May 25, 2022

For and on behalf of the Board of Directors

**Lokesh Saxena**  
Managing Director  
DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

Place: Bangalore  
Date : May 25, 2022

**Bhagya Chandra Rao**  
Director  
DIN:00211127

**G. Prasanna Bairy**  
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Rs Million

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Profit before tax</b>		518.8	323.5
Adjustments for:			
Depreciation and amortisation expense	33	36.5	40.4
Finance costs	32	7.8	3.9
Profit on sale of property, plant and equipment	27	(1.6)	(0.9)
Interest income	27	(88.6)	(79.6)
Bad trade receivables written off	34	1.8	-
Provision/(reversal) for doubtful trade receivables	14	2.2	0.8
Liability no longer required written back	27	-	(3.0)
Rental income	27	(2.5)	(1.8)
Net unrealised exchange (gains)/losses		(1.9)	(1.5)
Re-measurement of (gains)/losses on defined benefit plans		1.7	4.2
<b>Operating profit before changes in working capital</b>		<b>474.2</b>	<b>286.0</b>
<b>Changes in working capital</b>			
<b>Adjustments for (increase)/decrease in non-current assets:</b>			
Other financial assets		(0.8)	2.3
Other non-current assets		-	(0.5)
<b>Adjustments for (increase)/decrease in current assets:</b>			
Inventories		(230.5)	271.3
Trade receivables		(163.5)	(8.2)
Other financial assets		7.1	(11.7)
Other current assets		6.2	60.9
<b>Adjustments for increase/(decrease) in current liabilities:</b>			
Trade payables		158.7	39.3
Other financial liabilities		4.9	(1.6)
Short term provisions		7.9	(10.4)
Other current liabilities		49.2	126.1
<b>Cash generated from operating activities</b>		<b>313.4</b>	<b>753.5</b>
Income tax paid		(135.3)	(72.6)
<b>Net cash generated from operating activities (A)</b>		<b>178.1</b>	<b>680.9</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for purchase of property, plant and equipment		(146.5)	(63.9)
Proceeds from disposal of property, plant and equipment		3.3	1.9
Redemption/maturity of bank deposits		1,101.7	838.9
Investment in bank deposits		(1,018.8)	(1,619.5)
Dividend Transfer to separate bank account		(218.1)	-
Interest received		87.2	65.4

	Rental income		2.5	1.8
	<b>Net Cash used in investing activities (B)</b>		<b>(188.7)</b>	<b>(775.4)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
	Finance costs (including interest on lease liabilities)	32	(7.8)	(3.9)
	Payment of lease liabilities		(19.5)	(22.1)
	Increase in lease liabilities		-	59.5
	Dividend paid		(14.5)	(3.6)
	<b>Net Cash (used in) / generated from financing activities (C)</b>		<b>(41.8)</b>	<b>29.9</b>
	<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>(52.4)</b>	<b>(64.6)</b>
	Cash and cash equivalents as at the beginning of the year		<b>89.4</b>	<b>154.0</b>
	Cash and cash equivalents at the end of the year		<b>37.0</b>	<b>89.4</b>
	<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(52.4)</b>	<b>(64.6)</b>
	<b>Cash and cash equivalents at the end of the year</b>			
	Comprises			
	(a) In cash in hand		-	0.1
	(b) In current accounts		37.0	89.3
			<b>37.0</b>	<b>89.4</b>
	<b>See accompanying notes to the financial statements</b>	1 to 45		

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

In terms of our report attached

**Changes in liabilities arising from financing activities for the year ended March 31, 2022**

Particulars	As at 1 April 2021	Financing cash flows	Fair Value adjustment	Recognition of liability / Other adjustments	As at 31 March 2022
Lease liabilities	57.4	(19.5)	-	-	29.4

**Changes in liabilities arising from financing activities for the year ended March 31, 2021**

Particulars	As at 1 April 2020	Financing cash flows	Fair Value adjustment	Recognition of liability / Other adjustments	As at 31 March 2021
Lease liabilities	20.0	(22.1)	0.9	58.6	57.4

In terms of our report attached

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

**Monisha Parikh**  
Partner  
(Membership No. 47840)

For and on behalf of the Board of Directors

**Lokesh Saxena**  
Managing Director  
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**Amar Nath Mohanty**  
Chief Financial Officer

**Bhagya Chandra Rao**  
Director  
DIN:00211127

**G. Prasanna Bairy**  
Company Secretary

Place: Bangalore  
Date : May 25, 2022

Place: Bangalore  
Date : May 25, 2022

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022**

**a. Equity Share Capital:**

	Rs. Million			
	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the reporting year	1,454,205	14.50	1,454,205	14.50
Changes in the equity share capital during the year				
<b>Balance at the end of the reporting year</b>	<b>1,454,205</b>	<b>14.50</b>	<b>1,454,205</b>	<b>14.50</b>

**b. Other equity**

Particulars	Reserves & Surplus			Items of OCI	Total Equity
	Capital Reserve	Capital Redemption reserve	Retained earnings	Remeasurements of defined benefit plans	
<b>Balance as at April 1,2020</b>	1.5	0.6	1,644.3	3.5	1,649.9
Profit for the year	-	-	241.5	-	241.5
Other comprehensive income (net of taxes)	-	-	-	3.1	3.1
<b>Total Comprehensive Income for the year</b>	<b>1.5</b>	<b>0.6</b>	<b>1,885.8</b>	<b>6.6</b>	<b>1,894.5</b>
Dividends	-	-	(3.6)	-	(3.6)
Tax on dividend	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>1.5</b>	<b>0.6</b>	<b>1,882.2</b>	<b>6.6</b>	<b>1,890.9</b>
Profit for the year	-	-	385.9	-	385.9
Other comprehensive income (net of taxes)	-	-	-	1.3	1.3
<b>Total Comprehensive Income for the year</b>	<b>1.5</b>	<b>0.6</b>	<b>2,268.1</b>	<b>7.9</b>	<b>2,278.1</b>
Dividends	-	-	(232.6)	-	(232.6)
<b>Balance as at March 31, 2022</b>	<b>1.5</b>	<b>0.6</b>	<b>2,035.5</b>	<b>7.9</b>	<b>2,045.5</b>

In terms of our report attached

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

**Monisha Parikh**  
Partner  
(Membership No. 47840)

Place: Bangalore  
Date : May 25, 2022

For and on behalf of the Board of Directors

**Lokesh Saxena**  
Managing Director  
DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

Place: Bangalore  
Date : May 25, 2022

**Bhagya Chandra Rao**  
Director  
DIN:00211127

**G. Prasanna Bairy**  
Company Secretary

## **NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

### **1. General information**

- 1.1 DISA India Limited ("DISA India" or "the Company") along with its wholly owned subsidiary, Bhadra Castalloy Private Limited (formerly known as Bhadra Castalloys Private Limited), collectively called as "Group" is a leading equipment manufacturer with advanced foundry and surface preparation process technology. It supplies complete foundry systems with DISA range of moulding machines, sand mixers with combination of sand plant equipment, surface preparation machines and environmental control systems to customers across the country with its network of sales offices in New Delhi, Pune, Kolkata and Bangalore with its two manufacturing plants located in Tumkur and Hosakote in Bangalore, Karnataka.
- 1.2 The Group's consolidated financial statements were approved by the Company's Board of Directors on May 25, 2022

### **2. Significant accounting policies**

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

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

#### **2.2 Basis of Preparation and Presentation**

The Group consolidates an entity which it owns or controls. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded.

#### **2.3 Functional currency**

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

#### **2.4 Use of estimates and judgements**

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

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

The Group has assessed the effects of the global pandemic COVID-19 in the preparation of these consolidated financial statements. The Group has undertaken various initiatives to control costs. In the management's assessment, there have been no significant changes in the carrying amounts of receivables, inventories or property, plant and equipment and it does not anticipate any challenge in meeting its financial obligations. The impact of the pandemic may be different from that estimated at the date of approval of these consolidated financial statements given the uncertainties associated with its nature and duration. The Group's management will continue to closely monitor any material change to the Group's financial position due to the pandemic and its impact on the future economic conditions.

Critical estimates and judgments:

Areas involving critical judgments are

- a) Note 13 – Inventories – Write down of inventories
- b) Note 38 - Estimation of defined benefit obligations
- c) Note 14 – Allowance for doubtful trade receivables - The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with.

### **3. Summary of significant accounting policies**

#### **3.1 Revenue Recognition**

Revenue is measured at the fair value of consideration received or receivable and is net of goods & service tax, returns, discounts, sales incentives and other similar allowances. The Group recognizes revenue when the amount of revenue and

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

### 3.1.1 Sale of goods:

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

### 3.1.2 Services

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

### 3.1.3 Export Entitlements

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

### 3.1.4 Interest Income

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

### 3.1.5 Commission Income

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

## 3.2 Leases

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

### Group as a Lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified

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

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

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

**Short-term leases and leases of low-value assets:** The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Group does not recognize the lease in respect of low value assets, such lease rentals are charged to expenses.

### Group as a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Group is a lessor under an operating lease, the asset is capitalised under investment property and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of



Profit and Loss on a straight line basis over the term of the lease.

### **3.3 Foreign currency transactions & translations**

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

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

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

### **3.4 Employee benefits**

#### **3.4.1 Defined Contribution Plans:**

Provident Fund, Superannuation Fund & ESIC

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

#### **3.4.2 Defined Benefit Plans**

##### **Gratuity**

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

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

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

Defined benefit costs are categorized as follows:

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

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

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

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

#### **3.4.3 Short term & Other Long-Term Employee benefits**

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

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

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

### **3.5 Taxation**

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

#### **3.5.1 Current Tax**

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

#### **3.5.2 Deferred Tax**

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

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

### **3.6 Property, plant and equipment**

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

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

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

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

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

### **3.7 Investment Properties**

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

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

### **3.8 Goodwill and Other Intangible Assets**

#### **3.8.1 Recognition**

Goodwill represents the excess of the cost of an acquisition over the fair value of identifiable net assets acquired in a business combination. Goodwill is recognized as an asset and tested for impairment annually.

Other Intangible assets that are acquired separately are carried at cost less accumulated amortization and accumulated

impairment losses. 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) if any, and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

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

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

#### **3.8.2 Derecognition of intangible assets**

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

### **3.9 Impairment of tangible and intangible assets**

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. Corporate assets are also allocated to individual cash generating units when a reasonable and consistent basis of allocation can be identified, or otherwise corporate assets are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

### **3.10 Inventories**

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

### 3.11 Provisions

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

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

#### 3.11.1 Warranties

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

### 3.12 Financial instruments

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

### 3.13 Financial Assets

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

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

loss. In other cases, the transaction costs are attributed to the acquisition value of the financial assets.

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

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

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

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

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

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

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

party.

### 3.14 Financial liabilities

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

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

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

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

### Derivative financial instruments

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

### 3.15 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

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

### 3.16 Segment reporting

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

Manufacturing and selling of foundry machinery and machinery parts is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance (refer note 43).

### 3.17 Earnings per share

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

### 4. Standards Issued but Not Effective

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards from April 1, 2022.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 103 – Business Combination
- iii. Ind AS 109 – Financial Instrument
- iv. Ind AS 16 – Property, Plant and Equipment
- v. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- vi. Ind AS 41 – Agriculture

Application of above standards are not expected to have any significant impact on the Group's financial statements."

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

		Rs. Million	
4	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Particulars		As at March 31, 2022	As at March 31, 2021
<b>Carrying amounts of:</b>			
Freehold land*		33.3	33.3
Buildings*		171.6	87.8
Plant and machinery		75.5	38.3
Furniture and fixtures		15.3	9.8
Office equipment		7.0	8.3
Patterns		2.2	2.9
Vehicles		4.9	6.6
Computers		6.1	7.6
		<b>315.9</b>	<b>194.6</b>

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
<b>Gross carrying amount</b>									
Balance as on April 1, 2020	33.3	179.3	266.4	13.4	13.5	30.4	8.9	34.7	579.9
Additions	-	0.8	0.2	7.9	6.2	-	3.7	2.4	21.2
Transferred from Investment property	-	4.7	-	-	-	-	-	-	4.7
Deletions	-	-	2.1	0.6	0.5	-	4.0	4.7	11.9
<b>Balance as on March 31, 2021</b>	<b>33.3</b>	<b>175.4</b>	<b>264.5</b>	<b>20.7</b>	<b>19.2</b>	<b>30.4</b>	<b>8.6</b>	<b>32.4</b>	<b>584.5</b>
Additions	-	93.7	47.8	6.8	0.9	0.3	-	2.6	152.1
Transferred to Investment property	-	5.8	-	-	-	-	-	-	5.8
Deletions	-	9.6	9.1	7.6	5.3	-	-	2.6	34.2
<b>Balance as on March 31, 2022</b>	<b>33.3</b>	<b>253.7</b>	<b>303.2</b>	<b>19.9</b>	<b>14.8</b>	<b>30.7</b>	<b>8.6</b>	<b>32.4</b>	<b>696.6</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

	Rs. Million								
Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
<b>Accumulated depreciation</b>									
Balance as on April 1, 2020	-	84.1	218.4	10.2	10.0	26.4	2.6	23.8	375.5
Depreciation expense for the year	-	6.3	9.9	1.3	1.4	1.1	2.4	5.7	28.1
Transferred from Investment property	-	2.8	-	-	-	-	-	-	2.8
Deletions	-	-	2.1	0.6	0.5	-	3.0	4.7	10.9
<b>Balance as on March 31, 2021</b>	<b>-</b>	<b>87.6</b>	<b>226.2</b>	<b>10.9</b>	<b>10.9</b>	<b>27.5</b>	<b>2.0</b>	<b>24.8</b>	<b>389.9</b>
Depreciation expense for the year	-	6.3	9.8	1.3	2.1	1.0	1.7	4.1	26.3
Transferred from Investment property	-	3.7	-	-	-	-	-	-	3.7
Deletions	-	8.1	8.3	7.6	5.2	-	-	2.6	31.8
<b>Balance as on March 31, 2022</b>	<b>-</b>	<b>82.1</b>	<b>227.7</b>	<b>4.6</b>	<b>7.8</b>	<b>28.5</b>	<b>3.7</b>	<b>26.3</b>	<b>380.7</b>
<b>Carrying amount</b>									
Balance as on April 1, 2020	33.3	95.2	48.0	3.2	3.5	4.0	6.3	10.9	204.4
Balance as on March 31, 2021	33.3	87.8	38.3	9.8	8.3	2.9	6.6	7.6	194.6
Balance as on March 31, 2022	33.3	171.6	75.5	15.3	7.0	2.2	4.9	6.1	315.9

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

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Rs. Million

**5 CAPITAL WORK IN PROGRESS**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Carrying amounts of:</b>		
Capital work in progress	36.0	-
	<b>36.0</b>	<b>-</b>

**CWIP ageing shedule**

Particulars	Amount of CWIP for a period of				Total
	Less than 1 year	1 -2 years	2 -3 years	More than 3 years	
1 Projects in progress	36.0	-	-	-	36.0
2 Projects temporarily suspended	-	-	-	-	-
Total	36.0	-	-	-	36.0

Note : The Company does not have any Capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**6 RIGHT-OF-USE ASSETS**

**Rs. Million**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Carrying amounts of:</b>		
Building	34.1	55.5
	<b>34.1</b>	<b>55.5</b>

Particulars	Total	
<b>Gross carrying amount</b>		
Balance as on April 1, 2020	-	29.7
Additions	-	59.5
Deletions	-	29.7
<b>Balance as at March 31, 2021</b>	-	<b>59.5</b>
Additions	-	-
Adjustments		11.9
Deletions	-	-
<b>Balance as on March 31, 2022</b>	-	<b>47.6</b>

Particulars	Total	
<b>Accumulated depreciation</b>		
Balance as on April 1, 2020	-	10.9
Depreciation expense for the year	-	11.6
Deletions	-	18.5
<b>Balance as at March 31, 2021</b>	-	<b>4.0</b>
Depreciation expense for the year	-	9.5
Deletions	-	-
<b>Balance as on March 31, 2022</b>	-	<b>13.5</b>

Particulars	Total	
<b>Carrying amount</b>		
Balance as on April 1, 2020	-	18.9
Balance as at March 31, 2021	-	55.5
Balance as on March 31, 2022	-	34.1



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Rs. Million

**7 INVESTMENT PROPERTY**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Carrying amounts of:</b>	4.6	2.6
Investment property	<b>4.6</b>	<b>2.6</b>

Particulars	Investment Property
<b>Cost or deemed cost</b>	
Balance as on April 1, 2020	2.8
Additions	-
Transferred to property, plant and equipment	4.6
Deletions	-
<b>Balance as on March 31, 2021</b>	7.4
Additions	-
Transferred to property, plant and equipment	5.8
Deletions	-
<b>Balance as on March 31, 2022</b>	13.2

Particulars	Investment Property
<b>Accumulated depreciation</b>	
Balance as on April 1, 2020	2.0
Depreciation expense for the year	-
Transferred to property, plant and equipment	2.8
Deletions	-
<b>Balance as on March 31, 2021</b>	4.8
Depreciation expense for the year	0.1
Transferred to property, plant and equipment	3.7
Deletions	-
<b>Balance as on March 31, 2022</b>	8.6

Particulars	Investment Property
<b>Carrying amount</b>	
Balance as on April 1, 2020	0.8
Balance as on March 31, 2021	2.6
Balance as on March 31, 2022	4.6

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**Fair value of the group's investment property :**

Fair valuation of Investment Properties as at March 31, 2022 has been arrived at on the basis of valuation carried out by an independent valuer not related to the Company. The valuer is registered with the authority which governs the valuers in India, and in the opinion of the management he has appropriate qualifications and relevant experience in valuation of properties. For all Investment properties, fair value was determined based on the capitalisation of net income method where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The capitalisation rate adopted is with reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuer's knowledge of the factors specific to the respective properties. Thus, the significant unobservable inputs are as follows:

1. Monthly market rent, taking into account the difference in location, and individual factors, such as frontage and size, between the comparable and the property; and
2. Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition. The fair value hierarchy for all investment properties is Level 2 and the fair values are as under: Fair value as at March 31, 2022 is Rs. 50.4 Million and as at March 31, 2021 was Rs. 35 Million. Expenses and income in respect of investment properties : Expenses (excluding depreciation) amounting to Rs. 0.2 Million (Year ended March 31, 2021:Rs. 0.2 Million). Expenses in respect of repairs, electricity charges, security expenses etc. are included in Note 34 'Other Expenses' and income amounting to Rs.2.5 Million (Year ended March 31, 2021: Rs.1.8 Million) is included in Note 27 'Other income'

**8 GOODWILL**

**Rs. Million**

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Carrying amounts of:</b>	<b>6.0</b>	<b>6.0</b>
Goodwill	<b>6.0</b>	<b>6.0</b>

Particulars	Goodwill
Gross carrying value	
Balance as on April 1, 2020	6.0
Additions	-
Disposals/Adjustments	-
<b>Balance as on March 31, 2021</b>	<b>6.0</b>
Additions	-
Disposals/Adjustments	-
<b>Balance as on March 31, 2022</b>	<b>6.0</b>

Particulars	Goodwill
<b>Accumulated Amortization</b>	
Balance as on April 1, 2020	-
Amortisation expense/Impairment for the year	-
Disposals/Adjustments	-
<b>Balance as on March 31, 2021</b>	<b>-</b>
Amortisation expense/Impairment for the year	-
Disposals/Adjustments	-
<b>Balance as on March 31, 2022</b>	<b>-</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Rs. Million

Particulars	Goodwill
<b>Carrying amount:</b>	
Balance as on April 1, 2020	6.0
Balance as on March 31, 2021	6.0
<b>Balance as on March 31, 2022</b>	<b>6.0</b>

**9 OTHER INTANGIBLE ASSETS**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Carrying amounts of :</b>	<b>0.8</b>	<b>1.4</b>
Computer Software	0.8	1.4

Particulars	Computer Software
<b>Cost or deemed cost</b>	
Balance as on April 1, 2020	23.0
Additions	-
Deletions	-
<b>Balance as on March 31, 2021</b>	<b>23.0</b>
Additions	-
Deletions	-
<b>Balance as on March 31, 2022</b>	<b>23.0</b>

Particulars	Computer Software
<b>Accumulated depreciation</b>	
Balance as on April 1, 2020	21.0
Amortisation expense for the year	0.6
Deletions	-
<b>Balance as on March 31, 2021</b>	<b>21.6</b>
Amortisation expense for the year	0.6
Deletions	-
<b>Balance as on March 31, 2022</b>	<b>22.2</b>

Particulars	Computer Software
<b>Carrying amount</b>	
Balance as on April 1, 2020	2.0
Balance as on March 31, 2021	1.4
<b>Balance as on March 31, 2022</b>	<b>0.8</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Rs. Million

**10 OTHER FINANCIAL ASSETS**

**a) Non-current**

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	7.7	6.9
Other bank deposits	-	129.6
<b>Total</b>	<b>7.7</b>	<b>136.5</b>

**b) Current**

Particulars	As at March 31, 2022	As at March 31, 2021
Advances to employees	2.1	1.3
Security deposits	2.5	12.9
Interest accrued	38.3	36.9
Contractually reimbursable expenses	4.6	2.1
<b>Total</b>	<b>47.5</b>	<b>53.2</b>

**11a DEFERRED TAX ASSETS (NET)**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax asset on:</b>		
Provision for employee benefits	12.5	10.6
IND AS 116 impact	1.0	0.5
Provision for doubtful trade receivables	2.4	1.9
Sub total (A)	15.9	13.0
<b>Deferred tax liabilities on:</b>		
Property, Plant and equipment and intangible assets	7.3	6.1
Sub total (B)	7.3	6.1
<b>Total (A-B)</b>	<b>8.6</b>	<b>6.9</b>

**Movement of deferred tax assets / liabilities**

**For the year ended March 31, 2022**

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax asset on:</b>				
Provision for employee benefits	10.6	2.3	(0.4)	12.5
IND AS 116 impact	0.5	0.5	-	1.0
Provision for doubtful trade receivables	1.9	0.5	-	2.4
Sub total (A)	13.0	3.3	(0.4)	15.9

**Deferred tax liabilities on:**

Property, Plant and equipment and intangible assets	6.1	1.2	-	7.3
Sub total (B)	6.1	1.2	-	7.3
<b>Total (A-B)</b>	<b>6.9</b>	<b>2.1</b>	<b>(0.4)</b>	<b>8.6</b>

**For the year ended March 31, 2021**

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax asset on:</b>				
Provision for employee benefits	12.6	(0.9)	(1.1)	10.6
IND AS 116 impact	-	0.5	-	0.5
Provision for doubtful trade receivables	1.7	0.2	-	1.9
Sub total (A)	14.3	(0.2)	(1.1)	13.0
<b>Deferred tax liabilities on:</b>				
Property, Plant and equipment and intangible assets	7.4	(1.3)	-	6.1
Sub total (B)	7.4	(1.3)	-	6.1
<b>Total (B-A)</b>	<b>6.9</b>	<b>1.1</b>	<b>(1.1)</b>	<b>6.9</b>

**11b DEFERRED TAX LIABILITIES (NET)**

**Rs. Million**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax asset on:</b>		
Provision for Gratuity	0.5	0.5
Provision for compensated absences and Bonus	0.2	0.3
Preliminary Expenses	-	-
Sub total (A)	0.7	0.8
<b>Deferred tax liabilities on:</b>		
Property, Plant and equipment and intangible assets	2.0	2.1
Sub total (B)	2.0	2.1
<b>Total (B-A)</b>	<b>1.3</b>	<b>1.3</b>

**Movement of deferred tax assets / liabilities**

For the year ended March 31, 2022				
Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax asset on:</b>				
Provision for Gratuity	0.5	-	-	0.5

Provision for compensated absences and Bonus	0.3	-	-	0.2
Preliminary Expenses	-	-	-	-
Sub total (A)	0.8	-	-	0.7
<b>Deferred tax liabilities on:</b>				
Property, Plant and equipment and intangible assets	2.1	(0.1)	-	2.0
Sub total (B)	2.1	(0.1)	-	2.0
<b>Total (B-A)</b>	<b>1.3</b>	<b>(0.1)</b>	-	<b>1.3</b>

**For the year ended March 31, 2021**

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax asset on:</b>				
Provision for Gratuity	0.4	0.1	-	0.5
Provision for compensated absences and Bonus	0.3	-	-	0.3
Preliminary Expenses	0.1	(0.1)	-	-
Sub total (A)	0.8	-	-	0.8
Deferred tax liabilities on:				
Property, Plant and equipment and intangible assets	2.1	-	-	2.1
Sub total (B)	2.1	-	-	2.1
<b>Total (B-A)</b>	<b>1.3</b>	-	-	<b>1.3</b>

The applicable tax rate for the year ended March 31, 2022 and March 31, 2021 is 25.17%

**12 OTHER ASSETS**

**Rs. Million**

**a) Non-current**

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid rent	2.3	2.9
Prepaid expenses	0.7	0.1
Balance with government authorities	5.0	5.0
Other deposits	1.5	1.5
<b>Total</b>	<b>9.5</b>	<b>9.5</b>

**b) Current**

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	14.5	6.9
Prepaid rent	0.6	0.8
Advances to suppliers	11.9	7.0
Duty drawback receivable	9.0	1.8
Balance with government authorities	8.8	37.9
Others	3.4	-
<b>Total</b>	<b>48.2</b>	<b>54.4</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

13 INVENTORIES	Particulars	Rs. Million	
		As at March 31, 2022	As at March 31, 2021
	(At lower of cost)		
	Raw materials	312.6	180.8
	[Goods in transit - Rs. 30.0 Million; (as at March 31, 2021 Rs. 13.1 Million)]		
	Work-in-progress	153.1	93.5
	Finished goods	41.9	-
	Stock-in-Trade	14.3	17.1
	<b>Total</b>	<b>521.9</b>	<b>291.4</b>

The cost of inventory recognised as an expense includes Rs. 4.1 Million (Year ended March 31, 2021: Rs. 7.7 Million)  
(a) in respect of obsolete raw material, 4.1 Million (Year ended March 31, 2021: Rs.7.5 Million)  
(b) in respect of obsolete Work-in-progress : Nil (Year ended March 31, 2021: Rs 0.2 Million).

14 TRADE RECEIVABLES	Particulars	As at	
		March 31, 2022	March 31, 2021
	Considered good - Secured	-	-
	Considered good - Unsecured	362.5	203.7
	Doubtful trade receivables	9.6	7.4
		<b>372.1</b>	<b>211.1</b>
	Less: Allowances for doubtful trade receivables	9.6	7.4
	<b>Total</b>	<b>362.5</b>	<b>203.7</b>

Trade receivables are non-interest bearing and are generally on terms of 30-60 days  
Movements in allowance for doubtful trade receivables

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening balance	7.4	6.6
Add : Provision made during the year	2.7	1.5
Less: Provision reversed during the year	0.5	0.7
<b>Closing balance</b>	<b>9.6</b>	<b>7.4</b>

**Trade Receivables Ageing**

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables- considered good	127.9	230.3	4.3	-	-	-	362.5
Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired			3.8	2.8	0.4	2.6	9.6
Disputed trade receivables- considered good	-	-	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
<b>Gross Trade Receivables</b>	<b>127.9</b>	<b>230.3</b>	<b>8.1</b>	<b>2.8</b>	<b>0.4</b>	<b>2.6</b>	<b>372.1</b>
<b>Less: allowance for credit losses</b>							<b>(9.6)</b>
<b>Net Trade Receivables</b>							<b>362.5</b>

**As at March 31, 2021**

Particulars	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables- considered good	122.7	76.6	4.4	-	-	-	203.7
Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired			0.8	3.0	2.4	1.2	7.4
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Gross Trade Receivables</b>	<b>122.7</b>	<b>76.6</b>	<b>5.2</b>	<b>3.0</b>	<b>2.4</b>	<b>1.2</b>	<b>211.1</b>
<b>Less: allowance for credit losses</b>							<b>(7.4)</b>
<b>Net Trade Receivables</b>							<b>203.7</b>

**15 CASH AND CASH EQUIVALENTS** Rs. Million

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Cash and cash equivalents:</b>		
(a) Cash on hand	-	0.1
(b) Balance with banks:		
-In current accounts	37.0	89.3
<b>Total</b>	<b>37.0</b>	<b>89.4</b>

**16 OTHER BANK BALANCES**

Particulars	As at March 31, 2022	As at March 31, 2021
Other balance with banks		
- Margin money fixed deposits*	48.6	159.6
- In deposit accounts**	1,631.5	1,473.8
- Unpaid dividend accounts	218.5	0.3
<b>Total</b>	<b>1,898.6</b>	<b>1,633.7</b>

\*Held as security against guarantees and commitments.

\*\*With original maturity of more than three months.



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

<b>17a CURRENT TAX ASSETS (NET)</b>		<b>Rs. Million</b>	
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>	
Advance tax [Net of provision for tax :Rs. 594.1 Million (March 31, 2021 - Rs. 463.1 Million)]	30.9	31.5	
<b>Total</b>	<b>30.9</b>	<b>31.5</b>	

<b>17b CURRENT TAX LIABILITIES (NET)</b>			
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>	
Provision for tax [Net of advance tax Rs. 450.5 Million (March 31, 2021 Rs. 450.5 Million)]	14.3	15.2	
<b>Total</b>	<b>14.3</b>	<b>15.2</b>	

<b>18 SHARE CAPITAL</b>			
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>	
<b>Authorised equity share capital:</b>			
5,000,000 Equity shares of Rs.10 each	50.0	50.0	
<b>Issued, subscribed and fully paid up:</b>			
1,454,205 Equity shares of Rs.10 each	14.5	14.5	
<b>Total</b>	<b>14.5</b>	<b>14.5</b>	

**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	1,454,205	1,454,205
Movement during the year	-	-
No of equity shares outstanding at the end of the year	1,454,205	1,454,205

Equity share capital at the beginning of the year (Rs. Million)	14.5	14.5
Movement during the year	-	-
Equity share capital at the end of the year (Rs. Million)	14.5	14.5

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

Equity Shares		
Disa Holding AG, Switzerland	786,657	786,657
Disa Holding AS, Denmark	301,399	301,399
Disa Holding AG is a fully owned subsidiary of Disa Holding AS.		

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

**Equity Shares**

Disa Holding AG, Switzerland	786,657	786,657
	54.10%	54.10%
Disa Holding AS, Denmark	301,399	301,399
	20.73%	20.73%
Disa Holding AG is a fully owned subsidiary of Disa Holding AS.		
Equity Shares are held by SBI Small Cap fund	73,578	70,000
	5.06%	4.81%

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

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

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

**v) During the year ended March 31, 2017, the Company had bought back 56,000 fully paid equity shares.**

**19 OTHER EQUITY**

**Rs. Million**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Retained earnings	2,043.4	1,888.8
Capital Redemption Reserve (Buyback of equity shares)	0.6	0.6
Capital reserve	1.5	1.5
<b>Total</b>	<b>2,045.5</b>	<b>1,890.9</b>

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>A Retained earnings</b>		
Opening balance	1,888.8	1,647.8
Add : Profit for the year	385.9	241.5
Add : Other comprehensive income	1.3	3.1
Less: Final dividend (Refer Note below)	14.5	3.6
Less: Interim dividend (Refer Note below)	218.1	-
Balance at end of the year	2,043.4	1,888.8

Note:

2021-22:

The Board of Directors at its meeting on May 20, 2021 had recommended a final dividend of 100% (Rs 10.0 per equity share of par value Rs 10 each) for the financial year ended March 31, 2021, which was approved by the shareholders at the Thirty Sixth Annual General Meeting of the Company held on August 12, 2021.

The Board of Directors at its meeting held on March 28, 2022 declared an interim dividend of Rs. 150 per share (1500%) amounting to Rs 218.1 Million for the financial year 2021-22. This has been paid on April 25, 2022.

The Board of Directors at its meeting on May 25, 2022 has recommended a final dividend of 100% (Rs 10.0 per equity share of par value Rs 10 each) for the financial year ended March 31, 2022, subject to the approval of the shareholders at the next Annual General meeting of the Company. The aggregate amount of final equity dividend proposed to be distributed is Rs 14.5 Million.

2020-21:

The Board of Directors at its meeting on June 3, 2020 had recommended a final dividend of 25% (Rs 2.5 per equity share of par value Rs 10 each) for the financial year ended March 31, 2020 which was approved by the shareholders at the Thirty Fifth Annual General meeting of the Company held on August 12, 2020.

Particulars	Rs. Million	
	As at March 31, 2022	As at March 31, 2021
<b>B Capital Redemption Reserve (Buyback of equity shares)</b>		
Opening balance	0.6	0.6
Add : Movement during the year	-	-
Closing balance	0.6	0.6
<b>C Capital reserve</b>		
Opening balance	1.5	1.5
Movement during the year	-	-
Closing balance	1.5	1.5

### Retained earnings

Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders (other than balance in Other Comprehensive Income).

### Buyback of equity shares

During the year ended March 31, 2017, the Company had concluded the buyback of 56,000 fully paid equity shares as approved by the board of directors on August 12, 2016 at a price of Rs. 4,800/- per share amounting to Rs. 268.8 Million. Further Capital Redemption reserve of Rs 0.6 Million has been created as an apportionment from retained earnings. Consequent to the buyback, share capital has reduced by Rs. 0.6 Million

### Capital reserve

Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.

## 20 OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	29.4	49.7
<b>Total</b>	<b>29.4</b>	<b>49.7</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

<b>21 TRADE PAYABLES</b>	<b>Rs. Million</b>	
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Total outstanding dues of micro enterprises and small enterprises (Refer Note 45)	122.4	76.7
Total outstanding dues of creditors other than micro enterprises and small enterprises	261.5	151.1
<b>Total</b>	<b>383.9</b>	<b>227.8</b>

**Trade Payables ageing**

**As at March 31, 2022**

<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					
	<b>Not due</b>	<b>&lt; 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>&gt; 3 years</b>	<b>Total</b>
Total outstanding dues of micro enterprises and small enterprises	122.4	-	-	-	-	122.4
Total outstanding dues of creditors other than micro enterprises and small enterprises	152.0	107.6	1.9	-	-	261.5
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>274.4</b>	<b>107.6</b>	<b>1.9</b>	<b>-</b>	<b>-</b>	<b>383.9</b>

**As at March 31, 2021**

<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					
	<b>Not due</b>	<b>&lt; 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>&gt; 3 years</b>	<b>Total</b>
Total outstanding dues of micro enterprises and small enterprises	76.7	-	-	-	-	76.7
Total outstanding dues of creditors other than micro enterprises and small enterprises	119.2	30.4	1.5	-	-	151.1
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>195.9</b>	<b>30.4</b>	<b>1.5</b>	<b>-</b>	<b>-</b>	<b>227.8</b>

**22 LEASE LIABILITIES**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Lease Liabilities	8.5	7.7
<b>Total</b>	<b>8.5</b>	<b>7.7</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

<b>23 OTHER CURRENT FINANCIAL LIABILITIES</b>		<b>Rs. Million</b>	
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>	
Unpaid dividends	0.3	0.3	
Dividend payable	218.1	-	
Payable on purchase of property, plant and equipment	34.5	5.5	
Contractually reimbursable expenses	20.1	14.8	
Other Payables	2.0	2.3	
<b>Total</b>	<b>275.0</b>	<b>22.9</b>	

<b>24 PROVISIONS</b>			
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>	
Provision for warranties *	14.9	7.3	
Employee benefit payables (refer note 38)			
- Compensated absences	10.5	13.3	
- Gratuity	17.8	14.7	
<b>Total</b>	<b>43.2</b>	<b>35.3</b>	

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

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Balance at the beginning of the year	7.3	10.5
Provision made during the year	14.5	7.3
Utilisations during the year	6.9	10.5
<b>Provisions at the end of the year</b>	<b>14.9</b>	<b>7.3</b>

<b>25 OTHER CURRENT LIABILITIES</b>			
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>	
Statutory liabilities	10.8	11.4	
Advances from customers	543.4	493.6	
<b>Total</b>	<b>554.2</b>	<b>505.0</b>	

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Rs. Million

**26 REVENUE FROM OPERATIONS**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Sale of products (Refer note (i) below)	2,508.7	1,807.1
(b) Sale of services (Refer note (ii) below)	22.8	27.1
(c) Other operating revenue (Refer note (iii) below)	29.2	16.4
<b>Total</b>	<b>2,560.7</b>	<b>1,850.6</b>

**Notes**

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

Manufactured goods :

Machinery

Parts of machinery

	1,756.1	1,247.4
	508.1	365.6
<b>Sale of Manufactured goods Sub Total-A</b>	<b>2,264.2</b>	<b>1,613.0</b>

**Traded goods :**

Parts of machinery

	244.5	194.1
<b>Sales of Traded goods Sub Total- B</b>	<b>244.5</b>	<b>194.1</b>

**Total sale of products - A + B**

**2,508.7**      **1,807.1**

**(ii) Sale of service comprises:**

Engineering services

Supervision of installation services

Others

	5.0	4.6
	16.4	20.7
	1.4	1.8
<b>Sales of services- Total</b>	<b>22.8</b>	<b>27.1</b>

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

Commission income

Sale of scrap

Export incentives

	9.1	10.5
	3.5	1.4
	16.6	4.5
<b>Other operating revenue - Total</b>	<b>29.2</b>	<b>16.4</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

<b>27 OTHER INCOME</b>		<b>Rs. Million</b>	
<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>	
(a) Interest income (Refer note (i) below )	88.6	79.6	
<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>	
(b) Net gain on foreign currency transactions and translation	5.8	5.2	
(c) Other non-operating income (Refer note (ii) below )	8.4	9.0	
<b>Total</b>	<b>102.8</b>	<b>93.8</b>	

**Note:**

**Particulars**

**(i) Interest income comprises:**

Interest on:

Bank deposits	87.9	78.0
Security deposits	0.7	1.6
	<u>88.6</u>	<u>79.6</u>

**(ii) Other non-operating income comprises:**

Royalty	3.0	1.4
Profit on sales of property, plant and equipment (net)	1.6	0.9
Rental income	2.5	1.8
Liability no longer required written back	-	3.0
Miscellaneous	1.3	1.9
<b>Total</b>	<b>8.4</b>	<b>9.0</b>

**28 COST OF MATERIALS CONSUMED**

<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Opening Stock	180.8	254.6
Add : Purchases	1,446.0	614.8
Less : Closing Stock	312.6	180.8
<b>Cost of materials consumed</b>	<b>1,314.2</b>	<b>688.6</b>

**29 PURCHASE OF STOCK-IN-TRADE**

<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Parts of machinery	205.0	159.5
<b>Total</b>	<b>205.0</b>	<b>159.5</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

		Rs. Million	
<b>30</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS</b>		
	<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
	Inventories at the end of the year:		
	Finished goods	41.9	-
	Work-in-progress	153.1	93.5
	Stock-in-trade	14.3	17.1
	<b>Sub Total</b>	<b>209.3</b>	<b>110.6</b>
	Inventories at the beginning of the year:		
	Finished goods	-	6.4
	Work-in-progress	93.5	279.1
	Stock-in-trade	17.1	22.6
	<b>Sub Total</b>	<b>110.6</b>	<b>308.1</b>
	<b>Increase / (Decrease)</b>	<b>(98.7)</b>	<b>197.5</b>
<b>31</b>	<b>EMPLOYEE BENEFITS EXPENSE</b>		
	<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
	Salaries and wages	326.6	284.0
	Contributions to provident and other funds (refer note 40.2)	29.1	30.9
	Staff welfare expenses	19.5	7.7
	<b>Total</b>	<b>375.2</b>	<b>322.6</b>
<b>32</b>	<b>FINANCE COSTS</b>		
	<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
	Interest expense on:		
	(i) Bank guarantee commission	1.5	1.2
	(ii) Interest others	1.6	-
	(iii) Security deposits	4.7	2.7
	<b>Total</b>	<b>7.8</b>	<b>3.9</b>



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

33 <b>DEPRECIATION AND AMORTISATION</b>	<b>Particulars</b>	<b>Rs. Million</b>	
		<b>For the year ended</b>	<b>For the year ended</b>
		<b>March 31, 2022</b>	<b>March 31, 2021</b>
	Depreciation on property, plant and equipment (refer note 4)	26.3	28.1
	Amortisation on intangible assets (refer note 9)	0.6	0.7
	Depreciation on ROU assets (refer note 6)	9.5	11.6
	Depreciation on investment properties (refer note 7)	0.1	-
	<b>Total</b>	<b>36.5</b>	<b>40.4</b>

34 <b>OTHER EXPENSES</b>	<b>Particulars</b>	<b>Rs. Million</b>	
		<b>For the year ended</b>	<b>For the year ended</b>
		<b>March 31, 2022</b>	<b>March 31, 2021</b>
	Power and fuel	17.5	14.5
	Rent	0.1	0.1
	Repairs and maintenance - Buildings	1.2	1.3
	Repairs and maintenance - Machinery	3.1	2.3
	Repairs and maintenance - Others	5.3	4.3
	Insurance	10.4	10.6
	Rates and taxes	2.9	0.8
	Travelling and conveyance	19.5	10.4
	Legal and professional charges	10.1	11.9
	Payments to auditors (refer note (i)(a) below)	4.7	4.4
	Security expenses	8.6	8.9
	Telephone, postage and courier	2.2	2.2
	Printing and stationery	0.9	0.7
	Freight outwards	59.9	15.7
	Commission expenses	11.3	2.8
	Recruitment and training	2.7	3.2
	Group management fees	24.5	17.3
	Directors sitting fees and commission	1.6	1.5
	Royalty	17.1	15.0
	IT costs	10.9	6.6
	Group IT costs	43.8	49.0
	Expenditure on corporate social responsibility (refer note (ii) below)	7.7	7.0
	Bad trade receivables written off	1.8	-
	Provision for doubtful trade receivables (net of provision reversal Rs.2.2 Millon; PY: Rs.0.7 Million)	2.2	0.8
	Advertisement and sales promotion	0.3	0.6
	Net loss on foreign currency transactions and translation	0.7	0.5
	Loss on sale of property, plant and equipment	-	-

Contract worker expenses	4.2	2.8
Miscellaneous expenses	29.5	13.2
<b>Total</b>	<b>304.7</b>	<b>208.4</b>

**Note:**

**(i) Payments to auditors comprises (Net of taxes) :**

**(a) Statutory auditors**

Statutory audit	3.9	3.5
Tax Audit	0.6	0.6
Other services	0.2	0.3
Reimbursement of expenses	-	-
<b>Sub Total</b>	<b>4.7</b>	<b>4.4</b>

**(b) Cost auditors**

Cost audit fee	0.2	0.2
<b>Sub Total</b>	<b>0.2</b>	<b>0.2</b>
<b>Total</b>	<b>4.9</b>	<b>4.6</b>

<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
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**(ii) Expenditure on corporate social responsibility**

(a) Amount required to be spent by the Company during the year	7.4	7.0
(b) Amount of expenditure incurred on purpose other than construction / acquisition of any asset	7.7	7.0
(c) Excess spend of prior years set off during the year	-	-
(d) Shortfall at the end of the year [(d)=(a)-(b)-(c)]	-	-
(e) Total of previous years shortfall	-	-
(f) Reason for shortfall	NA	NA

**Nature of Expenses:**

(a) Students scholarship	4.4	3.9
(b) School development	0.6	0.4
(c) Foundation for Excellence (FFE) sponsored program	2.0	2.0
(d) National Institute of Advanced Manufacturing Technology	0.4	0.4
(e) Others	0.3	0.3
<b>Total</b>	<b>7.7</b>	<b>7.0</b>

**35 INCOME TAXES**

**A INCOME TAX RECOGNISED IN STATEMENT OF PROFIT AND LOSS**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Current tax</b>		
In respect of the current year	135.0	83.1
	135.0	83.1
<b>Deferred tax</b>		
In respect of the current year	(2.1)	(1.1)
	(2.1)	(1.1)
<b>Total income tax expenses recognised in the current year</b>	132.9	82.0

**B INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME**

**Deferred tax charge / ( benefit )**

Arising on income and expenses recognised in other comprehensive income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurement of defined benefit obligation	0.4	1.1
	0.4	1.1
<b>Bifurcation of the income tax recognised in other comprehensive income in to</b>		
Items that will not be reclassified to profit or loss	0.4	1.1
	0.4	1.1

**Reconciliation of effective tax rate**

Profit before income taxes	518.8	323.5
Applicable tax rate	25.17%	25.17%
Expected income tax expenses	130.6	81.4
<b>Adjustments to reconcile expected tax expenses to reported income tax expenses</b>		
Effect of expenses not deductible in determining taxable profit	2.3	0.6
	2.3	0.6
Adjusted income tax expenses	132.9	82.0
Effective tax rate	25.62%	25.35%

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**36 Ratios**

Particulars		Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Variance
1	Current ratio	Current Assets	Current Liabilities	2.30	2.90	-20%
2	Debt-Equity ratio (Refer below note 'a' )	Debt	Shareholder's Equity	0.02	0.03	-39%
3	Debt Service coverage ratio	EBIT	Finance Cost	67.51	83.95	-20%
4	Return on equity (ROE) (Refer below note 'b' )	PAT	Average Shareholder's Equity	0.19	0.14	44%
5	Inventory turnover ratio (Refer below note 'c' )	Revenue from operations	Average Inventory	6.23	4.30	45%
6	Trade receivable turnover ratio	Revenue from operations	Average Accounts Receivable	9.05	9.24	-2%
7	Trade payable turnover ratio	Purchases	Average Trade Payables	1.24	1.01	23%
8	Net capital turnover ratio (Refer below note 'd' )	Revenue from operations	Working Capital	1.52	1.19	28%
9	Net profit ratio	PAT	Revenue from operations	0.15	0.13	16%
10	Return on capital employed (Refer below note 'e' )	EBIT	Capital Employed	0.21	0.12	68%
11	Return on investment (ROI) (Refer below note 'f' )	Other Income	Average Cash, Cash equivalents & Other marketable securities	1.39	0.64	117%

Notes:

EBIT - Earnings before interest and taxes.

PAT - Profit after tax

The group does not have any borrowings. Debt pertains to current and non-current lease liabilities.

Sales - Revenue from operations less other operating revenue

Working capital - Current assets less current liabilities

Capital employed - Total equity

Other income - Interest on bank deposits

**Explanation for variances exceeding 25%:**

- a Decrease in Debt-Equity ratio is on account of decrease in lease liabilities.
- b Increase in ROE is due to increase in PAT by 60% from preceding year.
- c The inventory turnover ratio in the previous year was lower mainly on account of the impact of the Covid-19 related lockdowns and resultant sluggish economic conditions.
- d Increase in Net capital turnover ratio is due 38% increase in sales from preceding year.
- e Increase in ROCE is primarily due to increase in EBIT by 81% from the preceding year.
- f Increase in ROI is due to decrease in average cash and cash equivalents.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

		Rs. Million	
37	<b>EARNINGS PER SHARE (EPS)</b>		
	<b>PARTICULARS</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
	Basic and Diluted		
	Profit attributable to equity share holders (Rs. Rs. Million)	385.9	241.5
	Nominal Value of equity share (Rs./Share)	10.0	10.0
	Weighted average number of ordinary equity share for Basic EPS (Nos.)	1,454,205	1,454,205
	Basic and Diluted EPS (Rs./Share)	265.37	166.07

**38 EMPLOYEE BENEFITS**

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

**1. Defined Benefit Plans**

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

Particulars	Gratuity	
	Rs. Million	
	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Current service cost	5.2	5.5
Interest Cost	0.7	1.0
<b>Amount recognised in the Statement of Profit and Loss</b>	<b>5.9</b>	<b>6.5</b>
<b>Actuarial (gain)/loss</b>		
a) arising from changes in financial assumption	(2.0)	(3.9)
b) arising from experience adjustments	0.6	(0.9)
c) arising from demographic assumption	-	-
Return on Plan assets excluded amount included in interest income	(0.3)	0.6
<b>Amount recognised in other comprehensive income</b>	<b>(1.7)</b>	<b>(4.2)</b>
<b>Total</b>	<b>4.2</b>	<b>2.3</b>

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

Particulars	Gratuity	
	Rs. Million	
	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Defined benefit obligation at beginning of the year	74.2	75.1
Current service cost	5.2	5.5
Interest cost	4.7	4.6
Actuarial losses (gains)	(1.4)	(4.8)
Benefits paid	(8.9)	(6.2)
<b>Defined benefit obligation at the end of the year</b>	<b>73.8</b>	<b>74.2</b>

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

Particulars	Gratuity	
	Rs. Million	
	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets at beginning of the year	59.6	54.4
Expected return on plan assets	4.0	3.6
Return on Plan assets excluded amount included in interest income	0.3	(0.6)
Contributions by employer	0.8	8.4
Benefits paid	(8.6)	(6.2)
<b>Fair value of plan assets at year end</b>	<b>56.1</b>	<b>59.6</b>

#### IV. Investment details:

Particulars	%invested as at	%invested as at
	As at March 31, 2022	As at March 31, 2021
Investment with insurer (Investment in Policy of LIC)	100%	100%

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

Particulars	Gratuity	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Mortality Table (LIC)	2006-08 (IALM)	2006-08 (IALM)
Discount Rate (per annum)	6.90%	6.70%
Rate of escalation in salary (per annum)	6% for 1st 3 year, 7% for next 3 years, 8% thereafter	6% for 1st 3 year, 7% for next 3 years, 8% thereafter

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

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

a) Interest risk: a decrease in the bond interest rate will increase the plan liability.

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

#### VI. Sensitivity Analysis

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

Particulars	Gratuity	
	Rs. Million	
	Year ended March 31, 2022	Year ended March 31, 2021

Impact in present value of defined benefit obligation:

If discount rate is increased by 0.5%	(2.1)	(2.2)
If discount rate is decreased by 0.5%	2.1	2.1
If salary escalation rate is increased by 0.5%	1.9	2.0
If salary escalation rate is decreased by 0.5%	(1.9)	(1.9)

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

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

### VII. Asset Liability Matching Strategies

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

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

#### (i) Funding arrangements and Funding Policy

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

#### (ii) Expected contribution during the next annual reporting period

The Group's best estimate of Contribution during the next year is Rs. 7.2 Million.

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

Particulars	Gratuity	
	Rs. Million	
	Year ended March 31, 2022	Year ended March 31, 2021
Expected outflow in 1st Year	7.4	7.2
Expected outflow in 2nd Year	13.4	11.4
Expected outflow in 3rd Year	8.5	10.2
Expected outflow in 4th Year	6.6	7.5
Expected outflow in 5th Year	6.1	6.4
Expected outflow in 6th to 10th Year	35.3	31.2

### I. Expenses recognized in the Statement of Profit and Loss for the year:

Particulars	Compensated Absences	
	Rs. Million	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Amount recognised in Statement of Profit and Loss	0.4	(1.3)



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**II. The Principal assumption used in determining compensated absences obligations are as follows:**

Particulars	Compensated Absences	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Mortality Table (LIC)	2006-08 (IALM)	2006-08 (IALM)
Discount Rate (per annum)	6.90%	6.70%
Rate of escalation in salary (per annum)	6% for 1st 3 year, 7% for next 3 years, 8% thereafter	6% for 1st 3 year, 7% for next 3 years, 8% thereafter

**2. Defined Contribution Plans.**

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's Contribution to Provident Fund	15.2	14.5
Employers' Contribution to Superannuation Fund	7.9	7.9
Employers' Contribution to ESIC	0.1	0.1

**39 CAPITAL AND OTHER COMMITMENTS**

Particulars	Balance as at March 31, 2022	Balance as at March 31, 2021
Estimated amount of contracts remaining to be executed on capital accounts not provided for	35.9	-

**40 CONTINGENT LIABILITES**

Particulars	Balance as at March 31, 2022	Balance as at March 31, 2021
Claims against the Group not acknowledged as debt *		
CST/VAT #	6.6	8.3
Entry tax @	0.7	0.7
Excise duty §	2.0	2.0
Income tax *	13.3	13.1

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

# Pertains to pending C forms

@ Pertains to certain demands on account of tax applicability.

§ Pertains to certain demands on excise duty related to free replacements

\* Pertains to certain demands on account of certain disallowances / adjustments.

Management believes that the position taken by it on these matters is tenable and hence, no adjustment has been made to the financial statements."

**41 FINANCIAL INSTRUMENTS**

**(i) Financial assets and liabilities**

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

**(ii) Categories of Financial Instruments**

Particulars	Rs. Million	
	Balance as at March 31, 2022	Balance as at March 31, 2021
(A) Financial assets		
Measured at amortised cost		
(a) Cash and bank balances	2,353.3	2,116.5
(b) Trade receivables	1,935.6	1,723.1
(c) Other financial assets	362.5	203.7
	55.2	189.7
<b>Total</b>	<b>2,353.3</b>	<b>2,116.5</b>
(B) Financial liabilities		
Measured at amortised cost		
(a) Trade payables	383.9	227.8
(b) Other financial liabilities	312.9	80.3
<b>Total</b>	<b>696.8</b>	<b>308.1</b>

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

**(iii) Fair value hierarchy:**

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

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

**(iv) Financial risk management objectives**

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

**(v) Market Risk**

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

**a) Interest Rate Risk**

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

**b) Foreign Currency Risk**

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

The carrying amount of the Group's Foreign Currency denominated monetary items are as follows;

Particulars	Rs. Million	
	Balance as at March 31, 2022	Balance as at March 31, 2021
<b>Liabilities</b>		
EURO	107.1	142.0
USD	3.5	3.1
<b>Total Liabilities</b>	<b>110.7</b>	<b>145.1</b>
<b>Assets</b>		
EURO	81.2	7.3
USD	1.0	5.2
GBP	-	-
<b>Total Assets</b>	<b>82.2</b>	<b>12.5</b>

### Foreign Currency sensitivity analysis

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

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

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

### Analysis of 10% strengthening of the INR

Particulars	EURO Impact (net of tax)	
	Balance as at March 31, 2022	Balance as at March 31, 2021
	(Rs. Million)	(Rs. Million)
Impact on profit or loss for the year	(1.9)	(10.1)
Impact on total equity as at the end of the reporting period	1.9	10.1

Particulars	USD Impact (net of tax)	
	Balance as at March 31, 2022	Balance as at March 31, 2021
	(Rs. Million)	(Rs. Million)
Impact on profit or loss for the year	(0.2)	0.2
Impact on total equity as at the end of the reporting period	0.2	(0.2)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**(vi) Credit Risk**

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

**(a) Trade receivables management**

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

The reversal/allowance for life time expected credit loss on customer balances for the year ended is disclosed in Note 14.

**(b) Other financial assets**

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

**(vii) Liquidity Risk**

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

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

<b>Particulars</b>	<b>Less than 1 year</b>	<b>Between 1 to 5 years</b>	<b>Over 5 years</b>	<b>Total</b>
<b>As at March 31, 2022</b>				
Trade payables (Refer Note 21)	383.9	-	-	383.9
Other financial liabilities (Refer Note 20, 22 & 23)	283.5	29.4	-	312.9
<b>As at March 31, 2021</b>				
Trade payables (Refer Note 21)	227.8	-	-	227.8
Other financial liabilities (Refer Note 20, 22 & 23)	30.6	49.7	-	80.3

**(viii) Capital management**

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

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

**42 RELATED PARTY DISCLOSURES**

<b>a) Related parties and their relationship</b>	
<b>Nature of relationship</b>	<b>Name of the relationship</b>
Ultimate holding company	Norican Global A/S
Holding Company	DISA Holding AG and DISA Holding A/S
Fellow Subsidiaries	DISA Industries AG DISA Technologies Private Ltd. DISA Industries A/S DISA K.K. DISA (Changzhou) Machinery Ltd. Wheelabrator Czech s.r.o. Wheelabrator Group GmbH Wheelabrator Group Ltd. DISA Industries, Inc. Norican A/S DISA Holding A/S Italpresse Industrie SpA Castalloy Inc, USA Striko Westofen GMBH Castalloy UK Wheelabrator Group (Canada) ULC
Key management personnel	Mr. Anders Wilhjelm Mr.Lokesh Saxena - Managing Director Ms.Deepa Hingorani Mr.Andrew J Matsuyama (from July 12, 2019 to Oct 8, 2020) Ms.Ulla P Tonnesen Ms.Guerin Declan ( From February 11, 2021) Mr.Neil Moseley (Up to February 11, 2021) Mr.Bhagya Chandra Rao (from January 28, 2021) Mr.Amar Nath Mohanty - CFO

b) Details of related party transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022

<b>Name of the related party</b>	<b>Nature of transactions</b>	<b>Amount</b>	<b>Outstanding balance as at March 31, 2022</b>	<b>Outstanding balance as at March 31, 2021</b>
		<b>( Rs. Million)</b>	<b>(Rs. Million)</b>	<b>(Rs. Million)</b>
DISA Industries AG	Royalty expenses	6.9	Cr.2.8	Cr.0.5
		(2.1)		
	Reimbursement of expenses (receivable)	- (0.1)		
DISA Technologies Private Ltd.	Service charges	9.8	Cr.0.3	Cr.3.2
		(12.0)		
	Reimbursement of expenses (Payable)	0.1		
		(0.1)		

DISA Industries A/S	Royalty expenses	8.4	Cr.38.3	Cr.31.7
		(10.1)		
	Import material	200.8		
		(168.2)		
	Service income	3.1		
		(1.6)		
	Export / sale of materials	226.1		
(132.2)				
Reimbursement of expenses (payable)	13.8			
	(0.1)			
Commission received	8.9			
	(5.6)			
DISA K.K.	Export / sale of materials	0.3	Nil	Nil
		(0.2)		
DISA (Changzhou) Machinery Ltd.	Import material	18.6	Cr.3.7	Dr.0.9
		(9.5)		
	Export / sale of materials	2.3		
		(2.1)		
Royalty income	3.0			
	(1.4)			
Wheelabrator Czech s.r.o.	Import material	23.4	Cr.5.2	Cr.2.3
		(13.3)		
	Service fees	2.5		
		(1.6)		
Wheelabrator Group GmbH	Royalty expenses	3.4	Cr.1.0	Cr.0.3
		(1.2)		
	Export / sale of materials	0.4		
		-		
	Service income	-		
(0.3)				
Reimbursement of expenses (receivable)	-			
		(0.1)		
Wheelabrator Group (SAS)	Commission income	0.2	Nil	Nil
		(0.4)		
DISA Industries, Inc.	Export / sale of materials	1.9	Dr.0.1	Dr.0.7
		(1.0)		
Norican A/S	Group Management fee	23.6	Cr.20.1	Cr.14.8
		(16.5)		
	Group IT fee	43.8		
		(49.0)		
Reimbursement of expenses (Payable)	0.9			
	(0.8)			
Castalloy Inc, USA	Export / sale of materials	21.6	Dr. 11.3	Nil
		-		

Castalloy UK	Export / sale of materials	-	Nil	Dr.2.8
		(2.1)		
Italpresse Industrie SpA	Commission income	-	Cr.3.1	Cr.1.9
		(4.5)		
	Purchase of material	10.1		
	(3.3)			
Mr.Lokesh Saxena	Remuneration	15.2	Nil	Nil
		(12.9)		
Ms.Deepa Hingorani	Commission and sitting fees	0.8	Nil	Nil
		(0.8)		
Mr.Sanjay Arte	Commission and sitting fees	-	Nil	Nil
		(0.5)		
Mr.Bhagya Chandra Rao	Commission and sitting fees	0.8	Nil	Nil
		(0.2)		
Mr.Amarnath Mohanty	Remuneration	10.2	Nil	Nil
		(9.2)		

\* Figures in brackets represent previous year numbers

Notes:

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

#### 43 SEGMENT REPORTING

##### Entity - wide disclosures :

##### (i) Revenues from customers :

Particulars	Rs. Million	
	For the year March 31, 2022	For the year March 31, 2021
India	2,065.8	1,683.2
Outside India	494.9	167.4

##### (ii) Non-Current Assets :

Particulars	As at	As at
	March 31, 2022	March 31, 2021
India	423.2	413.0
Outside India	-	-

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

##### (iii) Major customers :

The Group has no customer which accounts for more than 10% of the Group's total revenue for the year ended March 31, 2022 and March 31, 2021

**44 Additional information as required by Schedule III to the Companies Act, 2013**

Name of entity	Share of net assets As at March 31, 2022		Share of Profit or Loss As at March 31, 2022		Share of Other comprehensive income As at March 31, 2022		Share of Total comprehensive income As at March 31, 2022	
	As % of consolidated net assets	Amount (Rs. Million)	As % of consolidated profit or loss	Amount (Rs. Million)	As % of consolidated other comprehensive income	Amount (Rs. Million)	As % of consolidated total comprehensive income	Amount (Rs. Million)
<b>Parent</b>								
DISA India Limited	98.0%	2,018.2	97.0%	374.4	76.9%	1.0	97.0%	375.4
<b>Subsidiary (Indian)</b>								
Bhadra Castalloy Private Limited	2.0%	41.8	3.0%	11.5	23.1%	0.3	3.0%	11.8

**45 DISCLOSURES UNDER THE MSMED ACT, 2006**

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

**Rs. Million**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	122.4	76.7
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amount of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of interest due and payable for the year	-	-
(vii) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note:

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

For and on behalf of the Board of Directors

**Lokesh Saxena**  
Managing Director  
DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

**Bhagya Chandra Rao**  
Director  
DIN:00211127

**G. Prasanna Bairy**  
Company Secretary

Place: Bangalore  
Date : May 25, 2022



**DISA INDIA LIMITED**

CIN: L85110KA1984PLC006116

Registered Office: World Trade Center (WTC), 6th Floor, Unit No. S-604, Brigade Gateway Campus  
26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bengaluru - 560 055

Telephone: +91 80 2249 6700 Email: investor.relations@disagroup.com Web: www.disagroup.com

May 25, 2022

Dear Shareholder,

The Ministry of Corporate Affairs, Government of India ("MCA") has, by its circular dated April 21, 2011 announced a "Green Initiative in the Corporate Governance" by allowing paperless compliance by companies. In terms of the said circular, service of notice/documents by a Company to its shareholders required to be made under the provisions of the Companies Act, 2013 can be made through the electronic mode.

In line with the above initiative of the MCA, the Company proposes to send documents such as the Notice of the Annual General Meeting, Audited financial statements, Board's Report, Independent Auditors' Report, Secretarial Audit Report, Poll Papers etc., henceforth to all its esteemed shareholders, including your good self, in electronic form, through e-mail. To facilitate the same, we request you to furnish our e-mail id, quoting your folio number/DPID/Client ID to our Registrar and share Transfer Agent at the following address:

**Integrated Registry Management Services Private Limited**

No. 30, Ramana Residency,  
4th Cross, Sampige Road,  
Malleswaram, Bengaluru – 560 003.  
Phone : 080-23460815-18, Fax : 080-23460819,  
E-mail : irg@integratedindia.in

We are sure you would appreciate this welcome initiative taken by the MCA to reduce consumption of paper and thereby, protect the environment.

We expect to receive your support and co-operation in helping the Company to contribute its share to the said initiative.

Thanking you  
Yours faithfully  
For DISA India Limited

G. Prasanna Bairy  
Company Secretary

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**DISA INDIA LIMITED**

CIN: L85110KA1984PLC006116

Registered Office: World Trade Center (WTC), 6th Floor, Unit No. S-604, Brigade Gateway Campus  
26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bengaluru - 560 055

Telephone: +91 80 2249 6700 Email: investor.relations@disagroup.com Web: www.disagroup.com

**ECS MANDATE FORM**

Members Holding Shares in Physical Mode

Please inform ;  
Integrated Registry Management Services Private Limited  
No. 30, Ramana Residency,  
4th Cross, Sampige Road, Malleswaram,  
Bengaluru – 560 003.

Members Holding Shares in Demat Form

Please inform : Your DPs directly  
(if not done earlier)

I hereby consent to have the amount of Dividend on my Equity Shares credited through the Electronic Clearing Service (Cash Clearing) (ECS) The particulars are:



1. Folio No. /Certificate No.	
2. Name of the 1st Holder	
3. Name of the Bank	
4. Full Address of the Branch	
5. Account number	
6. Account Type (Please tick the relevant account)	Savings /Current/Cash Credit
7. 9 Digit Code Number of the Bank appearing on the MICR cheque issued by the Bank (Please attach a photocopy of a cheque for verifying the accuracy of the Code Number )	

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I will not hold the Company responsible.

Signature of the 1st Holder

As per the

Specimen signature with the Company

Name:

Address:

Date:

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## DISA INDIA LIMITED- FOOTPRINT



## CORPORATE SOCIAL RESPONSIBILITY INITIATIVE OF DISA INDIA LIMITED

### JAN JOHANSEN DISAMATIC SCHOLARSHIP FOR Y2021

Jan Johansen DISAMATIC Scholarship program started in Y2019 with National Institute of Advanced Manufacturing Technology (NIAMT) formerly known as National Institute of Foundry and Forge Technology (NIFFT), Ranchi as a CSR initiative in the field of education.

DISA India awarded the **Jan Johansen DISAMATIC Scholarship** to selected merit students of NIAMT on 11<sup>th</sup> March 2022 in a virtual certificate distribution ceremony.

The scholarships were awarded by Lokesh Saxena, Managing Director, DISA India Limited, Satyanarayana VN, VP-OEM Sales & Service, Stephys Udayakumar, GM-HR along with Norican India company management team & members of DISA CSR team



# DISA INDIA LIMITED

## Registered Office

6th Floor, S-604, World Trade Center (WTC)  
Brigade Gateway Campus,  
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T: +9180 2249 6700  
F: +9180 2249 6750  
E: bangalore@noricangroup.com  
CIN : L85110KA1984PLC006116

## Manufacturing Facility

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Plot No. 50, KIADB, Industrial Area  
Hosakote. - 562114, Karnataka, INDIA  
T: +91 9686199717 /18  
E: hosakote@noricangroup.com

Tumkur  
No. 28-32, Satyamangala, Industrial Area  
Tumkur - 572104, Karnataka, INDIA  
T: +91 816 2214900/01  
E: tumkur@noricangroup.com

## Regional Sales & Services

New Delhi  
E: delhi@noricangroup.com

Kolkata  
E: kolkata@noricangroup.com

Pune  
E: pune@noricangroup.com

Parts/Service  
E: cdc.india@noricangroup.com

## Subsidiary company:

Bhadra Castalloy Private Limited  
C-15, Industrial Area, Lower Hutha  
Bhadravathi 577301, Karnataka. India  
E: info@bhadracastalloy.com  
T: +9182 82263103  
W: www.castalloygroup.com  
CIN: U27200KA2015PTC084976

## We are Norican

DISA | ItalPressGauss | StrikoWestofen | Wheelabrator  
[www.noricangroup.com](http://www.noricangroup.com)



DISA is a registered trademark of DISA Holding A/S.  
DISAMATIC is a registered trademark of DISA Industries A/S.  
Wheelabrator is the registered trademark of Wheelabrator Technologies (UK) Limited