

Ref: DIL/SEC/2019-20/26

Date: July 16, 2019

The Listing Manager
The Bombay Stock Exchange Limited,
1st floor, Rotunda Building,
B S Marg, Fort,
Mumbai-400 001

Telephone no: +91 22 2272 1233/1234

Fax no: +91 22 2272 1919

BSE Scrip Code: 500068

Name of the Company: Disa India limited

Dear Sir,

SUB: Copy of Annual Report for the year 2018-19

Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of Annual Report for the year ended March 31, 2019.

Kindly take this notice as compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours sincerely,

For Disa India Limited

G Prasanna Bairy

Company Secretary & Compliance Officer

ENCL: As above.

DISA India Limited

Registered office:

5th Floor, Kushal Garden Arcade,
1A Peenya Industrial Area
Peenya 2nd Phase
Bangalore - 560058
Karnataka, INDIA

T: +91 80 4020 1400-04

F: +91 80 2839 1661

E: bangalore@noricangroup.com

www.disagroup.com

www.wheelabratorgroup.com

CIN: L8510KA1984PLC006116

Manufacturing Facility

Tumkur : No. 28-32, Satyamangala
Industrial Area, Tumkur - 572 104
Karnataka, INDIA

T: +91 816 6602000/01

E: tumkur@noricangroup.com

Manufacturing Facility

Hosakote, Plot No. 50, KIADB
Industrial Area, Hosakote - 652 114,
Karnataka, INDIA

T: +91 80 279171310/27971516

E: hosakote@noricangroup.com

Regional Sales & Service Contact:

New Delhi - delhi@noricangroup.com
Kolkata - kolkata@noricangroup.com
Pune - pune@noricangroup.com
Rajkot - rajkot@noricangroup.com
Parts/Service: cdc.india@noricangroup.com

34th Annual Report
2018-19



DISA India Tumkur Manufacturing Plant

We are **Norican**: DISA | Italtipresse Gauss | StrikoWestofen | Wheelabrator

www.noricangroup.com

CSR Activities



CEO of Norican Group, Mr. Anders Wilhelm's visit to one of the CSR sites at Government High School Hasigala, Hosakote along with the Managing Director of DISA India Limited, Mr. Lokesh Saxena and other Senior Management Team.

Managing Director's message



Dear Shareholder,

The growth sectors in India have been clearly defined in: Transportation, Infrastructure and Energy Efficiency. These sectors are undergoing change due to automation, connectivity and digital transformation which create opportunities for all the global companies to contribute to the growth of India. We are fully geared up to participate in the same. We remain committed to India's transformation around these industries by bringing in technologies, local manufacturing and people expertise, locally as well as globally. With more than 100 years of innovation, thanks to our global organisation, we are absolutely prepared to offer customised solutions in the areas of our work.

The automotive industry has been on an upward trajectory in 2018/19 and has demonstrated a strong CAGR over the past 5 years. We see an optimistic view of the industry owing to the low penetration levels in India. Although the industry might witness slight disruptions due to introduction of new BSV₁ standards from April 2020, and the EVs roadmap for India, but on a long-term horizon we are positive about the automotive industry.

DISA India has once again delivered a strong all round performance during the financial year 2018/19. The consolidated revenue from operation and Profit after tax grew by **20.8% to Rs. 2516.7 Million and 71.8% to Rs.286.1 Million** respectively as compared to the previous year 2017-18.

I take this opportunity to thank our valued customers and our stakeholders who have given us the opportunity to serve them and have bestowed great deal of faith and confidence on us. I would make a special mention of all our employees for their tireless effort to achieve the above.

We approach Indian market by providing '**Complete Foundry Solution**' right from Moulding Machine, Sand Plant, Conveying and Cooling systems coupled with Surface Finishing and Dust Extraction systems. DISA has led the market successfully with this unique approach over many years. Majority of our offerings in Indian market are met through locally produced products, in two world class facilities near Bengaluru. Our customer centric approach has made us move in the following two key initiatives for the Indian market: **Reliability Services for Foundries and Distribution Model for Aftermarket.**

The highlight of our offerings for the year include '**Reliability Services**' integration for foundries, wherein we have partnered with customers to increase the overall output from the existing installations, thus improving on overall efficiency and reduced cost of operations. This unique initiative in the industry is gaining momentum, and we are getting request from more customers for a similar integration. DISA is gearing up to meet these requirements in this year and for the future as well.

We have now ventured into '**Distribution Model**' to better service the spare parts need for our customers. We have started the first **Norican Distributor** at Coimbatore in Southern India. What it means to the customers is the availability of spare parts closer to their plants. This would help us to serve them in fastest possible time, with flexibility depending on the requirements. Our close working along with our customers and distributors shall also help in better planning for the repair and maintenance requirements for the installed machines and reduce the unplanned downtime to a minimum possible level.

This year we have also started the Aluminium offerings through group's newly acquired companies in Europe. These companies: Italtipresse & Gauss and Stikowestofen provide complete Aluminium Foundry Solution through Die Casting Machines, Melting and Dosing Furnaces and Automation Solutions. Aluminium offerings, we assume is going to be our key area of work going forward.

No industry is untouched with the digitization initiatives and we are no exception to it. Norican is bringing in technologies to remote diagnose key information from our machines and provide meaningful actionable information for the maintenance teams in the customer plants.

Being a company with innovation credentials, our support to the Indian market is through a strong R&D set up based at Bengaluru. This set up works closely with global product centre's Sales and Manufacturing to determine and deliver customised solutions for intricate customer requirements, both in automotive and industrial space.

We are in an interesting phase as a company and we would bring in innovative solutions further to the Indian market, to meet the changing needs of our customers, not only for India but also for the Global Casting Industry.

On behalf of the company, I thank you for your undeterred support. We remain committed as always to enhance the shareholders value and to connect with you all in future.

Best Wishes,

Lokesh Saxena,

Managing Director,

DISA India Limited

Board of Directors

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

Chief Financial Officer

Mr. Amar Nath Mohanty

Company Secretary

Mr. G. Prasanna Bairy

Bankers

Kotak Mahindra Bank Ltd.
HDFC Bank Ltd.

Registrars

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

Registered Office

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

Stock Exchange

BSE Ltd.
Mumbai

Auditors

Deloitte Haskins & Sells
Bengaluru

Solicitors

Chander Kumar & Associates
Bengaluru

Internal Auditors

M.K. Dandekar & Co.
Chennai

Secretarial Auditor

Mr. Vijayakrishna KT
Bengaluru

NOTICE

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of DISA India Limited will be held at Hotel Taj, Yeshwanthpur, Bengaluru - 560 022 at 11.00 Hours on Thursday, the 8th day of August, 2019 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, 2019, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare a Dividend of Rs. 2.5/- per Equity Share of Rs. 10/- each (25%) for the financial year ended March 31, 2019.

SPECIAL BUSINESS:

3. Ratification of remuneration of Cost Auditors:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof], 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, 2019 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."

4. Re-appointment of Ms. Deepa Agar Hingorani (DIN:00206310) as Independent Director of the Company:

To consider and if thought fit, to pass, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149,150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per recommendation of the Nomination and Remuneration Committee and the Board, Ms. Deepa Agar Hingorani (DIN: 00206310), whose tenure as Independent Director expires on February 11, 2020 and who has submitted a declaration that she meets the criteria of Independence as provided in Section 149(6) of the Act, and is eligible for re-appointment, be and is hereby re-appointed at the existing remuneration as an Independent Director of the

Company to hold office for a second term of five consecutive years from February 12, 2020 up to and including February 11, 2025 and her office shall not be liable for retirement by rotation".

5. Re-appointment of Mr. Sanjay Narendrakumar Arte (DIN: 01000716) as Independent Director of the Company:

To consider and if thought fit, to pass, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149,150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per recommendation of the Nomination and Remuneration Committee and the Board, Mr. Sanjay Narendrakumar Arte (DIN: 01000716), whose tenure as Independent Director expires on February 11, 2020 and who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act, and is eligible for re-appointment, be and is hereby re-appointed at the existing remuneration as an Independent Director of the Company to hold office for a second term of five consecutive years from February 12, 2020 up to and including February 11, 2025 and his office shall not be liable for retirement by rotation".

6. Appointment of Mr. Anders Wilhelm (DIN: 08507772) as a Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Section 160 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof], Mr. Anders Wilhelm (DIN: 08507772), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on July 12, 2019 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and whose office shall be liable to determination by retirement by rotation."

7. Appointment of Mr. Andrew James Matsuyama (DIN: 08507925) as a Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Section 160 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies

(Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof], Mr. Andrew James Matsuyama (DIN: 08507925), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on July 12, 2019 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and whose office shall be liable to determination by retirement by rotation."

8. Appointment of Ms. Ulla Hartvig Plathe Tonnesen (DIN: 08507796) as a Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Section 160 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof], Ms. Ulla Hartvig Plathe Tonnesen (DIN-08507796), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on July 12, 2019 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and whose office shall be liable to determination by retirement by rotation."

By Order of the Board of Directors
For DISA India Limited
G Prasanna Baiyya
Company Secretary

Date: July 12, 2019

Membership No.: ACS 35584

Place: Bengaluru

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and such proxy need not be a member. Proxies, in order to be effective, must be received by the Company not less than forty-eight (48) hours before the meeting.

A person can act as proxy for not more than fifty members and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. If a person holding more than 10% of the total share capital of the Company is proposed to be appointed as a proxy for a member, such person shall not

act as proxy for any other person or shareholder.

2. The Register of Members and the Share Transfer books of the Company will remain closed from August 1, 2019 to August 8, 2019 (both days inclusive).
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the Meeting, is annexed hereto.
4. The Shares of the Company are now traded compulsorily in dematerialized form as per the directions of the Stock Exchange. Accordingly, members who have not opted for dematerialization of shares are once again reminded to take steps to dematerialize their holdings. Further, the members may note that as per SEBI (LODR) (Fourth Amendment) Regulations, 2018, with effect from April 1, 2019, except in case of transmission or transposition of securities, no transfer of securities shall be processed unless the securities are held in the dematerialized form.
5. Members are requested to communicate the changes, if any, in their addresses to the Company's Registrar and Share Transfer Agents, Integrated Registry Management Services Private Limited, 30, Ramana Residency, IV Cross, Sampige Road, Malleswaram, Bengaluru-560 003.
6. Subject to the provisions of Section 123 of the Companies Act, 2013, Dividend as recommended by the Board of Directors, if declared, at the Annual General Meeting, will be disbursed on or before September 7, 2019 to those members whose name appear on the Register of Members as on July 31, 2019 and to the Beneficial Owners of Shares as on August 8, 2019 as per the details furnished by the depositories for this purpose.
7. As per Section 124 of the Companies Act, 2013, the amount of Dividend remaining unpaid or unclaimed within 30 days from the date of declaration shall be transferred to 'unpaid dividend account' of the Company. Amount transferred to 'unpaid dividend account', which remains unpaid or unclaimed for a period of seven years from the date of transfer, is required to be transferred to the Investor Education and Protection Fund of the Central Government. Similarly, all the Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the Investor Education and Protection Fund.
8. In view of the above, members who have not so far encashed the Dividend warrant(s) for any of the dividends declared earlier, are requested to make their claims to the Company immediately. Please note that in respect of unclaimed dividend amount and the shares transferred to IEPF, Shareholders may claim the dividend and corresponding shares transferred to IEPF including all benefits accruing on such shares, if any, from IEPF authorities after following the procedure prescribed in the Rules.

9. Shareholders are requested to utilize ECS facility to enable direct transfer of dividends to their bank accounts.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form may submit their PAN details to the Company's Registrar and Share Transfer Agents or the Company.

11. Annual Report for the financial year 2018-19 along with Notice of the 34th Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form will be sent through electronic mode to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same.

Physical copy of the Annual Report along with the aforesaid documents will be sent by the permitted mode to those members whose email IDs are not registered with the Company/Depository Participants.

Members may also 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>.

The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Bengaluru for inspection during normal business hours (10.00 am to 12.00 noon) on all working days (except Saturdays) up to the date of the Annual General Meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form free of cost, upon making a request for the same. For any communication, the shareholders may also send requests to the Company's investor relations email ID: investor.relations@noricangroup.com.

Members seeking clarifications on the Annual Report are requested to send in return queries to the Company at least one week before the date of the Meeting. This would enable the Company to compile the information and provide replies at the meeting.

12. Voting Through Electronic Means:

In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 34th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The instructions for Shareholders voting electronically are as under:

- (i) The voting period begins on August 5, 2019 (9.00 AM IST) and ends on August 7, 2019 (5.00 PM IST). During this period, Shareholders of the Company, holding Shares either in physical form or in dematerialized form, as on the cut-off date (record date) of July 31, 2019 may cast their votes electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the e-Voting website www.evotingindia.com.
- (iii) Click on Shareholders/Members.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding Shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user, follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical share holders).
	- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. - In case the sequence number is less than 8 digits, enter the applicable number of o's before the number after the first two characters of the name in CAPITAL letters. E.g., If your name is Ramesh Kumar with sequence number 1 then enter RAooooooo1 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	- Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. - If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding Shares in physical form will then directly reach the Company selection screen. However, members holding Shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login and password in the new password field. Kindly note that this password is to be also used by the demat account holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding Shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (xi) Click on the EVSN relevant to 'DISA India Limited' on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES/NO" is available for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution, if you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password, then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual Shareholders (i.e. other than

Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xx) In case you have any queries or issues regarding e voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

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 July 31, 2019.
- (ii) The Board of Directors has appointed Mr. Vijayakrishna K T, Practising Company Secretary, (Membership No. FCS 1788) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. Mr. Vijayakrishna K T has conveyed to the Company his willingness to act as such.
- (iii) The Scrutinizer shall within 48 hours of the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman or designated Director or KMP of the Company.
- (iv) The Results shall be declared within 48 hours of the conclusion of the AGM. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website at <https://www.disagroup.com/en-in/investor-relations/downloads> and on the website of CDSL e-Voting within 48 hours of passing of the Resolutions at the AGM of the Company and communicated to the Stock Exchange, where the Equity Shares of the Company are listed.
- (v) Further, members may note the following:

- a. Remote e-voting shall not be allowed beyond the said date and time.
- b. The Company is providing facility to vote on a poll to the members present at the meeting.
- c. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- d. A person whose name is recorded in the register of beneficial owners maintained by the depositories as

on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting in the General Meeting.

- e. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal hours (10.00 am to 12.00 noon) on all working days (except Saturdays), up to and including the date of the Annual General Meeting of the Company.

By Order of the Board of Directors
For DISA India Limited

Company Secretary
G Prasanna Bairy
Membership No.: ACS 35584

Date: July 12, 2019
Place: Bengaluru

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

Item No. 3 – Ratification of remuneration payable to the Cost Auditors.

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

Based on the recommendation of the Audit Committee, the Board of Directors at its Meeting held on May 24, 2018, had re-appointed Messrs. Rao, Murthy & Associates as Cost Auditors, for conducting the Cost Audit for the financial year 2018-19 on a remuneration of Rs. 1,65,000/- (Rupees One Lakh Sixty-Five Thousand only) plus applicable taxes and reimbursement of out of pocket expenses at actuals.

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

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

Item No. 4– Re-appointment of Ms. Deepa Agar Hingorani (DIN: 00206310) as Independent Director of the Company.

Ms. Deepa Agar Hingorani is an Independent Director of the Company and her first term as Independent Director will expire on February 11, 2020 as given below.

Name	DIN	Appointment Date	Expiry Date
Ms. Deepa Agar Hingorani	00206310	12-02-2015	11-02-2020

Ms. Hingorani has a master's degree in finance & MBA from SIMI and she has over 21 years of rich experience in Finance & Business Management and she has significantly contributed in functioning of the Audit Committee & Other Committees of the Board.

Ms. Deepa Hingorani is the Chairperson of Audit Committee and a Member of Nomination & Remuneration Committee and CSR Committee. She does not hold any shares in the Company and is not related to any other Directors of the Company.

Details of her directorships in other companies and other membership/ chairmanship of committees (i.e., Audit Committee/ Stakeholders' Relationship Committee) are given below:

Directorships in other Companies:

Name of the Company
Orana India Private Limited
Asia Power (Pvt) Ltd., Sri Lanka
Fertin Pharma, India
Roserve Enviro Pvt Ltd.
Alliance for Microfinance Myanmar, Myanmar
Lotus Life Foundation Ltd., Singapore

However, Ms. Deepa Hingorani is not a member of Audit Committee or Stakeholders' Relationship Committee in any of the above companies.

In terms of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014, Ms. Deepa Hingorani being eligible and offers herself for re-appointment as an Independent Director of the Company, for a second term of five consecutive years from February 12, 2020 to February 11, 2025.

Ms. Deepa Hingorani has furnished a declaration confirming that she satisfies the criteria of independence as required under Section 149(6) of the Companies Act, 2013 and the Board noted the same. The Nomination and Remuneration Committee and the Board at their respective meetings held on May 23, 2019, have recommended the re-appointment of Ms. Deepa Hingorani as Independent Director of the Company for the second term of five years from February 12, 2020 up to February 11, 2025. The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Deepa Hingorani as an Independent Director. Accordingly, Board recommends the re-appointment of Ms. Deepa Hingorani as Independent Director for a second term at the existing remuneration. As per explanation to Section 152(6), office of Independent Directors shall not be liable for retirement by rotation.

Ms. Deepa Hingorani, being an appointee, is concerned or interested in the Resolution set out at item no. 5 of the Notice. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said Resolution.

Item No. 5 – Re-appointment of Mr. Sanjay Narendrakumar Arte (DIN: 01000716) as Independent Director of the Company.

Mr. Sanjay Arte is an Independent Director of the Company. Details of his first term as Independent Director is as under:

Name	DIN	Appointment Date	Expiry Date
Mr. Sanjay Narendrakumar Arte	01000716	12-02-2015	11-02-2020

Mr. Sanjay Arte is a B. Tech graduate from IIT, Kanpur with Masters in Management Studies and he has 30 years of rich experience in industrial/business management. He has significantly contributed in functioning of the various Committees of the Board.

Mr. Sanjay Arte is the Chairman of Nomination & Remuneration Committee and a member of Audit Committee and Stakeholders' Relationship Committee. He does not hold any shares in the Company and is not related to any other Directors of the Company.

Details of his directorships in other companies and other membership/ chairmanship of committees (i.e., Audit Committee/ Stakeholders' Relationship Committee) are given below:

Directorships in Other Companies:

Name of the Company
Seedworks International Private Limited

Mr. Sanjay Arte is not a member of Audit Committee or Stakeholders' Relationship Committee in any other companies.

In terms of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Sanjay Arte being eligible and offers himself for re-appointment as an Independent Director of the Company, for a second term of five consecutive years from February 12, 2020 to February 11, 2025.

Mr. Sanjay Arte has furnished a declaration confirming that he satisfies the criteria of independence as required under Section 149(6) of the Companies Act, 2013 and the Board noted the same. The Nomination and Remuneration Committee and the Board at their respective meetings held on

May 23, 2019, have recommended the re-appointment of Mr. Sanjay Arte as Independent Director of the Company for the second term of five years from February 12, 2020 up to February 11, 2025. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Sanjay Arte as an Independent Director. Accordingly, Board recommends the re-appointment of Mr. Sanjay Arte as Independent Director for a second term at the existing remuneration. As per explanation to Section 152(6), office of Independent Directors shall not be liable for retirement by rotation.

Mr. Sanjay Arte, being an appointee, is concerned or interested in the Resolution set out at item no. 6 of the Notice. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said Resolution.

Item No. 6 – Appointment of Mr. Anders Wilhelm (DIN: 08507772) as a Director of the Company:

Mr. Anders Wilhelm has been appointed as an Additional Director of the Company by the Nomination & Remuneration Committee and The Board in their meetings held on July 12, 2019 and it is proposed to appoint him as a Director of the Company.

Name: Mr. Anders Wilhelm (DIN: 08507772)

Age: 53 years

Qualification: Master Business administration, Massachusetts Institute of Technology, USA

Expertise: Mr Anders Wilhelm is the President & CEO of Norican Group and has extensive work experience in senior management level positions of many multinational companies in the fields of Management, Manufacturing, Marketing and Process Engineering etc.

Directorships in other Companies:

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

Committee Memberships:

DISA India Limited:

Name of the Committee	Position
Nomination & Remuneration Committee	Member*

*w.e.f July 12, 2019

Shareholding: NIL

Mr. Anders Wilhjelm, being an appointee is concerned or interested in the resolution set out at item no. 6 of the Notice. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said resolution.

Your Board is of the opinion that Company would be immensely benefited from the experience of Mr. Anders Wilhjelm and recommends the proposed Ordinary Resolution for approval by the Shareholders.

Item No. 7 – Appointment of Mr. Andrew J Matsuyama (DIN: 08507925) as a Director of the Company:

Mr. Andrew J Matsuyama has been appointed as an Additional Director of the Company by the Nomination & Remuneration Committee and The Board in their meetings held on July 12, 2019 and it is proposed to appoint him as a Director of the Company.

Name: Mr. Andrew J Matsuyama (DIN: 08507925)**Age:** 46 years**Qualification:** Bachelor's Degree from Colorado State University, USA

Expertise: Mr. Matsuyama holds a bachelor's degree from Colorado State University, USA. A member of the Board of Directors, Mr. Andrew J. Matsuyama has served as the Chief Financial Officer for Norican Global A/S and its predecessor business since 2006, having joined the group in 2003. Prior to joining Wheelabrator Group, Mr. Matsuyama was a part of the management team of various multinational Consulting Companies and served in a variety of Assurance, business advisory and consulting roles. Mr Matsuyama has 24 years of work experience in the field.

Directorship in Other Companies:

Name of the Company	Position
Norican Global A/S	Director
Norican A/S	Member of Mgt Bd
Norican Holding ApS	Member of Mgt Bd

Norican Group ApS	Member of Mgt Bd
WGH Holding Corp	Director
WGH UK Holdings Ltd	Director
WGH UK Ltd	Director
Wheelabrator Technologies (UK) Ltd	Director
Wheelabrator Group Ltd	Director
Castalloy Europe, Inc.	Director
Wheelabrator Group, Inc.	Director
Castalloy, Inc.	Director
Bob Schmidt, Inc.	Director
Schmidt Manufacturing, Inc.	Director
DISA Industries, Inc.	Director
DISA (Changzhou) Machinery Ltd	Director

Name of the Committee	Position
Audit Committee	Member*

* w.e.f. July 12, 2019

Shareholding: NIL

Mr. Andrew James Matsuyama, being an appointee is concerned or interested in the resolution set out at item no. 7 of the Notice. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said resolution.

Your Board is of the opinion that Company would be immensely benefited from the experience of Mr. Andrew James Matsuyama and recommends the proposed Ordinary Resolution for approval by the Shareholders.

Item No. 8 – Appointment of Ms. Ulla Hartvig Plathe Tonnesen (DIN: 08507796) as a Director of the Company:

Ms. Ulla Hartvig Plathe Tonnesen has been appointed as an Additional Director of the company by nomination & remuneration committee and the board in their meetings held on July 12, 2019 and it is proposed to appoint her as a Director of the company.

Name: Ms. Ulla Hartvig Plathe Tonnesen (DIN: 08507796)**Age:** 49 years**Qualification:** MSc in Economics & Business Administration, Copenhagen Business school.

Expertise: Ms Ulla Hartvig Plathe Tonnesen is the Senior Vice President of DISA Industries AS of Norican Group and has more than 20 years of work experience in the Group in the fields of Marketing, Manufacturing and Supply Chain, in senior management roles. She has extensive experience in the Moulding & Foundry segment of the industry. Ms Ulla Tonesen has immensely contributed to the Norican group Foundry business.

Committee Memberships:

DISA India Limited:

Name of the Committee	Position
Stake Holders' Relationship Committee	Member*
Corporate Social Responsibility Committee	Member*

*w.e.f. July 12, 2019

Shareholding: NIL

Ms. Ulla Hartvig Plathe Tonnesen, being an appointee is concerned or interested in the resolution set out at item no. 8

of the Notice. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said resolution.

Your Board is of the opinion that Company would be immensely benefited from the experience of Ms. Ulla Hartvig Plathe Tonnesen and recommends the proposed Ordinary Resolution for approval by the Shareholders.

By Order of the Board of Directors
For DISA India Limited

G Prasanna Bairy
Company Secretary
Membership No.: ACS 35584

Date: July 12, 2019
Place: Bengaluru

BOARD'S REPORT

The Board of Directors has pleasure in presenting the 34th Annual Report and Audited Financial Statements for the financial year ended 31st March 2019 together with the Independent Auditors' Report.

FINANCIAL RESULTS

Your company achieved for the second time in a row an all-time high Revenue from Operations of Rs. 2,419.2 Million during the financial year 2018-19 with a growth of 23.5% over previous year. Profit after tax for the year also improved significantly by 71.1% to Rs. 277.8 Million. Summarized financial results for the year are given below.

Description	2018-19	2017-18
Revenue from Operations(net)	2,419.2	1,958.6
Profit before depreciation, tax & finance cost	419.5	273.4
Less: Depreciation	21.0	19.1
Less: Finance Cost	4.0	1.3
Less: Tax Expenses (net of deferred tax)	116.7	90.7
Profit after Tax	277.8	162.8
Add: Other Comprehensive income	1.0	1.1
Total Comprehensive income for the year, net of tax	278.8	163.9
Add: Balance in Profit & Loss account brought forward from previous year	1,069.0	910.0
Profit Available for Appropriation	1,347.8	1,073.4
Appropriations:		
Final Dividend (proposed) including tax thereon	4.4	4.4
Balance in Profit & Loss Account	1,343.4	1,069.0
Earnings Per Share (Rs)	191.03	111.95
Market price per share as at March 31 (Rs)	6,220.0	6,000.2

The Company and its subsidiary have adopted Indian Accounting Standards (Ind AS) with effect from April 01, 2017 pursuant to the notification of the Companies (Indian Accounting Standard), Rules 2015 issued by the Ministry of Corporate Affairs and the financial results are Ind AS compliant.

PERFORMANCE OF THE COMPANY

Overall performance of your Company for the financial year 2018-19 improved significantly with 23.5% growth in revenue from operations and 71.1% growth in profit after tax as compared to the previous financial year 2017-18. The growth is driven by an all-time high and consistent orders inflow during the financial year, cost reduction initiatives undertaken in bringing down the manufacturing and other costs, maintaining head count and adoption of various Lean initiatives for improvement in productivity. Your Company has been able to

maintain its market share in all its major product lines and expect the trend to continue going ahead.

CHANGE IN THE NATURE OF BUSINESS

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

DIVIDEND

Considering the dividend history of the Company and keeping in view the future outlook, your Board of Directors recommend a final Dividend of Rs. 2.50/- (i.e., 25%) per Equity Share of Rs.10/- each, for the year amounting to Rs. 4.4 Million including dividend distribution tax.

RESERVE

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

SHARE CAPITAL

The Authorized Equity Share Capital of your Company is Rs. 50 Million. The Issued, Subscribed and Paid-up Equity Share Capital of your Company as on 31st March 2019 stood at Rs.14.54 Million.

During the year under review, the Company has not issued any shares with differential voting rights nor granted Stock Options or Sweat Equity. The Company has also not bought back any of its shares during the year under review. As on March 31, 2019, none of the Directors hold shares or convertible instruments of the Company.

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

The Indian economy is in a growing phase, and your Company has witnessed positive developments over the first three quarters in the year 2018-19 with some slowdown in the economic and industrial activities in the last quarter of the year due to general election. The GDP growth is forecasted to below 7% in next two quarters. The slowdown is expected to be temporary and the outlook for second half of the financial year 2019-20 provides positive expectations. The manufacturing PMI is expected to be above 53 and the inflation is expected to go beyond 4%.

INDUSTRY OUTLOOK AND OPPORTUNITIES

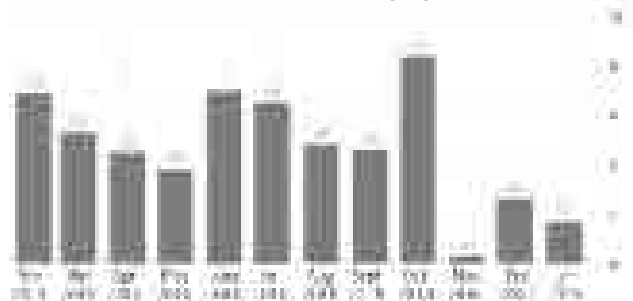
IIP & PMI have historically been good indicators for business sentiments in Capital Goods Order Intake.

The trends reported in recent quarters in Automotive industry shows a slowdown. It is expected to witness some signs of improvement post elections in all sectors of the economy. The investments planned due to the regulatory changes for stricter emission by world major automotive companies is expected to boost the industry. As your Company enters the year 2019-20, it is temporarily witnessing lower utilization of foundries, coupled with a cautious capital investment program. The customer demand has tapered down and will take some time to get to recovery path. The automotive industry is gearing up to

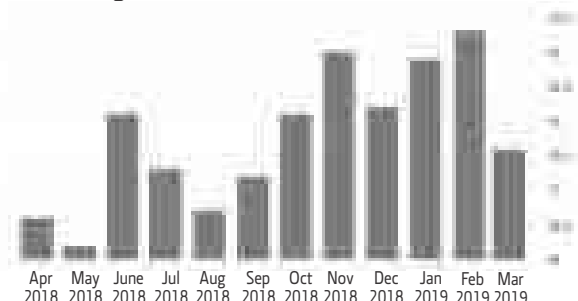
implement Euro V1 (BSVI) from 1st April 2020, which will impact introductions on new models and optimization of inventories during this financial year. The India automotive market is poised to grow in longer term, with the investments from global and

India players in all the automotive segments of Passenger vehicle, Commercial vehicles, Tractors and Two wheelers and the government's push on infrastructure and consumption.

• The Index of Industrial Production (IIP):



• Manufacturing PMI :



MARKET DEVELOPMENT

Your Company has been leading the industry over last decades and is actively involved to bring in new technologies and products to the Indian market. These technologies are integrated well in the two world class manufacturing facilities near Bengaluru. Your Company has been meeting most of the customers' needs through products manufactured in India. The Company's approach to the Indian market is supported through innovation, speed and aftersales service for spares and equipment, which are the three most important parts of our overall offerings. This is strengthened year over year through a continuous improvement process on knowledge and manufacturing areas.

- With the integration of Aluminium offerings from the Group, the Company has started to offer the Indian customers on Aluminium foundries as well. These offerings are Aluminium Die Casting Machines from Italtipresse and Melting and Dosing furnace from Strokovestofen. These two offerings have strengthened the offer from the Group to the Indian market, and now the Company can provide solutions on both Ferrous and Aluminium foundries.
- With the global knowhow and the local knowledge on High Pressure Molding machines, your Company has a COMPLETE FOUNDRY OFFER for the Indian market. Your Company has the capability to provide end to end solution for both green field and brown field foundries.
- Your Company has taken an initiative to provide higher level services to meet the need for spares parts across the country by introduction of Distribution channels. The Company has introduced distributors to service the aftermarket requirements. This will help the Company to service the needs of customers faster than before. Your Company intends to expand this initiative in the FY 2019/20.
- Your Company's unique initiative on "Parts Partnership Program" with customers has been strengthened further with new customers in the program during the year. This is a simple way to understand the customer requirements well in advance and plan for availability at the right time.
- Your Company's Services team works closely with maintenance team of the Company's customers to improve the overall reliability of the operation, by addressing repetitive issues on unplanned downtime through a root cause analysis program. The Company shall enhance this program with new customers on board in 2019/20.

KEY RATIOS

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

The Company has identified the following ratios as Key financial ratios

Particulars	Standalone			Consolidated		
	2018-19	2017-18	Change%	2018-19	2017-18	Change%
Operating Profit Margin (EBITA) %	13.6%	10.2%	33%	13.6%	10.1%	35%
Net Profit Margin %	11.5%	8.2%	40%	11.4%	8.0%	43%
Debtor Turnover Ratio %	7.8%	6.2%	26%	8.3%	6.9%	21%
Inventory Turnover Ratio %	26.6%	23.3%	14%	25.9%	22.7%	14%
Earnings Per Share (Rs)	191.03	111.95	71%	196.74	114.84	71%

During the year, there have been significant changes in the following key ratios.

Improvement in Operating Profit margin for the year 2018-19 is attributable to various cost control measures taken by the Company and improvement in overall productivity. Reduction of corporate income tax rate from 30% to 25% contributed to the improvement in net profit margin. Debtors turnover ratio as at the end of the year was impacted due to certain debtors which were realized subsequent to the yearend, backed up by letter of credit.

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

Particulars	Standalone			Consolidated		
	2018-19	2017-18	Change %	2018-19	2017-18	Change %
Return on Net Worth %	20.4%	15.0%	36%	20.8%	15.3%	36%

Return on net worth is computed as net profit divided by year end net worth. Growth in Net profit has resulted in increase in return on Net worth.

CORPORATE SOCIAL RESPONSIBILITY

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

"NORICAN Scholarship" program has made scholarship available to students in eight educational institutions in the plant neighborhood of Tumkur and Hosakote in Bengaluru. During the financial year, scholarships were provided to 183 needy students. In addition, your Company also invested in infrastructure development for the schools to provide drinking water, teaching aids and school sanitation. Your Company has also extended scholarships to 51 meritorious Engineering students through an NGO 'Foundation for Excellence India Trust'.

The Company has initiated a new initiative to partner with the National Institute of Foundry and Forge Technology (NIFFT) Ranchi to provide scholarship to 5 top meritorious students every year to create Industry Academia interface to create future foundry men. This scholarship would be named as "Jan Johansen DISAMATIC Scholarship" in the memory of Company's late Director Mr. Jan Johansen who steered the Company to be technology self-sufficient in India.

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

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

RISK MANAGEMENT

Your Company has formulated a Risk Management Policy and a mechanism to apprise the Board about risk assessment and

mitigation procedure. It also undertakes periodical review to ensure that Executive Management Controls risks by means of properly designed risk management framework.

All the insurable assets of the Company have been adequately insured and all the insurable risks have been insured.

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

DIRECTORS AND KMP

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

Mr. Andrew Thomas Carmichael has resigned from the office of Chairman and of Director with effect from July 12, 2019. Similarly, Mr. Viraj Naidu has resigned from the office of Director.

Mr. Anders Wilhjelm, Mr. Andrew James Matsuyama and Ms. Ulla Hartvig Palthe Tonnesen were appointed as Additional Directors with effect from July 12, 2019. Their term as Additional Directors expires in this AGM and it is proposed to appoint them as Directors.

The first term of all the three Independent Directors of the Company will expire in February 2020/March 2020. The Directors are eligible for reappointment for a second term. Ms. Deepa Agar Hingorani and Mr. Sanjay Narendrakumar Arte, Independent Directors have given their consent to act as Independent Directors for the second term. Accordingly, their re-appointment has been approved by the NRC and the Board at their respective meetings held on May 23, 2019 subject to final

approval by the Shareholders in this Annual General Meeting. However, Mr. Shyamal Kumar Sinha, Independent Director did not seek his re-appointment for the second term starting from March 23, 2020 owing to his personal reasons.

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 KMP is available on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies/>.

INDEPENDENT DIRECTORS

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

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

MEETINGS OF THE BOARD OF DIRECTORS

During the financial year, four (4) Meetings of the Board of Directors were held, as required under the Companies Act, 2013 and the Listing Regulations. The details of the Meetings are furnished in the Corporate Governance Report.

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. The 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 during the year reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations. The Nomination and Remuneration Committee has reviewed the performance of the Independent Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that year;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (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.
- (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.

DEPOSITS

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

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

The performance of Subsidiary during the financial year 2018-19, being the third year of operation has been quite satisfactory. The audited financial results of the Wholly Owned Subsidiary for the financial year ended March 31, 2019 are consolidated with the financial results of Company for the financial year. The Net Sales and the Profit after tax of the Subsidiary Company were Rs.113.0 Million and Rs.8.0 Million respectively.

Consolidated net Revenue from Operations of the Company crossed Rs. 2,500 Million during the year.

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

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

RELATED PARTY TRANSACTIONS

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

All the related party transactions were placed before the Audit Committee as well as the Board for approval. Prior omnibus approval of the Audit Committee was obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their noting/approval on quarterly basis. The details of all related party transactions are disclosed in the Sl. No.39 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. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company. The 'Related Party Transaction Policy' is available on website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies>.

GROUP COMPANIES

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

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

32	DISA India Ltd.	India
33	DISA Technologies Private Ltd.	India
34	Gauss Automazione S.p.A.	Italy
35	Italtipresse France S.a.r.l.	Italy
36	Italtipresse Industrie S.p.A.	Italy
37	Walter Trowal Sa.r.l.	Italy
38	DISA K.K.	Japan
39	IP Mexico Die Casting S.A. de C.V.	Mexico
40	StrikoWestofen de Mexico, S.A. de C.V.	Mexico
41	WG Plus de Mexico S de RL de CV	Mexico
42	WG Plus Servicios S de R. l de CV	Mexico
43	SWO Polska Sp. Z.o.o.	Poland
44	Wheelabrator Schlick Sp. Z.o.o.	Poland
45	Wheelabrator Group SLU	Spain
46	DISA Holding AG	Switzerland
47	DISA Industrie AG	Switzerland
48	Striko UK Ltd.	United Kingdom
49	WGH UK Holdings Limited	United Kingdom
50	WGH UK Ltd.	United Kingdom
51	Wheelabrator Group Ltd.	United Kingdom
52	Wheelabrator Technologies (UK) Ltd.	United Kingdom
53	Bob Schmidt, Inc.	United States
54	Castalloy, Inc.	United States
55	DISA Holding LLC	United States
56	DISA Industries, Inc.	United States
57	Italtipresse of America, Inc.	United States
58	Schmidt Manufacturing, Inc.	United States
59	StrikoWestofen Dynarad Furnace Corp.	United States
60	WG Global LLC	United States
61	Wheelabrator (Delaware) LLC	United States
62	Wheelabrator Group, Inc.	United States
63	Abrasive Developments Ltd.	United Kingdom
64	Impact Finishers Ltd.	United Kingdom
65	Matrasur Composites SAS	France
66	Spencer & Halstead	United Kingdom
67	Surface Preparation (Gibraltar) Ltd.	Gibraltar
68	Vacu-Blast International	United Kingdom

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

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

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

Your Company has made an investment of Rs.44 Million in the Equity Share Capital of its Wholly Owned Subsidiary Company, Bhadra Castalloy Private Limited. It has extended interest-bearing intercompany demand loan of Rs 26 Million for 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 limits prescribed under the provisions of Section 186 of the Companies Act, 2013.

STATUTORY AUDITORS

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

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

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost records maintained by the Company in respect of its activity are required to be audited. Your Directors have, in their Meeting held on May 24, 2018 based on the recommendation of the Audit Committee, appointed Messrs Rao, Murthy & Associates, Bengaluru as Cost Auditors of the Company for the financial year ended 31st March 2019.

SECRETARIAL AUDITOR

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

EXPLANATION BY BOARD ON ADVERSE COMMENTS BY AUDITORS

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

CORPORATE GOVERNANCE

As required under the Listing Regulations, certificates from Mr. Vijayakrishna KT, Practising Company Secretary, regarding compliance with conditions of Corporate Governance as well as a confirmation [as required by Schedule V Part C (10)(i)] that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority are annexed as **Annexure C**.

As required under SEBI(LODR) Regulations, 2015, a report on Corporate Governance and a Certificate from Mr. Vijayakrishna K T, Practising Company Secretary, regarding compliance of conditions of Corporate Governance are annexed as **Annexure – C and Annexure – D**.

As required by SEBI (LODR)(Amendment) Regulations, 2018, 'Annual Secretarial Compliance Report' issued by Mr. Vijayakrishna KT, Practising Company Secretary has been filed with BSE on May 29, 2019.

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 of systems, procedures and management practices.

INDUSTRIAL RELATIONS

Industrial relations have been cordial and constructive, which have helped your Company to achieve production targets. The Company's three year long term agreement with the workmen union expired on September 30, 2018. After several rounds of cordial negotiation, the next three year long term agreement is in the process of finalization which will be effective from October 01, 2018 to September 30, 2021.

RESEARCH AND DEVELOPMENT, CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**CONSERVATION OF ENERGY**

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

RESEARCH AND DEVELOPMENT, TECHNOLOGY, ABSORPTION, ADAPTATION AND INNOVATION

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.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company earned Rs 128.9 Million of foreign exchange and expended Rs 412.3 Million foreign exchange during the financial year under review.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, a copy of the annual return is provided as **Annexure E** to this Report.

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.

DISCLOSURE RELATING TO REMUNERATION OF EMPLOYEES

The particulars of employees as required by Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in '**Annexure – F**' forming part of this Report.

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

Name of the employee	Designation	Remuneration (in Rs. Million)
Mr. Lokesh Saxena	Managing Director	10.78

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 forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for 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 2018-19:

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
Sanjay Arte
Chairman
DIN:01000716

Date: July 12, 2019
Place: Bengaluru

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/zen-in/investor-relations/policies>.

I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them, for the Financial Year ended March 31, 2019.

For DISA India Limited
Lokesh Saxena
Managing Director
DIN:07823712

Date: May 23, 2019
Place: Bengaluru

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, 2019

(Rs. In Million)

Sl. No.	Particulars	Details
1	Name of the Subsidiary (Formerly, Bhadra Castalloy Private Limited)	Bhadra Castalloy Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April to March same as holding company's reporting period
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees & Indian Subsidiary
4	Share capital	44.00
5	Reserves & surplus	14.10
6	Total assets	114.00
7	Total Liabilities	114.00
8	Investments	0.00
9	Turnover	112.60
10	Profit before taxation	11.30
11	Provision for taxation	3.00
12	Profit after taxation	8.30
13	Proposed Dividend	0.00
14	% of shareholding	100%

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, 2019

(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 9, 2018, November 13, 2018, February 7, 2019 & May 23, 2019.

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Rupees in Million
1	DISA Industry AG	Royalty Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	7.91
2	DISA Technologies Pvt Ltd	Service Fees Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	6.42
3	DISA Industries A/S Denmark	Royalty Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	27.18
4	DISA Industries A/S Denmark	Service Fees Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.34
5	DISA Industries A/S Denmark	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	202.31
6	DISA Industries A/S Denmark	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	27.14
7	DISA Industries A/S Denmark	Service Income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.42
8	DISA Industries A/S Denmark	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.78
9	DISA Industries A/S Denmark	Commission Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	10.65
10	DISA K K Japan	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.33
11	DISA (Changzhou) Machinery Ltd	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	24.43
12	DISA (Changzhou) Machinery Ltd	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	3.48
13	DISA (Changzhou) Machinery Ltd	Service Income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.67
14	DISA (Changzhou) Machinery Ltd	Royalty Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.84

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Rupees in Million
15	Wheelabrator Czech s.r.o.	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	29.23
16	Wheelabrator Czech s.r.o.	Service Income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.47
17	Wheelabrator Group GMBH	Royalty Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	2.31
18	Wheelabrator Group GMBH	Service Income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.46
19	Wheelabrator Group USA	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	3.08
20	Wheelabrator Group USA	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	(0.26)
21	Wheelabrator Group USA	Service Income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	3.87
22	StrikoWestofen GmbH	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.06
23	DISA Industries Inc	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.17
24	Norican A/S	Group Management services Fees	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	27.27
25	Norican A/S	Group IT Fees	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	49.52
26	Norican A/S	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.21
27	Bhadra Castalloy Pvt Ltd	Purchases	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	15.10
28	Bhadra Castalloy Pvt Ltd	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.21
29	Bhadra Castalloy Pvt Ltd	Interest on Loan Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	2.47

By the order of the Board

Date: July 12, 2019
Place: Bengaluru

Sanjay Arte
Chairman
DIN: 01000716

ANNEXURE A

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

During the financial year ending March 2019 the Company’s CSR efforts successfully supported 234 Students across Karnataka. Direct Norican scholarships (earlier known as DISA & Wheelabrator scholarships) were provided to 183 meritorious students at the identified institutions in and around Tumkur and Hosakote Manufacturing Plants. These scholarships were directly awarded to the students by the Company’s CSR Implementation team with the help of the Institution heads. The Company also supported 51 Engineering students by providing Scholarship across Karnataka & neighboring states through an NGO, Foundation for Excellence India Trust. The Company has also spent CSR amount towards facility improvements in 8 educational institutions in and around Tumkur and Hosakote Manufacturing Plants.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Company’s CSR Policy – is available in Company’s website at <https://www.disagroup.com/en-in/investor-relations/policies>.
2. Composition of the CSR Committee:
Mr. Andrew Thomas Carmichael: Norican Group COO & Chairman of DISA India Limited
Ms. Deepa Hingorani: Independent Director on DISA India Limited Board, and
Mr. Lokesh Saxena: Managing Director of DISA India Limited.
3. Average net Profit of the Company for last three financial years.
Average net profit: **Rs. 200.37 Million**
4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above):
The Company is required to spend **Rs 4.007 Million**.
5. Details of CSR spend for the financial year:
 - a. Total amount spent for the financial year: **Rs 4.348 Million**.
 - b. Amount unspent if any: **Nil**
 - c. Manner in which the amount spent during the financial year is detailed below.
6. Reasons of amount unspent: **NA**
Note: During the financial year 2016-17, there was a shortfall in CSR spend to the tune of Rs. 0.34 Million which was primarily due to inadvertent error in calculation of average profits for the preceding 3 years due to change in accounting year from calendar year to financial year during 2014-15. The Company has spent this shortfall during the financial year 2018-19.

Manner in which CSR amount was spent during the financial year 2018-19

Sl. No.	CSR Project / Activity identified	Sector	Location	Amount Outlay (Budget/ Program wise)	Amount Spent on the Program	Cumulative Expenditure up to reporting period	Amount spent Directly or through implementing agency
1	Scholarship	Scholarship to Meritorious School Students– Norican Scholarship”	Tumkur & Hosakote (Karnataka)	1.60	1.60	1.60	Direct
2	Facilities Improvement at the Institutions	Promotion of Education	Tumkur & Hosakote (Karnataka)	0.77	0.75	0.75	Direct
3	Scholarship	Scholarship to Meritorious Engineering Students–Norican Scholarship”	Across Karnataka & part of Tamilnadu (Coimbatore)	2.00	2.00	2.00	Through agency – Foundation For Excellence India Trust
		Total		4.37	4.35	4.35	

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

ANNEXURE-B

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To
The Members
DISA INDIA LIMITED

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by DISA India Limited for the financial year ended on 31.03.2019 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, 2009;

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (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 and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (j) The Memorandum and Articles of Association of the company.
- (vi) There are no industry specific laws applicable to the Company pursuant to the business carried by the Company.
- (vii) The other general laws as may be applicable to the Company including the following:

(1) Employer/Employee Related laws & Rules:

- i. Industries (Development & Regulation) Act 1951
- ii. The Factories Act, 1948
- iii. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959
- iv. The Apprentices Act, 1961
- v. The Employees Provident Fund & Miscellaneous Provisions Act, 1952
- vi. The Employees State Insurance Act, 1948
- vii. The Workmen's Compensation Act, 1923
- viii. The Maternity Benefits Act, 1961
- ix. The Payment of Gratuity Act, 1972
- x. The Payment of Bonus Act, 1965
- xi. The Industrial Disputes Act, 1947\
- xii. The Trade Unions Act, 1926
- xiii. The Payment of Wages Act, 1936
- xiv. The Minimum Wages Act, 1948
- xv. The Child Labour (Regulation & Abolition) Act, 1970
- xvi. The Contract Labour (Regulation & Abolition) Act, 1970
- xvii. The Industrial Employment (Standing Orders) Act, 1946
- xviii. Equal Remuneration Act, 1976

- xix. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979
- xx. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
- xxi. Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1996
- xxii. Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013
- xxiii. Dangerous Machines (Regulation) Act, 1983
- xxiv. Indian Boilers Act, 1923
- xxv. The Karnataka Shops & Establishments Act, 1961
- xxvi. The Industrial Establishments (National and Festival Holidays) Act, 1963
- xxvii. The Labour Welfare Fund Act, 1965
- xxviii. The Karnataka Daily Wage Employees Welfare Act, 2012
- xxix. For majority of Central Labour Laws, the State has introduced Rules [names of each of the Rules is not included here]

(2) Environment Related Acts & Rules:

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

3) Economic/Commercial Laws & Rules:

- i. The Competition Act, 2002
- ii. The Indian Contract Act, 1872
- iii. The Sales 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 the following:

Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and General Meetings i.e. SS - 1 and SS - 2.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Certain non material findings made during the course of the audit relating to Labour Laws

were addressed suitably by the Management.

Further, I report that with regard to financial and taxation matters, I have relied on the Audit Report and the Internal Audit Report provided by the Statutory/Internal Auditors.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 and the Rules made under that Act as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company.

Place: Bengaluru

Date: May 23, 2019

(Vijayakrishna KT)

FCS No.: 1788

C P No.: 980

Note: This report is to be read with our 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 Income Tax Act, Central Excise Act, Customs Act, Central and State Sales Tax Act.

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

Place: Bengaluru

Date: May 23, 2019

(Vijayakrishna KT)

FCS No.: 1788

C P No.: 980

ANNEXURE-C

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE THE SEBI (LODR) 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, 2019 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') for the period 1st April, 2018 to 31st March, 2019.

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: May 23, 2019

Vijayakrishna K T
Practicing Company Secretary
FCS-1788,CP-980

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
5th Floor, Kushal Garden Arcade 1A,
Peenya Industrial Area, Peenya 2nd Phase
Bengaluru 560058

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Disa India Limited** having CIN **L85110KA1984PLC006116** and having registered office at 5th Floor, Kushal Garden Arcade 1A, Peenya Industrial Area, Peenya 2nd Phase Bengaluru KA 560058 IN (hereinafter referred to as 'the Company'), 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) 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 ending on 31st March, 2019 has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Deepa Agar Hingorani	00206310	15/08/2006
2	Shyamal Kumar Sinha	00335840	23/03/2015
3	Sanjay Narendrakumar Arte	01000716	02/11/2006
4	Viraj Naidu	01284452	06/02/2007
5	Andrew Thomas Carmichael	03634151	14/04/2012
6	Lokesh Saxena	07823712	21/06/2017

Ensuring the eligibility of 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: May 23, 2019

Vijayakrishna K T
Practicing Company Secretary
FCS-1788,CP-980

ANNEXURE- D
REPORT ON CORPORATE GOVERNANCE1. **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, 2019, the Board comprised of six Directors including three Non-Executive Independent Directors, two Non-Executive Directors who are professionals from varied fields and have high levels of education and in-depth corporate experience and one Executive Director.

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

As at the financial year ended March 31, 2019, the Board of Directors of the Company comprised of optimum combination of Executive and Non-Executive Directors including a Woman Director and not less than fifty percent (50%) of the Board of Directors comprised of Independent Directors and is in conformity with the provisions of the Companies Act, 2013 and the Listing Regulations.

The Board of Directors confirms that all the Independent Directors of the Company are in compliance with the Companies Act, 2013 and fulfill the conditions specified under the Listing Regulations and are Independent of the Management of the Company.

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., Practicing Company Secretary, Bengaluru as mandated under Schedule V, Part C, Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

All the Independent Directors of the Company are in compliance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

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

Name of Director Messers	DIN	No. of Board Meetings attended	Attendance at last AGM on 9th Aug 2018	No. of other Directorships	Memberships of other Board Committees	Category
Deepa Hingorani	00206310	4	Present	6	NIL	Independent Non-Executive
Sanjay Arte®	01000716	3	Absent	1	NIL	Independent Non-Executive
Shyamal Kumar Sinha	00335840	4	Present	NIL	NIL	Independent Non-Executive
Andrew Thomas Carmichael**	03634151	4	Present	2	NIL	Non Independent Non-Executive
Viraj Naidu***	01284452	3	Present	NIL	NIL	Non Independent Non-Executive
Lokesh Saxena	07823712	4	Present	2	NIL	Executive*

** Mr. Andrew Thomas Carmichael has resigned from the office of Chairman and Director with effect from July 12, 2019. Mr. Anders Wilhjelm was appointed as Additional Director of the Company from that date.

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

*** Mr. Viraj Naidu has resigned from the office of Director with effect from July 12, 2019. Mr. Andrew James Matsuyama was appointed as Additional Director of the Company from that date.

Ms. Ulla Hartvig Plathe Tonnesen was appointed as Additional Director of the Company with effect from July 12, 2019.

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

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

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

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

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

As required by law, brief profiles and other particulars of the Directors seeking appointment/re-appointment are given in the Notice convening the 34th 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.

Skills/Expertise/Competencies	Explanation
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.
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.
Financial Management	Ability to assess and interpret the financial statements and draw accurate conclusions from them.
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.
Risk Management	Assessment, understanding and managing both Internal and external risks involved in the business.

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

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

During the financial year, the Board met 4 (four) times on the following dates:

May 24, 2018, August 9, 2018, November 13, 2018 and February 7, 2019.

During the financial year, a separate Meeting of the Independent Directors was held on February 7, 2019 without the attendance of Non-Independent Directors and members of the Management.

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

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

Compliance with the Code of Conduct

The Company has adopted "Norican Code of Conduct" and has framed a Whistle Blower Policy aimed at better Corporate Governance and continued Vigil Mechanism which is available on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/policies>.

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 annual financial statements before submission to the Board, including evaluation of internal financial controls and risk management systems and reviewing the functioning of Whistle Blower Mechanism.

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

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

Meetings and the attendance during the financial year

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

May 24, 2018, August 9, 2018, November 13, 2018 and February 7, 2019.

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

Name of Directors	No. of Meetings Attended
Ms. Deepa Hingorani	4
Mr. Sanjay Arte	3
Mr. Andrew Thomas Carmichael	4

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

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

4. Nomination and Remuneration Committee

The Committee has three members with Mr. Sanjay Arte as Chairman. The Managing Director is invited to the Committee Meetings whenever required.

Meetings and the attendance during the financial year

The Committee met once during the financial year on February 7, 2019.

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

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

Since Mr. Andrew Thomas Carmichael has resigned from the office of Chairman as well as Director with effect from July 12, 2019, Nomination and Remuneration Committee was reconstituted by inducting Mr. Anders Wilhelm as a member of the Committee. Ms. Deepa Hingorani was appointed as Chairperson of the 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.

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

Remuneration Policy, Performance Evaluation, Policy on Board Diversity

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

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

5. Remuneration paid to Directors

The details of remuneration paid to the Directors during the financial year 1st April 2018 to 31st March 2019 are furnished below:

a) Managing Director

(Rs. in Million)

Directors	Salary	Performance Bonus & incentives	Other Perquisites	PF & Superannuation	Total
Mr. Lokesh Saxena	7.76	2.08	0.04	0.91	10.78

b) Non-Executive Independent Directors

(Rs. in Million)

Name	Sitting fees	Commission
Ms. Deepa Hingorani	0.26	0.40
Mr. Shyamal Kumar Sinha	0.20	0.40
Mr. Sanjay Arte*	0.12	0.40
Total	0.58	1.20

* Mr. Sanjay Arte is being paid remuneration with effect from April 01, 2018.

c) Non-Executive Non-Independent Directors

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. The total amount of commission payable to Independent Directors is Rs. 4,00,000/- 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 commission as above was increased from Rs. 3,00,000/- p.a. (Rupees Three Lakhs only) to Rs. 4,00,000/- p.a. (Rupees Four Lakhs only) with effect from financial year 2018-19. The Company reimburses all expenses incurred for participation in the Board/Committee Meetings and expenses in connection with performing the duties as a Director.

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

6. Stakeholders' Relationship Committee:

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

Meetings and the attendance during the financial year

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

May 24, 2018, August 9, 2018, November 13, 2018 and February 7, 2019.

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

Name of the Director	No. of Meetings Attended
Mr. Shyamal Kumar Sinha	4
Mr. Sanjay Arte	3
Mr. Lokesh Saxena	4

Since Mr. Shyamal Kumar Sinha has decided not to seek re-appointment as Independent Director for the second term, Stakeholders Relationship Committee was reconstituted on July 12, 2019 by inducting Ms. Ulla Hartvig Plathe Tonnesen and Ms. Deepa Hingorani as members of the Committee. Mr. Sanjay Arte was appointed as Chairman of the Stakeholders' Relationship Committee.

No complaints (June Qtr.-NIL, Sep Qtr.-NIL, Dec Qtr.-NIL and March Qtr.-NIL) were received during the financial year ended 31st March 2019. There were no pending share transfers as on 31st March 2019.

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

Name, designation & address of Compliance Officer:

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

7. Corporate Social Responsibility (CSR) Committee

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

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

The Committee met once during the financial year on February 7, 2019.

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

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

8. Related Party Transactions

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

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

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

9. Unclaimed Dividend

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

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

Year	Type of Dividend	Dividend per share (Rs.)	Date of Dividend Declaration	Due date for Transfer to IEPF	Amount (Rs.)
2011	Final	200.00	09-05-2012	14-06-2019	28,63,400
2012	Final	2.50	16-05-2013	21-06-2020	46,278
2013	Final	2.50	08-05-2014	13-06-2021	45,905
2014-15	Final	2.50	06-08-2015	11-09-2022	48,162
2015-16	Final	2.50	12-08-2016	17-09-2023	47,903
2016-17	Final	2.50	11-08-2017	16-09-2024	54,702
2017-18	Final	2.50	09-08-2018	14-09-2025	69,625

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 have been adequately insured and all the insurable risks have been insured.

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

11. CEO/CFO Certification

Managing Director and the CFO of the Company have certified to the Board of Directors, inter-alia, the accuracy of financial statements and adequacy of Internal Controls for the financial reporting for the year ended 31st March, 2019. CEO/CFO Certification is part of this report.

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

During the year, Company has received a notice, relating to the past year 2014-15, from 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, Company is in the process of filing an Adjudication Application before ROC.

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

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

c) Details of compliance with mandatory requirements:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of SEBI (LODR) Regulations, 2015. This Corporate Governance Report of the Company for the financial year 2018-19 as on March 31, 2019 are in compliance with the requirements of SEBI (LODR) Regulations, 2015, as applicable.

d) Secretarial Compliance Certificate:

SEBI (LODR)(Amendment) Regulations, 2018 required the Company with effect from the financial year 2018-19 to obtain a 'Secretarial Compliance Certificate' in the prescribed format from a practicing Company Secretary which has been obtained and filed with the Stock Exchange on May 29, 2019.

e) Adoption of the Non-Mandatory Requirements:

- i. Nomination & Remuneration Committee has duly been constituted.
- ii. The Company is in the regime of unqualified financial statements.
- iii. The Company consistently trains its Board members, on an on-going basis, in the business model of the Company as well as the risk profile of the business parameters of the Company, their responsibilities as Directors, and the best ways to discharge them.
- iv. The Company has a procedure of bringing to the notice of management, any matter/s regarding concerns about unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct or ethics Policy.
- v. Corporate Governance Voluntary Guidelines 2009:
 - Whole-time Directors of the Company are not holding any position as Non- Executive Directors or Independent Directors of any other public limited companies or private companies that are either holding or subsidiary companies of public companies. The voluntary guidelines allow holding such positions in seven such companies in aggregate.
 - Independent Directors of the Company have the option and freedom to meet Company Management regularly. They are provided with all information sought by them to perform their duty effectively and efficiently.
 - Non-whole time Directors are remunerated with an appropriate percentage of the net profits of the Company as allowed under the provisions of the Companies Act, 2013, for their valuable contributions by way of guidance, directions and time devoted to the activities of your Company. Such remunerations paid is uniform among all Non-whole time Directors.
 - Nomination and Remuneration Committee has duly been constituted to discuss issues, as detailed elsewhere in this report.
 - Audit Committee has duly been constituted, and its scope and functions has already detailed elsewhere in this report.

- Matters referred to Audit Committee, as detailed elsewhere in the report include, inter alia, recommendation to Board, on appointment of Statutory, Internal and Cost Auditor/s.
- Internal Auditor of the Company is an independent Chartered Accountant firm.
- Reconciliation of Share Capital Audit is conducted every financial quarter and the report is placed before the Audit Committee and the Board for review.

13. General Body Meetings

Location and time of the last three Annual General Meetings:

Financial Year	Date	Venue	Time
2015-16	12-08-2016	Hotel Vivanta by Taj, Yashwanthpur, Bengaluru	11.00 AM
2016-17	11-08-2017	Hotel Vivanta by Taj, Yashwanthpur, Bengaluru	11.00 AM
2017-18	09-08-2018	Hotel Vivanta by Taj, Yashwanthpur, Bengaluru	11.00 AM

Special Resolutions passed in the previous three Annual General Meetings:

Financial Year	Special Resolutions
2015-16	Re-appointment of Mr. Viraj Naidu as Managing Director of the Company.
2016-17	(1) Appointment of Mr. Lokesh Saxena as Managing Director of the Company. (2) Alteration of 'Objects Clause' of Memorandum of Association of the Company.
	3) Alteration of Articles of Association of the Company.
2017-18	Nil

Special Resolutions passed through Postal Ballot:

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

14. Disclosures

Transactions with the related parties are disclosed in Notes forming part of the Financial Statements under Sl. No: 39.

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.

It is affirmed that no person has been denied access to the Audit Committee.

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/downloads>.

16. General Information to Shareholders

(a) Annual General Meeting:

Date	: August 8, 2019
Time	: 11.00 Hours
Venue	: Hotel Taj, Yashwanthpur, Bengaluru
Period 12 Months	: April 2018 to March 2019
Date of Book Closure	: August 1 to August 8, 2019 (both days inclusive)
Listed on Stock Exchange	: BSE Limited. Scrip code is 500068
Date of payment of dividend	: September 7, 2019
(Subject to shareholders' approval)	

(b) Stock Market price data for the period April 2018 to March 2019

Period	BSE-Sensex		Market Price (Rs.)	
	High	Low	High	Low
Apr-18	35213	32972	6890	5775
May-18	35993	34303	6160	5520
Jun-18	35877	34785	6000	5000
Jul-18	37644	35106	6003	5601
Aug-18	38990	37129	6490	5752
Sep-18	38934	35986	6200	5600
Oct-18	36617	33292	6200	5145
Nov-18	36389	34303	6500	5200
Dec-18	36555	34426	5935	5250
Jan-19	36701	35375	6439	5026
Feb-19	37172	35287	6500	5800
Mar-19	38748	35927	6299	5556

(c) Registrar and Transfer Agents (RTA)

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

(d) Share Transfer System

The Company's Stakeholders' Relationship Committee meets regularly and expeditiously handles the procedures related to application for transfer of shares. 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 shares are listed.

The Company's shares are compulsorily traded in the demat form and the ISIN No. allotted is INE131C01011.

(e) Distribution of shareholding as on 31st March, 2019

Range (in Rs.)		No. of Share Holders	% of Total Share Holders	Total Holding In Rs.	% of Total Capital
1	5000	2818	97.95	1384580	9.52
5001	10000	27	0.94	209460	1.44
10001	20000	15	0.52	204570	1.41
20001	30000	5	0.17	125770	0.86
30001	40000	3	0.10	101290	0.70
40001	50000	3	0.10	132460	0.91
50001	100000	2	0.07	159900	1.10
100001	& ABOVE	4	0.14	12224020	84.06
Total		2877	100.00	14542050	100.00

(f) Dematerialization of shares and liquidity

About 97.16% of the 14,54,205 outstanding Equity Shares have been dematerialized up to March 31, 2019.

(g) Shareholding pattern as on March 31, 2019

Category	No of Shares	% Holding
Directors	10	-
Promoter but not Director	1088056	74.82
Director/Promoters Relatives	-	-
Sub Total	1088066	74.82
Banks & Financial Institutions, Insurance Companies, Mutual Funds	141946	9.76
Body Corporate	37415	2.57
NRI	18129	1.25
FPI	2000	0.14
Indian Promoter	-	-
Clearing Member	66	0.00
Trust	300	0.02
General Public	166283	11.44
Total	1454205	100.00

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

(1) No.28-32, Satyamangala Industrial Area
Tumkur -572 104.
Tel: 0816-2211290 / 2211291

(2) Plot No.50, KIADB Industrial Area,
Hosakote -562 114.
Tel:080-27971310/27971516

(j) Address for correspondence
Registered & Corporate Office:

DISA INDIA LIMITED
5th Floor, Kushal Garden Arcade,
1A, Peenya Industrial Area, Peenya 2nd Phase
Bengaluru- 560 058.
Ph: 91-80-4020 1400 to 04

For DISA India Limited

Date: July 12, 2019
Place: Bengaluru

Sanjay Arte
Chairman
DIN:01000716

ANNEXURE E

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2019

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sl. No	Name and Description of main products/services	NIC Code of the Product/ Service	% of total turnover of the Company
1	Foundry Machinery	29292	87.4%
2	Filters	29197	12.6%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

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

(i) Category - wise Share Holding

	No. of Shares held at the beginning of (As on April 1, 2018)				No. of Shares held at the end of the year (As on March 31, 2019)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL: (A) (1)	-	-	-	-	-	-	-	-	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	1088056	-	1088056	74.82	1088056	-	1088056	74.82	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	1088056	-	1088056	74.82	1088056	-	1088056	74.82	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	1088056	-	1088056	74.82	1088056	-	1088056	74.82	-
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	169602	200	169802	11.68	141746	200	141946	9.76	-1.92
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FPI	1800	-	1800	0.12	2000	-	2000	0.14	0.02
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	171402	200	171602	11.80	143746	200	143946	9.90	-1.90
(2) Non Institutions									
a) Bodies corporates									
i) Indian	26845	501	27346	1.88	36914	501	37415	2.57	0.69
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	105871	44366	150237	10.33	126034	40259	166293	11.44	1.11
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-	-
c) Others (specify)									
NRI	15721	300	16021	1.10	17829	300	18129	1.25	0.15
Clearing Member	943	-	943	0.06	66	-	66	0.00	-0.06
Trust	-	-	-	-	300	-	300	0.02	-
SUB TOTAL (B)(2):	149380	45167	194547	13.38	181143	41060	222203	15.28	1.90
Total Public Shareholding (B)= (B)(1)+(B)(2)	320782	45367	366149	25.18	324889	41260	366149	25.18	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1408838	45367	1454205	100.00	1412945	41260	1454205	100.00	0.00

(ii) SHARE HOLDING OF PROMOTERS

SI No.	Shareholders Name	Shareholding at the beginning of the year - 01.04.2018			Shareholding at the end of the year - 31.03.2019			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	DISA HOLDINGS AG	786657	54.10	-	786657	54.10	-	-
2	DISA HOLDINGS A/S	301399	20.73	-	301399	20.73	-	-
	Total	1088056	74.82	-	1088056	74.82	-	-

(iii) Change in Promoters' Shareholding

There is no change in Promoters' Shareholding during the year.

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

SI No.	Name of the Shareholder	SHAREHOLDING AT THE BEGINNING OF THE YEAR – 01.04.2018		CUMULATIVE SHAREHOLDING DURING THE YEAR – 31.03.2019	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	IN30016710049887 IDFC MULTI CAP FUND	78605	5.41	76981	5.29
2	IN30378610001929 SBI SMALL CAP FUND	57365	3.94	57365	3.94
3	IN30012611261919 BANDA REAL ESTATE PRIVATE LIMITED	8061	0.55	8590	0.59
4	IN30005410067318 ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE	7400	0.51	7400	0.51
5	IN30012611266192 VMSALGAOCAR CORPORATION PRIVATE LIMITED	2163	0.15	4911	0.34
6	IN30048423959525 ARA TRUSTEESHIP COMPANY PRIVATE LIMITED	2599	0.18	4250	0.29
7	IN30047642233262 SUNITA AGGARWAL	4085	0.28	4085	0.28
8	IN30047640893342 SUBODH NILKANTH PUROHIT	3750	0.26	3750	0.26
9	IN30260310110882 INDUS SECURIZTIES PRIVATE LIMITED	0	0.00	3296	0.23
10	IN30115113309547 DIPTI DATTARAJ SALGAOCAR	3083	0.21	3083	0.21

(v) Shareholding of Directors and Key Managerial Personnel:

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

V. INDEBTEDNESS:

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

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

Sl. No.	Particulars of Remuneration	MINR
		Lokesh Saxena (MD)
1.	Gross salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	9.83
	(b) Value of perquisites under Section 17(2) of Income Tax Act, 1961	0.39
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	
2.	Stock Option	0
3.	Sweat Equity	0
4.	Commission	
	- as % of profit	
	- others	0
5.	Others	0.56
	TOTAL (A)	10.78

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount (Rs. Million)
		Viraj Naidu	Andrew Carmichael	Deepa Hingorani	Sanjay Arte	Shyamal Kumar Sinha	
1	Independent Directors						
	Fee for attending Board/	0	0	0.26	0.12	0.20	0.58
	Committee meetings						
	Commission	0	0	0.40	0.40	0.40	1.20
	Total (1)			0.66	0.52	0.60	1.78
2	Other Non-Executive Directors						
	Fee for attending Board/	0	0	0	0	0	0
	Committee Meetings	0	0	0	0	0	0
	Commission	0	0	0	0	0	0
	Total (2)	0	0	0	0	0	0
	TOTAL (B) = (1+2)	0	0	0.66	0.52	0.60	1.78

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

Sl. No.	Particulars of Remuneration	Name of KMP(Rs Million)		Total Amount (Rs. Million)
		Amar Nath Mohanty (CFO)	G.Prasanna Baiyy (CS)	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	8.09	2.87	10.96
	(b) Value of perquisites under Section 17(2) Income-Tax Act, 1961	0.26	0	0.26
	(c) Profits in lieu of salary under Section 17(3) Income-Tax Act, 1961			
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others,	0	0	0
5	Others	0.46	0.27	0.73
	Total (C)	8.81	3.14	11.95

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

ANNEXURE - F
PARTICULARS OF EMPLOYEES

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

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

Directors and KMP		Remuneration (In Rs)	Remuneration (In Rs)	% increase over previous year	Ratio of remuneration to MRE
		Apr 17 to Mar 18	April 18 to Mar 19		
Non executive Directors	Andrew Thomas Carmichael	-	-		0.00
	Viraj Naidu**	4,524,074	1,550,000	-65.74%	2.09
Independent Directors	Sanjay Arte -	520,000	100.00%	100.00%	0.70
	Deepa Hingorani	440,000	660,000	50.00%	0.89
	Shyamal Sinha	350,000	600,000	71.43%	0.81
Managing Director	Lokesh Saxena***	6,478,061	10,783,706	66.47%	14.56
KMP	Amar Nath Mohanty (CFO)****	9,352,953	8,807,269	-5.83%	11.90
	G.Prasanna Bairy (CS)	2,929,812	3,139,270	7.15%	4.24

Notes:

** Mr. Viraj Naidu resigned from the post of Managing Director and became Non-whole Time Director w.e.f. May 25, 2017. Remuneration of Rs. 15.50 lakhs is pertaining to the services rendered by him in India.

*** Mr. Lokesh Saxena was appointed as Managing Director on June 21, 2017. Hence, remuneration for the year 2017-18 is proportionate.

**** Mr. Amar Nath Mohanty, CFO had received a one time remuneration during the year 2017-18. Hence there is a drop in his remuneration during the year 2018-19.

The median remuneration of employees (MRE) including Managing Director was Rs. 709,315 for the period ended March 31, 2018 and Rs. 740,408 for the year ended March 31, 2019.

The increase in MRE is 4.38% in the year ended March 31, 2019 over PE March 31, 2018.

Number of permanent employees on roll at the end of March 31, 2018 and March 31, 2019 are 278 and 283 respectively.

The revenue growth on annualised basis is 23.5%. The average salary increase given to employees is 7%-10%.

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

Your Company's market capitalisation increased by 3.7% to Rs. 9,045 Million as of March 31, 2019 from Rs. 8,725 Million as of March 31, 2018.

The PE ratio was 32.6 as of March 31, 2019 which is a decrease of 39% as compared to March 31, 2018.

The closing price of Company's equity share in BSE as of March 31, 2019 is Rs. 6,220 per share, representing an increase of 62,100% over the IPO price (BSE).

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

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

During the Period ended March 31, 2019, 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, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matter	Auditor's Response
Revenue recognition under Ind AS 115 Revenue from Contracts with Customers The Company adopted Ind AS 115 Revenue from contracts with customers from April 1, 2018. The Company has identified the performance obligations and assessed the satisfaction of this for the purpose of recognising revenue. We consider revenue recognition under the new standard to be a key area of focus for our audit due to the significant change in the standard and the existence of large number of different contracts and the judgement involved.	Principal audit procedures performed, among other procedures included the following: We performed an understanding of the systems and processes to recognise revenue. We carried out testing of management's internal controls over revenue recognition with a focus on those related to the timing of revenue recognition due to impact of Ind AS 115. For sample revenue transactions verified the satisfaction of performance obligation by analyzing the contracts and determining whether the management has appropriately identified performance obligations; For a sample of revenue transactions around the period end we confirmed that the date on which revenue was recognized was appropriate by examining the associated invoice, terms of the sales contract and the relevant delivery documentation.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to the Board's report and Shareholders' Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements ;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Bengaluru: May 23, 2019
SS/JKS/LS/2019

S. Sundaresan
Partner
(Membership No. 25776)

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, 2019 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, 2019, 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.

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

Bengaluru: May 23, 2019
SS/JKS/LS/2019

S. Sundaresan
Partner
(Membership No. 25776)

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us the immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmation received from lender.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - (b) The schedule of repayment of principle and payment of interest has been stipulated and repayment or receipt of principle amounts and interest have been regular as per stipulations.
 - (c) There is no overdue amount remaining outstanding as at the year-end.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Hence reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods & Services Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods & Services Tax, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax, which have not been deposited as on March 31, 2019 on account of disputes are given below:

Name of Statue	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved and Unpaid* (Rs. in Millions)
Central Excise Act, 1944	Excise Duty	CESTAT	F.Y. 2009-2011	0.12
Central Excise Act, 1944	Excise Duty	Commissioner (Appeals)	F.Y. 2014-2016	1.19
Karnataka Value Added Tax Act, 2003	Value Added Tax	Joint Commissioner (Appeals)	F.Y. 2010-2011	0.05
Central Sales Tax Act, 1956	Central Sales Tax	Joint Commissioner (Appeals)	F.Y. 2007-2011	5.12
Central Sales Tax Act, 1956	Central Sales Tax	Karnataka Appellate Tribunal	F.Y. 2012-2013	4.15
Central Sales Tax Act, 1956	Central Sales Tax	Joint Commissioner (Appeals)	F.Y. 2015-2016	1.71
KARNATAKA TAX ON Entry of Goods Act, 1974	Entry Tax	Karnataka Appellate Tribunal	F.Y. 2012-2013	0.11
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	A.Y. 2013-2014	5.65

There are no dues of duty of custom duty and Goods and Services Tax that have not been deposited as at March 31, 2019 on account of disputes.

* Net of Rs.15.86 millions paid under protest.

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

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

S. Sundaresan
Partner
(Membership No. 25776)

Bengaluru; May 23, 2019
SS/JKS/LS/2019

STANDALONE BALANCE SHEET AS AT MARCH 31, 2019

Rs Million

Particulars		Note No.	As at March 31, 2019	As at March 31, 2018
A	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	4	154.3	152.9
	(b) Capital work in progress		1.9	-
	(c) Investment property	5	2.7	2.8
	(d) Other intangible assets	6	0.8	1.1
	(e) Financial assets			
	(i) Investments in subsidiary company	7	44.0	44.0
	(ii) Other financial assets	8a	10.9	28.6
	(f) Deferred tax assets (Net)	9	4.7	2.8
	(g) Other non-current assets	10a	18.2	17.5
	Total non-current assets		237.5	249.7
2	Current assets			
	(a) Inventories	11	642.7	464.2
	(b) Financial assets			
	(i) Trade receivables	12	188.9	123.7
	(ii) Cash and cash equivalents	13	77.3	47.7
	(iii) Bank balance other than (ii) above	14	901.2	747.0
	(iv) Loans	15	26.0	17.5
	(v) Other financial assets	8b	30.6	25.7
	(c) Current tax assets (Net)	16a	22.9	11.4
	(d) Other current assets	10b	87.1	145.9
	Total current assets		1,976.7	1,583.1
	Total assets		2,214.2	1,832.8
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity share capital	17	14.5	14.5
	(b) Other equity	18	1,345.6	1,071.1
	Total Equity		1,360.1	1,085.6
2	Liabilities			
1	Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables	19		
	(A) Total outstanding dues of micro enterprises and small enterprises		30.6	15.1
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		260.4	302.0
	(ii) Other financial liabilities	20	21.1	33.6
	(b) Provisions	21	39.8	30.8
	(c) Current tax liabilities (net)	16b	13.2	-
	(d) Other current liabilities	22	489.0	365.7
	Total current liabilities		854.1	747.2
	Total equity and liabilities		2,214.2	1,832.8
	See accompanying notes to the financial statements			

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered AccountantsS. Sundaresan
PartnerAmar Nath Mohanty
Chief Financial OfficerDeepa Hingorani
Director
DIN: 00206310Lokesh Saxena
Managing Director
DIN: 07823712Place: Bengaluru
Date : May 23, 2019G. Prasanna Bairy
Company Secretary

For and on behalf of the Board of Directors

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

Particulars		Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I	Revenue from operations	23	2,419.2	1,990.8
II	Other income	24	69.2	50.7
III	Total revenue (I+II)		2,488.4	2,041.5
IV	Expenses			
	(a) Cost of materials consumed	25	1,386.8	1,061.1
	(b) Purchases of stock-in-trade	26	120.7	129.9
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(104.8)	(33.1)
	(d) Excise duty on sale of goods	28	-	32.2
	(e) Employee benefits expense	29	348.2	301.6
	(f) Finance costs	30	4.0	1.3
	(g) Depreciation and amortisation expense	31	21.0	19.1
	(h) Other expenses	32	318.0	276.4
	Total expenses (IV)		2,093.9	1,788.5
V	Profit before tax (III-IV)		394.5	253.0
VI	Tax expense:	33a		
	(a) Current tax		119.0	89.5
	(b) Deferred tax		(2.3)	0.7
	Total tax expenses (a+b)		116.7	90.2
VII	Profit for the year (V-VI)		277.8	162.8
VIII	Other comprehensive income, net of taxes	33b		
	(A) (i) Items that will not be reclassified to profit or loss:			
	(a) Re-measurement gains on defined benefit plans		1.4	1.6
	(A) (ii) Income tax relating to items that will not be reclassified to profit or loss:			
	(a) Re-measurement losses on defined benefit plans		(0.4)	(0.5)
	Total other comprehensive income (A((i)+(ii))		1.0	1.1
	Total comprehensive income for the year (VII+VIII)		278.8	163.9
	Earnings per equity share (Face value of Rs 10 /- each):	34		
	(a) Basic - Rs.		191.03	111.95
	(b) Diluted - Rs.		191.03	111.95
	See accompanying notes to the financial statements			

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

S. Sundaresan
Partner

Amar Nath Mohanty
Chief Financial Officer

Deepa Hingorani
Director
DIN: 00206310

For and on behalf of the Board of Directors

Lokesh Saxena
Managing Director
DIN: 07823712

Place: Bengaluru
Date : May 23, 2019

G. Prasanna Bairy
Company Secretary

**STANDALONE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2019****a. Equity Share Capital:**

Rs Million

	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the reporting period	1,454,205	14.50	1,454,205	14.50
Changes in the equity share capital during the year	-	-	-	-
Movement during the year	-	-	-	-
Balance at the end of the reporting period	1,454,205	14.50	1,454,205	14.50

b. Other equity

Particulars	Reserves & Surplus					Items of OCI	Total Equity
	Share premium	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained earnings	Re-measurements of defined benefit plans	
Balance as at April 1, 2017	-	1.5	0.6	-	907.1	2.9	912.1
Profit for the period	-	-	-	-	162.3	-	162.3
Other comprehensive income	-	-	-	-	-	1.1	1.1
Total Comprehensive Income for the year	-	1.5	0.6	-	1,069.4	4.0	1,075.5
Dividends	-	-	-	-	(3.7)	-	(3.7)
Tax on dividend	-	-	-	-	(0.7)	-	(0.7)
Balance as at March 31, 2018	-	1.5	0.6	-	1,065.0	4.0	1,071.1
Profit for the period	-	-	-	-	277.8	-	277.8
Other comprehensive income	-	-	-	-	-	1.0	1.0
Total Comprehensive Income for the year	-	1.5	0.6	-	1,342.8	5.0	1,349.9
Dividends	-	-	-	-	(3.6)	-	(3.6)
Tax on dividend	-	-	-	-	(0.7)	-	(0.7)
Balance as at March 31, 2019	-	1.5	0.6	-	1,338.5	5.0	1,345.6

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered AccountantsS. Sundaresan
PartnerAmar Nath Mohanty
Chief Financial OfficerDeepa Hingorani
Director
DIN: 00206310

For and on behalf of the Board of Directors

Lokesh Saxena
Managing Director
DIN: 07823712Place: Bengaluru
Date : May 23, 2019G. Prasanna Bairy
Company Secretary

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

		Rs Million	
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018	
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	394.5	253.0	
Adjustments for:			
Depreciation and amortisation	21.0	19.1	
Finance cost	4.0	1.3	
Loss/(Profit) on sale of property, plant and equipment	0.8	(0.3)	
Interest income	(59.4)	(44.2)	
Bad trade receivables written off -	-	0.1	
Provision/(reversal) for doubtful trade receivables	2.2	(0.3)	
Liabilities no longer required written back	(1.1)	(2.3)	
Rental income	(1.3)	(1.6)	
Net unrealised exchange gains/(losses)	(4.8)	5.9	
Re-mesurement of gains on defined benefit plans	1.4	1.6	
Operating profit before changes in working capital	357.3	232.3	
Changes in working capital			
Adjustments for (increase)/decrease in non-current assets:			
Other financial assets	(2.3)	(0.6)	
Other non-current assets	(0.7)	(7.7)	
Adjustments for (increase)/decrease in current assets:			
Inventories	(178.5)	(104.9)	
Trade receivables	(66.8)	(40.7)	
Other financial assets	(0.5)	(1.0)	
Other current assets	58.8	(3.7)	
Adjustments for increase/(decrease) in current liabilities:			
Trade payables	(20.8)	112.3	
Other financial liabilities	(12.4)	18.0	
Short term provisions	9.0	(4.8)	
Other current liabilities	123.3	139.8	
Cash generated from operating activities	266.4	339.0	
Income tax paid	(118.6)	(89.9)	
Net cash generated from operating activities (A)	147.8	249.1	
B. CASH FLOW FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment	(25.5)	(8.4)	
Proceeds from disposal of property, plant and equipment	0.8	0.4	
Loan given to subsidiary company	(8.5)	-	
Redemption/maturity of bank deposits	(621.7)	373.8	
Investment in bank deposit	(756.0)	(614.6)	
Interest received	55.0	40.2	
Rental income	1.3	1.6	
Net Cash generated from/(used) investing activities (B)	(111.2)	(207.0)	

contd.

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019
Rs Million

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Finance cost	(2.7)	(1.3)
	Dividend paid	(3.6)	(3.7)
	Tax on dividend	(0.7)	(0.7)
	Net Cash used financing activities (C)	(7.0)	(5.7)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	29.6	36.4
	Cash and cash equivalents as at March 31, 2018	47.7	11.3
	Cash and cash equivalents as at March 31, 2019	77.3	47.7
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	29.6	36.4
	Cash and cash equivalents at the end of the year		
	Comprises		
	(a) In cash in hand	0.1	0.1
	(b) In current accounts	77.2	42.6
	(c) deposit accounts	-	5.0
		77.3	47.7
	See accompanying notes to the financial statements		

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

S. Sundaresan
Partner

Amar Nath Mohanty
Chief Financial Officer

Deepa Hingorani
Director
DIN: 00206310

For and on behalf of the Board of Directors

Lokesh Saxena
Managing Director
DIN: 07823712

Place: Bengaluru
Date : May 23, 2019

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 20.72% of share capital of the Company respectively. The Company's ultimate holding company is Norican Global A/S, Denmark.

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.

- 1.2. The Company's standalone financial statements were approved by the Company's Board of Directors on May 23, 2019

2. Significant accounting policies

- 2.1. The financial statements of Disa India Limited have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

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.

Critical estimates and judgements:

Areas involving critical judgments are

- i) Note 35 - Estimation of defined benefit obligations
- ii) Note 21 - Estimation for provisions of warranty claims

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 obligations by transfer of control of the goods to the customers when the customer obtains control of the assets, the significant risks and rewards of ownership of the assets is transferred to the customers and the customers have accepted the assets. In case of machinery / 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

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

3.2.1. As Lessor : Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

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

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

3.3. Foreign currency transactions & translations

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

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

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

3.4. Employee benefits

Defined Contribution Plans:

3.4.1. Provident Fund, Superannuation Fund & ESIC

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

3.4.2. Defined Benefit Plans

Gratuity

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

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

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

Defined benefit costs are categorized as follows:

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

The Company presents the first two components of defined benefit costs in profit or loss in the line item

'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

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

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

3.4.3. Short term & Other Long-Term Employee benefits

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

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

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

3.5. Taxation

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

3.5.1. Current Tax

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

3.5.2. Deferred Tax

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

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

3.6. Property, plant and equipment

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

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

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

Depreciation on Property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 effective from April 1, 2014.

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

3.7. Investment Properties

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

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

3.8. Other Intangible Assets

3.8.1. Recognition

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

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

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

3.8.2. Derecognition of intangible assets

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

3.9. Impairment of tangible and intangible assets

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

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

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

3.10. Inventories

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

3.11. Provisions

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

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

3.11.1. Warranties

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

3.12. Investment in subsidiaries

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

3.13. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments and are recognized initially at fair value, and subsequently measured at either amortized cost or fair value through profit and loss or other comprehensive income. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (Other than

financial assets recorded at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

3.14. Financial Assets

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

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

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

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

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

- 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 4.1).

3.18. Earnings per share

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

3.19. Recent accounting pronouncements

Ind AS 116 Leases: The Ministry of Corporate Affairs notified applicability of Ind AS 116 on March 30, 2019 making it effective from financial period beginning on or after April 1, 2019. Management is evaluating its impact on the financial statements.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
Rs Million
4 PROPERTY, PLANT AND EQUIPMENT

Particulars

**As at
March 31, 2019**
**As at
March 31, 2018**
Carrying amounts of:

Freehold land*	3.1	3.1
Buildings*	86.0	90.7
Plant and machinery	39.0	41.4
Furniture and fixtures	2.9	1.7
Office equipment	2.3	1.9
Patterns	3.9	5.4
Vehicles	6.1	3.6
Computers	11.0	5.1
	154.3	152.9

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
Cost or deemed cost									
Balance as on April 1, 2017	3.1	157.5	242.2	10.9	10.5	27.4	5.7	23.9	481.2
Additions	-	-	1.7	-	0.9	1.3	-	3.3	7.2
Deletions	-	-	0.4	-	-	-	-	3.8	4.2
Balance as on March 31, 2018	3.1	157.5	243.5	10.9	11.4	28.7	5.7	23.4	484.2
Additions	-	0.3	5.6	1.6	1.2	0.2	4.8	10.1	23.8
Deletions	-	-	0.1	-	-	-	3.2	-	3.3
Balance as on March 31, 2019	3.1	157.8	249.0	12.5	12.6	28.9	7.3	33.5	504.7

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
Accumulated depreciation									
Balance as on April 1, 2017	-	62.0	194.9	8.8	8.7	21.2	1.4	19.5	316.5
Depreciation expense for the year	-	4.8	7.7	0.4	0.8	2.1	0.7	2.4	18.9
Deletions	-	-	0.5	-	-	-	-	3.6	4.1
Balance as on March 31, 2018	-	66.8	202.1	9.2	9.5	23.3	2.1	18.3	331.3
Depreciation expense for the year	-	5.0	8.0	0.4	0.8	1.7	0.7	4.2	20.8
Deletions	-	-	0.1	-	-	-	1.6	-	1.7
Balance as on March 31, 2019	-	71.8	210.0	9.6	10.3	25.0	1.2	22.5	350.4

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
Carrying amount									
Balance as on April 1, 2017	3.1	95.5	47.3	2.1	1.8	6.2	4.3	4.4	164.7
Balance as on March 31, 2018	3.1	90.7	41.4	1.7	1.9	5.4	3.6	5.1	152.9
Balance as on March 31, 2019	3.1	86.0	39.0	2.9	2.3	3.9	6.1	11.0	154.3

* First equitable mortgage on immovable property being land and building situated at Tumkur and Hosakote to the extent of Rs. 350 Million (PY Rs. 350 Million) has been offered as security.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

5 INVESTMENT PROPERTY

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of:	2.7	2.8
Investment property	2.7	2.8

Particulars	Investment Property
Cost or deemed cost	
Balance as on April 1, 2017	7.4
Additions	-
Deletions	-
Balance as on March 31, 2018	7.4
Additions	-
Deletions	-
Balance as on March 31, 2019	7.4

Particulars	Investment Property
Accumulated depreciation	
Balance as on April 1, 2017	2
Depreciation expense for the year	0.1
Deletions	
Balance as on March 31, 2018	4.6
Depreciation expense for the year	0.1
Deletions	
Balance as on March 31, 2019	4.7

Particulars	Investment Property
Carrying amount	
Balance as on April 1, 2017	2.9
Balance as on March 31, 2018	2.8
Balance as on March 31, 2019	2.7

Fair value of the company's investment property :

Fair valuation of Investment Properties as at March 31, 2019 has been arrived at on the basis of valuation carried out as on respective dates by an independent valuer not related to company. The valuer is registered with the authority which governs the valuers in India, and in the opinion of management he has appropriate qualifications and recent experience in the valuation of properties. For all Investment properties, fair value was determined based on the capitalisation of net income methods where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The capitalisation rate adopted is made by reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuer's knowledge of the factors specific to the respective properties. Thus, the significant unobservable inputs are as follows:

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

Fair value as at March 31, 2019 is Rs. 40.9 Million and as at March 31, 2018 was Rs. 39.5 Million.

Expenses and income in respect of investment properties Expenses (excluding depreciation) amounting to 0.1 Million (Year ended March 31, 2018: 0.1 Million) in respect of repairs, electricity charges, security expenses etc. are included in Note 36 'Other Expenses' and income amounting to 1.3 Million (Year ended March 31, 2018: 1.6 Million) is included in Note 29 'Other income'

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
Rs Million
6 OTHER INTANGIBLE ASSETS

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of:	0.8	0.1
Computer Software	0.8	0.1

Particulars	Computer Software
Cost or deemed cost	
Balance as on April 1, 2017	20.3
Additions	1.2
Deletions	-
Balance as on March 31, 2018	21.5
Additions	-
Deletions	-
Balance as on March 31, 2019	21.5

Particulars	Computer Software
Accumulated depreciation	
Balance as on April 1, 2017	20.3
Depreciation expense for the year	0.1
Deletions	-
Balance as on March 31, 2018	20.4
Depreciation expense for the year	0.3
Deletions	-
Balance as on March 31, 2019	20.7

Particulars	Computer Software
Carrying amount	
Balance as on April 1, 2017	-
Balance as on March 31, 2018	1.1
Balance as on March 31, 2019	0.8

7 INVESTMENTS
Rs Million

Particulars	As at March 31, 2019	As at March 31, 2018
Investments in subsidiary company		
Unquoted equity instruments (fully paid up) carried at cost		
Bhadra Castalloy Private Limited		
4,400,000 (March 31, 2018 : 4,400,000)		
fully paid up equity shares of Rs. 10 each	44.0	44.0
Total	44.0	44.0
Aggregate carrying value of unquoted investment	44.0	44.0

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

8 OTHER FINANCIAL ASSETS

Rs Million

a) Non-current

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposits	10.9	8.1
Other bank deposits	-	20.0
Margin money deposits [refer note 14(i)]	-	0.5
Total	10.9	28.6

b) Current

Particulars	As at March 31, 2019	As at March 31, 2018
Advances to employees	1.3	0.5
Security deposits	-	0.7
Interest accrued	21.5	17.1
Contractually reimbursable expenses	7.8	7.4
Total	30.6	25.7

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

9 DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax asset on:		
Provision for employee benefits	12.4	12.8
Provision for doubtful trade receivables	1.4	0.9
Sub total (A)	13.8	13.7
Deferred tax liabilities on:		
Property, Plant and equipment and intangible assets	9.1	10.9
Sub total (B)	9.1	10.9
Total (A-B)	4.7	2.8

Movement of deferred tax assets / liabilities

For the year ended March 31, 2019

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2018

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset on:				
Provision for employee benefits	14.1	(0.8)	(0.5)	12.8
Provision for doubtful trade receivables	1.0	(0.1)	-	0.9
Sub total (A)	15.1	(0.9)	(0.5)	13.7
Deferred tax liabilities on:				
Property, Plant and equipment and intangible assets	10.6	0.3	-	10.9
Sub total (B)	10.6	0.3	-	10.9
Total (A-B)	4.5	(1.2)	(0.5)	2.8

10 OTHER ASSETS

a) Non-current

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid rent	2.2	1.7
Balance with government authorities	16.0	15.8
Total	18.2	17.5

b) Current

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid expenses	7.0	7.0
Advances to suppliers	10.2	5.2
Duty drawback receivable	5.5	4.5
Balance with government authorities	63.3	129.0
Others	1.1	0.2
Total	87.1	145.9

11 INVENTORIES

Particulars	As at March 31, 2019	As at March 31, 2018
(At lower of cost and net realisable value)		
Raw materials (Goods in transit -Rs. 18.3 Million, as at March 31, 2018 Rs. 6.0 Million)	307.6	233.9
Work-in-progress	293.0	171.7
Finished goods	21.4	25.2
Stock-in-Trade (Goods in transit -Rs. 18.9 Million, as at March 31, 2018 Rs. 2.8 Million)	20.7	33.4
Total	642.7	464.2

The cost of inventory recognised as an expense/(income) includes Rs. (4.8) Million (Year ended March 31, 2018: Rs. (2.1) Million) in respect of obsolete raw material, Rs (0.1) Million (Year ended March 31, 2018 Rs. 0.4 Million), Work in progress Rs (2.5) Million (Year ended March 31, 2018 Rs. 2.5 Million).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

12 TRADE RECEIVABLES

Particulars	As at March 31, 2019	As at March 31, 2018
Considered good - Secured	-	-
Considered good - Unsecured	188.9	123.7
Which have significant increase in credit risk		
Credit impaired	4.9	2.7
	193.8	126.4
Less: Allowances for bad and doubtful debts	4.9	2.7
Total	188.9	123.7

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, 2018	As at March 31, 2017
Opening balance	2.7	3.0
Add / (less) : Provision made / (reversed) during the year	2.2	-
Less: Provision used during the year	-	0.3
Closing balance	4.9	2.7

13 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents:		
(a) Cash on hand	0.1	0.1
(b) Balance with banks:		
- In current accounts	77.2	42.6
- In deposit accounts	-	5.0
Total	77.3	47.7

14 OTHER BANK BALANCES

Particulars	As at March 31, 2019	As at March 31, 2018
Other balance with banks		
-Margin money deposits*	145.7	145.6
-In deposit accounts**	752.3	598.1
-Unpaid dividend accounts	3.2	3.3
Total	901.2	747.0

Note : (i)

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

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

15 LOANS

Particulars	As at March 31, 2019	As at March 31, 2018
(Unsecured, considered good) Loan to subsidiary company (refer note 38)	26.0	17.5
Total	26.0	17.5

16a CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance tax [Net of provision for tax :Rs. 361.8 Million (March 31, 2018 - Rs. 637.6 Million)]	22.9	11.4
Total	22.9	11.4

16b CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for tax (Net of advance tax Rs.377.2 Million (March 31, 2018 - Rs. 637.6 Million)]	13.2	-
Total	13.2	-

17 SHARE CAPITAL

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised equity share capital: 5,000,000 Equity shares of Rs.10 each	50.0	50.0
Issued, subscribed and fully paid up: 1,454,205 Equity shares of Rs.10 each	14.5	14.5
Total	14.5	14.5

Notes:

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

No of equity shares outstanding at the beginning of the year	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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

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

Disa Holding AG is a fully owned subsidiary of Disa Holding AS. 301,399 301,399

20.73% 20.73%

Equity Shares are held by IDFC Premier Equity Fund 76,981 78,605

5.29% 5.41%

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 ensuing Annual General meeting, except in case of Interim Dividend.

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

18 OTHER EQUITY

Particulars	As at March 31, 2019	As at March 31, 2018
Retained earnings	1,343.5	1,069.0
Buyback of equity shares	0.6	0.6
Capital reserve	1.5	1.5
Total	1,345.6	1,071.1

Particulars	As at March 31, 2019	As at March 31, 2018
A. Retained earnings		
Opening balance	1,069.0	910.0
Add : Profit for the year	277.8	162.3
Add : Other comprehensive income	1.0	1.1
Less: Dividend	3.6	3.7
Less: Tax on dividend	0.7	0.7
Balance at end of the year	1,343.5	1,069.0

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

Particulars	As at March 31, 2019	As at March 31, 2018
B. Buyback of equity shares		
Opening balance	0.6	0.6
Add : Movement during the year	-	-
Closing balance	0.6	0.6
C. Capital reserve		
Opening balance	1.5	1.5
Movement during the year	-	-
Closing balance	1.5	1.5

19 TRADE PAYABLES

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises	30.6	15.1
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 42)	260.4	302.0
Total	291.0	317.1

20 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
Unpaid dividends	3.2	3.3
Contractually reimbursable expenses	17.9	30.3
Total	21.1	33.6

21 PROVISIONS

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for warranties (refer note 43)	11.9	7.9
Employee benefit payables (refer note 35)		
- Compensated absences	11.7	9.7
- Gratuity	16.2	13.2
Total	39.8	30.8

22 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory liabilities	11.30	10.6
Advances from customers	478.0	355.1
Total	489.0	365.7

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

23 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Sale of products (Refer note (i) below)	2,374.6	1,948.1
(b) Sale of services (Refer note (ii) below)	24.6	12.7
(c) Other operating revenue (Refer note (iii) below)	20.0	30.0
Total	2,419.2	1,990.8

Notes

(i) Sale of products comprises :

Manufactured goods :

Machinery

Parts of machinery

Sale of Manufactured goods Sub Total - A

Traded goods :

Parts of machinery

Sales of Traded goods Sub Total - B
Total sale of products - A + B

(ii) Sale of service comprises:

Engineering services

Supervision of installation services

Others

Sales of services - Total

(iii) Other operating revenue comprises :

Commission income

Sale of scrap

Export incentives

Other operating revenue - Total

24 OTHER INCOME

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest income (Refer note (i) below)	59.4	44.2
(b) Net gain on foreign currency transactions and translation	1.5	-
(c) Other non-operating income (Refer note (ii) below)	8.3	6.5
Total	69.2	50.7

Note:

(i) Interest income comprises:

Interest on:

Bank deposits

Security deposits

Loan to subsidiary

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

(ii) Other non-operating income comprises:

Royalty	1.8	0.9
Profit on sales of assets (net)	-	0.3
Rental income	1.3	1.6
Provision for doubtful trade receivable reversed	-	0.3
Liability no longer required written back	1.1	2.3
Miscellaneous	4.1	1.1
Total	8.3	6.5

25 COST OF MATERIAL CONSUMED

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening Stock	233.9	162.1
Add : Purchases	1,460.5	1,132.9
Less : Closing Stock	307.6	233.9
Cost of materials consumed	1,386.8	1,061.1

26 PURCHASE OF STOCK-IN-TRADE

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Parts of machinery	120.7	129.9
Total	120.7	129.9

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

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventories at the end of the year:		
Finished goods	21.4	25.2
Work-in-progress	293.0	171.7
Stock-in-trade	20.7	33.4
Sub Total	335.1	230.3

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventories at the beginning of the year:		
Finished goods	25.2	9.7
Work-in-progress	171.7	167.4
Stock-in-trade	33.4	20.1
Sub Total	230.3	197.2
TOTAL	(104.8)	(33.1)

28 EXCISE DUTY ON SALE OF GOODS

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Excise duty on sales of Machinery	-	25.1
Excise duty on sales of Machinery Parts	-	7.1
Total	-	32.2

29 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and wages	305.0	263.2
Contributions to provident and other funds (refer note 35.2)	27.2	25.2
Staff welfare expenses	16.0	13.2
Total	348.2	301.6

30 FINANCE COSTS

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest expense on:		
(i) Bank guarantee commission	1.6	0.8
(ii) Interest others	1.9	-
(iii) Security deposits	0.5	0.5
Total	4.0	1.3

31 DEPRECIATION AND AMORTISATION

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on property, plant and equipment (refer note 4)	20.8	18.9
Amortisation on intangible assets (refer note 6)	0.1	0.1
Depreciation on investment properties (refer note 5)	0.1	0.1
Total	21.0	19.1

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

32 OTHER EXPENSES

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Power and fuel	12.2	11.1
Rent (refer note 35)	10.6	8.5
Repairs and maintenance - Buildings	10.7	3.8
Repairs and maintenance - Machinery	4.0	4.6
Repairs and maintenance - Others	4.9	7.1
Insurance	8.8	7.8
Rates and taxes	3.4	4.0
Travelling and conveyance	46.0	43.8
Legal and professional charges	10.7	17.1
Payments to auditors (refer note (i)(a) below)	4.2	2.9
Security expenses	8.8	8.1
Telephone, postage and courier	2.4	2.7
Printing and stationery	2.2	1.8
Freight outwards	8.8	9.0
Commission expenses	6.2	5.2
Recruitment and training	3.3	1.4
Group management fees	27.3	23.8
Directors sitting fees and commission	1.8	0.8
Royalty	37.4	21.9
IT costs	2.2	2.2
Group IT costs	49.5	46.0
Expenditure on corporate social responsibility (refer note (ii) below)	4.3	4.2
Bad Debts written off	-	0.1
Provision for doubtful debts	2.2	-
Advertisement and sales promotion	2.1	9.0
Net loss on foreign currency transactions and translation	-	6.4
Loss on sale of assets	0.8	-
Miscellaneous expenses	43.2	23.1
Total	318.0	276.4

Note:

(i) Payments to auditors comprises :

(a) Statutory auditors

Statutory audit	2.8	1.7
Tax Audit	0.5	0.3
Other services	0.4	0.6
Reimbursement of expenses	0.5	0.3

Sub Total 4.2 2.9

(b) Cost auditors

Cost audit fee	0.2	0.2
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Sub Total 0.2 0.2

Total 4.4 3.1

(ii) Expenditure on corporate social responsibility

(a) Gross amount required to be spent by the Company 4.3 4.2

(b) Amount spent

(i) Amount paid during the year towards
- On purposes other than above 4.3 4.2

(c) Yet to be paid in cash - -

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

33 INCOME TAXES

A INCOME TAX RECOGNISED IN STATEMENT OF PROFIT AND LOSS

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax		
In respect of the current year	119.0	89.5
	119.0	89.5
Deferred tax		
In respect of the current year	(2.3)	1.2
	(2.3)	1.2
Total income tax expenses recognised in the current year	116.7	90.7

B INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax charge / (benefit)		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	0.4	0.5
	0.4	0.5
Bifurcation of the income tax recognised in other comprehensive income in to items that will not be reclassified to profit or loss	0.4	0.5
	0.4	0.5
Reconciliation of effective tax rate		
Profit before income taxes	394.5	253.0
Applicable tax rate	29.12%	34.61%
Expected income tax expenses	114.9	87.6
Adjustments to reconcile expected tax expenses to reported income tax expenses		
Effect of expenses not deductible in determining taxable profit	1.3	3.1
Effect on deferred tax balances due to change in income tax rate from 34.61% to 29.12%	0.5	-
	1.8	3.1
Adjusted income tax expenses	116.7	90.7
Effective tax rate	29.58%	35.83%

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

In Million

34 EARNINGS PER SHARE (EPS)

PARTICULARS	Year ended March 31, 2019	Year ended March 31, 2018
Basic and Diluted		
Profit attributable to equity share holders (Rs. in Million)	277.8	162.8
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)	191.03	111.95

35 EMPLOYEE BENEFITS

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

1. Defined Benefit Plans

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

PARTICULARS	Gratuity	
	In Million	
	Year ended March 31, 2019	Year ended March 31, 2018
Current service	4.7	5.0
Interest Cost	0.8	0.9
Amount recognised in the Statement of Profit and Loss	5.5	5.9
Actuarial (gain)/loss		
a) arising from changes in financial assumption	1.6	(2.6)
b) arising from experience adjustments	0.2	(1.5)
c) arising from demographic assumption	0.3	(0.8)
Return on Plan assets excluded amount included in interest income	(3.5)	3.3
Amount recognised in other comprehensive income	(1.4)	(1.6)
Total	4.1	4.3

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

PARTICULARS	Gratuity	
	In Million	
	Year ended March 31, 2019	Year ended March 31, 2018
Defined benefit obligation at beginning of the year	60.4	60.0
Current service cost	4.7	5.0
Interest cost	4.4	4.0
Actuarial losses (gains)	2.1	(4.9)
Benefits paid	(1.2)	(3.7)
Defined benefit obligation at the end of the year	70.4	60.4

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

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

PARTICULARS	Gratuity	
	In Million	
	Year ended March 31, 2019	Year ended March 31, 2018
Fair value of plan assets at beginning of the year	47.2	42.5
Expected return on plan assets	3.6	3.1
Return on Plan assets excluded amount included in interest income	3.5	(3.2)
Contributions by employer	1.1	8.5
Benefits paid	(1.2)	(3.7)
Fair value of plan assets at end of the year	54.2	47.2

IV. Investment details:

PARTICULARS	% invested as at Year ended March 31, 2019	% invested as at Year ended March 31, 2018
Investment with insurer (Investment in Policy of LIC)	100%	100%

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

PARTICULARS	Gratuity	
	Year ended March 31, 2019	Year ended March 31, 2018
Mortality Table (LIC)	2006-08 (IALM)	2006-08
Discount Rate (per annum)	7.70%	7.6%
Rate of escalation in salary (per annum)	9.00%	8.50%

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

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

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

VI. Sensitivity

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

PARTICULARS	Gratuity	
	In Million	
	Year ended March 31, 2019	Year ended March 31, 2018
Impact in present value of defined benefit obligation:		
If discount rate is increased by 0.5%	(2.0)	(1.8)
If discount rate is decreased by 0.5%	2.1	1.8
If salary escalation rate is increased by 0.5%	2.1	1.8
If salary escalation rate is decreased by 0.5%	(2.0)	(1.8)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

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**(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. 13.2 Million.

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

PARTICULARS	Gratuity	
	In Million	
	Year ended March 31, 2019	Year ended March 31, 2018
Expected outflow in 1st Year	6.7	6.2
Expected outflow in 2nd Year	13.6	10.4
Expected outflow in 3rd Year	8.4	8.3
Expected outflow in 4th Year	9.0	7.8
Expected outflow in 5th Year	13.2	8.2
Expected outflow in 6th to 10th Year	45.3	41.9

2. Defined Contribution Plans

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

PARTICULARS	Year ended March 31, 2019	Year ended March 31, 2018
Employer's Contribution to Provident Fund	14.4	12.9
Employers' Contribution to Superannuation Fund	7.4	6.2

3. Actuarial Assumptions - Compensated Absences

PARTICULARS	Year ended March 31, 2019	Year ended March 31, 2018
Mortality Table (LIC)	2006-08 (IALM)	2006-08 (Ultimate)
Discount Rate (per annum)	7.70%	7.6%
Rate of escalation in salary (per annum)	9.00%	8.50%

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

36 OPERATING LEASES ARRANGEMENTS

The Company has taken immovable properties on non-cancellable operating lease and lease rent amounting to Rs. 10.6 Million (P.Y. Rs. 8.5 Million) has been charged to the Statement of Profit and Loss. The future minimum lease rent is as under:

PARTICULARS	Balance as at March 31, 2019	Balance as at March 31, 2018
Not later than 1 year	0.8	0.7
later than 1 year and not later than 5 years	0.7	1.4

37 CONTINGENT LIABILITIES

PARTICULARS	Balance as at March 31, 2019	Balance as at March 31, 2018
Claims against the Group not acknowledged as debt *		
Service tax	0.6	0.6
CST/VAT	19.4	17.7
Excise duty	1.4	1.4
Income tax	13.1	13.1

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

38 LOAN TO GROUP COMPANIES

Name of Subsidiary	Loan given		Max amount outstanding during the year	Balance as at	
	Year ended March 31, 2019	Year ended March 31, 2018		March 31, 2019	March 31, 2018
Bhadra Castalloy Private Limited	8.5	-	26.0	26.0	17.5

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

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

39 FINANCIAL INSTRUMENTS

(i) Financial assets and liabilities

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

(ii) Categories of Financial Instruments

PARTICULARS	Balance as at March 31, 2019	Balance as at March 31, 2018
(A) Financial assets		
Measured at amortised cost		
(a) Cash and bank balances	978.5	794.7
(b) Trade receivables	188.9	123.7
(c) Other financial assets	41.5	54.3
(d) Loan given to subsidiary company	26.0	17.5
Measured at fair value through profit and loss		
Investments in equity instruments	44.0	44.0
Total	1,278.9	1,034.2

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

PARTICULARS	Balance as at March 31, 2019	Balance as at March 31, 2018
(B) Financial liabilities		
Measured at amortised cost		
(a) Trade payables	291.0	317.1
(b) Other financial liabilities	21.1	33.6
Total	312.1	350.7

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

(ii) Fair value

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.

(iii) 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.

(iv) 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

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 Group does not enter into any derivative instruments for trading or speculative purposes

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

PARTICULARS	Balance as at March 31, 2019	Balance as at March 31, 2018
Liabilities		
EURO	72.1	135.9
USD	49.8	46.2
Total Liabilities	121.9	182.1
Assets		
EURO	9.2	18.0
USD	3.4	0.5
GBP	1.9	-
Total Assets	14.5	18.5

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

Foreign Currency sensitivity analysis

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

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

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

Analysis of 10% strengthening of the INR

PARTICULARS	EURO Impact (net of tax)	
	Balance as at March 31, 2019 (Rs. in Million)	Balance as at March 31, 2018 (Rs. in Million)
Impact on profit or loss for the year	(4.5)	(7.7)
Impact on total equity as at the end of the reporting period	4.5	7.7

PARTICULARS	USD Impact (net of tax)	
	Balance as at March 31, 2019 (Rs. in Million)	Balance as at March 31, 2018 (Rs. in Million)
Impact on profit or loss for the year	(3.0)	(3.0)
Impact on total equity as at the end of the reporting period	3.0	3.0

(v) 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 as follows

PARTICULARS	Balance as at March 31, 2019	Balance as at March 31, 2018
Balance at the beginning	2.7	3.0
Provision recognised/(reversed)	2.2	(0.3)
Write offs	-	-
Balance at the end	4.9	2.7

(b) Other financial

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.

VI 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total
As at March 31, 2019				
Trade payables (Refer Note 19)	291.0	-	-	291.0
Other financial liabilities (Refer Note 20)	21.1	-	-	21.1
As at March 31, 2018				
Trade payables (Refer Note 19)	317.1	-	-	317.1
Other financial liabilities (Refer Note 20)	33.6	-	-	33.6

(VII) 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

40 RELATED PARTY DISCLOSURES**a) Related parties and their relationship**

Nature of	Name of the
Ultimate holding company	Norican Global A/S
Holding Company	DISA Holding AG
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 Castalloy Inc, USA Wheelabrator Group (Canada) ULC
Key management personnel	Mr. Andrew Thomas Carmichael (from June 21, 2017) Mr. Robert E Joyce Jr (Upto June 21, 2017) Mr. Viraj Naidu - Managing Director (Upto May 25, 2017) Mr. Lokesh Saxena - Managing Director (From June 19, 2017) Ms. Deepa Hingorani Mr. Sanjay Arte Mr. Andrew Thomas Carmichael Mr. Shymal Kumar Sinha Mr. Amarnath Mohanty - CFO

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

b) Details of related party transactions during the year ended March 31, 2019 and balances outstanding as at March 31, 2019

Name of the related party	Nature of transactions	Amount	Outstanding balance as at March 31, 2019	Outstanding balance as at March 31, 2018
		(Rs. in Million)	(Rs. in Million)	(Rs. in Million)
DISA Industries AG	Royalty expenses	7.9 (2.4)	Cr.3.1	Cr.1.1
	Service income	- (0.1)		
	Export / sale of materials	- (3.5)		
	Reimbursement of expenses	- (0.1)		
	Commission received	- (1.5)		
DISA Technologies Private Ltd.	Service charges	6.4 (4.7)	Nil	Nil
	Capital goods sales	- (0.1)		
DISA Industries A/S	Royalty expenses	27.2 (17.3)	Cr.56.4	Cr.73.7
	Service charges paid	0.3 (3.7)		
	Import material	202.3 (176.7)		
	Reimbursement of expenses (paid)	- (0.7)		
	Service income	1.4 (4.3)		
	Export / sale of materials	27.1 (43.2)		
	Reimbursement of expenses (received)	0.7 (2.5)		
	Commission received	10.6 (26.0)		
	Reimbursement of warranty	0.1 (7.8)		
DISA K.K.	Export / sale of materials	0.3 (0.3)	Cr.3.7	Dr.0.0
DISA (Changzhou) Machinery Ltd.	Import material	24.4 (12.3)	Cr.0.8	Cr.10.0
	Export / sale of materials	3.5 (3.7)		
	Service income	0.7 -		
Wheelabrator Czech s.r.o.	Royalty income	1.8 (0.9)	Cr.4.3	Cr.13.2
	Import material	29.2 (19.1)		
	Service fees	0.5 -		

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

Name of the related party	Nature of transactions	Amount	Outstanding balance as at March 31, 2019	Outstanding balance as at March 31, 2018
		(Rs. in Million)	(Rs. in Million)	(Rs. in Million)
Wheelabrator Group GmbH	Royalty expenses	2.3 (3.6)		
	Service income	0.5 (1.6)		
	Reimbursement of expenses (receivable)	- (0.1)	Nil	Cr.0.6
Wheelabrator Group Ltd. USA	Reimbursement of expenses (Payable)	0.3 -		
	Import material	3.1 (9.7)		
	Service income	3.9 (4.4)	Dr.0.4	Cr.2.2
Striko Westofen GMBH	Reimbursement of expenses (Receivable)	0.1 -	Nil	Nil
DISA Industries, Inc.	Export / sale of materials	1.2 (0.6)	Dr.0.1	Nil
Norican A/S	Group Management fee	27.3 (23.8)		
	Group IT fee	49.5 (46.0)		
	Reimbursement of expenses (Paid)	1.2 (0.8)	Cr.17.9	Cr.15.2
Bhadra Castalloy Private Limited	Purchase of material	15.1 (8.4)		
	Sale of materials	- (0.2)		
	Reimbursement of expenses	- (0.3)		
	Reimbursement of group management fees	1.2 (0.8)		
	Interest on loan	2.5 (1.7)	Dr.33.06	Dr.23.2
Mr.Viraj Naidu	Remuneration paid	- (4.4)	Nil	Nil
Mr.Lokesh Saxena	Remuneration paid	11.4 (6.0)	Nil	Nil
Ms.Deepa Hingorani	Commission and sitting fees paid	0.7 (0.4)	Nil	Nil
Mr.Shymal Kumar Sinha	Commission and sitting fees paid	0.6 (0.4)	Nil	Nil
Mr. Sanjay Arte	Commission and sitting fees paid	0.5 -	Nil	Nil
Mr.Amarnath Mohanty	Remuneration paid	9.3 (8.9)	Nil	Nil

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

4.1 SEGMENT REPORTING

Entity - wide disclosures :

(i) Revenues from customers :

PARTICULARS	For the year March 31, 2019	For the year March 31, 2018
India	2,278.2	1,872.2
Outside India	141.0	118.6

(ii) Non-Current Assets:

PARTICULARS	As at March 31, 2019	As at March 31, 2018
India	237.5	249.7
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 external customer which accounts for more than 10% of the Company's total revenue for the year ended March 31, 2019 and March 31, 2018

4.2 DISCLOSURES UNDER THE MSMED ACT, 2006

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

PARTICULARS	Year ended March 31, 2019	Year ended March 31, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	30.6	15.1
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amount of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of interest due and payable for the year	-	-
(vii) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note:

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Rs Million

43 PROVISIONS

Provisions for warranties

PARTICULARS	For the year March 31, 2019	For the year March 31, 2018
Balance at the beginning of the year	7.9	8.2
Add : Provision made during the year	14.3	6.3
Less : Amount utilised during the year	10.2	6.6
Balance at the end of the year	12.0	7.9

44 PROPOSED DIVIDEND

The Board of Directors in their meeting held on May 23, 2019, proposed a final equity dividend of Rs. 2.5 per equity share of Rs 10.00 each fully paid up for the year 2018-19. The aggregate amount of final equity dividend proposed to be distributed is Rs 4.4 Million including dividend distribution tax of Rs 0.7 Million.

For and on behalf of the Board of Directors

Amar Nath Mohanty
Chief Financial OfficerDeepa Hingorani
Director
DIN : 00206310Lokesh Saxena
Managing Director
DIN : 07823712Place: Bengaluru
Date : May 23, 2019G. Prasanna Bairy
Company Secretary

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

We have audited the accompanying consolidated financial statements of DISA India Limited ("the Parent") and its subsidiary, (the Parent and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, 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, 2019, 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 auditors in terms of their report referred to in the sub-paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

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

Key Audit Matter	Auditor's Response
Revenue recognition under Ind AS 115 Revenue from Contracts with Customers. The Company adopted Ind AS 115 Revenue from contracts with customers from April 1, 2018. The Company has identified the performance obligations and assessed the satisfaction of this for the purpose of recognising revenue. We consider revenue recognition under the new standard to be a key area of focus for our audit due to the significant change in the standard and the existence of large number of different contracts and the judgement involved.	Principal audit procedures performed, among other procedures included the following: We performed an understanding of the systems and processes to recognise revenue. We carried out testing of management's internal controls over revenue recognition with a focus on those related to the timing of revenue recognition due to impact of Ind AS 115. For sample revenue transactions verified the satisfaction of performance obligation by analyzing the contracts and determining whether the management has appropriately identified performance obligations; For a sample of revenue transactions around the period end we confirmed that the date on which revenue was recognized was appropriate by examining the associated invoice, terms of the sales contract and the relevant delivery documentation.

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

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

Management's Responsibility for the Consolidated Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent/ Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the, entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

Other Matters

- (a) We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs.113.8 Mn as at March 31, 2019, total revenues of Rs.114.2 Mn and net cash inflows amounting to Rs. 6.8 Mn for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

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 reports of the other auditors.

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 reports of the other auditors on the separate financial statements of the subsidiary referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
 - 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, 2019 taken on record by the Board of Directors of the Company and the reports 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, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and the subsidiary company, incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary company incorporated in India.

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

Bengaluru: May 23, 2019
SS/JKS/LS/2019

S. Sundaresan
Partner
(Membership No. 25776)

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, 2019, we have audited the internal financial controls over financial reporting of DISA India Limited (hereinafter referred to as “Parent”) and its subsidiary company, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company, which are companies 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 are companies 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.

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)

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 reports of the other auditors referred to in the Other Matters paragraph below, the Parent, and its subsidiary company, which are companies 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, 2019, 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 reports of the auditors of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

Bengaluru: May 23, 2019
SS/JKS/LS/2019

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

S. Sundaresan
Partner
(Membership No. 25776)

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

Rs Million

	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
A	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	4	210.1	206.5
	(b) Capital work in progress		1.9	-
	(c) Investment property	5	2.7	2.8
	(d) Goodwill	6	6.0	6.0
	(e) Other intangible assets	7	0.8	1.1
	(f) Financial assets			
	(i) Other financial assets	8a	10.9	28.6
	(g) Deferred tax assets (Net)	9a	4.7	2.2
	(h) Other non-current assets	10a	19.5	18.6
	Total non-current assets		256.6	265.8
2	Current assets			
	(a) Inventories	11	651.2	473.5
	(b) Financial assets			
	(i) Trade receivables	12	210.1	144.1
	(ii) Cash and cash equivalents	13	97.1	60.7
	(iii) Bank balance other than (ii) above	14	901.2	747.0
	(iv) Other financial assets	8b	23.9	19.5
	(c) Current tax assets (Net)	15a	22.9	11.3
	(d) Other current assets	10b	88.1	146.3
	Total current assets		1,994.5	1,602.4
	Total assets		2,251.1	1,868.2
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity share capital	16	14.5	14.5
	(b) Other equity	17	1,359.7	1,077.1
	Total Equity		1,374.2	1,091.6
2	Liabilities			
2.1	Non-current liabilities			
	(a) Deferred tax liabilities (Net)	9b	1.0	-
	Total non-current liabilities		1.0	-
2.2	Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables	18		
	(A) Total outstanding dues of micro enterprises and small enterprises		31.1	15.1
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		273.7	314.4
	(ii) Other financial liabilities	19	26.0	49.1
	(b) Provisions	20	41.2	31.4
	(c) Current tax liabilities (net)	15b	13.3	-
	(d) Other current liabilities	21	490.6	366.6
	Total current liabilities		875.9	776.6
	Total equity and liabilities		2,251.1	1,868.2
	See accompanying notes to the financial statements			

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

S. Sundaresan
Partner

Amar Nath Mohanty
Chief Financial Officer

Deepa Hingorani
Director
DIN: 00206310

Lokesh Saxena
Managing Director
DIN: 07823712

Place: Bengaluru
Date : May 23, 2019

G. Prasanna Bairy
Company Secretary

For and on behalf of the Board of Directors

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019
Rs Million

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I Revenue from operations	22	2,516.7	2,084.0
II Other income	23	67.6	49.3
III Total revenue (I+II)		2,584.3	2,133.3
IV Expenses			
(a) Cost of materials consumed	24	1,432.8	1,111.0
(b) Purchases of stock-in-trade	25	120.7	129.9
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	(103.8)	(34.4)
(d) Excise duty on sale of goods	27	-	35.1
(e) Employee benefits expense	28	360.7	312.8
(f) Finance costs	29	4.0	1.3
(g) Depreciation and amortisation expense	30	23.5	21.6
(h) Other expenses	31	340.6	296.9
Total expenses (IV)		2,178.5	1,874.2
V Profit before tax (III-IV)		405.8	259.1
VI Tax expense:	32a		
(a) Current tax		121.6	90.6
(b) Deferred tax		(1.9)	1.5
Total tax expenses (a+b)		119.7	92.1
VII Profit for the year (V-VI)		286.1	167.0
VIII Other comprehensive income, net of taxes	32b		
(A) (i) Items that will not be reclassified to profit or loss:			
(a) Re-measurement gains on defined benefit plans		1.2	1.6
(A) (ii) Income tax relating to items that will not be reclassified to profit or loss:			
(a) Re-measurement losses on defined benefit plans		(0.4)	(0.5)
Total other comprehensive income (A((i)+(ii))		0.8	1.1
Total comprehensive income for the year (VII+VIII)		286.9	168.1
Earnings per equity share (Face value of Rs 10 /- each):	33		
(a) Basic - Rs.		196.74	114.84
(b) Diluted - Rs.		196.74	114.84
See accompanying notes to the financial statements			

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

S. Sundaresan
Partner

Amar Nath Mohanty
Chief Financial Officer

Deepa Hingorani
Director
DIN: 00206310

Lokesh Saxena
Managing Director
DIN: 07823712

Place: Bengaluru
Date : May 23, 2019

G. Prasanna Baiyy
Company Secretary

For and on behalf of the Board of Directors

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2019****a. Equity Share Capital:**

Rs Million

	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the reporting period	1,454,205	14.50	1,454,205	14.50
Changes in the equity share capital during the year				
Balance at the end of the reporting period	1,454,205	14.50	1,454,205	14.50

b. Other equity

Particulars	Reserves & Surplus					Items of OCI	Total Equity
	Share premium	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained earnings	Re-measurements of defined benefit plans	
Balance as at April 1, 2017	-	1.5	0.6	-	908.9	2.9	913.9
Profit for the period	-	-	-	-	166.5	-	166.5
Other comprehensive income	-	-	-	-	-	1.1	1.1
Total Comprehensive Income for the year	-	1.5	0.6	-	1,075.4	4.0	1,081.5
Dividends	-	-	-	-	(3.7)	-	(3.7)
Tax on dividend	-	-	-	-	(0.7)	-	(0.7)
Balance as at March 31, 2018	-	1.5	0.6	-	1,071.0	4.0	1,077.1
Profit for the period	-	-	-	-	286.1	-	286.1
Other comprehensive income	-	-	-	-	-	0.8	0.8
Total Comprehensive Income for the year	-	1.5	0.6	-	1,357.1	4.8	1,364.0
Dividends	-	-	-	-	(3.6)	-	(3.6)
Tax on dividend	-	-	-	-	(0.7)	-	(0.7)
Balance as at March 31, 2019	-	1.5	0.6	-	1,352.8	4.8	1,359.7

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered AccountantsS. Sundaresan
PartnerAmar Nath Mohanty
Chief Financial OfficerDeepa Hingorani
Director
DIN: 00206310Lokesh Saxena
Managing Director
DIN: 07823712Place: Bengaluru
Date : May 23, 2019G. Prasanna Bairy
Company Secretary

For and on behalf of the Board of Directors

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

		Rs Million	
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018	
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	405.8	259.1	
Adjustments for:			
Depreciation and amortisation	23.5	21.6	
Finance cost	4.0	1.3	
Loss/(Profit) on sale of property, plant and equipment	0.8	(0.3)	
Interest income	(57.7)	(42.8)	
Bad trade receivables written off -	-	0.1	
Provision/(reversal) for doubtful trade receivables	2.2	(0.3)	
Liabilities no longer required written back	(1.1)	(2.3)	
Rental income	(1.3)	(1.6)	
Net unrealised exchange gains/(losses)	(4.9)	5.9	
Re-mesurement of gains on defined benefit plans	1.2	1.6	
Operating profit before changes in working capital	372.5	242.3	
Changes in working capital			
Adjustments for (increase)/decrease in non-current assets:			
Other financial assets	(2.3)	(0.6)	
Other non-current assets	(0.9)	(7.7)	
Adjustments for (increase)/decrease in current assets:			
Inventories	(177.7)	(106.0)	
Trade receivables	(67.6)	(46.8)	
Other financial assets	0.7	(0.4)	
Other current assets	58.2	(3.8)	
Adjustments for increase/(decrease) in current liabilities:			
Trade payables	(19.3)	115.2	
Other financial liabilities	(12.9)	7.3	
Short term provisions	9.8	(4.4)	
Other current liabilities	124.0	138.9	
Cash generated from operating activities	284.5	334.0	
Income tax paid	(121.2)	(91.0)	
Net cash generated from operating activities (A)	163.3	243.0	
B. CASH FLOW FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment	(40.3)	1.1	
Proceeds from disposal of property, plant and equipment	0.8	0.4	
Redemption/maturity of bank deposits	621.7	373.8	
Investment in bank deposits	(756.0)	(614.6)	
Interest received	52.6	40.4	
Rental income	1.3	1.6	
Net Cash generated from/(used) investing activities (B)	(119.9)	(197.3)	

contd.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019
Rs Million

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance cost	(2.7)	(1.3)
Dividend paid	(3.6)	(3.7)
Tax on dividend	(0.7)	(0.7)
Net Cash used financing activities (C)	(7.0)	(5.7)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	36.4	40.0
Cash and cash equivalents as at March 31, 2018	60.7	20.7
Cash and cash equivalents as at March 31, 2019	97.1	60.7
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	36.4	40.0
Cash and cash equivalents at the end of the year		
Comprises		
(a) In cash in hand	0.1	0.1
(b) In current accounts	82.0	46.6
(c) deposit accounts	15.0	14.0
	97.1	60.7
See accompanying notes to the financial statements		

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

S. Sundaresan
Partner

Amar Nath Mohanty
Chief Financial Officer

Deepa Hingorani
Director
DIN: 00206310

For and on behalf of the Board of Directors

Lokesh Saxena
Managing Director
DIN: 07823712

Place: Bengaluru
Date : May 23, 2019

G. Prasanna Bairy
Company Secretary

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2019

1. General information

- 1.1. DISA India Limited ("DISA India" or "the Company") along with its wholly owned subsidiaries, 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 23, 2019

2. Significant accounting policies

- 2.1. The consolidated financial statements of Disa India Limited have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2. Basis of Preparation and Presentation

Disa India Limited consolidates entity which it owns or controls. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

2.3. Functional currency

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

2.4. Use of estimates and judgements

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

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

Critical estimates and judgments:

Areas involving critical judgments are

- i) Note 34 - Estimation of defined benefit obligations
- ii) Note 43 - Estimation for provisions of warranty claims

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 Company's activities described below.

3.1.1. Sale of goods:

Sale of goods are accounted on satisfaction of performance obligations by transfer of control of the goods to the customers when the customer obtains control of the assets, the significant risks and rewards of ownership of the assets is transferred to the customers and the customers have accepted the assets. In case of machinery / 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. Leasing

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

3.2.1. As Lessor: Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

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

3.2.2. As Lessee: Rental expenses from operating leases are recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue.**3.3. Foreign currency transactions & translations**

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

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

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

3.4. Employee benefits**Defined Contribution Plans:****3.4.1. Provident Fund, Superannuation Fund & ESIC**

The Group's Provident Fund Scheme, Superannuation Fund and Employees' State Insurance are defined contribution plans. The contribution paid/payable under

the schemes is recognized during the period in which the employee renders the related service.

3.4.2. Defined Benefit Plans**Gratuity**

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

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

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

Defined benefit costs are categorized as follows:

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

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

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

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

3.4.3. Short term & Other Long-Term Employee benefits

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

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

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

3.5. Taxation

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

3.5.1. Current Tax

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

3.5.2. Deferred Tax

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

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

3.6. Property, plant and equipment

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

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

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

Depreciation on Property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 effective from April 1, 2014.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of

the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

3.7. Investment Properties

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

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

3.8. Goodwill and Other Intangible Assets

3.8.1. Recognition

Goodwill represents the excess of the cost of an acquisition over the fair value of identifiable net assets acquired in a business combination. Goodwill is recognized as an asset and tested for impairment annually.

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

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

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

3.8.2. Derecognition of intangible assets

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

3.9. Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews

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

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

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

3.10. Inventories

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

3.11. Provisions

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

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

3.11.1. Warranties

Provisions for the expected cost of warranty obligations are recognized at the date of sale of the relevant

products, based on the best estimate established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

3.12. Financial instruments

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

3.13. Financial Assets

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

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

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

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

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

- 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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2019

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

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

3.14. Financial liabilities

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

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

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

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

Derivative financial instruments

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

3.15. Cash flow statement

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

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

3.16. Segment reporting

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

Manufacturing and selling of foundry machinery and machinery parts is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance (refer note 40).

3.17. Earnings per share

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

3.18. Recent accounting pronouncements

Ind AS 116 Leases: The Ministry of Corporate Affairs notified applicability of Ind AS 116 on March 30, 2019 making it effective from financial period beginning on or after April 1, 2019. Management is evaluating its impact on the financial statements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
Rs Million
4 PROPERTY, PLANT AND EQUIPMENT

Particulars

**As at
March 31, 2019**
**As at
March 31, 2018**
Carrying amounts of:

Freehold land*	32.9	32.9
Buildings*	96.9	102.0
Plant and machinery	52.4	52.2
Furniture and fixtures	2.9	1.7
Office equipment	2.6	2.0
Patterns	3.9	5.4
Vehicles	7.3	4.9
Computers	11.2	5.4
	210.1	206.5

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
Cost or deemed cost									
Balance as on April 1, 2017	32.8	170.8	252.8	10.9	10.6	27.4	7.3	24.2	536.8
Additions	0.1	-	4.0	-	0.9	1.3	-	3.3	9.6
Deletions	-	-	0.4	-	-	-	-	3.8	4.2
Balance as on March 31, 2018	32.9	170.8	256.4	10.9	11.5	28.7	7.3	23.7	542.2
Additions	-	1.0	9.4	1.6	1.4	0.2	4.8	10.1	28.5
Deletions	-	-	0.1	-	-	-	3.2	-	3.3
Balance as on March 31, 2019	32.9	171.8	265.7	12.5	12.9	28.9	8.9	33.8	567.4

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
Accumulated depreciation									
Balance as on April 1, 2017	-	62.8	195.9	8.8	8.7	21.2	1.5	19.5	318.4
Depreciation expense for the year	-	6.0	8.8	0.4	0.8	2.1	0.9	2.4	21.4
Deletions	-	-	0.5	-	-	-	-	3.6	4.1
Balance as on March 31, 2018	-	68.8	204.2	9.2	9.5	23.3	2.4	18.3	335.7
Depreciation expense for the year	-	6.1	9.2	0.4	0.8	1.7	0.8	4.3	23.3
Deletions	-	-	0.1	-	-	-	1.6	-	1.7
Balance as on March 31, 2019	-	74.9	213.3	9.6	10.3	25.0	1.6	22.6	357.3

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
Carrying amount									
Balance as on April 1, 2017	32.8	108.0	56.9	2.1	1.9	6.2	5.8	4.7	218.4
Balance as on March 31, 2018	32.9	102.0	52.2	1.7	2.0	5.4	4.9	5.4	206.5
Balance as on March 31, 2019	32.9	96.9	52.4	2.9	2.6	3.9	7.3	11.2	210.1

* First equitable mortgage on immovable property being land and building situated at Tumkur and Hosakote to the extent of Rs. 350 Million (PY Rs. 350 Million) has been offered as security.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

5 INVESTMENT PROPERTY

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of:	2.7	2.8
Investment property	2.7	2.8

Particulars	Investment Property
Cost or deemed cost	
Balance as on April 1, 2017	7.4
Additions	-
Deletions	-
Balance as on March 31, 2018	7.4
Additions	-
Deletions	-
Balance as on March 31, 2019	7.4

Particulars	Investment Property
Accumulated depreciation	
Balance as on April 1, 2017	4.5
Depreciation expense for the year	0.1
Deletions	-
Balance as on March 31, 2018	4.6
Depreciation expense for the year	0.1
Deletions	-
Balance as on March 31, 2019	4.7

Particulars	Investment Property
Carrying amount	
Balance as on April 1, 2017	2.9
Balance as on March 31, 2018	2.8
Balance as on March 31, 2019	2.7

Fair value of the company's investment property :

Fair valuation of Investment Properties as at March 31, 2019 has been arrived at on the basis of valuation carried out as on respective dates by an independent valuer not related to company. The valuer is registered with the authority which governs the valuers in India, and in the opinion of management he has appropriate qualifications and recent experience in the valuation of properties. For all Investment properties, fair value was determined based on the capitalisation of net income methods where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The capitalisation rate adopted is made by reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuer's knowledge of the factors specific to the respective properties. Thus, the significant unobservable inputs are as follows:

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

Fair value as at March 31, 2019 is Rs. 40.9 Million and as at March 31, 2018 was Rs. 39.5 Million.

Expenses and income in respect of investment properties Expenses (excluding depreciation) amounting to 0.1 Million (Year ended March 31, 2018: 0.1 Million) in respect of repairs, electricity charges, security expenses etc. are included in Note 31 'Other Expenses' and income amounting to 1.3 Million (Year ended March 31, 2018: 1.6 Million) is included in Note 23 'Other income'.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

6 GOODWILL

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of:	6.0	6.0
Goodwill	6.0	6.0
Particulars		
Gross carrying value		
At April 1, 2017		6.0
Additions		-
Disposals/Adjustments		-
At March 31, 2018		6.0
At April 1, 2018		6.0
Additions		-
Disposals/Adjustments		-
At March 31, 2019		6.0
Accumulated Amortization		
At April 1, 2017		-
Amortization expense/Impairment		-
Disposals/Adjustments		-
At March 31, 2018		-
At April 1, 2018		-
Amortization expense/Impairment		-
Disposals/Adjustments		-
At March 31, 2019		-
Net carrying value March 31, 2018		6.0
Net carrying value March 31, 2017		6.0
Net carrying value April 1, 2016		6.0
Depreciation for the year		-
Eliminated on disposals		-
At March 31, 2018		6.0
Carrying amount:		
At April 1, 2017		6.0
At March 31, 2018		6.0
At March 31, 2019		6.0

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

7 OTHER INTANGIBLE ASSETS

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying amounts of:	0.8	1.1
Computer Software	0.8	1.1

Particulars	Computer Software
Cost or deemed cost	
Balance as on April 1, 2017	20.3
Additions	1.2
Deletions	-
Balance as on March 31, 2018	21.5
Additions	-
Deletions	-
Balance as on March 31, 2019	21.5

Particulars	Computer Software
Accumulated depreciation	
Balance as on April 1, 2017	20.3
Depreciation expense for the year	0.1
Deletions	-
Balance as on March 31, 2018	20.4
Depreciation expense for the year	0.3
Deletions	-
Balance as on March 31, 2019	20.7

Particulars	Computer Software
Carrying amount	
Balance as on April 1, 2017	-
Balance as on March 31, 2018	1.1
Balance as on March 31, 2019	0.8

8 OTHER FINANCIAL ASSETS

Rs Million

a) Non-current

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposits	10.9	8.1
Other bank deposits	-	20.0
Margin money deposits [refer note 14(i)]	-	0.5
Total	10.9	28.6

b) Current

Particulars	As at March 31, 2019	As at March 31, 2018
Advances to employees	1.3	0.5
Security deposits	-	0.7
Interest accrued	20.7	15.6
Contractually reimbursable expenses	1.9	2.7
Total	23.9	19.5

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

9a DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax asset on:		
Provision for employee benefits	12.4	13.1
Provision for doubtful trade receivables	1.4	1.3
Sub total (A)	13.8	14.4
Deferred tax liabilities on:		
Property, Plant and equipment and intangible assets	9.1	12.2
Sub total (B)	9.1	12.2
Total (A-B)	4.7	2.2

Movement of deferred tax assets / liabilities

For the year ended March 31, 2019

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset on:				
Provision for employee benefits	13.1	(0.3)	(0.4)	12.4
Provision for doubtful trade receivables	1.3	0.1	-	1.4
Sub total (A)	14.4	(0.2)	(0.4)	13.8
Deferred tax liabilities on:				
Property, Plant and equipment and intangible assets	12.2	(3.1)	-	9.1
Sub total (B)	12.2	(3.1)	-	9.1
Total (A-B)	2.2	2.9	(0.4)	4.7

For the year ended March 31, 2018

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset on:				
Provision for employee benefits	15.0	(1.4)	(0.5)	13.1
Provision for doubtful trade receivables	1.0	0.3	-	1.3
Sub total (A)	16.0	(1.1)	(0.5)	14.4
Deferred tax liabilities on:				
Property, Plant and equipment and intangible assets	11.3	0.9	-	12.2
Sub total (B)	11.3	0.9	-	12.2
Total (A-B)	4.7	(2.0)	(0.5)	2.2

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

9b DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax asset on:		
Provision for employee benefits	0.3	-
Provision for compensated absences and other employee benefits	0.3	-
Preliminary Expenses	0.4	-
Sub total (A)	1.0	-
Deferred tax liabilities on:		
Property, Plant and equipment and intangible assets	2.0	-
Sub total (B)	2.0	-
Total (B-A)	1.0	-

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

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset on:				
Provision for employee benefits	-	0.3	-	0.3
Provision for compensated absences and other employee benefits	-	0.3	-	0.3
Preliminary Expenses	-	0.4	-	0.4
Sub total (A)	-	1.0	-	1.0
Deferred tax liabilities on:				
Property, Plant and equipment and intangible assets	-	2.0	-	2.0
Sub total (B)	-	2.0	-	2.0
Total (B-A)	-	1.0	-	1.0

For the year ended March 31, 2018

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
Deferred tax asset on:				
Provision for employee benefits	-	-	-	-
Provision for compensated absences and other employee benefits	-	-	-	-
Preliminary Expenses	-	-	-	-
Sub total (A)	-	-	-	-
Deferred tax liabilities on:				
Property, Plant and equipment and intangible assets	-	-	-	-
Sub total (B)	-	-	-	-
Total (B-A)	-	-	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

10 OTHER ASSETS

a) Non-current

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid rent	2.2	1.7
Balance with government authorities	16.0	15.8
Other deposits	1.3	1.1
Total	19.5	18.6

b) Current

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid expenses	7.5	7.4
Advances to suppliers	10.2	5.2
Duty drawback receivable	5.5	4.5
Balance with government authorities	63.8	129.0
Others	1.1	0.2
Total	88.1	146.3

11 INVENTORIES

Particulars	As at March 31, 2019	As at March 31, 2018
(At lower of cost and net realisable value)		
Raw materials	310.4	236.5
(Goods in transit -Rs. 18.3 Million, as at March 31, 2018 Rs. 6.0 Million)		
Work-in-progress	298.7	178.4
Finished goods	21.4	25.2
Stock-in-Trade	20.7	33.4
(Goods in transit -Rs. 18.9 Million, as at March 31, 2018 Rs. 2.8 Million)		
Total	651.2	473.5

The cost of inventory recognised as an expense/(income) includes Rs. (4.8) Million (Year ended March 31, 2018: Rs. (2.1) Million) in respect of obsolete raw material, Rs (0.1) Million (Year ended March 31, 2018 Rs. 0.4 Million), Work in progress Rs (2.5) Million (Year ended March 31, 2018 Rs. 2.5 Million).

12 TRADE RECEIVABLES

Particulars	As at March 31, 2019	As at March 31, 2018
Considered good - Unsecured	210.1	144.1
Which have significant increase in credit risk		
Credit impaired	4.9	2.7
	215.0	146.8
Less: Allowances for bad and doubtful debts	4.9	2.7
Total	210.1	144.1

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

Movements in allowance for doubtful trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance	2.7	3.0
Add / (less) : Provision made / (reversed) during the year	2.2	-
Less: Provision used during the year	-	0.3
Closing balance	4.9	2.7

13 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents:		
(a) Cash on hand	0.1	0.1
(b) Balance with banks:		
- In current accounts	82.0	46.6
- In deposit accounts	15.0	14.0
Total	97.1	60.7

14 OTHER BANK BALANCES

Particulars	As at March 31, 2019	As at March 31, 2018
Other balance with banks		
-Margin money deposits*	145.7	145.6
-In deposit accounts**	752.3	598.1
-Unpaid dividend accounts	3.2	3.3
Total	901.2	747.0

Note : (i)

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

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

15a CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance tax [Net of provision for tax :Rs. 361.8 Million (March 31, 2018 - Rs. 637.6 Million)]	22.9	11.3
Total	22.9	11.3

15b CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for tax (Net of advance tax Rs.377.2 Million (March 31, 2018 - Rs. 637.6 Million)]	13.3	-
Total	13.3	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

16 SHARE CAPITAL

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised equity share capital:		
5,000,000 Equity shares of Rs.10 each	50.0	50.0
Issued, subscribed and fully paid up:		
Equity shares of Rs.10 each	14.5	14.5
Total	14.5	14.5

Notes:

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

No of equity shares outstanding at the beginning of the year	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		
Disa Holding AG is a fully owned subsidiary of Disa Holding AS.	301,399	301,399
	20.73%	20.72%
Equity Shares are held by IDFC Premier Equity Fund	76,981	78,605
	5.29%	5.41%

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 ensuing 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

17 OTHER EQUITY

Particulars	As at March 31, 2019	As at March 31, 2018
Retained earnings	1,357.6	1,075.0
Buyback of equity shares	0.6	0.6
Capital reserve	1.5	1.5
Total	1,359.7	1,077.1

Particulars	As at March 31, 2019	As at March 31, 2018
A. Retained earnings		
Opening balance	1,075.0	911.8
Add : Profit for the year	286.1	166.5
Add : Other comprehensive income	0.8	1.1
Less: Dividend	3.6	3.7
Less: Tax on dividend	0.7	0.7
Balance at end of the year	1,357.6	1,075.0

Particulars	As at March 31, 2019	As at March 31, 2018
B. Buyback of equity shares		
Opening balance	0.6	0.6
Add : Movement during the year	-	-
Closing balance	0.6	0.6
C. Capital reserve		
Opening balance	1.5	1.5
Movement during the year	-	-
Closing balance	1.5	1.5

18 TRADE PAYABLES

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises	31.1	15.1
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 42)	273.7	314.4
Total	304.8	329.5

19 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
Unpaid dividends	3.2	3.3
Payable on purchase of property, plant and equipment	2.6	12.7
Contractually reimbursable expenses	17.9	30.3
Other Payables	2.3	2.8
Total	26.0	49.1

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

20 PROVISIONS

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for warranties (refer note 43)	11.9	7.9
Employee benefit payables (refer note 34)		
- Compensated absences	12.2	9.9
- Gratuity	17.1	13.6
Total	41.2	31.4

21 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory liabilities	11.3	11.5
Advances from customers	479.3	355.1
Total	490.6	366.6

22 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Sale of products (Refer note (i) below)	2,472.1	2,041.3
(b) Sale of services (Refer note (ii) below)	24.6	12.7
(c) Other operating revenue (Refer note (iii) below)	20.0	30.0
Total	2,516.7	2,084.0

Notes

(i) Sale of products comprises :

Manufactured goods :

Machinery

Parts of machinery

Sale of Manufactured goods Sub Total - A

Traded goods :

Parts of machinery

Sales of Traded goods Sub Total - B

Total sale of products - A + B

(ii) Sale of service comprises:

Engineering services

Supervision of installation services

Others

Sales of services - Total

(iii) Other operating revenue comprises :

Commission income

Sale of scrap

Export incentives

Other operating revenue - Total

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

23 OTHER INCOME

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest income (Refer note (i) below)	57.7	42.8
(b) Net gain on foreign currency transactions and translation	1.6	-
(c) Other non-operating income (Refer note (ii) below)	8.3	6.5
Total	67.6	49.3
Note:		
(i) Interest income comprises:		
Interest on:		
Bank deposits	57.3	42.2
Security deposits	0.4	0.6
	57.7	42.8
(ii) Other non-operating income comprises:		
Royalty	1.8	0.9
Profit on sales of assets (net)	-	0.3
Rental income	1.3	1.6
Provision for doubtful trade receivable reversed	-	0.3
Liability no longer required written back	1.1	2.3
Miscellaneous	4.1	1.1
Total	8.3	6.5

24 COST OF MATERIAL CONSUMED

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening Stock	236.5	164.9
Add : Purchases	1,506.7	1,182.6
Less : Closing Stock	310.4	236.5
Cost of materials consumed	1,432.8	1,111.0

25 PURCHASE OF STOCK-IN-TRADE

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Parts of machinery	120.7	129.9
Total	120.7	129.9

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

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventories at the end of the year:		
Finished goods	21.4	31.9
Work-in-progress	298.7	171.7
Stock-in-trade	20.7	33.4
Sub Total	340.8	237.0

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventories at the beginning of the year:		
Finished goods	25.2	9.7
Work-in-progress	178.4	172.8
Stock-in-trade	33.4	20.1
Sub Total	237.0	202.6
TOTAL	(103.8)	(34.4)

27 EXCISE DUTY ON SALE OF GOODS

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Excise duty on sales of Machinery	-	25.1
Excise duty on sales of Machinery Parts	-	10.0
Total	-	35.1

28 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and wages	315.2	272.8
Contributions to provident and other funds (refer note 34.2)	28.7	26.4
Staff welfare expenses	16.8	13.6
Total	360.7	312.8

29 FINANCE COSTS

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest expense on:		
(i) Bank guarantee commission	1.6	0.8
(ii) Interest others	1.9	-
(iii) Security deposits	0.5	0.5
Total	4.0	1.3

30 DEPRECIATION AND AMORTISATION

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on property, plant and equipment (refer note 4)	23.3	21.4
Amortisation on intangible assets (refer note 6)	0.1	0.1
Depreciation on investment properties (refer note 5)	0.1	0.1
Total	23.5	21.6

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

31 OTHER EXPENSES

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Power and fuel	20.8	19.3
Rent (refer note 35)	10.6	8.5
Repairs and maintenance - Buildings	10.7	3.8
Repairs and maintenance - Machinery	4.0	4.7
Repairs and maintenance - Others	4.9	7.1
Insurance	8.9	8.2
Rates and taxes	3.7	4.3
Travelling and conveyance	46.7	44.5
Legal and professional charges	14.4	18.8
Payments to auditors (refer note (i)(a) below)	4.4	3.2
Security expenses	10.4	9.6
Telephone, postage and courier	2.5	2.8
Printing and stationery	2.3	1.9
Freight outwards	10.3	10.4
Commission expenses	6.2	5.2
Recruitment and training	3.3	1.4
Group management fees	28.5	24.6
Directors sitting fees and commission	1.8	0.8
Royalty	37.4	21.9
IT costs	2.2	2.2
Group IT costs	49.5	46.0
Expenditure on corporate social responsibility (refer note (ii) below)	4.3	4.2
Bad Debts written off	-	0.1
Provision for doubtful debts	2.2	-
Advertisement and sales promotion	2.1	9.2
Net loss on foreign currency transactions and translation	-	6.4
Loss on sale of assets	0.8	-
Contract worker expenses	4.5	-
Miscellaneous expenses	43.2	27.8
Total	340.6	296.9

Note:

(i) Payments to auditors comprises :

(a) Statutory auditors

Statutory audit	2.9	1.8
Tax Audit	0.6	0.4
Other services	0.4	0.7
Reimbursement of expenses	0.5	0.3
Sub Total	4.4	3.2

(b) Cost auditors

Cost audit fee	0.2	0.2
Sub Total	0.2	0.2

Total	4.6	3.4
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(ii) Expenditure on corporate social responsibility

(a) Gross amount required to be spent by the Company	4.3	4.2
(b) Amount spent		
(i) Amount paid during the year towards		
- On purposes other than above	4.3	4.2
(c) Yet to be paid in cash	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

32 INCOME TAXES

A INCOME TAX RECOGNISED IN STATEMENT OF PROFIT AND LOSS

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax		
In respect of the current year	121.6	90.6
	121.6	90.6
Deferred tax		
In respect of the current year	(1.9)	2.0
	(1.9)	2.0
Total income tax expenses recognised in the current year	119.7	92.6

B INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax charge / (benefit)		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	0.4	0.5
	0.4	0.5
Bifurcation of the income tax recognised in other comprehensive income in to		
Items that will not be reclassified to profit or loss	0.4	0.5
	0.4	0.5
Reconciliation of effective tax rate		
Profit before income taxes	405.8	259.1
Applicable tax rate	29.12%	34.61%
Expected income tax expenses	118.0	89.7
Adjustments to reconcile expected tax expenses to reported income tax expenses		
Effect of expenses not deductible in determining taxable profit	1.3	2.9
Effect on deferred tax balances due to change in income tax rate from 34.61% to 29.12%	0.5	-
	1.8	2.9
Adjusted income tax expenses	119.7	92.6
Effective tax rate	29.51%	35.73%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

In Million

33 EARNINGS PER SHARE (EPS)

PARTICULARS	Year ended March 31, 2019	Year ended March 31, 2018
Basic and Diluted		
Profit attributable to equity share holders (Rs. in Million)	286.1	167.0
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)	196.74	114.84

34 EMPLOYEE BENEFITS

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

1. Defined Benefit Plans

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

PARTICULARS	Gratuity	
	In Million	
	Year ended March 31, 2019	Year ended March 31, 2018
Current service cost	5.0	5.2
Interest Cost	0.8	0.9
Amount recognised in the Statement of Profit and Loss	5.8	6.1
Actuarial (gain)/loss		
a) arising from changes in financial assumption	1.7	(2.6)
b) arising from experience adjustments	0.3	(1.5)
c) arising from demographic assumption	0.3	(0.8)
Return on Plan assets excluded amount included in interest income	(3.5)	3.3
Amount recognised in other comprehensive income	(1.2)	(1.6)
Total	4.6	4.5

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

PARTICULARS	Gratuity	
	In Million	
	Year ended March 31, 2019	Year ended March 31, 2018
Defined benefit obligation at beginning of the year	60.8	60.2
Current service cost	5.0	5.2
Interest cost	4.4	4.0
Actuarial losses (gains)	2.3	(4.9)
Benefits PAID	(1.2)	(3.7)
Defined benefit obligation at the end of the year	71.3	60.8

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

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

PARTICULARS	Gratuity	
	In Million	
	Year ended March 31, 2019	Year ended March 31, 2018
Fair value of plan assets at beginning of the year	47.2	42.5
Expected return on plan assets	3.6	3.1
Return on Plan assets excluded amount included in interest income	3.5	(3.2)
Contributions by employer	1.1	8.5
Benefits paid	(1.2)	(3.7)
Fair value of plan assets at year end	54.2	47.2

IV. Investment details:

PARTICULARS	% invested as at Year ended March 31, 2019	% invested as at Year ended March 31, 2018
Investment with insurer (Investment in Policy of LIC)	100%	100%

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

PARTICULARS	Gratuity	
	Year ended March 31, 2019	Year ended March 31, 2018
Mortality Table (LIC)	2006-08 (IALM)	2006-08
Discount Rate (per annum)	7.70%	7.6%/7.5%
Rate of escalation in salary (per annum)	9.00%	8.50%

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.

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

VI. Sensitivity Analysis

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

PARTICULARS	Gratuity	
	In Million	
	Year ended March 31, 2019	Year ended March 31, 2018
Impact in present value of defined benefit obligation:		
If discount rate is increased by 0.5%	(2.0)	(1.8)
If discount rate is decreased by 0.5%	2.1	1.8
If salary escalation rate is increased by 0.5%	2.1	1.8
If salary escalation rate is decreased by 0.5%	(2.0)	(1.8)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

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. 13.2 Million.

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

PARTICULARS	Gratuity	
	In Million	
	Year ended March 31, 2019	Year ended March 31, 2018
Expected outflow in 1st Year	6.7	6.2
Expected outflow in 2nd Year	13.6	10.4
Expected outflow in 3rd Year	8.4	8.3
Expected outflow in 4th Year	9.0	7.8
Expected outflow in 5th Year	13.2	8.2
Expected outflow in 6th to 10th Year	45.3	41.9

2. Defined Contribution Plans.

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

PARTICULARS	Year ended March 31, 2019	Year ended March 31, 2018
Employer's Contribution to Provident Fund	15.2	12.9
Employers' Contribution to Superannuation Fund	7.4	6.2
Employers' Contribution to ESIC	0.1	-

3. Actuarial Assumptions - Compensated Absences

PARTICULARS	Year ended March 31, 2019	Year ended March 31, 2018
Mortality Table (LIC)	2006-08 (IALM)	2006-08 (Ultimate)
Discount Rate (per annum)	7.70%	7.6%/7.5%
Rate of escalation in salary (per annum)	9.00%	8.50%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

35 OPERATING LEASES ARRANGEMENTS

The Group has taken immovable properties on non-cancellable operating lease and lease rent amounting to Rs. 10.6 Million (year ended March 31, 2018 Rs. 8.5 Million) has been charged to the Statement of Profit and Loss. The future minimum lease rent is as under:

PARTICULARS	Balance as at March 31, 2019	Balance as at March 31, 2018
Not later than 1 year	0.8	0.7
later than 1 year and not later than 5 years	0.7	1.4

36 CAPITAL AND OTHER COMMITMENTS

PARTICULARS	Balance as at March 31, 2019	Balance as at March 31, 2018
Estimated amount of contracts remaining to be executed on capital accounts not provided for	1.0	0.4

37 CONTINGENT LIABILITIES

PARTICULARS	Balance as at March 31, 2019	Balance as at March 31, 2018
Claims against the Group not acknowledged as debt *		
Service tax	0.6	0.6
CST/VAT	19.4	17.7
Excise duty	1.4	1.4
Income tax	13.1	13.1

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

38 FINANCIAL INSTRUMENTS

(i) Financial assets and liabilities

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

(ii) Categories of Financial Instruments

PARTICULARS	Balance as at March 31, 2019	Balance as at March 31, 2018
(A) Financial assets		
Measured at amortised cost		
(a) Cash and bank balances	998.3	807.7
(b) Trade receivables	210.1	144.1
(c) Other financial assets	34.8	48.1
Total	1,243.2	999.9
(B) Financial liabilities		
Measured at amortised cost		
(a) Trade payables	304.8	329.5
(b) Other financial liabilities	26.0	49.1
Total	330.8	378.6

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

(ii) Fair value

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.

(iii) Financial risk management objectives

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

(iv) Market Risk

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

a) Interest Rate Risk

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

b) Foreign Currency Risk

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

The carrying amount of the Group's Foreign Currency denominated monetary items are as follows;

PARTICULARS	Balance as at March 31, 2019	Balance as at March 31, 2018
Liabilities		
EURO	72.1	135.9
USD	49.8	46.2
Total Liabilities	121.9	182.1
Assets		
EURO	9.2	18.0
USD	3.4	0.5
GBP	1.9	-
Total Assets	14.5	18.5

Foreign Currency sensitivity analysis

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

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

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

Analysis of 10% strengthening of the INR

PARTICULARS	EURO Impact (net of tax)	
	Balance as at March 31, 2019 (Rs. in Million)	Balance as at March 31, 2018 (Rs. in Million)
Impact on profit or loss for the year	(4.5)	(7.7)
Impact on total equity as at the end of the reporting period	4.5	7.7

PARTICULARS	USD Impact (net of tax)	
	Balance as at March 31, 2019 (Rs. in Million)	Balance as at March 31, 2018 (Rs. in Million)
Impact on profit or loss for the year	(3.0)	(3.0)
Impact on profit or loss for the year	3.0	3.0

(v) 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 as follows

PARTICULARS	Balance as at March 31, 2019	Balance as at March 31, 2018
Balance at the beginning	2.7	3.0
Provision recognised/(reversed)	2.2	(0.3)
Write offs	-	-
Balance at the end	4.9	2.7

(b) Other

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.

VI Liquidity Risk

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

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

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total
As at March 31, 2019				
Trade payables (Refer Note 18)	304.8	-	-	304.8
Other financial liabilities (Refer Note 19)	26.0	-	-	26.0
As at March 31, 2018				
Trade payables (Refer Note 18)	329.5	-	-	329.5
Other financial liabilities (Refer Note 19)	49.1	-	-	49.1

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

(VII) Capital management

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

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

39 RELATED PARTY DISCLOSURES

a) Related parties and their relationship

Nature of	Name of the
Ultimate holding company	Norican Global A/S
Holding Company	DISA Holding AG
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 Castalloy Inc, USA Wheelabrator Group (Canada) ULC
Key management personnel	Mr. Andrew Thomas Carmichael (from June 21, 2017) Mr. Robert E Joyce Jr (Upto June 21, 2017) Mr. Viraj Naidu - Managing Director (Upto May 25, 2017) Mr. Lokesh Saxena - Managing Director (From June 19, 2017) Ms. Deepa Hingorani Mr. Sanjay Arte Mr. Shymal Kumar Sinha Mr. Amarnath Mohanty - CFO

b) Details of related party transactions during the year ended March 31, 2019 and balances outstanding as at March 31, 2019

Name of the related party	Nature of Transactions	Amount	Outstanding balance as at March 31, 2019	Outstanding balance as at March 31, 2018
		(Rs. in Million)	(Rs. in Million)	(Rs. in Million)
DISA Industries AG	Royalty expenses	7.9 (2.4)	Cr.3.1	Cr.1.1
	Service income	- (0.1)		
	Export / sale of materials	- (3.5)		
	Reimbursement of expenses	- (0.1)		
	Commission received	- (1.5)		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

Name of the related party	Nature of transactions	Amount	Outstanding balance as at March 31, 2019	Outstanding balance as at March 31, 2018
		(Rs. in Million)	(Rs. in Million)	(Rs. in Million)
DISA Technologies Private Ltd.	Service charges	6.4 (4.7)	Nil	Nil
	Capital goods sales	- (0.1)		
DISA Industries A/S	Royalty expenses	27.2 (17.3)	Cr.56.4	Cr.73.7
	Service charges paid	0.3 (3.7)		
	Import material	202.3 (176.7)		
	Reimbursement of expenses (paid)	- (0.7)		
	Service income	1.4 (4.3)		
	Export / sale of materials	27.1 (43.2)		
	Reimbursement of expenses (received)	0.7 (2.5)		
	Commission received	10.6 (26.0)		
	Reimbursement of warranty	0.1 (7.8)		
DISA K.K.	Export / sale of materials	0.3 (0.3)	Cr.3.7	Dr.o.o
DISA (Changzhou) Machinery Ltd.	Import material	24.4 (12.3)	Cr.o.8	Cr.10.0
	Export / sale of materials	3.5 (3.7)		
	Service income	0.7 -		
	Royalty income	1.8 (0.9)		
Wheelabrator Czech s.r.o.	Import material	29.2 (19.1)	Cr.4.3	Cr.13.2
	Service fees	0.5 -		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

Name of the related party	Nature of transactions	Amount	Outstanding balance as at March 31, 2019	Outstanding balance as at March 31, 2018
		(Rs. in Million)	(Rs. in Million)	(Rs. in Million)
Wheelabrator Group GmbH	Royalty expenses	2.3 (3.6)		
	Service income	0.5 (1.6)		
	Reimbursement of expenses (receivable)	- (0.1)	Nil	Cr.0.6
Wheelabrator Group Ltd. USA	Reimbursement of expenses (Payable)	0.3 -		
	Import material	3.1 (9.7)		
	Service income	3.9 (4.4)	Dr.0.4	Cr.2.2
Striko Westofen GMBH	Reimbursement of expenses (Receivable)	0.1 -	Nil	Nil
DISA Industries, Inc.	Export / sale of materials	1.2 (0.6)	Dr.0.1	Nil
Norican A/S	Group Management fee	27.3 (23.8)		
	Group IT fee	49.5 (46.0)		
	Reimbursement of expenses (Paid)	1.2 (0.8)	Cr.17.9	Cr.15.2
Castalloy Inc, USA	Export / sale of materials	17.0 (0.1)	Dr.7.6	Dr.0.1
Mr. Viraj Naidu	Remuneration paid	- (4.4)	Nil	Nil
Mr. Lokesh Saxena	Remuneration paid	11.4 (6.0)	Nil	Nil
Ms. Deepa Hingorani	Commission and sitting fees paid	0.7 (0.4)	Nil	Nil
Mr. Shymal Kumar Sinha	Commission and sitting fees paid	0.6 (0.4)	Nil	Nil
Mr. Sanjay Arte	Commission and sitting fees paid	0.5 -	Nil	Nil
Mr. Amarnath Mohanty	Remuneration paid	9.3 (8.9)	Nil	Nil
Mr. K. Duraisami	Managerial Remuneration (short term)	2.9 (1.2)	Nil	Nil
Mr. Ramachar. L	Managerial Remuneration (short term)	0.3 -	Nil	Nil

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

40 SEGMENT REPORTING

Entity - wide disclosures :

(i) Revenues from customers :

PARTICULARS	For the year March 31, 2019	For the year March 31, 2018
India	2,358.7	1,965.3
Outside India	158.0	118.7

(ii) Non-Current Assets:

PARTICULARS	As at March 31, 2019	As at March 31, 2018
India	256.6	265.8
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 external customer which accounts for more than 10% of the Group's total revenue for the year ended March 31, 2019 and March 31, 2018

41 Additional information as required by Schedule III to the Companies Act, 2013

Name of entity	Share of net assets As at March 31, 2019		Share of Profit or Loss As at March 31, 2019		Share of Other comprehensive income As at March 31, 2019		Share of Total comprehensive income As at March 31, 2019	
	As % of consolidated net assets	Amount (In million)	As % of consolidated profit or loss	Amount (In million)	As % of consolidated other comprehensive income	Amount (In million)	As % of consolidated total comprehensive income	Amount (In million)
Parent								
DISA India Limited	99.0%	1,360.1	97.2%	277.8	-25.0%	1.0	97.2%	278.8
Subsidiary (Indian)								
Bhadra Castalloy Private Limited	1.0%	13.9	2.8%	8.1	125.0%	-0.2	2.8%	7.9

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

42 DISCLOSURES UNDER THE MSMED ACT, 2006

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

PARTICULARS	Year ended March 31, 2019	Year ended March 31, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	31.1	15.1
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amount of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of interest due and payable for the year	-	-
(vii) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note:

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

43 PROVISIONS

Provisions for warranties

PARTICULARS	For the year March 31, 2019	For the year March 31, 2018
Balance at the beginning of the year	7.9	8.2
Add : Provision made during the year	14.3	6.3
Less : Amount utilised during the year	10.2	6.6
Balance at the end of the year	12.0	7.9

44 PROPOSED DIVIDEND

The Board of Directors in their meeting held on May 23, 2019, proposed a final equity dividend of Rs. 2.5 per equity share of Rs 10.00 each fully paid up for the year 2018-19. The aggregate amount of final equity dividend proposed to be distributed is Rs 4.4 Million including dividend distribution tax of Rs 0.7 Million.

For and on behalf of the Board of Directors

Amar Nath Mohanty
Chief Financial OfficerDeepa Hingorani
Director
DIN : 00206310Lokesh Saxena
Managing Director
DIN : 07823712Place: Bengaluru
Date : May 23, 2019G. Prasanna Bairy
Company Secretary

DISA INDIA LIMITED

CIN: L85110KA1984PLC006116

Registered Office: 5th Floor, Kushal Garden Arcade, 1A, Peenya Industrial Area, Peenya 2nd Phase, Bangalore - 560058

Telephone: +91 80 40201403/04 Email: investor.relations@disagroup.com Web: www.disagroup.com

May 23, 2019

Dear Shareholder,

The Ministry of Corporate Affairs, Government of India ("MCA") has, by its circular dated April 21, 2011 announced a "Green Initiative in the Corporate Governance" by allowing paperless compliance by companies. In terms of the said circular, service of notice/documents by a Company to its shareholders required to be made under the provisions of the Companies Act, 2013 can be made through the electronic mode.

In line with the above initiative of the MCA, the Company proposes to send documents such as the Notice of the Annual General Meeting, Audited financial statements, Board's Report, Independent Auditors' Report, Secretarial Audit Report, Poll Papers etc., henceforth to all its esteemed shareholders, including your good self, in electronic form, through e-mail. To facilitate the same, we request you to furnish our e-mail id, quoting your folio number/DPID/Client ID to our Registrar and share Transfer Agent at the following address:

Integrated Registry Management Services Private Limited

No. 30, Ramana Residency,

4th Cross, Sampige Road,

Malleswaram, Bengaluru - 560 003

Phone : 080-23460815-18, Fax : 080-23460819,

E-mail : irg@integratedindia.in

We are sure you would appreciate this welcome initiative taken by the MCA to reduce consumption of paper and thereby, protect the environment. We expect to receive your support and co-operation in helping the Company to contribute its share to the said initiative.

Thanking you

Yours faithfully

For DISA India Limited

G. Prasanna Bairy

General Manager - Finance & Company Secretary

DISA INDIA LIMITED

CIN: L85110KA1984PLC006116

Registered Office: 5th Floor, Kushal Garden Arcade, 1A, Peehya Industrial Area, Peenya 2nd Phase, Bengaluru - 560 058
Telephone: +91 80 40201403/04 Email: investor.relations@noricangroup.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, Bangalore – 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 :

DISA INDIA LIMITED

CIN: L85110KA1984PLC006116

Registered Office: 5th Floor, Kushal Garden Arcade, 1A, Peehya Industrial Area, Peenya 2nd Phase, Bengaluru - 560 058

Telephone: +91 80 40201403/04 Email: investor.relations@noricangroup.com Web: www.disagroup.com

34th Annual General Meeting on August 08, 2019

Form No. MGT-12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies
(Management and Administration) Rules, 2014]

Name of the Company: **DISA India Limited**

Registered Office: 5th Floor, Kushal Garden Arcade, 1A, Peenya Industrial Area, Peenya 2nd Phase, Bangalore – 560 058

BALLOT PAPER

1.	Name of the First Named Shareholder (In block letters)	Details
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
----	----------	--------------------------	----------------------------	-------------------------------

ORDINARY BUSINESS

1.	Adoption of financial statements for the year ended March 31, 2019			
2.	Declaration of Dividend			

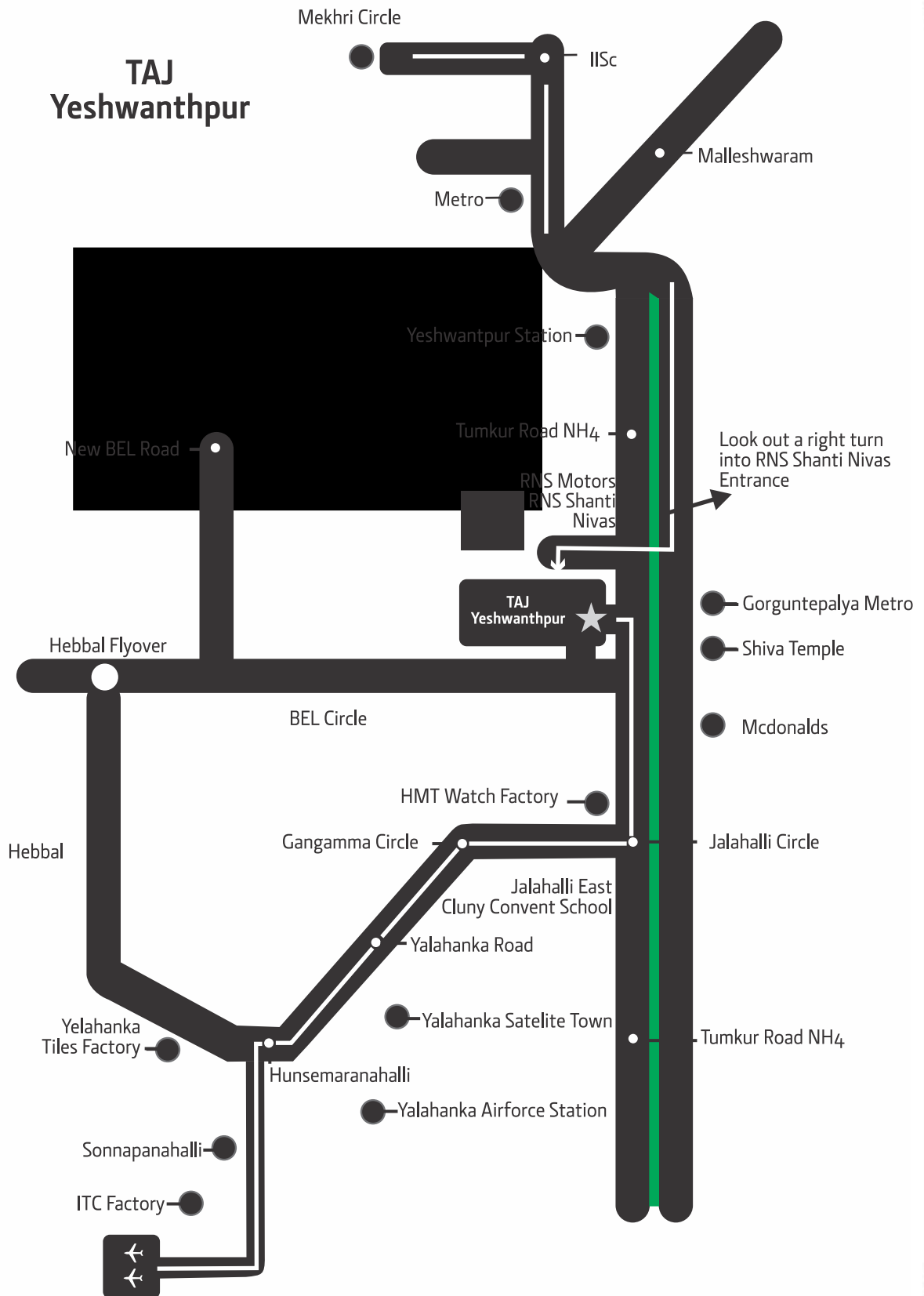
SPECIAL BUSINESS

3.	Ratification of Cost Auditors' remuneration for the financial year 2018-19			
4.	Re-appointment of Ms. Deepa Agar Hingorani as Independent Director of the Company			
5.	Re-appointment of Mr. Sanjay Narendrakumar Arte as Independent Director of the Company:			
6.	Appointment of Mr. Anders Wilhelm as a Director of the Company			
7.	Appointment of Mr. Andrew James Matsuyama as a Director of the Company			
8.	Appointment of Ms. Ulla Hartvig Plathe Tonnesen as a Director of the Company			

Place:
Date:

(Signature of the shareholder)

TAJ Yeshwanthpur



Plants in India

Tumkur Plant



Hosakote Plant



Bhadra Castalloy



KEY INSTALLATIONS



DISA Sand Plant
at Munjal Kiriu



DISAMATIC D3
Moulding Machine
at Munjal Kiriu



Wheelabrator DRT Shot
Peening Machines at PSA AVTEC

Contacts

DISA India Limited

Registered office:

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1A Peenya Industrial Area, Peenya 2nd Phase,
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F: + 91 80 2839 1661
E: bangalore@noricangroup.com
www.disagroup.com | www.wheelabratorgroup.com
CIN: L85110KA1984PLC006116

Regional Sales & Service Contact:

New Delhi: #908, 9th Floor,
International Trade Tower,
Nehru Place, New Delhi – 110019.
E: delhi@noricangroup.com

Kolkata: #229, 4th Floor, Crescent Towers,
AJC Bose Road, Kolkata – 700020.
E: kolkata@noricangroup.com

Regional Sales & Service Contact:

Pune: #302, Platinum Square,
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