

Ref: DIL/SEC/2023-24  
July 18, 2023

The Listing Manager  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai -400001

**Scrip Code- 500068**

Name of the Company - DISA India Limited

Dear Sir,

**Sub: Annual Report for the Financial Year 2022-23**

Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report for the Financial Year ended March 31, 2023 including the Notice of the 38<sup>th</sup> Annual General Meeting and Business Responsibility and Sustainability Report for the year ended March 31, 2023, which are being sent to Shareholders through electronic mode, in respect of the 38<sup>th</sup> Annual General Meeting, scheduled to be held on Thursday, August 10, 2023 at 11:00 AM IST through Video Conferencing/ Other Audio-Visual Means.

This Annual Report will also be available on the website of the Company i.e., <https://www.disagroup.com/en-in/investor-relations/financial-reports/annual-reports>

Kindly take the same on record.

Thanking you,

Yours sincerely,

**For DISA India Limited,**

Shrithee M S  
Company Secretary & Compliance Officer

**Encl: As above**

## DISA India Limited

**Registered & Corporate Office:**

6<sup>th</sup> Floor, S-604, World Trade Center (WTC), Brigade Gateway Campus, 26/1,  
Dr Rajkumar Road, Malleswaram-Rajajinagar, Bangalore-560 055, Karnataka, India  
T: +91 80 2249 6700 – 03 | F: +91 80 2249 6750 | E: bangalore@noricangroup.com  
W: www.noricangroup.com CIN: L85110KA1984PLC006116 | GST: 29AAACG5030F1ZY

**We are Norican :** DISA | ItalPresseGauss | Monitizer | Simpson | StrikoWestofen | Wheelabrator

**Regional Sales:**

**New Delhi:** delhi@noricangroup.com

**Kolkata:** kolkata@noricangroup.com

**Pune:** pune@noricangroup.com

**Parts & Services:** cdc.india@noricangroup.com

**Manufacturing Facility:**

**Tumkur:** No. 28-32, Satyamangala Industrial Area,  
Tumkur – 572104, Karnataka, India. T: +91 816 6602000/01  
E: tumkur@noricangroup.com

# DISA India Limited

38<sup>th</sup> Annual Report – 2022-23



Norican Technologies

**DISA**

**ItalPresseGauss**

**Monitizer**

**SIMPSON**

**StrikoWestofen**

**wheelabrator**



# Managing Director's Message

Dear Shareholders,

It is with great pride and pleasure we present this Annual Report to all of you. It's time to celebrate the years of success of your Company, and the last few years especially, which have taken the business to a whole new level of market presence and performance. The revenues and market capitalization of your Company is at an all-time high and has become the benchmark for the industry.

As shareholders, we have always counted on your valued support which led to this joint success for DISA India Limited (DIL).

**We would like to share with you a few of the highlights of the last year.**

**Consolidation of the Tumkur manufacturing facility into a world-class manufacturing hub:** One of the significant milestones we accomplished and presented to the market is the transformation of the our Tumkur manufacturing site. The consolidated facility has become a world-class production hub for Norican Group. It is a strategic move that has opened new opportunities for DIL to serve global markets. By leveraging state-of-the-art technology and a skilled local workforce, we have successfully ventured further into new international markets, fostering lucrative opportunities for export, and expanding our customer base. We are proud to say that DIL manufactured equipment today can be found in more than 30 countries around the world, across Europe, North America, South America, South Asia, CIS, and Middle East countries. This is no small achievement for our operation, and we would like to thank the Norican Group team for their help and guidance on this journey. The standard of quality of our equipment has improved significantly, solidifying our position as a global leader in our industry.

**Success in digitalizing foundries with Monitizer digital solutions:** In an era shaped by digital transformation, we recognized the need to innovate on behalf of our customers and stay ahead of the curve. This year, we helped many customers embark on their digitalization journeys by deploying Norican's revolutionary Monitizer digital solutions across their foundries. Harnessing the power of cutting-edge technology, we have delivered substantial improvements in operational efficiency, productivity and resource utilization. The seamless integration of Monitizer into our customers' processes has empowered them to make data-driven decisions, run advanced predictive maintenance programs, and achieve higher production volumes. We have first-mover advantage in our industry, offering an end-to-end solution designed for our customers' processes. It powerfully demonstrates our commitment to bringing new technologies to the market and embracing technological advancements for the benefit of our customers.

**SBTi - CSR initiative: Greening our future, planting trees:** As a responsible corporate citizen, we firmly believe in looking after the environment and the communities we operate in. This year, we made significant progress towards our SBTi commitments (emissions reduction targets) and other Corporate Social Responsibility (CSR) targets to promote sustainability in all its facets. For example, we initiated a comprehensive tree planting drive, successfully planting the first thousand trees – to help combat deforestation, restore biodiversity, and create a greener future. We are also working on switching to renewable power for all our operations very soon. Our commitment to environmental stewardship is deeply engrained in our values, and we remain dedicated to supporting initiatives that promote a sustainable planet for generations to come.

**Sowing the seeds for a strong export business in new regions:** We aspire to become a significant player in the exports markets and venture into new countries to convert opportunities into real business. In the pipeline are exciting new greenfield foundry projects in Qatar, Saudi Arabia, Uzbekistan, Turkey as well opportunities to sell equipment to the US, Europe and Middle East, plus Africa, as a new region of interest for the business.

DIL has been on a long and at times difficult journey over the last few years, which include the pandemic years. Today, we have left the after-effects of that challenging period fully behind us and are looking at strong growth opportunities ahead. This, we owe to all our dedicated and capable people, who have worked tirelessly to get us to this point. The performance of DIL is their work and they can be very proud of it.

As always, DIL team would like to express thanks to all our valued clients, suppliers, and other stakeholders for their unwavering support of our business.

We extend our sincere gratitude to the Norican Group management, who have been always at DIL's side. Their guidance and encouragement has been invaluable.

We will continue to work harder, smarter and better to create value for our shareholders.

Thank you once again for your support.

Sincerely,



Lokesh Saxena  
Managing Director



Amar Nath Mohanty  
Chief Financial Officer

**Board of Directors**

Ms. Deepa Agar Hingorani - Chairperson  
 Mr. Anders Wilhelm  
 Mr. Michael Declan Guerin  
 Ms. Ulla Hartvig Plathe Tonnesen  
 Mr. Bhagya Chandra Rao - Independent Director  
 Mr. Lokesh Saxena - Managing Director

**Chief Financial Officer**

Mr. Amar Nath Mohanty

**Company Secretary & Compliance Officer**

Mr. G. Prasanna Bairy (upto 11.11.2022)  
 Ms. Shrithee M S (from 22.11.2022)

**Bankers**

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

**Registrars**

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

**Registered Office**

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

**Stock Exchange**

BSE Ltd.  
 Mumbai

**Auditors**

Deloitte Haskins & Sells  
 Bengaluru

**Solicitors**

Chander Kumar & Associates  
 Bengaluru

**Internal Auditors**

Protiviti India Member Pvt. Ltd, Bengaluru

**Secretarial Auditor**

Mr. Vijayakrishna KT  
 Bengaluru

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## Board of Directors



**Deepa Agar Hingorani**

Independent Director & Chairperson



**Anders Wilhelm**

Director



**Michael Declan Guerin**

Director



**Bhagya Chandra Rao**

Independent Director



**Ulla Hartvig Plathe Tonnesen**

Director



**Lokesh Saxena**

Managing Director





## NOTICE

NOTICE is hereby given that the Thirty Eighth (38<sup>th</sup>) Annual General Meeting of DISA India Limited will be held on Thursday, the 10<sup>th</sup> day of August, 2023 at 11.00 AM IST through Video Conferencing (VC) to transact the following business:

### ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Financial Statements (including the consolidated financial statements) of the Company for the year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon.
- To confirm the payment of Interim Dividend of Rs. 100/- (1000%) and to declare Final Dividend of Rs. 10/- (100%) per Equity Share of Rs. 10/- each for the Financial Year ended March 31, 2023.
- To appoint a Director in place of Mr. Anders Wilhjelm (DIN: 08507772), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
- To appoint the Statutory Auditors 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 Sections 139, 142 and any other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Messrs. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004) be and are hereby appointed as the Statutory Auditors of the Company for a term of five (5) years commencing from the conclusion of the 38<sup>th</sup> Annual General Meeting until the conclusion of the 43<sup>rd</sup> Annual General Meeting of the Company on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.”

### SPECIAL BUSINESS:

- To ratify the remuneration of Cost Auditors.

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof], Messrs. Rao, Murthy & Associates, Cost Accountants, Bengaluru (Reg. No.000065), appointed as Cost Auditors of the Company for conducting the cost audit of the accounts and records for the Financial Year ended March 31, 2023 with a remuneration of Rs.1,80,000/- (Rupees One Lakh Eighty 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.”

- To re-appoint Mr. Lokesh Saxena (DIN: 07823712) as Managing Director of the Company.

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

“RESOLVED THAT pursuant to provisions of Sections 196,197 and

203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the consent of the Shareholders be and is hereby accorded to the re-appointment of, and remuneration payable to, Mr. Lokesh Saxena (DIN: 07823712), as the Managing Director of the Company for a period of three years with effect from June 21, 2023 to June 20, 2026 upon the terms and conditions recommended by the Nomination and Remuneration Committee and approved by the Board and subject to the Central Government approval, if required, on such terms and conditions as set out below:

#### (i) Basic Salary:

With effect from	Basic Salary per month
June 21, 2023	Rs.5,35,643/- (Rupees Five Lakhs Thirty-Five Thousand Six Hundred and Forty-Three Only) per month with such changes annually, as may be decided upon.

#### (ii) House Rent Allowance:

Not exceeding 50% of basic salary. House rent allowance will be Rs.2,67,821/- (Rupees Two Lakhs Sixty Seven Thousand Eight Hundred and Twenty One only) per month.

#### (iii) Conveyance:

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

#### (iv) Telephone:

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

#### (v) Other Allowance:

Other allowance will be Rs.4,28,514/- (Rupees Four Lakhs Twenty Eight Thousand Five Hundred and Fourteen Only) per month.

#### (vi) Medical Allowance:

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

#### Medi-claim Policy Coverage

Eligible for Medi-claim Policy (premium paid by the Company) covering self, spouse, dependent children less than 25 years of age and parents as applicable to other senior management personnel of the Company, with changes, if any, as applicable from time to time.

#### (vii) Leave and Leave Travel Assistance:

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



**(viii) Company's Contribution to Provident Fund:**

The Company will contribute 12% of the basic salary to the Provident Fund plus 1% of basic salary towards Administration charges payable to Regional Provident Fund Authorities, as applicable to other senior management personnel of the Company, with changes, if any, as may be applicable from time to time.

**(ix) Contribution to Superannuation Fund:**

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

**(x) Contribution to Gratuity Fund:**

The Company will contribute to the Gratuity Fund as per the rules and regulations of the Company as applicable to other senior management personnel of the Company with changes, if any, from time to time. Payment of gratuity is limited to 15 days basis salary for each year of service to a maximum of 30 years as existing now, subject to any change that may be done from time to time.

**(xi) Reimbursement of Business Expenses:**

He will be eligible for reimbursement of all reasonable expenses on travel, entertainment etc., legitimately incurred in the course of performance of duties.

**(xii) Sitting Fee:**

He will not be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof. He will not be liable to retire by rotation.

**(xiii) Variable Performance Bonus:**

The Managing Director is covered under the Norican Group NAIP (Norican Annual Incentive Program). The payment of the Variable Performance Bonus is based on the achievement of the performance parameters at the end of the year as compared to these parameters set out in the beginning of the calendar year. Accordingly, the annual payment of this Variable Performance Bonus may vary from year to year.

He will be eligible for performance variable pay bonus @ 30% of the annual fixed pay every year, or as may be determined every year by the Group, subject to the standard terms of NAIP. NAIP takes into account Group performance, Company performance in terms of growth and personal objectives measured against agreed objectives for the year.

**(xiv) Minimum Remuneration:**

In the event of absence or inadequacy of profits in any Financial Year during the currency of tenure of his appointment, the entire applicable remuneration of Rs. 22.676 Million (Rupees Twenty Two Million Six Hundred and Seventy Six Thousand Only) payable to Mr. Lokesh Saxena by way of Salary and perquisites as mentioned above shall be paid as the Minimum Remuneration, subject to the provisions under Schedule V of the Companies Act, 2013 as amended from time to time.

**(xv) Notice Period:**

If he wants to leave the Company, he is required to give 6 (six) months notice or salary in lieu thereof. However, only in case of severance by the Company, the notice period will be 3 (three) months and over and above he will be paid 3 (three) months salary by the Company.

**(xvi) Termination:**

The Company reserves the right to terminate his services forthwith if he is guilty of any misconduct or breach of duty including performance below the expectation etc. The Company may terminate his services, or he shall also be at the liberty to leave the services of the Company by giving notice or salary in lieu thereof.

**(xvii) Housing in Bangalore:**

He shall be provided with furnished accommodation upto a cost of Rs.1.32 Million (equivalent to 15,000 Euros) per annum for self and family in the city of Bangalore as and when the family is relocated to Bangalore.

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

RESOLVED FURTHER THAT any Director of the Company, Mr. Amar Nath Mohanty, Chief Financial Officer and Ms. Shrithee M S, Company Secretary be and are hereby severally authorized to file relevant forms with Registrar of Companies, Karnataka, Ministry of Corporate Affairs and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment."

7. To approve 'Material Related Party Transactions' for 3 years from FY 2023-24 to FY 2025-26 with DISA Industries A/S; Denmark.

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof) consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) with DISA Industries A/S, a 'Related Party' as defined under Section 2(76) of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for purchase, sale, transfer or receipt of products, goods, materials, resources, services, royalty, commission or other obligations, if any, on such terms and conditions as may be mutually agreed upon between the Company and DISA Industries A/S, for an amount not exceeding in aggregate Rs. 900 Million (Rupees Nine Hundred Million Only) each year for a period of three years from FY 2023-24 to FY 2025-26 which are in the ordinary course of business and at an arm's length basis.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transactions with the related party, finalize the terms and conditions as may be necessary, expedient or desirable and execute such agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution in the best interest of the Company.”

By Order of the Board of Directors  
For DISA India Limited

Date: May 25, 2023  
Place: Bengaluru

Shrithree M S  
Company Secretary  
Membership No.: ACS 56563

**NOTES:**

- In view of disruptions caused by COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 02/2022 dated May 5, 2022, General Circular No. 10/2022 and General Circular No. 11/2022 dated December 28, 2022 (collectively **“MCA Circulars”**) and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 and SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (collectively **“SEBI Circulars”**) extended the relaxations pertaining to dispatch of hard copies of Annual Reports and Proxy Forms to listed entities who conduct their AGM through electronic mode till September 30, 2023 and permitted companies to conduct Annual General Meeting (AGM) through video conferencing or other audio visual means (VC) till September 30, 2023, subject to compliance with various conditions mentioned therein. In compliance with the MCA Circulars, SEBI Circulars and applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 38<sup>th</sup> AGM of your Company is being convened and conducted through VC.
- The Company has facilitated the Members to participate in the 38<sup>th</sup> AGM through VC facility provided by Central Depository Services Limited (CDSL). The instructions for participation by members are given in the subsequent paragraphs. Participation in AGM through VC shall be allowed on a first-come-first-served basis.
- As per MCA Circulars, members attending the 38<sup>th</sup> AGM through VC will be reckoned for the purpose of quorum as per Section 103 of the Companies Act, 2013.
- For exercising the votes by the Members by electronic means, the Company has provided the facility of remote e-voting as well as e-voting during the AGM. The procedure for using the remote e-voting facility as well as e-voting during the AGM is given in the subsequent paragraphs.
- Members joining the AGM through VC shall be permitted to exercise their right to vote using the e-voting facility at the AGM, provided they have not cast their votes using remote e-voting

facility. The members who have already cast their votes prior to AGM using the remote e-voting facility may also join the AGM through VC; but shall not be entitled to cast their votes again at the AGM.

- As per the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and such proxy need not be a Member of the Company. Since 38<sup>th</sup> AGM is being held through VC as per MCA Circulars and SEBI Circulars, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 38<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice. Similarly, as this AGM is being held through VC, the route map is not annexed to this notice.
  - Corporate members may authorize their representatives for casting the votes using remote e-voting facility or for participation and voting in the AGM using VC. Institutional Investors are encouraged to attend and vote at the AGM through VC.
  - In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
  - In line with MCA Circulars and SEBI Circulars, the Annual Report for the Financial Year 2022-23 along with Notice of 38<sup>th</sup> AGM of the Company *inter-alia* indicating the process and manner of e-voting are being sent only by electronic mode to those members whose email IDs are registered with the Company or with respective Depository Participant(s) or Registrar and Share Transfer Agents of the Company for communication. Physical copies of the Annual Report will be sent by permitted mode to those Members who request for the same.
- Members may note that the aforesaid documents may also be downloaded from the Company’s website under the Investor Relations Section at <https://www.disagroup.com/en-in> or from the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com)
- In line with MCA Circulars, the Company has enabled a process for the limited purpose of receiving the AGM Notice and Annual Report (including remote e-voting instructions) electronically. Members may temporarily update their email address by accessing the link <https://www.disagroup.com/en-in/investor-relations/financial-reports>
- The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or Arrangements in which the directors are interested, maintained as per the Companies Act, 2013 will be available for electronic inspection by the members during the AGM. All the documents referred to in the Notice will also be available for electronic inspection by the members without any fee from the date of circulation of this notice up to the date of AGM i.e., August 10, 2023. Members seeking to inspect such documents may send an email to [investor.relations@noricangroup.com](mailto:investor.relations@noricangroup.com)
  - Members seeking clarifications on the Annual Report are requested to send an email to [investor.relations@noricangroup.com](mailto:investor.relations@noricangroup.com) on or before August 3, 2023. This would enable the Company to compile the information and provide replies at the meeting.
  - Persons holding the shares on August 3, 2023 (Record Date) would be entitled to attend the AGM. The Register of Members

and the Share Transfer books of the Company will remain closed from August 4, 2023 to August 10, 2023 (both days inclusive).

13. Subject to the provisions of Section 123 of the Companies Act, 2013, Dividend as recommended by the Board of Directors, if declared, at the AGM, will be disbursed on or before September 8, 2023 to those Members whose name appear in the Register of Members (in respect of shares held in physical form) or in the records of Depositories as Beneficial Owners of Shares (in respect of shares in dematerialized form) as on the Record Date i.e., August 3, 2023.
14. Dividend will be paid electronically through various online transfer modes to those members who have updated their bank accounts. For members who are yet to update their bank account details,

dividend demand drafts will be sent to their registered addresses through post.

15. Pursuant to the changes introduced by the Finance Act 2020 w.e.f. April 1, 2020, Dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source, as applicable, at the time of making the payment of the said Dividend.

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

### **Resident Shareholders**

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

Tax to be deducted at source for FY 2023-24, wherever applicable, would be as under:

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

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

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

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

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

The 'specified person' in relation to Financial Year 2023-24 means a person who has:

- a) not filed the income tax return for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for filing the income tax return under section 139(1) of the Act has expired; and
- b) subjected to tax deduction/collection at source in aggregate amounting to Rs. 50,000/- or more in the aforesaid previous year.

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

**Non - Resident Shareholders**

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

Particulars	Applicable Rate	Documents required (if any)
Shareholders, being Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess) as per Section 196D of Income Tax Act, 1961 <b>OR</b> Tax Treaty Rate (whichever is lower)	a) Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities. b) Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident, valid for FY 2023-24. c) Self-declaration in Form 10F. d) Self-declaration by the non-resident shareholder about having no Permanent Establishment in India in accordance with the applicable Tax Treaty. e) Self-declaration of Beneficial ownership by the non-resident shareholder.
Other Non-resident shareholders	20% (plus applicable surcharge and cess) <b>OR</b> Tax Treaty Rate (whichever is lower)	a) Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities. b) Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident, valid for FY 2023-24. c) Self-declaration in Form 10F. d) Self-declaration by the non-resident shareholder about having no Permanent Establishment in India in accordance with the applicable Tax Treaty. e) Self-declaration of Beneficial ownership by the non-resident shareholder.
Shareholders submitting the Order under Section 197 of the Income Tax Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority.

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

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

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

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

- (1) Form 15G.
- (2) Form 15H.
- (3) Form 10F.
- (4) Declaration from residents.
- (5) Declaration from non-residents.
- (6) Declaration under Rule 37BC from non-residents (other than companies) not having PAN.

Duly filled and signed aforesaid documents, as applicable, should be mailed to [investor.relations@noricangroup.com](mailto:investor.relations@noricangroup.com) or uploaded on the weblink of RTA i.e., <https://www.integratedindia.in/ExemptionFormSubmission.aspx> on or before August 4, 2023, 11.59 PM (IST), to enable the Company to determine the appropriate TDS/withholding tax rate applicable.

No communication on the tax determination/deduction received post August 4, 2023 shall be considered for payment of Dividend.

While deducting the withholding of taxes as mentioned above, the residential status of the shareholders will be considered as per the data available with the Company/RTA/the Depository Participants (the "DPs"). In case there is change in their status, then the shareholders are requested to update their current status with the Company/RTA/the DPs on or before August 4, 2023.

If the tax on said Dividend is deducted at a higher rate due to non-receipt of or satisfactory completeness of the aforementioned details/documents by August 4, 2023, the shareholder may claim an appropriate refund in the return of income filed with their respective tax authorities.

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

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

16. As per Section 124 of the Companies Act, 2013, the amount of Dividend remaining unpaid or unclaimed within 30 days from the date of declaration shall be transferred to 'unpaid dividend account' of the Company. Amount transferred to 'unpaid dividend account', which remains unpaid or unclaimed for a period of seven years from the date of transfer, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Similarly, all the Shares in respect of which Dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the IEPF.



17. In line with the provisions of Section 124 of the Companies Act, 2013, Members who have not so far encashed the Dividend, for any of the Dividends declared earlier, are requested to make their claims to the Company immediately. Please note that in respect of unclaimed dividend amount and the shares transferred to IEPF, Shareholders may claim the Dividend and corresponding shares transferred to IEPF including all benefits accruing on such shares, if any, from IEPF authorities after following the procedure prescribed in the Companies Act, 2013 and Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
18. The Shares of the Company are compulsorily traded in dematerialized form as per the directions of the Stock Exchange. Accordingly, members who have not opted for dematerialization of shares are once again reminded to take steps to dematerialize their holdings. Further, the members may note that as per SEBI(LODR) (Fourth Amendment) Regulations, 2018, with effect from April 1, 2019, except in case of transmission or transposition of securities, no transfer of securities shall be processed unless the securities are held in the dematerialized form.

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

19. Members holding the shares in physical form are requested to communicate the changes, if any, in their addresses, bank account details and other necessary details to the Company's Registrar and Share Transfer Agent, Integrated Registry Management Services Private Limited, 30, Ramana Residency, IV Cross, Sampige Road, Malleswaram, Bengaluru-560 003. Members holding the shares in dematerialized form are requested to communicate such changes to the concerned Depository Participant. SEBI, vide its circulars dated November 3, 2021 and December 14, 2021, has mandated Members holding shares in physical form to submit PAN, KYC and Nomination details in specified forms. Members may access <https://www.disagroup.com/en-in/investor-relations/investor-grievances> for Form ISR-1 to register PAN/email id/bank details/ other KYC details, Form ISR-2 to update signature and Form ISR-3 for declaration to opt out.
20. In case a holder of physical securities fails to furnish PAN, KYC details and Nomination by October 1, 2023, Integrated Registry Management Services Private Limited will be obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the Registrar

shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or the Prevention of Money Laundering Act, 2002.

21. Members who are yet to register their e-mail address/Mobile Number are requested to register the same with the Depository through their Depository Participants in respect of shares held in dematerialized form. Members holding the shares in physical form may register their e-mail address/Mobile No. by writing to the Company's Registrar and Share Transfer Agent.
22. Non-resident Indian shareholders are requested to immediately inform the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be, about the following matters: -
- the change in residential status on return to India for permanent settlement, and
  - the particulars of the NRE account with a bank in India, if not furnished earlier.
23. Members holding shares in single name in physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13, as prescribed by the Government may be obtained from the Registrar and Share Transfer Agent or the Secretarial Department of the Company at its Registered Office. This document has also been uploaded on the website of the Company i.e., <https://www.disagroup.com/en-in/investor-relations/investor-grievances>
24. Members holding physical shares may kindly note that if they have any dispute against the Company or the Registrar & Share Transfer Agent (RTA) on delay or default in processing the request, they may file for arbitration with the stock exchanges in accordance with SEBI circular dated May 30, 2022.
25. 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. Further, additional information with respect to Item No. 3 is also annexed hereto.
26. Procedure for e-voting and joining AGM through VC:

In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the 38<sup>th</sup> AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting agency. The facility to cast the votes by the members using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

The voting period begins on August 6, 2023 (9.00 AM IST) and ends on August 9, 2023 (5.00 PM IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record Date) of August 3, 2023 may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

To increase the efficiency of the e-voting process, SEBI, vide Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, intended to enable e-voting to all the demat account holders by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders should be permitted to cast their votes without having to register again with the e-voting service providers, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of

participating in e-voting process.

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

The detailed e-voting procedure is as under:

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

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

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



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

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

(b) The instructions for remote e-voting for Members (other than individual shareholders holding shares in Demat form) & physical shareholders are as under:

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

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

- (c) After entering these details appropriately, click on "SUBMIT" tab. YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (d) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat account holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (e) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (f) Click on the EVSN relevant to 'DISA India Limited' on which you choose to vote.
- (g) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES/NO" is available for voting. Select the option YES or NO as desired. The option
- (h) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (i) After selecting the resolution, if you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (j) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (k) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (l) If a demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.

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

- (i) Members will be provided with a facility to attend the AGM through VC through the CDSL e-voting system. Members

may access the same at [www.evotingindia.com](http://www.evotingindia.com) under shareholders/members login by using the remote e-voting credentials. The link for VC will be available in shareholder/members login where the EVSN of Company will be displayed.

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

- (iii) System requirements for best VC experience:

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

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

- (iv) Members who would like to ask questions or express their views at the AGM may register themselves as a speaker by sending a mail with their name, demat account number/folio number, email id, mobile number to [investor.relations@noricangroup.com](mailto:investor.relations@noricangroup.com) on or before August 4, 2023. The Company reserves the right to limit the number of members asking the questions depending on the time availability at the AGM.
- (v) Only those shareholders who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting.

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

- (i) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- (ii) Only those members, who are present in the AGM through VC facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
- (iii) If any votes are cast by the members through e-voting available during the AGM and if those members have not participated in the meeting through VC facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available

only to the members attending the meeting.

- (iv) Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote again at the AGM.

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

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

**Other instructions:**

- (i) The voting rights of shareholders shall be in proportion to their Shares of the Paid-up Equity Share Capital of the Company as on the cut-off date of August 3, 2023.
- (ii) The Board of Directors has appointed Mr. Vijayakrishna K T (Membership No. FCS 1788) and failing him Mr. Parameshwar G Bhat (Membership No. FCS 8860), Practising Company Secretaries, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (iii) The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), within a period of Two working days from the conclusion of the AGM. The result declared along with the Scrutinizer's Report shall be communicated to the Stock Exchange, CDSL and RTA and will also be displayed on the Company's website, <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/notices>

Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the AGM Notice and holding shares as of the cut-off date i.e., August 3, 2023 may obtain the login ID and password by sending a request to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or by contacting

the RTA, Integrated Registry Management Services Private Limited, 30, Ramana Residency, IV Cross, Sampige Road, Malleswaram, Bengaluru-560 003 [Telephone +91-80-23460815-818, Fax: +91-80-23460819 and email id [irg@integratedindia.in](mailto:irg@integratedindia.in)].

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

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

27. A person who is not a member as on the cut-off date, should treat this Notice for information purpose only.

**Item No. 3 - Additional Information on Directors Retiring by Rotation:**

[Information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards]]

Name of the Director	Mr. Anders Wilhjelm (DIN: 08507772)
Age	56 years
Date of appointment on the Board	July 12, 2019
Qualification	Master of Business Administration, Massachusetts Institute of Technology, USA
Brief profile and nature of their expertise in specific functional areas	Mr. Anders Wilhjelm is the President & CEO of Norican Group and has extensive work experience in senior management level positions of many multinational companies in the fields of Management, Manufacturing, Marketing, Process Engineering etc.
Current Remuneration	Not Applicable
Details of Remuneration sought to be paid	Nil
Key terms and conditions of appointment	He will be a Director of the Company. He will be required to comply with the applicable provisions of the Companies Act, and SEBI Regulations and other applicable laws.
Number of meetings of the Board attended during the year	Mr. Anders Wilhjelm has attended 4 (Four) meetings out of 5(Five) meetings during the Financial Year 2022-23.
Directorships in other Companies	<ul style="list-style-type: none"> <li>BioMar A/S</li> <li>Norican Global A/S</li> <li>DataProphet</li> </ul>
Committee Memberships	<ul style="list-style-type: none"> <li>DISA India Limited: Nomination and Remuneration Committee - Member</li> </ul>
Names of listed entities from which the director has resigned in the past three years:	Nil
Relationship with other Directors and KMP's	None
Number of Equity shares held in the Company	Nil

Date: May 25, 2023  
Place: Bengaluru

By Order of the Board of Directors  
For DISA India Limited  
Shrithee M S  
Company Secretary  
Membership No.: ACS 56563

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

**Item No. 4 – To appoint the Statutory Auditors of the Company.**

Pursuant to Shareholders' approval accorded at the 33<sup>rd</sup> Annual General Meeting (AGM) held on August 9, 2018, Messrs. Deloitte Haskins & Sells LLP, Chartered Accountants (FRN 008072S) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the said meeting till the conclusion of the 38<sup>th</sup> AGM on completion of the tenure of ten years.

The Board of Directors has, based on the recommendation of the Audit Committee and subject to approval of the Shareholders, recommended the appointment of Messrs. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004) as Statutory Auditors of the Company for a term of five (5) years to hold office from the conclusion of the 38<sup>th</sup> AGM till the conclusion of the 43<sup>rd</sup> AGM.

Messrs S. R. Batliboi & Associates LLP (SRBA) are incorporated as Limited Liability Partnership firm ('LLP') in India. SRBA is one of the leading firms providing audit and assurance services in India. SRBA has presence across India with offices in 13 cities. SRBA is part of Messrs. S.R. Batliboi affiliate network of audit firms.

Messrs. S.R. Batliboi & Associates LLP, have given their consent to act as the Auditors of the Company and have confirmed that their appointment, if made, will be within the limit specified under Sections 139 and 141 of Companies Act, 2013. They have also confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the Section 141 of the Companies Act, 2013 and the provisions of the Companies (Audit and Auditors) Rules, 2014.

The Board has, based on the recommendation of the Audit Committee, approved a fee of Rs. 4.5 Million, towards audit of standalone financial statements and consolidated financial statements excluding applicable taxes and reimbursement of out of pocket expenses, for the financial year 2023-24.

The fee for the remaining term may be finalized in subsequent years based on the recommendation of the Audit Committee and as may be approved by the Board of Directors.

Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the Audit Committee. Messrs. S.R. Batliboi & Associates LLP and their network firms do not provide any non-audit services to its subsidiaries.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this resolution.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the accompanying Notice for approval by the Members of the Company.

**Item No. 5 – To ratify the remuneration of Cost Auditors.**

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

requires that the remuneration payable to the Cost Auditor shall be ratified by the Shareholders.

Based on the recommendation of the Audit Committee, the Board of Directors at its Meeting held on May 25, 2022, had re-appointed Messrs. Rao, Murthy & Associates as Cost Auditors, for conducting the Cost Audit for the Financial Year 2022-23 on a remuneration of Rs. 1,80,000/- (Rupees One Lakh Eighty 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. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice.

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

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members.

**Item No. 6 – To re-appoint Mr. Lokesh Saxena (DIN: 07823712) as Managing Director of the Company.**

Shareholders may recall that Mr. Lokesh Saxena was appointed as the Managing Director of the Company for a period of three years from June 21, 2017 to June 20, 2020. He was re-appointed as Managing Director for a term of three years from June 21, 2020 to June 20, 2023. Based on the recommendation of the Nomination and Remuneration Committee, your Board at its meeting held on May 25, 2023 has re-appointed Mr. Lokesh Saxena as Managing Director for a fresh term of three years from June 21, 2023, subject to the approval of the Shareholders in this Annual General Meeting on the terms and conditions as mentioned below:

**(i) Basic Salary:**

With effect from	Basic Salary per month
June 21, 2023	Rs.5,35,643/- (Rupees Five Lakhs Thirty Five Thousand Six Hundred and Forty Three only) per month with such changes annually, as may be decided upon.

**(ii) House Rent Allowance:**

Not exceeding 50% of basic salary. House rent allowance will be Rs.2,67,821/- (Rupees Two Lakhs Sixty Seven Thousand Eight Hundred and Twenty One only) per month.

**(iii) Conveyance:**

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

**(iv) Telephone:**

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

**(v) Other Allowance:**

Other allowance will be Rs.4,28,514/- (Rupees Four Lakhs Twenty Eight Thousand Five Hundred and Fourteen only) per month.

**(vi) Medical Allowance:**

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

**Medi-claim Policy Coverage**

Eligible for Medi-claim Policy (premium paid by the Company) covering self, spouse, dependent children less than 25 years of age and parents as applicable to other senior management personnel of the Company, with changes, if any, as applicable from time to time.

**(vii) Leave and Leave Travel Assistance:**

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

**(viii) Company's Contribution to Provident Fund:**

The Company will contribute 12% of the basic salary to the Provident Fund plus 1% of basic salary towards Administration charges payable to Regional Provident Fund Authorities, as applicable to other senior management personnel of the Company, with changes, if any, as may be applicable from time to time.

**(ix) Contribution to Superannuation Fund:**

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

**(x) Contribution to Gratuity Fund:**

The Company will contribute to the Gratuity Fund as per the rules and regulations of the Company as applicable to other senior management personnel of the Company with changes, if any, from time to time. Payment of gratuity is limited to 15 days basis salary for each year of service to a maximum of 30 years as existing now, subject to any change that may be done from time to time.

**(xi) Reimbursement of Business Expenses:**

He will be eligible for reimbursement of all reasonable expenses on travel, entertainment etc., legitimately incurred in the course of performance of duties.

**(xii) Sitting Fee:**

He will not be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof. He will not be liable to retire by rotation.

**(xiii) Variable Performance Bonus:**

The Managing Director is covered under the Norican Group NAIP (Norican Annual Incentive Program). The payment of

the Variable Performance Bonus is based on the achievement of the Performance Parameters at the end of the year as compared to these parameters set out in the beginning of the calendar year. Accordingly, the annual payment of this Variable Performance Bonus may vary from year to year.

He will be eligible for performance variable pay bonus @ 30% of the annual fixed pay every year, or as may be determined every year by the Group, subject to the standard terms of Norican Annual Incentive Plan (NAIP). NAIP takes into account Group performance, Company performance in terms of growth and personal objectives measured against agreed objectives for the year.

**(xiv) Minimum Remuneration:**

In the event of absence or inadequacy of profits in any Financial Year during the currency of tenure of his appointment, the entire applicable remuneration of Rs. 22.676 Million (Rupees Twenty Two Million Six Hundred and Seventy Six Thousand Only) payable to Mr. Lokesh Saxena by way of Salary and perquisites as mentioned above shall be paid as the Minimum Remuneration, subject to the provisions under Schedule V of the Companies Act, 2013 as amended from time to time.

**(xv) Notice Period:**

If he wants to leave the Company, he is required to give 6 (six) months notice or salary in lieu thereof. However, only in case of severance by the Company, the notice period will be 3 (three) months and over and above he will be paid 3 (three) months salary by the Company.

**(xvi) Termination:**

The Company reserves the right to terminate his services forthwith if he is guilty of any misconduct or breach of duty including performance below the expectation etc. The Company may terminate his services, or he shall also be at the liberty to leave the services of the Company by giving notice or salary in lieu thereof.

**(xvii) Housing in Bangalore:**

He shall be provided with furnished accommodation upto a cost of Rs.1.32 Million (equivalent to 15,000 Euros) per annum for self and family in the city of Bangalore as and when the family is relocated to Bangalore.

In pursuance to Schedule V, Part II, Section II Part (B) proviso (iv), a Statement containing following information are set out below:

**I. General information:**

1. Nature of Industry:

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

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

2. Date or expected date of commencement of Commercial Production:

The Company has commenced its manufacturing operations since 1984.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

4. Financial Performance based on given indicators:

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

	(Rs. Million)				
Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Revenue from operations (net)	2,524.1	2,476.7	1,775.1	2,236.0	2,419.2
Profit after tax	284.2	374.4	235.6	285.6	277.8
Earnings per share (Rs.)	195.43	257.46	162.01	196.40	191.03
Dividend %	1100 #	1600	100	25	25

# 1000% paid as interim dividend and Recommended final dividend at 100% for approval of shareholders

5. Foreign Investment or collaborations, if any – Please refer 1(i) above.

various business positions, lastly being Vice President for Industrial Business & Services. Prior to SKF India Limited, he has worked for 6 years with Bosch Limited in the aftermarket business.

Since 2017, Mr. Lokesh Saxena has been driving the Company's operations across India, Middle East and Africa (IMEA) markets in the capacity of Managing Director for DISA India Limited and Sr. Vice President for group level. He is a part of Global Leadership team of Norican group.

The Company made significant growth in both top line and bottom line under his leadership, despite the adverse business scenario prevailing in the economic environment.

## II. Information about the appointee:

1. Background details:

Mr. Lokesh Saxena is a Bachelor of Mechanical Engineering from MITS, Gwalior and Master of Business Administration in Marketing.

Mr. Saxena is 53 years of age and has 28 years of experience in the industry in Industrial and Automotive business in capital equipment, components, asset management consultancy and digital businesses. Before joining DISA India Limited, he worked for SKF India Limited for 17 years in

Information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

Director Identification Number	07823712
Age	53 years
Date of appointment on the Board	June 21, 2017
Qualification	Bachelor of Engineering from MITS, Gwalior and Master of Business Administration in Marketing
Brief profile and nature of their expertise in specific functional areas	As mentioned above
Current Remuneration	Rs. 19.31 Million
Details of Remuneration sought to be paid	As mentioned above
Key terms and conditions of appointment	Re-appointed as Managing Director for 3 (Three) years from June 21, 2023 to June 20, 2026
Number of meetings of the Board attended during the year	5 (Five) meetings of the Board of Directors were held during the Financial Year. Mr. Lokesh Saxena attended all the meetings.
Directorships in other Companies	<ul style="list-style-type: none"> <li>• Bhadra Castalloy Private Limited</li> <li>• DISA Technologies Private Limited</li> </ul>
Committee Memberships	<ul style="list-style-type: none"> <li>• DISA India Limited:                             <ul style="list-style-type: none"> <li>Stakeholders' Relationship Committee - Member</li> <li>Corporate Social Responsibility Committee - Member</li> <li>Risk Management Committee - Member</li> </ul> </li> </ul>
Names of listed entities from which the director has resigned in the past three years:	Nil
Relationship with other Directors and KMP's	None
Number of Equity shares held in the Company	1 (One)



- Past remuneration during the financial year ended 31st March 2023:

Rs. 19.31 Million

- Recognition or awards:

As mentioned above.

- Job profile and his suitability:

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

Taking into consideration his qualification and expertise in relevant fields, the Managing Director is best suited for the responsibilities currently assigned to him.

- Remuneration proposed:

As mentioned above.

- Comparative remuneration profile with respect to industry, size of the Company, profile of the position and persons (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile of Mr. Lokesh Saxena, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration paid to similar senior level persons in other Companies

- Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any:

Other than the remuneration proposed to be paid to the Managing Director, he does not have any other pecuniary relationship with the Company or with the managerial personnel or other director.

### III. Other Information:

- Reasons for loss or inadequacy of profits:

Not applicable, as the Company has posted a net profit of Rs. 284.2 Million during the year ended March 31, 2023.

- Steps taken or proposed to be taken for improvement:

Not applicable as the Company has adequate profits.

- Expected increase in production and profits in measurable terms:

Not applicable as the Company has adequate profits.

### IV. Disclosures:

The information relating to elements of remuneration packages of all Directors have been disclosed in the Corporate Governance Section under the heading "Remuneration of Directors".

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

Mr. Lokesh Saxena, 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.

### Item No. 7 - Approval of 'Material Related Party Transactions' for 3 years from FY 2023-24 to FY 2025-26 with DISA Industries A/S, Denmark.

The Company is engaged in the business of manufacturing and sale of DISA Brand of Moulding Machines, Wheelabrator brand of Shot Blasting machines and other Environmental control equipment. The Company in the ordinary course of business exports its products to DISA Industries A/S, Denmark and also imports spares parts, semi-finished components and products required for sales in India and to be used in manufacture of above machines, pays royalty, receives sales commission and service income. DISA Industries A/S, Denmark, is a "Related Party" within the meaning of Section 2(76) of the Companies Act 2013 and Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, inter alia, states that effective from April 1, 2022, all Material Related Party Transactions ('RPT') shall require prior approval of the Shareholders by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ` Rs. 1,000 crore or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Based on the future business projections of the Company, related party transactions with DISA Industries A/S, is expected to increase significantly in future years, due to significantly higher exports from the Company. The Management has provided the Audit Committee and the Board with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee and Board, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPTs. The Audit Committee has noted that the said transaction(s) will be at an arm's length pricing basis and will be in the ordinary course of business.

Therefore, in terms of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015, it requires approval of the Shareholders by passing an Ordinary Resolution for enabling the Company to undertake material related party transactions with DISA Industries A/S, each year for a period of three years from FY 2023-24 to FY 2025-26 upto a limit stipulated hereinafter.

Details of the proposed RPTs between the Company and DISA Industries A/S, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

**DISA Industries A/S:**

<b>Particulars</b>	<b>Information</b>
Type, material terms and particulars of the proposed transaction	Purchase, sale, transfer or receipt of products, goods, materials, resources, services, royalty, commission or other obligations.
Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	DISA Industries A/S The Company and DISA Industries A/S are fellow subsidiaries of DISA Holding A/S, Denmark, (DISA Holding A/S holds 55% of shares of DISA Industries A/S and 20.73% of shares of DISA India Ltd.
Tenure of the proposed transaction	These transactions have been undertaken by the Company from time to time on a regular basis depending on the needs of business. Therefore, the approval of the Shareholders is being sought for each financial year from FY 2023-24 to FY 2025-26 for a period of three years.
Value of the proposed transaction	Considering the future business projections of the Company, related party transactions with DISA Industries A/S, is expected to increase significantly in future years, due to significantly higher exports from the Company. The aggregate value of transactions not exceeding Rs. 900 Mn for each financial year from FY 2023-24 to FY 2025-26 for a period of three years.
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	24.9%
Whether the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary?	Not Applicable
Justification as to why the RPT is in the interest of the Company	These transactions are done at arm's length and in the ordinary course of business in accordance with applicable laws and regulations. These have been arrived at after series of studies, reviews of reliability, timely deliveries, quality, customers expectations, pricing mechanism and other terms.
A copy of the valuation or other external party report, if any such report has been relied upon	The RPT entered into/by the Company during Financial Year 2022-23 are in line with the global transfer pricing policy of Norican Group which are applicable across its subsidiaries of Norican Group.
Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	2% approx.
Whether the transactions have been approved by the Audit Committee	Yes. The Audit Committee has granted omnibus approval as per the prevailing legal requirements. The proposed RPTs are in accordance with the RPT Policy of the Company.
Any other information that may be relevant or important for the Members to make a decision on the proposed transactions.	None

The annual value of the transactions proposed is estimated on the basis of the Company's current transactions and future business projections.

DISA Industries A/S, Denmark has provided technology to the Company for manufacture of DISA Brand of Moulding Machines, as a result of which the value of exports and imports of the Company is

expected to increase significantly in future years. Products/machines manufactured in India by the Company are exported to other countries through DISA Industries A/S. The Company imports spare parts, semi-finished components, semi-finished products for sale in India and also to be used for manufacture of products/machines in India from DISA Industries A/S.

The Board is of the opinion that the transactions of export of product and services, purchase of products/components from /to DISA Industries A/S, payment of royalty, receipt/payment of sales commission or other obligations, if any, are in the interest of the Company.

The Board therefore recommends the Resolution as set out in the Notice for approval of the members in terms of Regulation 23 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as Ordinary Resolution.

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

By Order of the Board of Directors  
For DISA India Limited

Date: May 25, 2023  
Place: Bengaluru

Shrithee M S  
Company Secretary  
Membership No.: ACS 56563

## BOARD'S REPORT

The Board of Directors has the pleasure in presenting the 38<sup>th</sup> Annual Report and Audited Financial Statements for the Financial Year ended March 31, 2023, together with the Independent Auditors' Report.

### FINANCIAL RESULTS

Your Company has achieved the highest Revenue from Operations of Rs. 2,524.1 Million for the year 2022-23 with an increase of 1.9 % over previous year 2021-22 despite the market slowdown, recessionary trend, heightened inflation, geographical uncertainty and the factory consolidation activities carried out during the year. Profit After Tax for the year however, decreased by 24.1% to Rs. 284.2 Million from the previous year due to one-time expenditure incurred on factory consolidation and relocation activities, rise in input costs due to high inflation prevailing in the economy and increase in various other cost. The year was marked as a year of consolidation.

Summarized financial results for the year are given below.

(Rs. Million)

Description	2022-23	2021-22
<b>Revenue from Operations(net)</b>	<b>2,524.1</b>	2,476.7
<b>Profit before depreciation, tax &amp; finance cost</b>	<b>433.8</b>	544.5
Less: Depreciation	43.1	33.4
Less: Finance Cost	6.3	7.8
Less: Tax Expenses (including deferred tax)	100.2	128.9
<b>Profit After Tax</b>	<b>284.2</b>	374.4
Add: Other Comprehensive income	(3.3)	1.0
<b>Total Comprehensive income for the year, net of tax</b>	<b>280.9</b>	375.4
Add: Balance in Profit & Loss account brought forward from previous year	1,987.1	1,844.3
<b>Profit Available for Appropriation</b>	<b>2,268.0</b>	2,219.7
<b>Appropriation:</b>		
Interim Dividend declared for the year	145.4	218.1
Final Dividend (proposed)	14.5	14.5
Balance in Profit & Loss Account	2,108.1	1,987.1
Earnings Per Share (Rs)	195.43	257.46
Market price per share as on March 31 (Rs)	7,926.9	6,240.0

### PERFORMANCE OF THE Company

The best ever revenue from operations for the Financial Year 2022-23 of Rs 2,524.1 Million was achieved driven by a strong order backlog at the beginning of the year, increased exports and exploring new markets. This excellent milestone was achieved in a very uncertain environment, continued operational challenges, delays in supply chain and the expansion work carried out in Tumkur manufacturing facility to build the factory of the future. The Company's focus during the year continued to overcome supply chain delays, contain inflationary pressures, control discretionary expenses and conservation of cash. The Company has expanded its sales and market activities in overseas market in Middle east, Africa and CIS countries.

The Company was able to mitigate the impact of rises in input materials and increase in logistics costs to some extent through

increases in selling price, advanced buying strategy and increases in aftermarket parts revenue.

The employees of the Company have shown exemplary commitment to overcome the economic uncertainties and business challenges prevailing in the economies.

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

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

### CHANGE IN THE NATURE OF BUSINESS

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

### DIVIDEND

Considering the dividend track record of the Company and based on the Company's performance during the current Year 2022-23, the Board of Directors had declared an Interim Dividend of Rs 100/- per Equity Share (1000%) totaling to Rs.145.42 Million, which was paid on March 8, 2023. Consistent with the past years, the Directors have recommended a Final Dividend of Rs. 10/- per Equity Share of Rs. 10/- each (i.e., 100%), amounting to Rs. 14.5 Million, subject to approval by the shareholders. Total of the interim and final dividends paid /to be paid by the Company, if the final dividend is approved by the shareholders, works out to Rs. 159.92 Million at 56.27% of payout from the profit after tax for the year.

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

In terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Dividend Distribution Policy duly approved by the Board is available on the website of the Company at <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies>

### RESERVE

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

### SHARE CAPITAL

The Authorized Equity Share Capital of your Company is Rs. 50 Million. The Issued, Subscribed and Paid-up Equity Share Capital of your Company as on March 31, 2023 stood at Rs. 14.5 Million.

During the year under review, your Company has not issued any shares with differential voting rights nor granted Stock Options or Sweat Equity. The Company has also not bought back any of its shares during the year under review. As on March 31, 2023, no Directors held shares or convertible instruments of the Company except the Managing Director who held 1 (one) Equity Share of the Company.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**ECONOMIC SCENARIO AND OUTLOOK**

The global situation arising out of the continuing war in Ukraine, recession in the western economies, extreme volatility in major foreign currencies has compounded the uncertainties when we enter into the new financial year. Your Company is not immune to any of these situations even though, our Company does not have a direct business exposure to the war zone and not impacted by restrictions on both Russia and Belarus. The Company will continue to watch these developments and their impact on its business quite rigorously.

Several rounds of increase in interest rates have impacted the pace of growth of the capital goods sector and have delayed the capital expenditure cycle. There is underutilization of existing capacities and liquidity continues to be an issue. However, the Company has an inherent ability to take suitable measures to tide over these environments and respond to the ever-changing external developments from time to time. The Company has been in constant pursuit of exploring into new geographies, new applications of its products and newer revenue streams including its Norican digital initiatives to overcome such challenges in the long term.

**INDUSTRY OUTLOOK AND OPPORTUNITIES**

The outlook for the foundry industry remains stable as it plays a significant role in the manufacturing sector and contributes to various industries such as automotive, agriculture, infrastructure, railways & general engineering. The growth of Foundry industry reflects on the domestic & global economic conditions. India produces approximately 12.5 million ton of castings per annum and is positioned as a second highest producer in the world after China followed by US in the 3rd position. In the last few years cast production has witnessed an average growth rate of 4-5% in India.

The casting production growth rate indicates growth in automotive, infrastructure and export markets which mainly fuel the demand in the industry. Automotive is one of the major casting consumers and it has expanded capacities. Similarly, the infrastructure spendings by the govt on smart cities, national infrastructure pipeline leads demand in castings like manhole covers, pipe fittings, pumps, valves, etc. India has an inherent advantage in the export markets due to cost and quality competitiveness. The alternate production location as a part of China+1 policy also has added to the growth opportunity in the foundry industry in India. Today, the Indian foundry industry serve the global markets and major companies across US, Europe and South America. This has created the demand for building new capacities in the foundry industry.

Foundry industry in India is investing across segments to build in new technology, upgrade the existing set ups and playing big at a global level. This has been witnessed across existing foundries and new investors venturing into the field, which is an encouraging sign for the industry.

The foundry industry is witnessing advancements in technologies such as digital, robotics and automation, which can improve productivity, reduce costs and enhance quality. Adoption of these technologies can further strengthen the Indian foundry sector and enable it to compete on a global scale. There is a growing focus on environmental sustainability and compliance with emission norms in the foundry sector. Foundries are adopting cleaner technologies and

implementing measures to reduce energy consumption, minimize waste generation and control pollution.

Like any other industry the foundry industry also faces some challenges. These include access to finance, high interest rates, the need for continuous innovation and upgradation, availability of skilled manpower and compliance with international quality standards and regulations. However, with the right support and strategic initiatives, the outlook for the foundry industry in India remains favorable.

Your Company is a major shareholder in these growth opportunities due to its unique technological advantage, strong project management capabilities, digital and clear air solutions, which has been built over a period of 4 decades in India.

Your Company is a preferred supplier in the foundry industry and has had more than half of the industry share for many years. Our approach to the market is to present the "FULL FOUNDRY" offer with a consultative approach to the customers. The unique digital solutions from Norican such as Monetizer Discover & Monetizer Prescribe is sooner getting acceptance with major players in the industry. Your Company has built the capability to deploy the most modern foundry in the industry.

DISA India has always been the first mover in the industry with customer first approach and started initiatives like uptime increase service contracts, set up the distributors closer to the customer locations to service the parts requirements and partnered on digital solutions. We continue to strive for better in future as well.

The GDP estimates for the Financial Year 2023-24 is less than 6%, though India is still seen as the highest growing market in the world. The government spending on infrastructure continue to run full stream. Divestment initiatives have been implemented to generate funds to use for the infrastructure development programs. This would help your Company to work for new applications across segments like Steel, Construction and Energy. Your Company is also looking to support companies doing exports for establishing right quality for their end products. Your Company also sees many export opportunities to the Middle East, Turkey, Brazil and a few Sub-Saharan nations seeking to industrialize their economies.

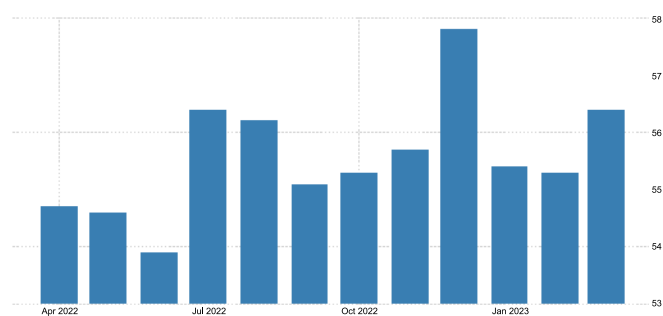
Although there are no visible signs of the 4<sup>th</sup> wave, the things could change quickly, which may have a negative impact on the overall business environment like the last few waves.

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

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



• **Manufacturing PMI :**



SOURCE: TRADINGECONOMICS.COM

**MARKET DEVELOPMENT**

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

The Company's full foundry solution is more visible not only in India but also in Middle East, where your Company is building a new

**KEY RATIOS**

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

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

Particulars	Standalone			Consolidated		
	2022-23	2021-22	Change %	2022-23	2021-22	Change %
Operation Profit Margin (EBITA) %	11.3%	16.5%	(31.5%)	11.6%	16.6%	(30.1%)
Net Profit Margin %	11.3%	15.1%	(25.1%)	11.4%	15.1%	(24.5%)
Debtor Turnover Ratio	6.5	9.3	(30.1%)	6.4	9.0	(28.9%)
Inventory Turnover Ratio	4.9	6.2	(21.0%)	5.0	6.3	(20.6%)
Interest Coverage Ratio	62.0	65.5	(5.3%)	64.9	67.5	(3.9%)
Current Ratio	2.2	2.4	(8.3%)	2.2	2.3	(4.3%)
Debt Equity Ratio	0.01	0.02	50%	0.01	0.02	50%
Earnings Per Share (Rs)	195.4	257.5	(24.1%)	204.7	265.4	(22.9%)

During the year, there were unfavorable changes in the above ratios. The decrease in profit margin, was due to expenditure incurred on factory expansion, consolidation & relocation activities, rise in input cost and various other costs, due to high inflation. Debtors

turnover was impacted due to increase in Debtors at the year end on export sales received subsequently. Decrease in inventory turnover ratio is due to increase in average inventory due to higher order backlog.

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

Particulars	Standalone			Consolidated		
	2022-23	2021-22	Change %	2022-23	2021-22	Change %
Return on Net Worth %	13.4%	18.6%	(28.0%)	13.7%	18.7%	(26.7%)

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

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.

**CORPORATE SOCIAL RESPONSIBILITY**

Your Company is committed to comply with Corporate Social Responsibility (CSR) as a good corporate citizen. The Directors are pleased to report that your Company is pursuing its efforts to support the community circles in which it operates. The Company's

"NORICAN Scholarship" program has made scholarships available to students in eight educational institutions in the neighborhood of your Company's plants situated at Tumkur and Hosakote in Bengaluru. During the Financial Year, scholarships were provided to 513 needy students. Directors have the pleasure to report that your



Company has provided scholarships to 3311 students since inception. In addition, your Company has invested in infrastructure development for the schools to provide drinking water, teaching aids and sanitation. Your Company has also extended scholarships to 50 meritorious Engineering students through an NGO 'Foundation for Excellence India Trust' and since inception 492 students have been given the scholarships.

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

The Company has during the year partnered with the 'That's Eco Foundation' (Registered Trust), Bangalore for plantation of 1000 saplings during the year. Focus is on forest and sustainable greening using the options such as wetland, Miyawaki forest (technique pioneered by Japanese botanist Akira Miyawaki, which helps in growing dense, native forests), traditional forest, grassland ecology for plantation.

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

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

## **RISK MANAGEMENT**

The Company has constituted a Risk Management Committee comprising three Directors, Managing Director and the Chief Financial Officer. The Committee met two times during the year. This Committee shoulders the responsibility of monitoring and reviewing the risk management plan and periodical review of the Risk Management Policy and appraise the Board about risk assessment and mitigation procedure. It also undertakes to ensure that Executive Management controls risks by means of properly designed risk management framework.

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

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

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

Your Company has formulated a Whistle Blower Policy for vigil mechanism which is available in the website of the Company at <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies>. Complaints raised, if any, are dealt with as per this policy. No complaints have been received during the year 2022-23.

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

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

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

The Board of Directors at its meeting held on May 25, 2023 on the recommendation of the Nomination and the Remuneration Committee approved re-appointment of Mr. Lokesh Saxena as Managing Director of the Company for another term of three years from June 21, 2023 to June 20, 2026, as per the terms and conditions and the remuneration as set out in the AGM Notice, subject to the approval of the shareholders.

The Independent Directors, Ms. Deepa Hingorani and Mr. Bhagya Chandra Rao have maintained the highest standards of integrity in their dealings with the Company. They also possess the requisite expertise and experience (including Proficiency) necessary for acting as Independent Directors of the Company. Annual Declarations received from both for the year 2022-23 contain affirmations regarding registrations in the data bank.

The Company has three Key Managerial Persons (KMP), Mr. Lokesh Saxena, Managing Director, Mr. Amar Nath Mohanty, Chief Financial officer and Ms. Shrithee M S, Company Secretary & Compliance Officer. Mr. G. Prasanna Bairy, Company Secretary & Compliance Officer resigned from the office at close of business hours on November 11, 2022 and Ms. Shrithee M S has been appointed as the Company Secretary & Compliance Officer on November 22, 2022.

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

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

## **INDEPENDENT DIRECTORS**

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

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

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

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

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

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

Minutes of the Meetings of the Board of Directors were circulated amongst the Directors for their perusal.

### **BOARD EVALUATION**

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

Further, the Independent Directors, at their exclusive Meeting held on January 30, 2023, reviewed the performance of the Board, its Chairman and Non-Independent Directors and other items as stipulated under the Listing Regulations. The Independent Directors have also declared their independence. The Nomination and Remuneration Committee has reviewed the existing criteria for evaluation of performance of the Independent Directors and the Board and reviewed the existing policy of remuneration of Directors.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

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

### **INTERNAL FINANCIAL CONTROL**

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

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

report of internal audit, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Any significant audit observations and corrective actions thereon are presented to the Audit Committee and the Board. No major internal control weakness was identified during the year. The Company also has a well-functioning Whistle Blower Policy in place.

The Board has appointed Protiviti India Member Private Limited to continue as the Internal Auditors of your Company for the Financial Year 2023-24.

### **DEPOSITS**

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

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

Your Company has one Wholly Owned Subsidiary "Bhadra Castalloy Private Limited".

The performance of Subsidiary during the Financial Year 2022-23, being the seventh year of operations, has been quite satisfactory. The Audited Financial Results of the Wholly Owned Subsidiary for the Financial Year ended March 31, 2023, are consolidated with the Financial Results of the Company for the Financial Year. Revenue from operations and Profit after tax of the Subsidiary Company were Rs. 123.3 Million and Rs. 13.5 Million respectively. Revenue from operations for the year was 15.7% higher and Profit after tax was 17.4% higher as compared to previous year.

Consolidated Revenue from Operations of the Company for the year was Rs. 2,619.0 Million as against Rs. 2,560.7 Million in the previous year, with an increase of 2.3%.

A statement relating to Subsidiary Company in **Annexure - B** in Form AOC-1 is part of this report.

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

### **RELATED PARTY TRANSACTIONS**

All Related Party Transactions which were entered into, during the Financial Year were in the ordinary course of business, on arm's length basis and were as per prior omnibus approvals of the Audit Committee; where needed. The Company has obtained post facto 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 reviewed and a statement giving details of all Related Party Transactions is placed before the Audit Committee and the Board of Directors for their noting/approval on quarterly basis. The details of all Related Party Transactions are disclosed in the Sl. No. 44 of the Notes forming part of the Financial Statements.

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

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

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

#### GROUP COMPANIES

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

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

Name of Subsidiary	Country
DISA India Limited	India
DISA Technologies Private Ltd.	India
Bhadra Castalloy Private Limited	India
Italpresse Gauss S.p.A.	Italy
DISA K.K.	Japan
WG Plus de Mexico S de RL de CV	Mexico
WG Plus Servicios S de RL de CV	Mexico
StrikoWestofen de Mexico, S.A. de C.V	Mexico
IP Mexico Die Casting S.A. de C.V.	Mexico
Wheelabrator Schlick Sp. Z.o.o.	Poland
SWO Polska Sp. Z.o.o.	Poland
Wheelabrator Group SLU	Spain
DISA Industrie AG	Switzerland
DISA Holding AG	Switzerland
Blast Cleaning Techniques Ltd	United Kingdom
Castalloy Europe Ltd	United Kingdom
WGH UK Holdings Limited	United Kingdom
WGH UK Ltd.	United Kingdom
Wheelabrator Technologies (UK) Ltd.	United Kingdom
Wheelabrator Group Ltd.	United Kingdom
Abrasive Developments Ltd	United Kingdom
Spencer & Halstead Ltd	United Kingdom
Impact Finishers Ltd. United Kingdom 100% Dormant	United Kingdom
Vacu-Blast International	United Kingdom
DISA Industries Inc.	United States
WG Global LLC	United States
DISA Holding LLC	United States
Wheelabrator Group Inc.	United States
Castalloy Inc	United States
Wheelabrator (Delaware) LLC	United States
Italpresse of America Inc	United States
Schmidt Manufacturing, Inc	United States
Bob Schmidt, Inc	United States
Norican Czech s.r.o.	Czech Republic
Striko Dynarad Corp.	United States
Norican Digital GmbH f/k/a LMCS Tech GmbH	Germany
Simpson Technologies Corporation	United States
Westman Simpson Technologies Private Limited	India
Simpson Technologies GmbH	Germany
Webac S.r.o.	Czech Republic
Striko Westofen Ltd	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 during the year 2015-16. It has extended interest-bearing interCompany demand loan of Rs. 26 Million in the year 2016-17 in the year for the purpose of financing the purchase considerations paid for acquisition of the foundry by the Subsidiary. Bhadra Castalloy Private Limited repaid to the Company one portion of the loan of Rs. 8.5 Million in the year 2022-23 out of its internal resources. The Company had also given a Corporate Guarantee of Rs. 35 Million to Kotak Mahindra Bank on behalf of its subsidiary for providing banking facilities. The above Investment in equity, loan extended and guarantees given are well within the limits prescribed under the provisions of Section 186 of the Companies Act, 2013.

**STATUTORY AUDITORS**

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Company, had appointed Messrs. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration Number. 008072S) as the Statutory Auditors of the Company at the 28<sup>th</sup> Annual General Meeting held on May 16, 2013 and were reappointed at the 33<sup>rd</sup> Annual General Meeting to hold office from the conclusion of the said meeting till the conclusion of the 38<sup>th</sup> Annual General Meeting.

Messrs. Deloitte Haskins & Sells LLP will complete their term of ten years at the conclusion of the ensuing 38<sup>th</sup> Annual General Meeting after completing the second and final term of 5 years up to Financial year 2022-23. Messrs. Deloitte Haskins & Sells would cease to be the statutory auditors of the Company.

Messrs. Deloitte Haskins and Sells, 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 for the year 2022-23.

The Company had initiated actions to appoint new Statutory Auditors of the Company to take effect from the current financial year 2023-24. The Company has gone through the due process of selection and appointment of the new Statutory Auditors of the Company. It was proposed to appoint Messrs. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004) as the Statutory Auditors of the Company from the close of the 38<sup>th</sup> Annual General Meeting to be held on August 10, 2023 subject to the approval of the Shareholders.

Messrs. S.R. Batliboi & Associates LLP, 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.

The Board of Directors has, based on the recommendation of the Audit Committee and subject to approval of the Shareholders, appointed Messrs. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004) as Statutory Auditors of the Company for a term of five (5) years from the financial

year 2023-24 to 2027-2028 to hold office from the conclusion of the 38<sup>th</sup> AGM till the conclusion of the 43<sup>rd</sup> AGM.

Messrs. S.R. Batliboi & Associates LLP have given their consent to act as the Auditors of the Company and have confirmed that their appointment, if made, will be within the limit specified under sections 139 and 141 of the Act. They have also confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

Accordingly, resolution for the appointment of Messrs. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004) will form part of the notice convening the 38<sup>th</sup> AGM.

**COST AUDITORS**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost records maintained by the Company in respect of its activity are required to be audited. Your Board has, in its Meeting held on May 25, 2022, 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 March 31, 2023.

**SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Vijayakrishna KT, Practising Company Secretary to undertake the Secretarial Audit of the Company for the Financial Year ended March 31, 2023. The Report of the Secretarial Auditor is annexed in **Annexure - D**.

**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.

**REPORTING OF FRAUDS**

During the year under review, the Statutory Auditor, Cost Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee and / or Board under section 143(12) of the Act.

**CORPORATE GOVERNANCE**

As required under Regulation 34 (3) read with Schedule V (C) of the Listing Regulations, a report on Corporate Governance and the certificate as required under Schedule V (E) of the Listing Regulations from Mr. Vijayakrishna KT, Practising Company Secretary, regarding compliance of conditions of Corporate Governance are given in **Annexure - E** and **Annexure - F** respectively, forming part of this report.

As required by the Listing Regulations, 'Annual Secretarial Compliance Report' issued by Mr. Vijayakrishna KT, Practising Company Secretary for the Financial Year ended March 31, 2023 will be filed with BSE within the due date of May 30, 2023.

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



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

### **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

The 'Business Responsibility and Sustainability Report' (BRSR) of your Company for the Financial Year ended March 31, 2023 as given in **Annexure - G** forms part of this Annual Report as required under Regulation 34(2)(f) of the Listing Regulations.

### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ 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 has been renewed with another three-year long-term agreement effective from October 01, 2021 to September 30, 2024.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is attached as **Annexure - H** which forms part of this Report.

### **ANNUAL RETURN**

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

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

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

### **REMUNERATION POLICY**

The Nomination and Remuneration Policy, *inter-alia*, provides for criteria and qualifications for appointment of Director, Key Managerial Personnel and Senior Management, Board diversity, remuneration to Directors, Key Managerial Personnel, etc. The policy can be accessed at the following link: <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies>

### **PARTICULARS OF EMPLOYEES**

During the year, there were two employees who received 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:

<b>Name of the employee</b>	<b>Designation</b>	<b>Remuneration (Rs. Millions)</b>
Mr. Lokesh Saxena	Managing Director	19.31
Mr. Amar Nath Mohanty	Chief Financial Officer	12.99

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

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

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

The following is a summary of sexual harassment complaints received and disposed off during the Financial Year 2022-23.

No of complaints received: **Nil**. No of complaints disposed off: **Nil**.

### **OTHER DISCLOSURES**

- Your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India during the year.
- There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.
- The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions.

### **ACKNOWLEDGEMENT**

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

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

For and on behalf of the Board of Directors

Date: May 25, 2023  
Place: Bengaluru

Deepa Hingorani  
Chairperson  
DIN: 00206310

**ANNEXURE - A**

**THE ANNUAL REPORT ON CSR ACTIVITIES**

1. Brief outline of the CSR Policy of the Company.

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

During the Financial Year ended March 31, 2023, the Company has spent CSR amount by providing scholarships to 513 Students across Karnataka. Direct scholarships (Norican Scholarship) were provided to 458 meritorious students at the identified institutions in the vicinity of the Company’s Manufacturing Plants in Tumkur and Hosakote. These scholarships were directly awarded to the students by the Company’s CSR Implementation team with the help of the Institution heads. Scholarships were provided to 50 Engineering students across Karnataka & neighboring states through an NGO, Foundation for Excellence India Trust under Career Excellence Program. Scholarship to 5 meritorious students of National Institute of Advanced Manufacturing Technology (NIAMT) [Formerly National Institute of Foundry and Forge Technology (NIFFT)], Ranchi were provided “Jan Johansen DISAMATIC Scholarship”. The Company also spent CSR amount on improvement of drinking water & sanitation facility in 8 educational institutions in and around Tumkur and Hosakote Manufacturing Plants. During the year, the Company has also partnered with the That’s Eco Foundation (Registered Trust), Bangalore for plantation of 1000 saplings during the year. Focus is on forest and sustainable greening using the options such as wetland, Miyawaki forest (technique pioneered by Japanese botanist Akira Miyawaki, which helps in growing dense, native forests), traditional forest, grassland ecology for plantation.

2. Composition of CSR Committee:

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

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

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule(3) of rule 8, if applicable. - NA

5. (a) Average net profit of the Company as per sub-section (5) of section 135 – Rs. 409 Million  
 (b) Two percent of average net profit of the Company as per sub-section (5) of section 135 – Rs. 8.2 Million  
 (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years - Nil  
 (d) Amount required to be set-off for the financial year, if any. - Nil  
 (e) Total CSR obligation of the financial year [(b) + (c) – (d)] – Rs. 8.2 Million

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). – Rs.8.2 Million  
 (b) Amount spent in Administrative Overheads. - Nil  
 (c) Amount spent on Impact Assessment, if applicable. – NA  
 (d) Total amount spent for the Financial Year (a+b+c)- Rs. 8.2 Million.  
 (e) CSR amount spent or unspent for the Financial Year:

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

(f) Excess amount for set off, if any. – Nil

Sl. No.	Particulars	Amount (Rs. Million)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	8.2
(ii)	Total amount spent for the Financial Year	8.2



Sl. No.	Particulars	Amount (Rs. Million)
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NA
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NA

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(1) Sl. No.	(2) Preceding Financial Year	(3) Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (Rs. Million)	(4) Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (Rs. Million)	(5) Amount Spent in the Financial Year (Rs. Million)	(6) Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any.		(7) Amount remaining to be spent in succeeding Financial Years. (Rs. Million)	(8) Deficiency, if any
					Amount (Rs. Million)	Date of Transfer		
1	2019-20	Nil	Nil	Nil	Nil	NA	Nil	Nil
2	2020-21	Nil	Nil	Nil	0.3 (PM-CARES)	29-09-2021	Nil	Nil
3	2021-22	Nil	Nil	Nil	Nil	NA	Nil	Nil
	<b>TOTAL</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>0.3</b>	<b>NA</b>	<b>Nil</b>	<b>Nil</b>

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: - No  
If Yes, enter the number of Capital assets created/acquired - NA

Furnish the details relating to such assets(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year

Sl. No.	Short particulars of the property or asset (s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
NA							

(All the fields should be captured as appearing the revenue record, flat no, house no, Municipal office/Municipal Corporation/Gram Panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per sub-section (5) of section 135 - NA

Date: May 25, 2023  
Place: Bengaluru

Sd/-  
Lokesh Saxena  
Managing Director  
DIN:07823712

Sd/-  
Bhagya Chandra Rao  
Chairman – CSR Committee  
DIN:0021127

**ANNEXURE - B**

**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, 2023**

**(Rs. Million)**

Sl no.	Particulars	Details
1	Name of the Subsidiary	Bhadra Castalloy Private Limited
2	Date since when subsidiary was acquired / formed	December 30, 2015
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April 1, 2022 to March 31, 2023; same as holding Company's reporting period
4	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
5	Share capital	44.0
6	Reserves & surplus	55.2
7	Total assets	145.9
8	Total liabilities	145.9
9	Investments	0.0
10	Turnover	123.3
11	Profit before taxation	17.9
12	Provision for taxation	4.4
13	Profit after taxation	13.5
14	Proposed Dividend	0.0
15	% of shareholding	100%

Note:

- Names of Subsidiaries which are yet to commence operations – Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year - Not applicable.
- Part B of the Annexure is not applicable as there are no Associate Companies / Joint ventures of the Company as on March 31, 2023.

For and on behalf of the Board of Directors

Date: May 25, 2023  
Place: Bengaluru

Deepa Hingorani  
Director  
DIN: 00206310

Lokesh Saxena  
Managing Director  
DIN: 07823712

Amar Nath Mohanty  
Chief Financial Officer

Shrithee M S  
Company Secretary

**ANNEXURE - C**

**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, 2023

**[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:** Not Applicable.

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

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	Amount paid as advances, if any:
1.	DISA Industries A/S Denmark	Royalty Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	15.20	Nil
2.	DISA Industries A/S Denmark	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	238.01	Nil
3.	DISA Industries A/S Denmark	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.09	Nil
4.	DISA Industries A/S Denmark	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	227.74	Nil
5.	DISA Industries A/S Denmark	Service Income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.91	Nil
6.	DISA Industries A/S Denmark	Commission Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.76	Nil

**3. Details of non-material contracts or arrangement or transactions at arm's length basis":**

Date of the Board Meeting in which transactions were approved: August 12, 2022, November 10, 2022, February 9, 2023 & May 25, 2023.

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	Amount paid as advances, if any:
1	DISA Industries AG	Royalty Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.54	Nil
2	DISA Industries AG	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.09	Nil
3	DISA Technologies Pvt Ltd	Service Fees Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	16.19	Nil
4	DISA Technologies Pvt Ltd	Service Income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	3.12	Nil
5	DISA Technologies Pvt Ltd	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.09	Nil
6	DISA K. K. Japan	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.26	Nil
7	DISA (Changzhou) Machinery Ltd	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	7.32	Nil
8	DISA (Changzhou) Machinery Ltd	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.51	Nil

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	Amount paid as advances, if any:
9	DISA (Changzhou) Machinery Ltd	Royalty Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.34	Nil
10	Wheelabrator Czech s.r.o.	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	28.55	Nil
11	Wheelabrator Group GMBH	Royalty Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	4.65	Nil
12	Wheelabrator Group GMBH	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.08	Nil
13	Wheelabrator Group GMBH	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.00	Nil
14	Wheelabrator Group GMBH	Commission received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	8.29	Nil
15	Wheelabrator Group INC USA	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.33	Nil
16	DISA Industries Inc	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.63	Nil
17	Norican A/S	Group Management services Fees	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	32.14	Nil
18	Norican A/S	Group IT Fees	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	44.36	Nil
19	Norican A/S	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.67	Nil
20	Italpresse Industrie SpA	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	11.88	Nil
21	Italpresse Industrie SpA	Commission	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	11.35	Nil
22	Bhadra Castalloy Pvt Ltd	Purchases	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	28.30	Nil
23	Bhadra Castalloy Pvt Ltd	Reimbursement of Expenses	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.51	Nil
24	Bhadra Castalloy Pvt Ltd	Reimbursement of Expenses (Received)	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.76	Nil
25	Bhadra Castalloy Pvt Ltd	Interest on Loan Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	2.57	Nil
26	Bhadra Castalloy Pvt Ltd	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.07	Nil
27	Bhadra Castalloy Pvt Ltd	Service Income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.14	Nil
28	Bhadra Castalloy Pvt Ltd	Purchase of capital goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.02	Nil

Date: May 25, 2023  
Place: Bengaluru

By the order of the Board  
Deepa Hingorani  
Chairperson  
DIN: 00206310

**ANNEXURE – D**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED  
31<sup>ST</sup> MARCH, 2023**

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

To  
The Members  
DISA India Limited  
Bengaluru

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by DISA India Limited for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

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

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

- The Factories Act, 1948
- The Employees State Insurance (ESI) Act, 1948
- The Employees Provident Funds & Miscellaneous Provisions Act, 1952
- Contract Labour (R&A) Act, 1970
- The Minimum Wages Act, 1948
- The Payment of Wages Act, 1936
- The Payment of Gratuity Act, 1972
- The Payment of Bonus Act, 1965
- The Maternity Benefit Act, 1961
- The Equal Remuneration Act, 1976
- The Employment Exchanges (CNV) Act, 1959
- The Karnataka Labour Welfare Fund Act, 1965
- The Apprentices Act, 1961
- The Industrial Employment Standing Orders Act, 1946
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013
- The Karnataka Industrial Establishments (National & Festival) Holidays Act, 1963
- The Karnataka Public Safety (Measures) Enforcement Act, 2017
- Karnataka Shops & Commercial Establishment Act, 1961

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

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

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

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

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

I further state that during the period under review and based on my verification of the records maintained by the Company and also on the review of compliance reports/statements by respective department heads/Chief Financial Officer/ Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exist in the Company to monitor and ensure compliance with applicable labour laws, environmental laws and other applicable laws as mentioned above. Certain non material findings made during the course of the audit relating to the provisions of the Companies Act, Labour Laws

were addressed suitably by the Management.

Further, I report that as per the details and documents provided before me, the Company has installed a software to maintain Structured Digital Database (SDD) in software format with the required details as prescribed in Regulation 3(5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, during the year. I have noticed that the gap between two Meetings of the Risk Management Committee exceeded 180 days during the year.

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

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

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

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

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

Date: 25.05.2023  
Place: Bengaluru

Vijayakrishna K T  
Practising Company Secretary  
FCS No.: 1788 C P No.: 980  
UDIN: F001788E000378362

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



**'Annexure'**

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

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

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

Date: 25.05.2023

Place: Bengaluru

Vijayakrishna KT  
Practising Company Secretary  
FCS No.: 1788 C P No.: 980  
UDIN: F001788E000378362

ANNEXURE- E

## REPORT ON CORPORATE GOVERNANCE

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

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

The Company has adhered to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

### 2. Board of Directors:

#### Composition & Size of the Board:

As on March 31, 2023, the Board comprised of six Directors including two Independent Non-Executive Directors, three Non-Independent Non-Executive Directors and one Executive Director. All of them are professionals from varied fields and have high levels of education and in-depth corporate experience.

The Board of Directors of your Company is headed by an Independent

Particulars of the directorship of the Board, membership and office of the Chairman of Board Committees across all Companies as on March 31, 2023 and attendance at the Board Meetings of the Company are given below:

Sl. No	Name Messrs.	Category	Attendance Particulars			No. of Directorships and Committee Memberships/ Chairmanships			Other listed entities where directors of the Company held directorships	
			No. of Board Meetings		Whether present at last AGM held on August 12, 2022*	Directorships**	Committee Memberships***	Committee Chairmanships***	Name of listed entity	Category
			Held	Attended						
1	Deepa Hingorani (DIN: 00206310)	Independent Non-Executive Director	5	5	No	3	2	1	-	-
2	Bhagya Chandra Rao (DIN: 0021127)	Independent Non-Executive Director	5	5	Yes	4	6	2	Wendt India Limited	Independent Director
									Shetron Limited	Independent Director
3	Anders Wilhelm (DIN: 08507772)	Non-Independent Non-Executive Director	5	4	Yes	1	-	-	-	-
4	Ulla H P Tonnesen (DIN: 08507796)	Non-Independent Non-Executive Director	5	4	Yes	1	1	-	-	-
5	Michael Declan Guerin (DIN: 009055549)	Non-Independent Non-Executive Director	5	4	Yes	1	1	-	-	-
6	Lokesh Saxena (DIN: 07823712)	Executive Director	5	5	Yes	3	1	-	-	-

Non-Executive Director as Chairperson.

As at the Financial Year ended March 31, 2023, the Board of Directors of the Company comprised of optimum combination of Executive and Non-Executive Directors including a Woman Director. Chairperson of the Board is an Independent Non-Executive Woman Director and not less than one-third (two directors) of the Board of Directors comprised of Independent Directors which is in conformity with the provisions of the Companies Act, 2013 and the Listing Regulations. Ms. Deepa Hingorani, Independent Director is the Chairperson of the Board.

The Board of Directors confirms that all the Independent Directors of the Company are compliant with the provisions of Companies Act, 2013 and fulfill the conditions specified under the Listing Regulations and are Independent of the Management of the Company. Ms. Deepa Hingorani and Mr. Bhagya Chandra Rao, Independent Directors have registered in the data bank of Independent Directors as required by Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 and the Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019. Mr. Bhagya Chandra Rao has cleared the online proficiency self-assessment test and furnished the proof of same. However, in case of Ms. Deepa Hingorani it is not applicable as she has been a Director in various companies for more than ten years. Annual Declarations received from them for the year 2022-23 contain affirmations regarding registrations in the data bank.

\* The last Annual General Meeting was held on Friday, August 12, 2022 at 11.00 AM IST.

\*\*Directorship excludes Foreign Companies (includes only listed, unlisted and private limited companies). Directorship includes DISA India Limited and its subsidiary.

\*\*\* As required by Regulation 26 of the Listing Regulations, the disclosure includes membership/chairpersonship of the Audit Committee and Stakeholders Relationship Committee (in listed and unlisted public companies including that of the Company).

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

None of the Directors of the Company 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/disa-india-ltd/policies>

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

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

As required by law, brief profiles and other particulars of the Directors seeking appointment/re-appointment are given in the Notice convening the 38<sup>th</sup> Annual General Meeting.

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

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

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

**Board Meetings held during the Financial Year along with the dates of the Meetings:**

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

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

**Independent Director's Meeting**

During the Financial Year, the Board met 5 (five) times: **May 25, 2022, August 12, 2022, November 10, 2022, November 22, 2022 and February 9, 2023.**

During the Financial Year, a separate Meeting of the Independent

The Certificate by the Managing Director of the Company regarding compliance with the Code of Conduct for Directors and Senior Management is given below:

**Affirmation regarding Compliance with Code of Conduct:**

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

I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them, for the Financial Year ended March 31, 2023.

Date: May 25, 2023  
Place: Bengaluru

For DISA India Limited  
Lokesh Saxena  
Managing Director  
DIN: 07823712

**3. Audit Committee:**

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

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

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

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

The Committee met 4 (four) times during the Financial Year on **May 25, 2022, August 11, 2022, November 10, 2022 and February 9, 2023.**

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

Directors was held on January 30, 2023 through Video Conferencing (VC) mode without the attendance of Non-Independent Directors and Members of the Management.

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

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

**Compliance with the Code of Conduct for prevention of Insider Trading:**

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

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

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

**4. Nomination and Remuneration Committee:**

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

The Committee reviews the following among others:

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

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

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

Managing Director is invited to the Committee Meetings whenever necessary.

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

The Committee met 2 (two) times during the Financial Year on **November 22, 2022 and February 9, 2023.**

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

Name of Members	No. of Meetings Attended
Mr. Bhagya Chandra Rao, Chairperson	2
Ms. Deepa Hingorani	2
Mr. Anders Wilhjelm	1

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

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

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

**Performance Evaluation of Directors:**

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Annual Performance Evaluation was carried out for the financial year 2022-23 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship, Risk Management Committee and Corporate Social Responsibility Committees.

A structured questionnaire covering various aspects of the Board's functioning was circulated to the Directors. The criteria for evaluation of Independent Directors included attendance at the meetings,

Interpersonal skills, Independent judgement, business knowledge, contribution to strategy, risk management, compliance framework etc. The Directors expressed their satisfaction with the evaluation process.

**5. Stakeholders' Relationship Committee:**

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

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

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

The Committee met 2 (two) times during the Financial Year on **August 11, 2022 and February 3, 2023.**

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

Name of the Members	No. of Meetings Attended
Ms. Deepa Hingorani, Chairperson	2
Mr. Bhagya Chandra Rao	2
Mr. Lokesh Saxena	2
Ms. Ulla Hartvig Plathe Tonnesen	2

Four investor complaints were received during the Financial Year 2022-23 (June Qtr.-2, Sep Qtr.-NIL, Dec Qtr.-2 and March Qtr.-NIL) and was disposed off within the stipulated time. There were no pending investor complaints as on March 31, 2023. There were no pending share transfers as on March 31, 2023.

With effect from April 1, 2019, transfer of shares is permitted only in demat mode. Further, SEBI Circular dated January 25, 2022 requires the companies to issue the securities to investors only in dematerialized form while processing the service requests such as issue of duplicate securities certificates, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

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

Mr. G. Prasanna Bairy, General Manager - Finance & Company Secretary (up to November 11, 2022)

Ms. Shrithee M S, Company Secretary & Compliance Officer (November 22, 2022 onwards)

DISA India Limited,

World Trade Center (WTC), 6<sup>th</sup> Floor, Unit No. S-604,

Brigade Gateway Campus, 26/1, Dr. Rajkumar Road,

Malleswaram-Rajajinagar,

Bengaluru - 560 055.

E-Mail: [investor.relations@noricangroup.com](mailto:investor.relations@noricangroup.com)

Phone: 91-80- 22496701

Fax: 91-80- 22496750

**6. Risk Management Committee:**

The Company has in place a mechanism to inform Board Members about the risk assessment and minimization procedures and review to ensure that executive management controls risk by means of a

**8. Remuneration of Directors:**

The details of remuneration paid to the Directors during the Financial Year 2022-23 are as under:

a) Managing Director

(Rs. Million)

Directors	Salary	Performance Bonus & incentives	Other Perquisites	PF & Superannuation	Service Contracts	Notice period	Severance fees	Stock Options	Total
Mr. Lokesh Saxena	12.47	5.43	0	1.41	NA	3 months	3 months salary	Nil	<b>19.31</b>

properly defined framework. The Company has formulated a Policy on Risk Management and constituted a Risk Management Committee. The risk management policy of the Company is available at <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies>

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

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

The Committee met 2 (two) times during the Financial Year on **August 11, 2022 and February 3, 2023.**

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

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

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

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

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

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

Mr. Bhagya Chandra Rao is the Chairperson of Corporate Social Responsibility Committee. The Committee has three members.

The Committee met twice during the Financial Year on **November 10, 2022 and February 3, 2023.**

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

Name of the Members	No. of Meetings Attended
Mr. Bhagya Chandra Rao, Chairperson	2
Ms. Ulla Hartvig Plathe Tonnesen	1
Mr. Lokesh Saxena	2



b) Non-Executive Independent Directors

(Rs. Million)

Name	Sitting fees	Commission
Ms. Deepa Hingorani	0.44	0.40
Mr. Bhagya Chandra Rao	0.42	0.40
<b>Total</b>	<b>0.82</b>	<b>0.80</b>

c) Non-Executive Non-Independent Directors

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

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

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

**9. Related Party Transactions:**

The Company has complied with the requirements of the Companies

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.)*
2015-16	Final	2.50	12-08-2016	23-10-2023	45,083
2016-17	Final	2.50	11-08-2017	04-10-2024	49,120
2017-18	Final	2.50	09-08-2018	09-10-2025	50,448
2018-19	Final	2.50	08-08-2019	04-10-2026	22,630
2019-20	Final	2.50	12-08-2020	13-10-2027	18,034
2020-21	Final	10.00	12-08-2021	13-10-2028	66,446
2021-22	Interim	150.00	28-03-2022	03-05-2029	6,97,638
2021-22	Final	10.00	12-08-2022	17-09-2029	51,734

\* Balances as on March 31, 2023.

**11. Risk Management:**

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

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

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

Act, 2013 and the Listing Regulations on Related Party Transactions. Prior approvals and where required, post facto approvals, for all Related Party Transactions (RPTs) are obtained from the Audit Committee and the Board.

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

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

**10. Unclaimed Dividend:**

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

On November 22, 2022, the Company has transferred Rs. 44,110/- to IEPF towards unclaimed dividend for the calendar year 2014-15 (Rs. 42,925/- and Rs.43,375/- were transferred to IEPF during the FY 2020-21 and FY 2021-22 respectively towards unclaimed dividend for the calendar year 2012 and 2013). On December 14, 2022, the Company has transferred 208 shares (on which dividend has not been paid or claimed for seven consecutive years) to IEPF as compared to 1,107 shares and 805 shares transferred during the FY 2020-21 and FY 2021-22 respectively.

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

**12. CEO/CFO Certification:**

Managing Director and the CFO of the Company have certified to the Board of Directors, *inter-alia*, the true and fair view of financial statements and adequacy of Internal Controls for the financial reporting for the year ended March 31, 2023. CEO/CFO Certification is part of this report.

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

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

**b) Non Compliance of any requirement of Corporate Governance report of sub paras (2) to (10) of Schedule V ( c ) of the Listing Regulations : NIL**

**c) Disclosure to the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:**

The Company has also adopted the following discretionary requirements as provided in the Listing Regulations:

- (i) The Board: The Company does not maintain a separate office for Non-executive Chairperson.
- (ii) Shareholders Rights: Quarterly results are published in widely circulating national and local daily newspapers such as the Financial Express and Vishwavani. These were not sent individually to the shareholders.

**14. General Body Meetings:**

Location and time of the last three Annual General Meetings:

Financial Year	Date	Venue	Time
2019-20	12-08-2020	Through Video Conferencing (VC)	11.00 AM
2020-21	12-08-2021	Through Video Conferencing (VC)	11.00 AM
2021-22	12-08-2022	Through Video Conferencing (VC)	11.00 AM

Special Resolutions passed in the previous three Annual General Meetings:

Financial Year	Special Resolutions
2019-20	(1) Re-appointment of Mr. Lokesh Saxena (DIN: 07823712) as Managing Director of the Company.
2020-21	(1) Payment of remuneration exceeding fifty percent (50%) of the total remuneration payable to all Non-Executive Directors to Ms. Deepa Hingorani (DIN: 00206310).
2021-22	Nil

Special Resolutions passed through Postal Ballot: Nil

Person who conducted the postal ballot exercise: Not Applicable

As on the date of this report, there is no proposal for passing any special resolution by postal ballot.

Procedure for Postal Ballot: There was no postal ballot conducted during the year.

**15. Other Disclosures:**

**Disclosures on materially significant related party transactions:**

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

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

(iii) Audit Qualifications: The audit report does not contain any qualifications.

(iv) Separate post of Chairperson and Chief Executive Officer: The Company has separate persons to the post of Chairperson and Managing Director.

(v) Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

**d) Secretarial Compliance Certificate:**

The Listing Regulations mandates the Company to obtain a 'Annual Secretarial Compliance Report' in the prescribed format from a Practising Company Secretary. This Report has been received and will be filed with the Stock Exchange within the due date.

**e) Certificate On Corporate Governance:**

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a certificate from the Practising Company Secretary is obtained regarding compliance of conditions of corporate governance which is annexed to this Report.

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

**Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities or any member related to capital markets:**

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.

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

The Company has framed a Whistle Blower Policy aimed at Corporate Governance and continued Vigil Mechanism which is available on the

website of the Company at <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies>. No person has been denied access to the Chairperson of the Audit Committee.

**Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of the Listing Regulations. This Corporate Governance Report of the Company for the Financial Year 2022-23 as on March 31, 2023 is in compliance with the requirements of the Listing Regulations, as applicable.

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

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

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

(ii) Reporting of Internal Auditors:

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

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

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

**Disclosure of commodity price risks and commodity hedging activities:**

Please refer to the Board's Report.

**Details of utilization of funds raised through preferential allotment or qualified institutions placements as specified under Regulation 32(7A):**

There was no Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A).

**Certificate from a Company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the board/ministry of corporate affairs or any such statutory authority:**

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

The requisite certificate from Mr. Vijayakrishna K.T., Practising Company Secretary of the Company is annexed herewith.

**Disclosure of instances where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year:**

There was no such instance during FY 2022-23 when the Board had not accepted any recommendation of any Committee of the Board.

**Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor**

**and all entities in the network firm/network entity of which the statutory auditor is a part:**

The Company has paid a consolidated amount of Rs.4.6 Million as total fees for all the services rendered by the statutory auditor and all the entities in the network firm/network entity of which statutory auditor is part of.

**Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number complaints pending as on end of the financial year	Nil

**Disclosure by listed entity and its subsidiaries of loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:**

Neither the Company nor its subsidiary has loans and advances in the nature of loans to firms/companies in which directors are interested.

**Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:**

The Company has no material subsidiary.

**16. Means of Communication:**

The Quarterly/Half Yearly/ Annual financial results are published in leading Newspapers such as 'Financial Express' (in English) and '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 the Listing Regulations have been uploaded on the Company's website at <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/notices>

**17. General Information to Shareholders:**

**(a) Annual General Meeting:**

Date: Thursday, August 10, 2023

Time: 11.00 AM IST

In line with the Ministry of Corporate Affairs (MCA) Circular No. 14/2020, 17/2020, 20/2020, 02/2021, 02/2022, General Circular No. 10/2022 and General Circular No. 11/2022 dated 28.12.2022 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11, SEBI/HO/CFD/CMD2/CIR/P/2022/62 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, the 38<sup>th</sup> AGM of the Company is being convened and conducted through Video Conferencing.

Period 12 Months: April 2022 to March 2023

Date of Book Closure: August 4, 2023 to August 10, 2023 (both days inclusive)

Listed on Stock Exchange: BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. Scrip code is 500068

(Listing Fee for the Financial Year 2023-24 has been paid within due date)

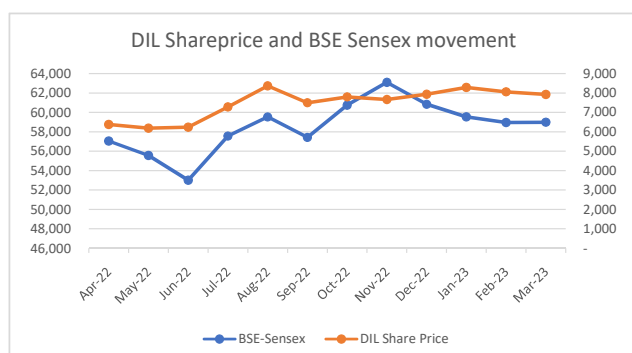
Date of payment of dividend: September 8, 2023

(Subject to Shareholders' approval)

**(b) Stock Market price data for the period April 2022 to March 2023:**

Period MM-YY	BSE-Sensex		Market Price (Rs.)	
	High	Low	High	Low
Apr-22	60845	56009	7169	6150
May-22	57184	52632	6400	5600
Jun-22	56433	50921	6299	5800
Jul-22	57619	52094	7375	6106
Aug-22	60411	57367	8500	7262
Sep-22	60676	56147	8522	7325
Oct-22	60787	56683	8298	7333
Nov-22	63303	60425	8150	7511
Dec-22	63583	59754	8289	7551
Jan-23	61344	58699	8545	7940
Feb-23	61682	58796	8390	7600
Mar-23	60498	57085	8220	7776

**(c) Performance of the share price of the Company in comparison to the BSE Sensex:**



**(d) Registrar and Share Transfer Agents (RTA):**

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

**(e) Share Transfer System:**

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

As per the listing Regulations, 2018, with effect from April 1, 2019, except in case of transmission or transposition of securities, no transfer of securities shall be processed unless the securities are held in the dematerialized form. Further, SEBI Circular dated January 25, 2022 requires the companies to issue the securities to investors only in dematerialized form while processing the

service requests such as issue of duplicate securities certificates, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

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

**(f) Disclosures with respect to demat suspense account/unclaimed suspense account (Unclaimed Shares):** Not Applicable

**(g) Distribution of shareholding as on March 31, 2023:**

Range of Shares	No. of Share Holders	% of Total Share Holders	No. of Shares Held	% of Shareholding	
1	500	3,996	98.67	146,702	10.09
501	1,000	24	0.59	15,902	1.09
1,001	2,000	12	0.30	16,065	1.10
2,001	3,000	6	0.15	15,982	1.10
3,001	4,000	1	0.02	3,855	0.27
4,001	5,000	0	0.00	0	0.00
5,001	10,000	3	0.07	18,266	1.26
10,001	& above	8	0.20	1,237,433	85.09
<b>Total</b>	<b>4,050</b>	<b>100.00</b>	<b>1,454,205</b>	<b>100.00</b>	

**(h) Dematerialization of shares and liquidity:**

About 98.70% of the 1,454,205 outstanding Equity Shares have been dematerialized up to March 31, 2023.

**(i) Shareholding pattern as on March 31, 2023:**

Category	No of Shares	% Holding
Directors	1	0.00
Promoter but not Director	1,088,056	74.82
Director/Promoters Relatives	-	-
<b>Sub Total (A)</b>	<b>1,088,057</b>	<b>74.82</b>
Banks & Financial Institutions, Insurance Companies, Mutual Funds	115,810	7.96
Body Corporate	13,186	0.91
NRI	9,801	0.67
FII	255	0.02
Indian Promoter	-	-
Clearing Member	3	0.00
Trust	0	0.00
Investor Education and Protection Fund	13,443	0.92
General Public	213,650	14.69
<b>Sub Total (B)</b>	<b>366,148</b>	<b>25.18</b>
<b>Total (A) + (B)</b>	<b>1454,205</b>	<b>100.00</b>

**(j) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on Equity :** Nil

**(k) Commodity price risk or foreign exchange risk and hedging activities:**

The Company has a significant usage of commodities like steel, items of steel, items containing Copper exposing it to the price risk arising out of market fluctuations. Annual negotiations are carried out leveraging the yearly purchase volumes.

The Company has an adequate risk assessment and minimization system in place including for commodities. The Company does not have material exposure of any commodity. The Company has an adequate risk assessment and minimization system in place including for Commodities.

The Company is also exposed to foreign exchange risk on account of the import of various raw materials and components used in its production, technology products imported and the Company is also exposed to foreign exchange risk on export transactions. To reduce this risk in the long-term the Company constantly evaluates its business plan and opportunities for localization. Hedging is also used as a tool to manage foreign exchange risk, as per Company's policy.

**(l) Plant Locations:**

No.28-32, Satyamangala Industrial Area, Tumkur -572 104, Karnataka. Tel: +91-816-2214900/2214901	Plot No.50, KIADB Industrial Area, Hosakote -562 114, Karnataka. Tel: +91-9686199717/18
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**(m) Address for correspondence:**

**Registered & Corporate Office:**

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

**(n) Credit Rating:**

The Company does not have any debt instrument, fixed deposit programme or any scheme or proposal for mobilization of funds. Hence, during the financial year ended March 31, 2023 it had not obtained any credit rating for this purpose.

**(o) Dividend Distribution Policy:**

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

Date: May 25, 2023  
Place: Bengaluru

For DISA India Limited  
Deepa Hingorani  
Chairperson  
DIN: 00206310

**CEO/CFO CERTIFICATION FOR THE YEAR ENDED MARCH 31, 2023**

**To**  
**The Board of Directors**  
**DISA INDIA LIMITED**  
**Bengaluru**

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

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- (1) there were no significant changes in internal control over financial reporting during the year ended March 31, 2023;
  - (2) there were no significant changes in accounting policies during the year ended March 31, 2023; and
  - (3) there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: May 17, 2023  
Place: Bengaluru

Lokesh Saxena  
Managing Director

Amar Nath Mohanty  
Chief Financial Officer



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31<sup>st</sup> March, 2023 has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

Ensuring the eligibility 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.

Date: 25.05.2023  
Place: Bengaluru

Vijayakrishna K T  
Practising Company Secretary  
FCS No.: 1788 C P No.: 980  
UDIN: F001788E000378461

**ANNEXURE- F**

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

To  
The Members of  
DISA India Limited  
Bengaluru

I have examined all the relevant records of DISA India Limited ('the Company') for the purpose of certifying the compliances of the conditions of Corporate Governance by the Company, for the year ended 31<sup>st</sup> March, 2023 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

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

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

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

Date: 25.05.2023  
Place: Bengaluru

Vijayakrishna K T  
Practising Company Secretary  
FCS-1788 CP-980  
UDIN: F001788E000378395

**ANNEXURE- G**

**Business Responsibility and Sustainability Report (BRSR) 2022-23**

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The Company's philosophy on business responsibility and sustainability has been focused on making its business sustainable, its customers' business sustainable and the eco system sustainable. The Company serves a wide range of industries, with foundries being the predominant customer group, through its network of engineering experts, state-of-the-art manufacturing facility, aftermarket and service support. As a single, strong, supply partner, the Company is always there for our customers, for the life of their equipment and beyond.

The Company has continued to invest in making its facilities more sustainable, making its infrastructure more energy efficient, initiatives to reduce energy consumption and it is already in the advance stage of the process of sourcing and using greener Solar energy. The Company has taken initiatives to plant 5000 trees in a span of five years and 1000 trees have been planted in the city of Bangalore in FY 2022-23.

The Company will continue to encourage to recycle and reduce waste of all types in all its operations, whether it is canteen waste, reuse/recycling/donation of equipment or wherever possible, reuse all packaging materials and moving into digital system to save paper.

The Company continues to invest in future skills and education in India. Through its CSR initiatives, Norican scholarships were awarded to 513 students in the year FY 2022-23 including 50 graduate engineering students across Karnataka, 458 students for careers counselling and advancement and 5 students for their study on Bachelor Degree on Advanced Manufacturing to date approx. 3,311 students in India have benefited from the Norican Scholarship which is provided to institutions in and around its manufacturing facility. In addition to the scholarships, the Company provided financial aid to improve facilities such as clean water, sanitations and laboratory equipment in the vicinity of our manufacturing facility.

We engage with our workforces and their families on a family day where over 400 people joined our family open day. With a focus to keeping our employees and their world safe, we have inhouse EHS employee to train, monitor and spread greater awareness in pursuit of eliminating all work-related injuries for our employees with the purpose of maintaining a safe and healthy work environment. The Company will continuously work on our safety culture enhancing training, completing global audits to assess risks to our people's health, safety and wellbeing and addressing them. Our health and safety management systems has been in place for reporting accidents, near misses, recordable incidents and lost time and progress towards our goal of zero incidents.

We actively work towards building a more diverse workforce and leadership team.

Our BRSR includes our responses to questions on our practices and performance on key principles defined by Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In keeping with the guiding principles of integrated reporting, we have provided cross-references to the reported data within the main sections of this report for all topics that are material to us and to our stakeholders.

## Section A - General Disclosures

### I. Details

Sl. No.	Particulars	Remarks
1	Corporate Identity Number (CIN) of the Company	L85110KA1984PLC006116
2	Name of the Company	DISA India Limited
3	Year of Incorporation	May 25, 1984
4	Registered Office Address	World Trade Center (WTC), 6th Floor, Unit No. S-604, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bengaluru - 560 055, India.
5	Corporate Office Address	World Trade Center (WTC), 6th Floor, Unit No. S-604, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bengaluru - 560 055, India.
6	Email ID	<a href="mailto:investor.relations@noricangroup.com">investor.relations@noricangroup.com</a>
7	Telephone	+91 80 22496700
8	Website	<a href="https://www.disagroup.com">https://www.disagroup.com</a>
9	Financial year for which reporting is being done	April 01, 2022, to March 31, 2023
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited
11	Paid-up Capital	Rs 14.5 Million
12	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Shrithee M S, Company Secretary
13	Reporting boundary	Standalone

**II. Products / Services**

**14. Details of Business activities**

Sl. No.	Description of main activity	Description of business activity	% Of Turnover
1	<p>DISA India Limited ('the Company') is a public limited Company incorporated in India in 1984 under the Companies Act 1956. It is listed on BSE Limited and headquartered in Bangalore, India. It is part of the Norican Group which has offices all over the world.</p> <p>The Company is a leading equipment manufacturer with advanced foundry and surface preparation process technology. It supplies complete foundry systems with DISA brand range of moulding machines, sand mixers with combination of sand plant equipment, surface preparation machines and environmental control systems (Filters) to customers across the country and abroad.</p> <p>It's philosophy and strategy focus on making;</p> <ul style="list-style-type: none"> <li>• Its business sustainable.</li> <li>• Its customers' business sustainable and</li> <li>• The eco system sustainable.</li> </ul> <p>A significant portion of the Company's and Norican Group's Research &amp; Development efforts are focused on assisting customers in reducing waste, reducing energy consumption as well as increasing yield in production by upgrading to newer Norican Technology in pursuit of reducing the environmental impact. Company is certified with Management system standard of - ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018.</p> <p>1. Foundry Machines</p> <p>DISA range of foundry machines (Moulding Machines as it is also called) serves the foundry industry with latest foundry technology equipment in moulding and sand preparation. DISA Moulding machines are designed to perform with energy efficiency, at higher machine efficiency, zero discharge to environment and support well to the Green industry initiatives in the foundry industry.</p> <p>DISA range of Sand Plant works towards 95% recycling of the sand with efficient mixers, which reduces consumption of raw materials favourable to the environment.</p> <p>Norican Digital solutions with DISA foundry equipment solution complies Industry 4.0 requirement. It is an IOT based system which detect and analyse process efficiency, energy consumption, waste generation on real time basis which helps to reduce the carbon footprints. Norican Digital solutions helps bringing down the foundry scrap percentage and makes foundry Greener. Digital solutions can also facilitate traceability of manufactured products which is a critical need for automotive component safety for vehicles and DISAMATIC Industry 4.0 solutions (TAG) offer unique traceability in the casting industry.</p> <p>2. Filters</p> <p>Environmental control equipment (Filters) manufactured by the Company uses air filtration systems complying to governmental regulations. Filters are used in varieties of industries like Foundries, Steel, Cement to manage solid dust in the manufacturing process and protects the environment and helps maintaining the clean air. Numerous installations of DISA Filters clean millions of cubic meters of air every hour to make work environment pollution free. DISA product range of Filters are compact, safe and highly energy efficient and least life cycle cost of owning the equipment. This also helps to protect the health of the people working in the various industries where people are working in hazardous environment.</p> <p>3. Surface Preparations Machines</p> <p>Surface preparation machines (Shot Blasting &amp; Peening machines) manufactured by the Company uses "Wheelabrator" European technology and are used in varieties of industries like Foundries, Forgings, Steel, Construction equipment, Agricultural segments etc. to clean any metallic surface with dry descaling process with primary focus on repetitive usage of blasting media, saving energy, safe working conditions and prevent pollution in manufacturing and replacing the age-old acid pickling process protecting the environment to a larger extent.</p>	Manufacturing	100%

**15. Products / Services sold by the entity (accounting for 90% of the entity's Turnover)**

Sl. No.	Product / Service	NIC Code	% Of Total Turnover contributed – 31 <sup>st</sup> March, 2022	% Of Total Turnover contributed – 31 <sup>st</sup> March, 2023
1	Sale of Machinery	29292 & 29197	70.9%	66.4%
2	Sale of Machinery Parts	29191	27.0%	30.6%
3	Sale of Engineering Services and Installation Services	11201	0.9%	1.5%
4	Other Operating Income	None	1.2%	1.5%
	Total		100%	100%

**III. Operations**

**16. Number of locations where plants and / or operations / offices of the entity are situated**

Location	Number of Plants	Number of Offices	Total
National: Plants: Tumkur and Hosakote	2	0	2
Offices: Bengaluru, New Delhi, Kolkata and Pune.	0	4	4
Total	2	4	6

**17. Markets served by the entity**

**a. Number of Locations**

Locations	Number
National (No. of States)	24
International (No. of countries)	16

**b. What is the contribution of exports as a percentage of the total turnover of the entity? (Rs. Millions)**

Particulars	31 <sup>st</sup> March 2022	% of total	31 <sup>st</sup> March 2023	% Of Exports
Domestic	1,981.8	80.0%	2,057.0	81.5%
Exports	494.9	20.0%	467.1	18.5%
Total	2,476.7	100.0%	2,524.1	100.0%

**c. A brief on types of customers**

All our customers are corporate customers (including Norican Group Companies) and in MSME sector in the Foundry, Construction, Steel, Engineering, Automotive Business and located across the globe.

**IV. Employees**

**18. Details as at March 31, 2023 and March 31, 2022**

**a. Employees and Workers (including differently abled) (Nos. given in brackets relate to previous year)**

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Total Employees (including Workers)</b>						
1	Permanent (A)	210 (215)	204(210)	97%(98%)	6 (5)	3%(2%)
2	Other than permanent (B)	17(35)	17(35)	100%(100%)	0(0)	0(0)
3	Total Employees (A + B)	227 (250)	221(245)	97%(98%)	6 (5)	3%(2%)
<b>Workers</b>						
4	Permanent (C)	71(72)	71(72)	100%(100%)	0(0)	0(0)
5	Other than permanent (D)	17(35)	17(35)	100%(100%)	0(0)	0(0)
6	Total Workers (C + D)	88(107)	88(107)	100%(100%)	0(0)	0(0)



**b. Differently abled employees - Nil**

**19. Participation / inclusion / representation of women**

Particulars	Total (A) 31 <sup>st</sup> March 2022	Total (A) 31 <sup>st</sup> March 2023	No. and % of Females			
			No. (B) and % (B/A) 31 March 2022		No. (B) and % (B/A) 31 March 2023	
Board of Directors	6	6	2	33%	2	33%
Other Key Management Personnel	2	2	0	0%	1	50%

**20. Turnover Rate for Permanent Employees and workers (Disclose Trends for the last past 3 years)**

Particulars	2022-23			2021-22			2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12.2%	0.6%	12.8%	13.3%	1.8%	15.1%	4.9%	0	4.9%
Permanent Workers	18.9%	0	18.9%	11.7%	0	11.7%	10.4%	0	10.4%

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

**21. (a) as at March 31, 2022 and March 31, 2023**

Sl. No.	Name	Subsidiary / Associate or Joint Venture	% Of Shares Held
1	Bhadra Castalloy Private Limited	Subsidiary	100%

**Do the entities indicated in the above table participate in the Business Responsibility initiatives of the listed entity? (Yes / No)**

Yes, the entity indicated above participates in the Business Responsibility initiatives of the listed entity, but this report includes details of BRSR of only DISA India Limited.

**VI. CSR Details**

**22. (i) Whether CSR is applicable as per Section 135 of the Companies Act, 2013**

Sl. No.	Name	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2023
1	Whether CSR is applicable as per Section 135 of the Companies Act, 2013	Yes	Yes
2	Turnover	2,476,724,778	2,524,136,323
3	Net Worth	2,018,172,840	2,139,206,295
4	Total amount spent on CSR	7,440,000	8,171,333

**VII. Transparency and Disclosures Compliances**

**23. Complaints / grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)**

Company's stakeholders include investors, clients, employees, vendors / partners, government and the community.

- Policies towards whistle blower, sexual harassment and other stakeholder/governance related policies are available at <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies>
- For details on investor complaints received and resolved, refer to the 'Investor complaints' available in the Corporate governance report of this Annual Report.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes / No)  (If yes, then provide the web-link for grievance redressal policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Whistle blower	Yes	Nil	NIL	-	NIL	NIL	-
Sexual harassment	Yes	Nil	NIL	-	NIL	NIL	-
Investors complaint	Yes	4	NIL	-	1	NIL	-

**24. Overview of the entity's material responsible business conduct issues.**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental, social and governance matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format.

Sl. No.	Material Issue Identified	Indicate whether Risk or Opportunity	Rationale for identifying the risk / opportunity	Approach to adapt or mitigate	Positive / Negative Implications
1	Electric Vehicles	Risk	Use of electric vehicles considering environmental benefits, lower cost of maintenance and Government Financial support.	-	We have made an impact analysis and do not see any threat to DISA growth, rather creating more opportunities in Aluminium business.
2	Alternative Sources of Renewable Energy - Solar	Opportunity	SBTi	Company is in the process of switching to Solar Energy significantly.	This will be positive considering the Company would encourage use of Greener Energy Source which is more sustainable.
3	Increasing instances of Cybersecurity incidents and data breaches	Risk	The Company relies significantly on its technology infrastructure and most of the transactions are processed digitally.	The Company takes steps to mitigate cyber risks including use of technology, education and awareness to employees on use of Company's assets and periodic IT Audit to identify any deficiencies.	This will be negative – Operational, Financial and Reputation.
4	Changing expectations of the workforce and work environments	Risk	Work life balance, flexible working hours, remuneration on par with the industry and making safer work environment.	The Company provides role based flexible working hours, employee survey, market survey to determine industry standards and Work climate analysis. Our plants follow strict safety norms to make the employees/workers protected from any hazards.	It will be positive since we expect lower attrition of employees and enhancing their experience.

**Section B: Management and Process Disclosures**

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1 - P9 as given below:

Sl. No.	Principle
P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable.
P2	Businesses should provide goods and services in a manner that is sustainable and safe.
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.
P4	Businesses should respect the interests of and be responsible towards all its stakeholders.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
P8	Businesses should promote inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their consumers in a responsible manner.

	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Ethics & Transparency	Product Responsibility	Human Resources	Responsiveness to Stakeholders	Respect for Human Rights	Responsible Lending	Public Policy Advocacy	Inclusive Growth	Customer Engagement
<b>Policy and management processes</b>									
1. A. Whether your entity's policy / policies cover each principle and its core elements of NGRBC (Yes / No)	Y	Y	Y	Y	Y	N	Y	Y	Y
B. Has the Board (Yes / No) approved the policy. Refer Note 1	Yes, the Board has approved these policies								
C. Weblink of the policies, if available.	Refer to Business Responsibility & Sustainability Reporting Policy available at <a href="https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies">https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies</a>								
2. Whether the entity has translated the policy into procedures (Yes / No).	The Company has various standard operating procedures which puts the above policies into action. The Management also reviews the compliance through the internal control measures including an internal audit mechanism.								
3. Do the enlisted policies extend to our value chain partners? (Yes / No)	Yes. It applies to our value chain partners to the extent applicable.								
4. Name the national and international codes / certifications / labels / standards.	The national and international codes / certifications / labels / standards are as below: <ul style="list-style-type: none"> <li>• ISO 9001:2015 Quality Management System standard certification</li> <li>• ISO 14001:2015 Environmental Management System standard certification</li> <li>• ISO45001:2018 Occupational Health and Safety Management System standard certification</li> </ul>								
5. Specific comments, goals and targets set by the entity with defined timelines, if any.	Nil								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	Nil								
<b>Governance, leadership and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements - DISA India Limited is committed to comply and report on all ESG related aspects as required by the SEBI Guidelines. The Company is also part of Norican Group and takes initiatives to ensure compliance with the Group norms on these matters to the extent possible. DISA India Limited is a manufacturing Company and the focus is more on ensuring- A. Environmental safety B. Safe work environment C. Transparent Governance. In course of adopting ESG, the Company strives to ensure that the principles are followed in spirit to all its stakeholders. We are making efforts to ensure lower consumption of non-renewable sources of energy, use of energy efficient assets, give priority to employees health and well being including training and awareness programmes. We also ensure there is adequate over sight by the Board on compliances and governance.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy(ies).	Mr. Lokesh Saxena, Managing Director								
9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes/No). If yes, please provide details.	The Company does not have a specific Committee for sustainability related issue <i>per se</i> . However, these matters are looked after by Mr. Lokesh Saxena, Managing Director								

10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC).

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The respective Committee of the Board reviews and amend the policies as and when required.									As and when needed.								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The Company ensures compliance with all statutory requirements and place before the Board every quarter a report on compliances.									Quarterly.								

11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency (Yes / No). If yes, provide the name of the agency.

No.

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency (Yes / No)? If yes, provide the name of the agency.	The Company's policies and procedures are subject to internal scrutiny by the management, internal auditors for the purposes of ensuring operating effectiveness of the policies and critical evaluation of the same. The statutory auditors would also refer to these policies, to the extent, relevant and applicable to assess the Entity Level Controls and Governance aspects. However, there has not been any specific review or assessment or evaluation of the policies by an external agency.								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Explained in Point No. 11 above								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

### Section C - Principle-wise Performance Disclosure

**Principle 1 - Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable.**

#### Essential indicators

1) Percentage covered by training and awareness programmes on any of the principles during the financial year.

Segment	Total Number of training and awareness Programmes held	Topics / Principles covered under the training audits impact	% Of persons in respective category covered by the awareness Programmes
Board of Directors / Key Managerial Personnel ('KMP')	6	3	100%
Employees other than Board of Directors and Key Managerial Personnel.	Nil	Nil	Nil
Workers	NA	NA	NA

2) Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

<b>Monetary</b>				
<b>Particulars</b>	<b>Name of the regulatory / enforcement agencies / judicial institutions</b>	<b>Amount (Rs. in Crores)</b>	<b>Brief of the Case</b>	<b>Has an appeal been preferred? (Yes / No)</b>
Penalty / Fine		Nil		
Settlement				
Compounding Fee				
Others				

<b>Non-Monetary</b>				
<b>Particulars</b>	<b>Name of the regulatory / enforcement agencies / judicial institutions</b>	<b>Amount (Rs. in Crores)</b>	<b>Brief of the Case</b>	<b>Has an appeal been preferred? (Yes / No)</b>
Penalty / Fine		Nil		
Settlement				
Compounding Fee				
Others				

3) Of the instances disclosed in Question 2 above, details of the appeal / revision preferred in cases where monetary or non-monetary action has been appealed.

Not applicable.

4) Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes

The Company follows the anti-bribery policy of the Group given in the link: [http://noricanintra/Legal/Shared%20Documents/2017.01.31%20Norican%20Anti-Bribery%20Policy%20v5\\_20150415.pdf](http://noricanintra/Legal/Shared%20Documents/2017.01.31%20Norican%20Anti-Bribery%20Policy%20v5_20150415.pdf)

The Company is also guided by the Code of Conduct Policy available in the link: <https://www.disagroup.com/en-in/investor-relations/disa-india-ltd/policies>

5) Number of Directors / KMPs / Employees against whom disciplinary action was taken by any law enforcement agency of bribery / corruption.

<b>Particulars</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
Directors	None.	
KMPs		
Employees		

6) Details of complaints with regard to conflict of interest

<b>Particulars</b>	<b>FY 2022-23</b>		<b>FY 2021-22</b>	
	<b>Number</b>	<b>Remarks</b>	<b>Number</b>	<b>Remarks</b>
Number of complaints received in relation to issues of conflict of interest of directors	None.			
Number of complaints received in relation to issues of conflict of interest of KMPs				

7) Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions on cases of corruption and conflicts of interest.

None.

**Principle 2 - Businesses should provide goods and services in a manner that is sustainable and safe.**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	<b>Current Financial Year</b>	<b>Previous Financial Year</b>	<b>Details of improvements in environmental and social impacts</b>
R&D	Nil		
Capex			

A significant portion of the Company's and Norican Group's Research & Development efforts are focused on assisting customers in reducing waste, reducing energy consumption as well as increasing yield in production by upgrading to newer Norican Technology in pursuit

of reducing the environmental impact. Company is certified with management system standard of - ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)  
b. If yes, what percentage of inputs were sourced sustainably?

Yes. The Company has a policy in 'Norican Group Supplier Code of Conduct' which includes conditions relating to sourcing raw materials in a responsible manner and treatment of spillages, contamination and minimizing waste. This policy has been recently implemented and hence unable to comment on the percentage of input based sourced sustainably.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Nature of Waste	Disposal Mechanism
Plastics	Sold to KSPCB registered recycler
E-Waste	Sold to KSPCB / CPCB registered recycler
Hazardous Waste	Sold to KSPCB registered recycler / Incinerator
Other Waste	Sold to KSPCB registered recycler

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Nil.

**Principle 3 - Businesses should respect and promote the well-being of all employees, including those in their value chains.**

1. Details of Insurance:

- a. Details of measures for the well-being of employees:

Category	% Of Employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)
<b>Permanent Employees (Total including Workers)</b>											
Male	204	204	100%	204	100%	0	0	NA	NA	NA	NA
Female	6	6	100%	6	100%	6	100%	NA	NA	NA	NA
<b>Total</b>	210	210	100%	210	100%	6	100%	NA	NA	NA	NA
<b>Other than Permanent Employees – Employees on Contract are taken care by the Contract Employer.</b>											
Male											
Female	Trainees are covered under Workmen's Compensation Policy and Group Personal Accident Policies taken by the Company.										
<b>Total</b>											

- b. Details of measures for the well-being of workers:

Category	% of Workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)
<b>Permanent Workers</b>											
Male	71	71	100%	71	100%	NA	NA	NA	NA	NA	NA
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA	NA	NA	NA
<b>Total</b>	71	71	100%	71	100%	Nil	Nil	NA	NA	NA	NA
<b>Other than Permanent Workers</b>											
Male	17	17	100%	17	100%	NA	NA	NA	NA	NA	NA
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA	NA	NA	NA
<b>Total</b>	17	17	100%	17	100%	Nil	Nil	NA	NA	NA	NA



2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	NA (Note 1)	100%	100%	NA (Note 1)
ESI	0% (Note 2)	0% (Note)	NA	0% (Note 2)	0% (Note)	NA
Others (Superannuation)	42%	0	N	42%	0	N

Note:

1. Gratuity is funded with Life Insurance Corporation of India.

2. There are no permanent employees who were covered under ESI for the current financial year and previous financial year.

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Our workplaces / offices are located in places which is fairly accessible to all people including differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

No.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	NA	NA	NA	NA
Female	NA	NA	NA	NA
<b>Total</b>	NA	NA	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	The Company has a Whistle Blower mechanism which all employees can access to redress their grievances. However, employees reach out to HR's either on emails or directly to convey their grievances and get it addressed and resolved as applicable.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

Category	FY 2022 -23			FY 2021 - 2022		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	139	0	0	143	0	0
Male	133	0	0	138	0	0
Female	6	0	0	5	0	0
Total Permanent Workers	71	71	100%	72	72	100%
Male	71	71	100%	72	72	100%
Female	0	0	0	0	0	0

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D) No.(E)	On Health and safety measures		On Skill upgradation	
		No.(B)	% (B / A)	No.(C)	% (C / A)		% (E / D)	No.(F)	% (F / D)	
<b>Employees</b>										
Male	133	118	88%	53	40%	138	112	81%	50	36%
Female	6	5	83%	4	66.67%	5	3	60%	2	40%
Total	139	123	88%	57	41%	143	115	80%	52	36%
<b>Workers</b>										
Male	71	65*	91.5%	30	42%	72	52	72%	38	52%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Total	71	65	91.5%	30	42%	72	52	72%	38	52%

\*Workers were on leave on training days and did not attend

9. Details of performance and career development reviews of employees and workers:

Category	FY 2022 - 23			FY 2021 - 22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees (for permanent employees)</b>						
Male	133	133	100%	138	138	100%
Female	6	6	100%	5	5	100%
Total	139	139	100%	143	143	100%
<b>Workers - No specific performance and career development reviews</b>						
Male	71	0	0	72	0	0
Female	0	0	0	0	0	0
Total	71	0	0	72	0	0

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

As part of ensuring a safe and hygienic work environment, Company ensures that OHS are followed widely. The Company has appointed a full time EHS Manager to take care of the health and safety management systems.

Occupational health and safety management system is implemented at the facility.

- Compliance with the terms and conditions of Karnataka Dept. of Factories, Boilers, Industrial Safety & Health License.
- Compliance with the terms and conditions of ISO 45001:2018 - Occupational health and safety management system requirements.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

- EHS audits and inspections are conducted periodically and documented for both on a routine and non-routine basis.
- The Hazard Identification Risk Assessment process is used to identify work-related hazards and assess risks on a routine basis.
- In the case of non-routine jobs carried out by contract workers, work permit system is established and followed to have control on work-related hazards.
- Employees are trained in first aid treatment and to attend to emergencies.
- First aid facilities are available at workplace.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Hazards & Near miss report process is established to identify work-related hazards and eliminate risks using best possible controls.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, employees have access to specific health care benefits and health insurance for them and their dependent family members.

11. Details of safety related incidents, in the following format

Safety incident / Number	Category	FY 2022-23	FY2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	None	None
	Workers	0.7	0.2
Total recordable work-related injuries	Employees	None	None
	Workers	1	1
No. of fatalities	Employees	None	None
	Workers	None	None
High consequence work-related injury or ill-health (excluding fatalities)	Employees	None	None
	Workers	None	None

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

As indicated above, the Company gives utmost importance to its employees' health and ensuring a safe work environment.

- Post-Covid scenario, all the offices / facilities are sanitized frequently including cleaning the frequently touched areas, conference rooms etc. Hand sanitizers are installed at close proximity to everybody.
- The interiors of the office, including the facilities relating to ventilation etc., are well taken care of through the use of natural ventilation. The ambient temperature at the air-conditioned facilities are maintained.
- The Company ensures the food and beverages products used are FSSAI certified.
- Relevant safety posters are displayed in the workplaces around the factory. Regular safety awareness programs are conducted in the factory.

13. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Particulars	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	None	None	As it is explained in sr. no 12 Complying to Govt.	None	None	As it is explained in sr. no 12. Also following the guidelines released by Govt. of India as well as Govt. of Karnataka
Health and Safety	None	None	Notifications as released and complying the same	None	None	

14. Assessments for the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	None.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No such incidents in the year under review.

**Principle 4 - Businesses should respect the interests of and be responsive to all its stakeholders.**

1. Describe the processes for identifying key stakeholder groups of the entity.

As elaborated below.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders and Public	No	Email, SMS, Newspaper, Website	As and when required	To update on financials, operational results and business activity
Customers and Vendors	No	Email, Website	As and when required	Changes in Company's Policy and business activities
Employees	No	Email, Website	As and when required	Changes in Employees related Policies.
Government	No	Email and Others	As and when required	Company's Annual Return, Financial and Operational details etc.

**Principle 5 - Businesses should respect and promote human rights**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, as follows:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (C/D)
<b>Employees</b>						
Permanent	139	139	100%	143	143	100%
Other than Permanent	0	0	0%	0	0	0%
<b>Total employees</b>	139	139	100%	143	143	100%
<b>Workers</b>						
Permanent	71	71	100%	72	72	100%
Other than Permanent	17	17	100%	35	35	100%
<b>Total workers</b>	88	88	100%	107	107	100%

Note:

Respect for Human Rights is a fundamental belief of this Company. The Company recognizes that it is part of its commitments which operates in accordance with the CSR team and engages with the Community.

Harassment in any form of behavior is not welcomed in workplace. The Company promotes diverse workplace at all levels and dedicates to create a fair and transparent environment with mutual respect for all. The Company prohibits child labour and forced labour. The Company regularly communicates the relevant and necessary information with regard to organisational policies, finances and long term organisational growth with the employees. The Company has several grievance redressal mechanism for the employees. The Company follows data privacy regulations including GDPR.

2. Details of minimum wages paid to employees and workers, as follows:

Category	Total (A)	FY 2022-23				FY 2021-22				
		Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	133	0	0%	133	100%	138	0	0%	138	100%
Female	6	0	0%	6	100%	5	0	0%	5	100%
<b>Other than Permanent</b>										
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Workers</b>										
<b>Permanent</b>										
Male	71	0	0%	71	100%	72	0	0%	72	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Other than Permanent</b>										
<b>Male</b>	17	17	100%	0	0%	35	35	100%	0	0%
<b>Female</b>	0	0	0%	0	0%	0	0	0%	0	0%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors*	1	19,310,593	0	0
Independent Directors	1	820,000	1	840,000
KMP**	1	8,407,248	1	703,599
Employees other than above	131	1,298,653	5	1,954,622
Workers	71	915,410	0	0

Note:

\*Non-Executive Non-Independent Directors are not paid any remuneration during the year.

\*\*Mr. G Prasanna Bairy, Company Secretary resigned at the close of business hours on November 11, 2022 and Ms. Shrithee M S, Company Secretary was appointed on November 22, 2022.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

All issues relating to the above are addressed / handled by Human Resources department.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

All issues relating to the above are addressed / handled by Human Resources department. The Human Resources department, through mutual consultation and dialogue, would address the issues relating to Human Rights, if any, including involving the management for any directions.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at end of the year	Remarks	Filed during year	Pending resolution at the end of the year	Remarks
Sexual harassment						
Discrimination at workplace						
Child labor						
Forced labor						None
Wages						
Other human rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has a committee handling Prevention of Sexual Harassment cases. There are no cases of child labour or forced labour or other related issues at the workplace.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No) - Yes

9. Assessments for the year

	% Of plants and offices that were assessed (by entities/statutory authorities/third parties)
Sexual harassment	None
Discrimination at workplace	None
Child labour	None
Forced labour	None
Wages	None
Others (Please specify)	None

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

None.

**Principle 6 - Businesses should respect and make efforts to protect and restore the environment**

1. Details of total energy consumption (in Joules or multiples) and energy intensity

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	3555421200 KJ	2457910800 KJ
Total fuel consumption (B)	438178 KJ	446500 KJ
Energy consumption through other sources (C) (D.G)	70740000 KJ	125280000 KJ
Total (A+ B+ C)	3626599378 KJ	2583637300 KJ
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	1.44	1.04
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable

3. Details of the following disclosures related to water

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in KI)		
i) Surface water	Nil	Nil
ii) Ground water	Nil	Nil
iii) Third Party water (Tanker water)	4670 KL	2945 KL
iv) Sea water	Nil	Nil
v) Others	Nil	Nil
<b>Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)</b>	4670 KL	2945 KL
Total volume of water consumption (in kiloliters)	4670 KL	2945 KL
Water intensity per rupee of turnover (Water consumed/turnover) (KL / Rs Million)	1.85	1.19
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not Applicable.

5. Details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Nox	µg/m <sup>3</sup>	12.4 Avg	12.7 Avg
Sox	µg/m <sup>3</sup>	7.4 Avg	6.5 Avg
Particulate Matter	µg/m <sup>3</sup>	51.2 Avg	50.4 Avg
Persistent Organic Pollutants	µg/m <sup>3</sup>	NA	NA
Volatile Organic Compounds	µg/m <sup>3</sup>	None	None
Hazardous air pollutants	µg/m <sup>3</sup>	NA	NA
Others (please specify)	µg/m <sup>3</sup>	None	None

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.



6. Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tons of CO <sub>2</sub> equivalent	743 MT CO <sub>2</sub> equivalent	559 MT CO <sub>2</sub> equivalent
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tons of CO <sub>2</sub> equivalent	NA	NA
Total of above per rupee of turnover (MT / Rs Million)		0.29	0.23
Total Scope 1 & 2 emission intensity (optional) – relevant metric selected by entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details - No.

8. Details related to waste management by the entity.

Parameter	FY 2022-23	FY 2021-22
<b>Total waste generated (in metric tons)</b>		
Plastic waste (A)	0.83MT	Data not available
E-waste (B)	0.3 MT	Data not available
Bio-medical waste (C)	Not Applicable	Data not available
Construction & demolition waste (D)	Not Applicable	Not Applicable
Battery waste (E)	Not Applicable	Not Applicable
Radioactive waste (F)	Not Applicable	Not Applicable
Other hazardous waste (G)	4.37 MT	NIL
Other non-hazardous waste (H)	238.03 MT	175.81 MT
Total of above	<b>243.53 MT</b>	<b>175.81 MT</b>

**For each category of waste, total waste recovered through recycling, re-using or other recovery operations (in metric tons):** There is no recycling, re-using or other recovery operations carried out in the facility for the waste generated in the process.

Category of waste		
Recycled	Nil	Nil
Re-used	Nil	Nil
Other recovery operations	Nil	Nil
<b>Total</b>	Nil	Nil

**For each category of waste, total waste disposed through by nature of disposal method (in metric tons)**

Category of waste		
Incineration	0.38 MT	0.50 MT
Landfilling	Nil	Nil
Other disposing operations	Nil	Nil
<b>Total</b>	0.38 MT	0.50 MT

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Nature of Waste	How is it being disposed off?
Electronic Waste	KSPCB Authorized recycler
Non-Hazardous Manufacturing Waste	KSPCB Authorized recycler
Manufacturing Waste	KSPCB Authorized recycler / Incinerator
Other Waste	KSPCB Authorized recycler
Polluted Water	Treated in In-house STP
Other	KSPCB Authorized recycler

KSPCB Authorized recycler would be responsible for disposing of the wastes as categorized above in a manner that is expected to be as environmental friendly as possible and as per the guidelines of the Government.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format.

Sl. No.	Location of operations/offices	Types of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
The entity does not have operations / offices in / around ecologically sensitive areas and hence this clause is not applicable.			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
There were no Environmental Impact Assessment of Projects undertaken by the entity as required by any regulatory agency or law.					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes. The entity is compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder.

Sl. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective actions taken if any
None				

**Principle 7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

1. a. Number of affiliations with trade and industry chambers/ associations - 9  
b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl. No.	Name of trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	Confederation of Indian Industry (CII)	National
2.	Federation of Indian Chamber of Commerce and Industry (FICCI)	National
3.	Bengaluru Chamber of Industry and Commerce (BCIC)	State
4.	Engineering Exports Promotion Council (EEPC)	National
5.	Association of Indian Forging Industry (AIFI)	National
6.	Aluminum Casters' Association (ALUCAST)	National
7.	Institute of Indian Foundrymen (IIF)	National
8.	Indo-Danish Business Association.	National
9.	Karnataka Employers' Association.	State

3. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of case	Corrective actions taken
None.		

**Principle 8 - Businesses should promote inclusive growth and equitable development**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
Not applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: - Not applicable

4. Describe the mechanisms to receive and redress grievances of the community.

Yes. The community in and around the factory would have access to the factory manager for resolution of any issue.

5. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSME/Small producers	52%	57%
Sourced directly from within/neighboring districts	63%	49%

**Principle 9 - Businesses should engage with and provide value to their consumers in a responsible manner.**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Consumer satisfaction and feedback is given utmost importance by the Management. The business team ensures that the products and services delivered meet their expectations. If there are any issues in execution, then there are internal escalations which will ensure that the senior management is aware of any delays or issues.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about

Particulars	As a % of total turnover
Environmental and social parameters relevant to the product	80%
Safe and responsible usage	80%
Recycling and/or safe disposal	80%

Our products are not sold off-the shelf or available in the market as such, hence it does not require the above labeling. These products are made on order basis and therefore would contain the information as required to use the product. We also ensure that the products being sold undergo multiple quality control tests to ensure that it can be used safely by our customers. Further, as an organization we ensure that the concerns relating to environmental safety, welfare of the community and good governance is embedded in every decision making process including how we manufacture responsibly.

3. Number of consumer complaints in respect of the following: - Nil during the current and previous year

	FY 2022-23			FY 2021-22		
	Received during year	Pending resolution at end of year	Remarks	Received during year	Pending resolution at end of year	Remarks
Data privacy	NA	NA	NA	NA	NA	NA
Advertising	NA	NA	NA	NA	NA	NA
Cyber security	NA	NA	NA	NA	NA	NA
Delivery of essential services	NA	NA	NA	NA	NA	NA
Restrictive trade practices	NA	NA	NA	NA	NA	NA
Unfair trade practices	NA	NA	NA	NA	NA	NA
Others	NA	NA	NA	NA	NA	NA

4. Details of instances of product recalls on account of safety issues

	<b>Number</b>	<b>Reasons for recall</b>
Voluntary recalls	None	Not Applicable.
Forced recalls	None	Not Applicable.

6. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The policy is available at <https://www.noricangroup.com/en-in/privacy>

7. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable; since there were no such actions required to be taken on directions of any regulatory authorities.

General Note relating to all Principles: Leadership indicators are recommendatory in nature for 2022-23 and hence only essential indicators have been provided.

**ANNEXURE- H**

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

**Pursuant to provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014**

**A. Conservation of energy**

It has always been an endeavor on the part of the Company to reduce and conserve energy in various forms used in its operation. The Company pursues periodical energy audits, efficiency measures and behavioral changes in pursuit of energy conservation and reduction of operating cost.

During the year, the Company has implemented several measures to conserve energy by retrofitting high bay lights with LED, fitting LED lights on the new shop floor which has resulted in a reduction of electrical load by 5 kW. Motion sensor-controlled LED lights have been installed in the general store ensuring that the lights are turned on only when necessary and help to avoid unnecessary energy consumption and reduction of electricity costs. Energy efficient LED lights have been installed in administration buildings.

The Company is in the process of switching to renewable solar energy significantly in its operation.

**B. Technology absorption**

The Company being the part of the global Norican Group, derives benefit from the technology upgrades and product development carried out by the global group in enhancing the quality, productivity and operational efficiency of equipment supplied by the Company. The Company has been able to bring the new technology into the market in the form of Norican Digital and helped customers to embark upon the digitalization journey by deploying Norican Monitizer digital solutions for predictive maintenance program and increased volume of production.

**C. Foreign Exchange Earnings and Outgo**

Foreign Exchange Earned: Rs. 857.45 Mn

Foreign Exchange Out go: Rs. 463.03 Mn

**ANNEXURE- I**

**PARTICULARS OF EMPLOYEES**

**Information relating to remuneration of Directors/Key Managerial Personnel as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

The Nomination and Remuneration Committee continuously reviews the compensation of Managing Director, KMPs 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.

- 1) Ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year

Sl.No.	Name Messrs.	Designation	Ratio of remuneration for 2022-23 to MRE
1	Anders Wilhjelm	Non executive Director	NA
2	Ulla Hartvig Plathe Tonnesen	Non executive Director	NA
3	Michael Dechlan Guerin	Non executive Director	NA
4	Deepa Hingorani	Independent Director	0.37
5	Bhagya Chandra Rao	Independent Director	0.36
6	Lokesh Saxena	Managing Director	15.56

- 2) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Messrs.

Anders Wilhjelm, Non executive Director : NA

Ulla Hartvig Plathe Tonnesen, Non executive Director : NA

Michael Dechlan Guerin, Non executive Director : NA

Deepa Hingorani, Independent Director : 0%

Bhagya Chandra Rao, Independent Director : 8%

Lokesh Saxena, Managing Director : 10%

Amar Nath Monety, Chief Financial Officer : 10%

G. Prasanna Bairy, Company Secretary (Resigned at the close of business hours on November 11, 2022) : 10%

Shrithree M S, Company Secretary (Appointed on November 22, 2022) : NA

- 3) The percentage increase in the median remuneration of employees in the financial year : 14.90%
- 4) The number of permanent employees on the rolls of the Company : 210
- 5) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Increase in non-managerial salaries were in line with the industry practice and market conditions.

- 6) Affirmation that the remuneration is as per the remuneration policy of the Company.

The Company affirms that the remuneration is as per the remuneration policy of the Company.

Note:

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



## 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, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement 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, 2023, and its profit, total comprehensive income, the changes in equity and its cash flows 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 matter described below to be the key audit matter to be communicated in our report.

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis report, Board's report including Annexures to the Board's report and Report on Corporate Governance 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, changes in equity and cash flows 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.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the standalone financial statements.

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

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

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

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

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

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

- of account maintained in electronic mode has been kept on monthly basis, instead of on a daily basis, in a server physically located in India. (refer Note 47(vii) to the standalone financial statements)
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement 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 IndAS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f. The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above
- g. 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.
- h. 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.
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 41 to the standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 47(iii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 47(iv) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act.
- (c) As stated in Note 20 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No.008072S)

**Monisha Parikh**  
Partner

(Membership No. 47840)

UDIN:23047840BGUCKY6059

**BENGALURU**; May 25, 2023  
MP/UM/2023

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) 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 with reference to standalone financial statements over financial reporting of DISA India Limited ("the Company") as of March 31, 2023 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 with reference to standalone financial statements 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 with reference to standalone financial statements 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements.

#### Meaning of Internal Financial Controls with reference to standalone financial statements

A Company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements 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 with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements 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)

**Monisha Parikh**  
Partner

(Membership No. 47840)

UDIN:23047840BGUCKY6059

**BENGALURU**; May 25, 2023  
MP/UM/2023

## **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

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

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

- i. a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital, work-in-progress, investment properties and relevant details of right-of-use assets.  
B. The Company has maintained proper records showing full particulars of intangible assets.
- b. Some of the property, plant and equipment, capital work in-progress, investment properties and right-of-use-assets were physically verified during the year by the Management in accordance with a programme of verification, which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
- c. Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements included in property, plant and equipment, capital work in progress and investment property are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for guarantees, are held in the name of the Company based on confirmations directly received by us from the lenders / custodians.
- d. The Company has not revalued any of its property, plant and equipment, right-of-use assets and intangible assets during the year.
- e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories except for goods-in-transit were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods-in-transit, the goods have been received subsequent to the year-end or confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.
- b. According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements and book debt statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- iii. The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) (a), (iii) (b) and (iii) (f) of the Order is not applicable.
- c. The Company has granted unsecured loans to its subsidiary in earlier years that are payable on demand. Having regard to the fact that, during the year, the subsidiary has repaid the principal and interest amount as demanded by the Company, in our opinion, the repayments of principal amounts and receipts of interest are regular.
- d. According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same party.
- iv. The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under clause (v) of the Order is not applicable.
- vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
  - a. Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, cess



and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year. There were no undisputed amounts payable in respect of Goods and Services tax, Provident

Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2023, are given below:

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

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

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

- ix. a. The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the financial year for long-term purposes by the Company.
- e. The Company has not made any investment in or given any new loan or advances to its subsidiary during the year and hence, reporting under clauses (ix)(e) of the Order is not applicable.
- f. The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- x. a. The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi. a. To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. To the best of our knowledge, no report under sub-section

(12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

- c. As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable to the Company.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. a. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- b. We have considered, the internal audit reports issued to the Company during the year and covering the period upto November 30, 2022 and the internal audit report where issued after the balance sheet date for the period December 1, 2022 to February 28, 2023 for the period under audit.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or directors of its Holding Company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- b. The Group does not have any CIC as part of the group and accordingly, reporting under clause (xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and

our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent

CSR amounts for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of subsection (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

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

**Monisha Parikh**  
Partner  
(Membership No. 47840)  
UDIN:23047840BGUCKY6059

**BENGALURU**; May 25, 2023  
MP/UM/2023



**STANDALONE BALANCE SHEET AS AT MARCH 31, 2023**

		Rs. Million	
Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	4	394.0	266.4
(b) Capital work in progress	5	-	36.0
(c) Investment property	7	4.4	4.6
(d) Right-of-use assets	6	24.9	34.1
(e) Other intangible assets	8	0.4	0.8
(f) Financial assets			
(i) Investments in subsidiary Company	9	44.0	44.0
(ii) Other financial assets	10a	48.4	7.7
(g) Income tax assets (Net)	18a	47.5	30.9
(h) Deferred tax assets (Net)	11	6.2	8.6
(i) Other non-current assets	12a	11.4	8.0
<b>Total non-current assets</b>		<b>581.2</b>	<b>441.1</b>
<b>2 Current assets</b>			
(a) Inventories	13	515.2	510.6
(b) Financial assets			
(i) Trade receivables	14	440.3	342.3
(ii) Cash and cash equivalents	15	72.1	34.6
(iii) Bank balance other than (ii) above	16	1,715.7	1,855.6
(iv) Loans	17	17.5	26.0
(v) Other financial assets	10b	73.5	53.4
(c) Other current assets	12b	64.5	47.3
<b>Total current assets</b>		<b>2,898.8</b>	<b>2,869.8</b>
<b>Total assets</b>		<b>3,480.0</b>	<b>3,310.9</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	19	14.5	14.5
(b) Other equity	20	2,124.7	2,003.7
<b>Total Equity</b>		<b>2,139.2</b>	<b>2,018.2</b>
<b>2 Liabilities</b>			
<b>2.1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Other financial liabilities			
(a) Lease liabilities	21	19.4	29.4
<b>Total non-current liabilities</b>		<b>19.4</b>	<b>29.4</b>
<b>2.2 Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	22		
(I) Total outstanding dues of micro enterprises and small enterprises		104.9	122.3
(II) Total outstanding dues of creditors other than micro enterprises and small enterprises		345.8	250.6
(ii) Lease liabilities	23	10.0	8.5
(iii) Other financial liabilities	24	35.5	273.0
(b) Provisions	25	43.9	40.9
(c) Current tax liabilities (net)	18b	1.7	14.1
(d) Other current liabilities	26	779.6	553.9
<b>Total current liabilities</b>		<b>1,321.4</b>	<b>1,263.3</b>
<b>Total equity and liabilities</b>		<b>3,480.0</b>	<b>3,310.9</b>
<b>See accompanying notes to the financial statements</b>	1 to 47		

In terms of our report attached  
**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)  
**Monisha Parikh**  
Partner, (Membership No. 47840)

Place: Bangalore  
Date : May 25, 2023

**For and on behalf of the Board of Directors**

**Lokesh Saxena**  
Managing Director, DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer  
Place: Bangalore  
Date : May 25, 2023

**Deepa Hingorani**  
Director, DIN: 00206310  
**Bhagya Chandra Rao**  
Director, DIN: 00211127  
**Shrithee.MS**  
Company Secretary, ACS: 56563  
Place: Bangalore  
Date : May 25, 2023

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

Particulars		Note No.	Rs Million	
			For the year ended March 31, 2023	For the year ended March 31, 2022
<b>I</b>	Revenue from operations	27	2,524.1	2,476.7
<b>II</b>	Other income	28	104.8	103.2
<b>III</b>	<b>Total revenue (I+II)</b>		<b>2,628.9</b>	<b>2,579.9</b>
<b>IV</b>	<b>Expenses</b>			
	(a) Cost of materials consumed	29	1,182.1	1,279.9
	(b) Purchases of stock-in-trade	30	251.8	205.0
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	31	19.0	(96.3)
	(d) Employee benefits expense	32	410.5	362.8
	(e) Finance costs	33	6.3	7.8
	(f) Depreciation and amortisation expense	34	43.1	33.4
	(g) Other expenses	35	331.7	284.0
	<b>Total expenses (IV)</b>		<b>2,244.5</b>	<b>2,076.6</b>
<b>V</b>	<b>Profit before tax (III-IV)</b>		<b>384.4</b>	<b>503.3</b>
<b>VI</b>	<b>Tax expense:</b>	36a		
	(a) Current tax		96.7	130.9
	(b) Deferred tax		3.5	(2.0)
	<b>Total tax expenses (a+b)</b>		<b>100.2</b>	<b>128.9</b>
<b>VII</b>	<b>Profit for the year (V-VI)</b>		<b>284.2</b>	<b>374.4</b>
<b>VIII</b>	<b>Other comprehensive income, net of taxes</b>	36b		
A	(i) Items that will not be reclassified to profit or loss:		(4.4)	1.3
	(ii) Income tax relating to items that will not be reclassified to profit or loss		1.1	(0.3)
	<b>Total other comprehensive income (A((i)+(ii))</b>		<b>(3.3)</b>	<b>1.0</b>
	<b>Total comprehensive income for the year (VII+VIII)</b>		<b>280.9</b>	<b>375.4</b>
	Earnings per equity share (Face value of Rs 10 /- each):	38		
	(a) Basic - Rs.		195.43	257.46
	(b) Diluted - Rs.		195.43	257.46
	<b>See accompanying notes to the financial statements</b>	1 to 47		

In terms of our report attached

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

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

**For and on behalf of the Board of Directors**

**Lokesh Saxena**  
Managing Director, DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

**Deepa Hingorani**  
Director, DIN: 00206310

**Bhagya Chandra Rao**  
Director, DIN: 00211127  
**Shrithee.MS**  
Company Secretary, ACS: 56563

Place: Bangalore  
Date : May 25, 2023

Place: Bangalore  
Date : May 25, 2023

Place: Bangalore  
Date : May 25, 2023

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023**

Rs. Million

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before tax		384.4	503.3
Adjustments for:			
Depreciation and amortisation expense	34	43.1	33.4
Finance costs	33	6.3	7.8
Profit on sale of property, plant and equipment	28	(0.9)	(1.6)
Interest income	28	(90.3)	(89.5)
Bad trade receivables written off	35	0.2	1.8
Provision for doubtful trade receivables	14	2.4	2.2
Rental income	28	(2.7)	(2.5)
Net unrealised exchange (gains)/losses		(10.2)	(1.9)
Re-measurement of (gains)/losses on defined benefit plans		(4.4)	1.3
Operating profit before changes in working capital		<b>327.9</b>	<b>454.3</b>
<b>Changes in working capital</b>			
<b>Adjustments for (increase)/decrease in non-current assets:</b>			
Other financial assets		(0.7)	(0.8)
Other non-current assets		(10.8)	-
<b>Adjustments for (increase)/decrease in current assets:</b>			
Inventories		(4.6)	(228.1)
Trade receivables		(100.6)	(157.6)
Other financial assets		(14.6)	7.1
Other current assets		(17.2)	6.8
<b>Adjustments for (increase)/decrease in non-current liabilities:</b>			
Other financial liabilities			
<b>Adjustments for increase/(decrease) in current liabilities:</b>			
Trade payables		88.0	158.2
Other financial liabilities		(1.5)	5.2
Short term provisions		3.0	8.2
Other current liabilities		225.7	50.4
<b>Cash generated from operating activities</b>		<b>494.6</b>	<b>303.7</b>
Income tax paid (net)		(118.3)	(130.3)
<b>Net cash generated from operating activities (A)</b>		<b>376.3</b>	<b>173.4</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for purchase of property, plant and equipment		(144.1)	(146.5)
Proceeds from disposal of property, plant and equipment		0.9	3.3
Loan repayment from subsidiary Company		8.5	-
Redemption/maturity of bank deposits		1,319.4	1,098.7
Investment in bank deposits		(1,436.3)	(1,010.8)
Dividend Transfer from / ( to ) separate bank account		218.1	(218.1)

Rs. Million

	Interest received		84.8	89.7
	Rental income		2.7	2.5
	<b>Net Cash used in investing activities (B)</b>		<b>54.0</b>	<b>(181.2)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
	Finance costs	33	(6.3)	(7.8)
	Payment of lease liabilities		(8.5)	(19.5)
	Dividend paid		(378.0)	(14.5)
	<b>Net Cash (used in) / generated from financing activities (C)</b>		<b>(392.8)</b>	<b>(41.8)</b>
	<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>37.5</b>	<b>(49.6)</b>
	Cash and cash equivalents as at the beginning of the year		<b>34.6</b>	<b>84.2</b>
	<b>Cash and cash equivalents at the end of the year</b>		<b>72.1</b>	<b>34.6</b>
	<b>Cash and cash equivalents at the end of the year</b>			
	Comprises			
	(a) Cash in hand		0.1	-
	(b) Balance in current accounts		72.0	34.6
			<b>72.1</b>	<b>34.6</b>
	<b>See accompanying notes to the financial statements</b>	1 to 47		

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

**Changes in liabilities arising from financing activities for the year ended March 31, 2023**

Particulars	As at April 01, 2022	Financing cash flows	Fair Value adjustment	Recognition of liability/ Other adjustments	As at March 31, 2023
Lease liabilities	37.9	(8.5)	-	-	29.4

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

Particulars	As at April 01, 2021	Financing cash flows	Fair Value adjustment	Recognition of liability/ Other adjustments	As at March 31, 2022
Lease liabilities	57.4	(19.5)	-	-	37.9

In terms of our report attached

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

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

Place: Bangalore  
Date : May 25, 2023

**For and on behalf of the Board of Directors**

**Lokesh Saxena**  
Managing Director, DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

Place: Bangalore  
Date : May 25, 2023

**Deepa Hingorani**  
Director, DIN: 00206310

**Bhagya Chandra Rao**  
Director, DIN: 00211127

**Shrithee.MS**  
Company Secretary, ACS: 56563

Place: Bangalore  
Date : May 25, 2023

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023**

**a. Equity Share Capital:**

Rs Million

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the reporting year	14,54,205	14.50	14,54,205	14.50
Changes in the equity share capital during the year	-	-	-	-
Movement during the year	-	-	-	-
<b>Balance at the end of the reporting year</b>	<b>14,54,205</b>	<b>14.50</b>	<b>14,54,205</b>	<b>14.50</b>

**b. Other equity**

Particulars	Reserves & Surplus			Items of OCI	Total Equity
	Capital Reserve	Capital Redemption reserve	Retained earnings	Remeasurements of defined benefit plans	
<b>Balance as at April 1, 2021</b>	1.5	0.6	1,851.8	7.0	1,860.9
Profit for the year	-	-	374.4	-	374.4
Other comprehensive income (net of taxes)	-	-	-	1.0	1.0
<b>Total Comprehensive Income for the year</b>	<b>1.5</b>	<b>0.6</b>	<b>2,226.2</b>	<b>8.0</b>	<b>2,236.3</b>
Dividends	-	-	(232.6)	-	(232.6)
Tax on dividend	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>1.5</b>	<b>0.6</b>	<b>1,993.6</b>	<b>8.0</b>	<b>2,003.7</b>
Profit for the year	-	-	284.2	-	284.2
Other comprehensive income (net of taxes)	-	-	-	(3.3)	(3.3)
<b>Total Comprehensive Income for the year</b>	<b>1.5</b>	<b>0.6</b>	<b>2,277.8</b>	<b>4.7</b>	<b>2,284.6</b>
Dividends	-	-	(159.9)	-	(159.9)
<b>Balance as at March 31, 2023</b>	<b>1.5</b>	<b>0.6</b>	<b>2,117.9</b>	<b>4.7</b>	<b>2,124.7</b>

In terms of our report attached

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

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

Place: Bangalore  
Date : May 25, 2023

**For and on behalf of the Board of Directors**

**Lokesh Saxena**  
Managing Director, DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

Place: Bangalore  
Date : May 25, 2023

**Deepa Hingorani**  
Director, DIN: 00206310

**Bhagya Chandra Rao**  
Director, DIN: 00211127

**Shrithee.MS**  
Company Secretary, ACS: 56563

Place: Bangalore  
Date : May 25, 2023

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### 1. General information

**1.1.** DISA India Limited ('the Company') is a public limited Company incorporated in India in 1984 under the Companies Act 1956. It is listed on Bombay Stock Exchange and headquartered in Bangalore. Its Promoters are DISA Holding AG of Switzerland and DISA Holding A/S of Denmark which hold 54.10% and 20.73% of share capital of the Company respectively. The Company's ultimate holding Company is Norican Global A/S, Denmark.

**1.2.** The Company is a leading equipment manufacturer with advanced foundry and surface preparation process technology. It supplies complete foundry systems with DISA range of moulding machines, sand mixers with combination of sand plant equipment, surface preparation machines and environmental control systems to customers across the country with its network of sales offices in New Delhi, Pune, Kolkata and Bangalore with its two manufacturing plants located in Tumkur and Hosakote in Bangalore, Karnataka.

**1.3.** The Company's standalone financial statements were approved by the Company's Board of Directors on May 25, 2023.

### 2. Significant accounting policies

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

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

#### 2.2. Basis of Preparation and Presentation

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

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

#### 2.3. Functional currency

Financial statements are presented in Indian Rupees, which is the functional currency of the Company, and the currency of primary economic environment in which the Company

operates. All the financial information presented in Indian Rupees has been rounded to the nearest million except shares and earning per share data which are presented in absolute terms.

#### 2.4. Use of estimates and judgements

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

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

Critical estimates and judgments:

Areas involving critical judgments are

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

### 3. Summary of significant accounting policies

#### 3.1. Revenue Recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price for goods supplied and services rendered is net of variable consideration on account of returns and discounts, sales incentives, similar allowances offered by the Company to its customers and goods and service tax. The Company recognizes revenue when the amount of revenue and its related cost can be reliably measured, and it is probable that future economic benefits will flow to the entity and specific criteria in relation to satisfaction of performance obligations have been met for each for the Company's activities described below:

##### 3.1.1. Sale of goods:

Sale of goods are accounted on satisfaction of performance obligation by transfer of control of the goods to the customer. Indicators that control has been transferred include the establishment of the Company's present right to receive payment for the goods sold, transfer of physical possession to the customer, transfer of significant risks, and rewards of ownership in the goods to the customer, and the acceptance of the goods by the customer. In case of machineries/equipment which together form part of a contract for a larger group of machinery, revenue is recognized only when all significant machinery/equipment is transferred.

### 3.1.2. Services

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

### 3.1.3. Export Entitlements

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

### 3.1.4. Interest Income

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

### 3.1.5. Commission Income

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

## 3.2. Leasing

### Company as a Lessee:

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

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

assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

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

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

### Company as a Lessor

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

## 3.3. Foreign currency transactions & translations

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

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

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

## 3.4. Employee benefits

### 3.4.1 Defined Contribution Plans:

#### Provident Fund, Superannuation Fund & ESIC

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

### 3.4.2. Defined Benefit Plans

#### Gratuity

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

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out



at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur.

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

Defined benefit costs are categorized as follows:

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

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

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

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

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

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

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

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

## 3.5. Taxation

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

### 3.5.1. Current Tax

The current tax payable is based on taxable profit for the year and any adjustment to tax payable in respect of previous years, computed as per Income Tax Act 1961.

The current tax is calculated using effective tax rates that have been enacted by the end of the reporting period.

### 3.5.2. Deferred Tax

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

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

## 3.6. Property, plant and equipment

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

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

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

Vehicles - 5 years.

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

### 3.7. Investment Properties

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

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

### 3.8. Other Intangible Assets

#### 3.8.1. Recognition

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

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

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

#### 3.8.2. Derecognition of intangible assets

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

### 3.9. Impairment of tangible and intangible assets

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

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

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

### 3.10. Inventories

Raw materials, Components, Work-in-Progress, finished

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

### 3.11. Provisions

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

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

#### 3.11.1. Warranties

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

### 3.12. Investment in subsidiaries

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

### 3.13. Financial instruments

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

### 3.14. Financial Assets

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

**Measurement:** At initial recognition, the Company measures a financial asset at its fair value plus costs that are directly attributable to the acquisition of the financial asset, except for trade receivables that do not contain a significant financing component, which are measured at transaction price. In the case of financial assets which are recognized at

fair value through profit or loss(FVTPL), its transaction costs are recognized in the statement of profit & loss. In other cases, the transaction costs are attributed to the acquisition value of the financial assets.

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

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

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

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

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

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

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

### 3.15. Financial liabilities

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

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

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

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

#### Derivative financial instruments

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

### 3.16. Cash flow statement

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

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

### 3.17. Segment reporting

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

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

### 3.18. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense

or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit/(loss) per share.

### **3.19. Standards Issued but Not Effective**

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards from April 1, 2023.

i. Ind AS 101 – First time adoption of Ind AS

- ii. Ind AS 102 – Share-based payment
- iii. Ind AS 103 – Business Combinations
- iv. Ind AS 107 – Financial Instruments: Disclosures
- v. Ind AS 109 – Financial Instruments
- vi. Ind AS 115 – Revenue from Contracts with Customers
- vii. Ind AS 1 – Presentation of Financial Statements
- viii. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
- ix. Ind AS 12 – Income Taxes
- x. Ind AS 34 – Interim Financial Reporting

The Company is in the process of evaluating the impact of the above amendments on the Company's financial statements.

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

4 <b>PROPERTY, PLANT AND EQUIPMENT</b>	<b>Particulars</b>	<b>Rs. Million</b>	
		<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
	<b>Carrying amounts of:</b>		
	Freehold land*	3.1	3.1
	Buildings*	274.2	164.3
	Plant and machinery	65.3	64.2
	Furniture and fixtures	25.3	15.3
	Office equipment	9.4	6.8
	Patterns	4.1	2.2
	Vehicles	3.2	4.9
	Computers	9.4	5.6
		<b>394.0</b>	<b>266.4</b>

<b>Particulars</b>	<b>Freehold land</b>	<b>Buildings</b>	<b>Plant and machinery</b>	<b>Furniture and fixtures</b>	<b>Office equipment</b>	<b>Patterns</b>	<b>Vehicles</b>	<b>Computers</b>	<b>Total</b>
<b>Gross carrying amount</b>									
Balance as on April 1, 2021	3.1	161.3	245.7	20.7	18.9	30.4	8.6	31.0	519.7
Additions	-	93.7	47.1	6.8	0.9	0.3	-	2.6	151.4
Transferred from Investment property	-	5.8	-	-	-	-	-	-	5.8
Deletions	-	9.6	7.5	7.6	5.3	-	-	2.6	32.6
<b>Balance as on March 31, 2022</b>	<b>3.1</b>	<b>239.6</b>	<b>285.3</b>	<b>19.9</b>	<b>14.5</b>	<b>30.7</b>	<b>8.6</b>	<b>31.0</b>	<b>632.7</b>
Additions	-	119.6	13.1	12.5	5.1	2.7	-	7.5	160.5
Deletions	-	-	1.3	0.3	0.8	-	-	4.8	7.2
<b>Balance as on March 31, 2023</b>	<b>3.1</b>	<b>359.2</b>	<b>297.1</b>	<b>32.1</b>	<b>18.8</b>	<b>33.4</b>	<b>8.6</b>	<b>33.7</b>	<b>786.0</b>

<b>Particulars</b>	<b>Freehold land</b>	<b>Buildings</b>	<b>Plant and machinery</b>	<b>Furniture and fixtures</b>	<b>Office equipment</b>	<b>Patterns</b>	<b>Vehicles</b>	<b>Computers</b>	<b>Total</b>
<b>Accumulated depreciation</b>									
Balance as on April 1, 2021	-	82.0	220.3	10.9	10.8	27.5	2.0	24.2	377.7
Depreciation expense for the year	-	5.1	8.2	1.3	2.1	1.0	1.7	3.8	23.2
Transferred from Investment property	-	3.7	-	-	-	-	-	-	3.7
Deletions	-	8.1	7.4	7.6	5.2	-	-	2.6	30.9
<b>Balance as on March 31, 2022</b>	<b>-</b>	<b>75.3</b>	<b>221.1</b>	<b>4.6</b>	<b>7.7</b>	<b>28.5</b>	<b>3.7</b>	<b>25.4</b>	<b>366.3</b>
Depreciation expense for the year	-	9.7	12.0	2.5	2.5	0.8	1.7	3.7	32.9
Deletions	-	-	1.3	0.3	0.8	-	-	4.8	7.2
<b>Balance as on March 31, 2023</b>	<b>-</b>	<b>85.0</b>	<b>231.8</b>	<b>6.8</b>	<b>9.4</b>	<b>29.3</b>	<b>5.4</b>	<b>24.3</b>	<b>392.0</b>

<b>Particulars</b>	<b>Freehold land</b>	<b>Buildings</b>	<b>Plant and machinery</b>	<b>Furniture and fixtures</b>	<b>Office equipment</b>	<b>Patterns</b>	<b>Vehicles</b>	<b>Computers</b>	<b>Total</b>
<b>Carrying amount</b>									
Balance as on April 1, 2021	3.1	79.3	25.4	9.8	8.1	2.9	6.6	6.8	142.0
Balance as on March 31, 2022	3.1	164.3	64.2	15.3	6.8	2.2	4.9	5.6	266.4
Balance as on March 31, 2023	3.1	274.2	65.3	25.3	9.4	4.1	3.2	9.4	394.0

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

There are no proceedings which have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.

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

Rs Million

**5 CAPITAL WORK IN PROGRESS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Carrying amounts of:</b>		
Capital work in progress	-	36.0
	-	<b>36.0</b>

**CWIP ageing shedule March 31, 2023**

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

**CWIP ageing shedule March 31, 2022**

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

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

Rs Million

**6 RIGHT-OF-USE ASSETS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Carrying amounts of:</b>		
Building	24.9	34.1
	<b>24.9</b>	<b>34.1</b>

Particulars	Total	
<b>Gross carrying amount</b>		
Balance as on April 1, 2021	-	59.5
Additions	-	-
Deletions/Adjustments	-	11.9
Balance as at March 31, 2022	-	47.6
Additions	-	0.4
Deletions	-	-
Balance as on March 31, 2023	-	48.0

Particulars	Total	
<b>Accumulated depreciation</b>		
Balance as on April 1, 2021	-	4.0
Depreciation expense for the year	-	9.5
Deletions	-	-
Balance as at March 31, 2022	-	13.5
Depreciation expense for the year	-	9.6
Deletions	-	-
Balance as on March 31, 2023	-	23.1

Particulars	Total	
<b>Carrying amount</b>		
Balance as on April 1, 2021	-	55.5
Balance as at March 31, 2022	-	34.1
Balance as on March 31, 2023	-	24.9

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

Rs Million

**7 INVESTMENT PROPERTY**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Carrying amounts of:</b>	<b>4.4</b>	<b>4.6</b>
Investment property	4.4	4.6

Particulars	Investment Property	
<b>Cost or deemed cost</b>		
Balance as on April 1, 2021	-	7.4
Additions	-	-
Transferred to property, plant and equipment	-	5.8
Balance as on March 31, 2022	-	13.2
Additions	-	-
Balance as on March 31, 2023	-	13.2

Particulars	Investment Property	
<b>Accumulated depreciation</b>		
Balance as on April 1, 2021	-	4.8
Depreciation expense for the year	-	0.1
Transferred to property, plant and equipment	-	3.7
Balance as on March 31, 2022	-	8.6
Depreciation expense for the year	-	0.2
Balance as on March 31, 2023	-	8.8

Particulars	Investment Property	
<b>Carrying amount</b>		
Balance as on April 1, 2021	-	2.6
Balance as on March 31, 2022	-	4.6
Balance as on March 31, 2023	-	4.4

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

Fair valuation of Investment Properties as at March 31, 2023 has been arrived at on the basis of valuation carried out by an independent valuers not related to the Company. The valuers are registered with the authority which governs the valuers in India, and in the opinion of the management he has appropriate qualifications and relevant experience in valuation of properties. For all Investment properties, fair value was determined based on the capitalisation of net income method where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The capitalisation rate adopted is with reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuer's knowledge of the factors specific to the respective properties. Thus, the significant unobservable inputs are as follows:

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

Fair value as at March 31, 2023 is Rs. 52.3 Million and as at March 31, 2022 was Rs. 50.4 Million.

Expenses and income in respect of investment properties : Expenses (excluding depreciation) amounting to Rs. 0.1 Million (Year ended March 31, 2022:Rs. 0.2 Million) in respect of repairs, electricity charges, security expenses etc. are included in Note 35 'Other Expenses' and income amounting to Rs.2.6 Million (Year ended March 31, 2022: Rs.2.5 Million) is included in Note 28 'Other income'



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

**8 OTHER INTANGIBLE ASSETS**

Rs Million

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Carrying amounts of :</b>	<b>0.4</b>	<b>0.8</b>
Computer Software	0.4	0.8

Particulars	Computer Software
<b>Cost or deemed cost</b>	
Balance as on April 1, 2021	23.0
Additions	-
Deletions	-
Balance as on March 31, 2022	23.0
Additions	-
Deletions	-
Balance as on March 31, 2023	23.0

Particulars	Computer Software
<b>Accumulated depreciation</b>	
Balance as on April 1, 2021	21.6
Amortisation expense for the year	0.6
Deletions	-
Balance as on March 31, 2022	22.2
Amortisation expense for the year	0.4
Deletions	-
Balance as on March 31, 2023	22.6

Particulars	Computer Software
<b>Carrying amount</b>	
Balance as on April 1, 2021	1.4
Balance as on March 31, 2022	0.8
Balance as on March 31, 2023	0.4

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

Rs Million

**9 INVESTMENTS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Investments in subsidiary Company</b>		
Unquoted equity instruments (fully paid up) carried at cost		
<b>Bhadra Castalloy Private Limited</b>		
4,400,000 (March 31, 2022 : 4,400,000) fully paid up equity shares of Rs. 10 each	44.0	44.0
<b>Total</b>	<b>44.0</b>	<b>44.0</b>
Aggregate carrying value of unquoted investment		
	44.0	44.0

**10 OTHER FINANCIAL ASSETS**

**a) Non-current**

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	8.4	7.7
Bank deposits with more than 12 months maturity	40.0	-
<b>Total</b>	<b>48.4</b>	<b>7.7</b>

**b) Current**

Particulars	As at March 31, 2023	As at March 31, 2022
Advances to employees	5.8	2.1
Security deposits	2.6	2.5
Interest accrued	45.2	39.7
Contractually reimbursable expenses receivable	5.6	8.7
Commission income receivable	14.3	0.4
<b>Total</b>	<b>73.5</b>	<b>53.4</b>

**11 DEFERRED TAX ASSETS (NET)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax asset on:</b>		
Provision for employee benefits	13.4	12.5
IND AS 116 impact	1.1	1.0
Provision for doubtful trade receivables	3.0	2.4
Sub total (A)	17.5	15.9
<b>Deferred tax liabilities on:</b>		
Property, Plant and equipment and intangible assets	11.3	7.3
Sub total (B)	11.3	7.3
<b>Total (A-B)</b>	<b>6.2</b>	<b>8.6</b>

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

**Movement of deferred tax assets / liabilities**

**Rs Million**

**For the year ended March 31, 2023**

<b>Particulars</b>	<b>Opening balance</b>	<b>Recognised in Statement of Profit and Loss</b>	<b>Recognised in other comprehensive income</b>	<b>Closing balance</b>
<b>Deferred tax asset on:</b>				
Provision for employee benefits	12.5	(0.2)	1.1	13.4
IND AS 116 impact	1.0	0.1	-	1.1
Provision for doubtful trade receivables	2.4	0.6	-	3.0
Sub total (A)	15.9	0.5	1.1	17.5
<b>Deferred tax liabilities on:</b>				
Property, Plant and equipment and intangible assets	7.3	4.0	-	11.3
Sub total (B)	7.3	4.0	-	11.3
<b>Total (A-B)</b>	<b>8.6</b>	<b>(3.5)</b>	<b>1.1</b>	<b>6.2</b>

**For the year ended March 31, 2022**

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

The applicable tax rate for the year ended March 31, 2023 and March 31, 2022 is 25.17%

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

Rs Million

**12 OTHER ASSETS**

**a) Non-current**

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	4.4	3.0
Balance with government authorities	7.0	5.0
<b>Total</b>	<b>11.4</b>	<b>8.0</b>

**b) Current**

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	11.8	14.7
Advances to suppliers	11.0	11.9
Duty drawback receivable	10.2	8.5
Balance with government authorities	27.9	8.8
Others	3.6	3.4
<b>Total</b>	<b>64.5</b>	<b>47.3</b>

**13 INVENTORIES**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(At lower of cost and net realisable value)</b>		
Raw materials [Goods in transit - Rs. 28.9 Million; (as at March 31, 2022 Rs. 30.0 Million)]	332.2	308.6
Work-in-progress	123.8	145.8
Finished goods	37.1	41.9
Stock-in-Trade	22.1	14.3
<b>Total</b>	<b>515.2</b>	<b>510.6</b>

The cost of inventory recognised as an expense includes Rs. 5.1 Million (Year ended March 31, 2022: Rs. (4.3) Million)

(a) in respect of obsolete raw material, 5.1 Million (Year ended March 31, 2022: Rs.(4.1) Million)

(b) in respect of obsolete Work-in-progress : Nil (Year ended March 31, 2022: Rs (0.2) Million).

**14 TRADE RECEIVABLES**

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good - Secured	-	-
Considered good - Unsecured	444.5	345.6
Trade receivable credit impaired	7.8	6.3
	<b>452.3</b>	<b>351.9</b>
Less: Allowances for credit losses	12.0	9.6
<b>Total</b>	<b>440.3</b>	<b>342.3</b>

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

**Movements in allowance for doubtful trade receivables**

Rs Million

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Opening balance	9.6	7.4
Add: Provision created during the year	4.2	2.7
Less: Provision reversed during the year	1.8	0.5
<b>Closing balance</b>	<b>12.0</b>	<b>9.6</b>

**Trade Receivable ageing**

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables - considered good	196.1	237.8	9.1	1.5	-	-	444.5
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	1.6			2.2	1.1	2.9	7.8
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Gross Trade Receivables</b>	<b>199.3</b>	<b>237.8</b>	<b>9.1</b>	<b>3.7</b>	<b>1.1</b>	<b>2.9</b>	<b>452.3</b>
<b>Less: allowance for credit losses</b>							<b>(12.0)</b>
<b>Net Trade Receivables</b>							<b>440.3</b>

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables - considered good	111.0	230.3	4.3	-	-	-	345.6
Undisputed trade receivables - which have significant increase in credit risk		-	-	-	-	-	-
Undisputed trade receivables - credit impaired			0.5	2.8	0.4	2.6	6.3
Disputed trade receivables - considered good		-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk		-	-	-	-	-	-
Disputed trade receivables - credit impaired		-	-	-	-	-	-
<b>Gross Trade Receivables</b>	<b>111.0</b>	<b>230.3</b>	<b>4.8</b>	<b>2.8</b>	<b>0.4</b>	<b>2.6</b>	<b>351.9</b>
<b>Less: allowance for credit losses</b>							<b>(9.6)</b>
<b>Net Trade Receivables</b>							<b>342.3</b>

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

Rs Million

**15 CASH AND CASH EQUIVALENTS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Cash and cash equivalents:</b>		
(a) Cash on hand	0.1	-
(b) Balance with banks:		
-In current accounts	72.0	34.6
<b>Total</b>	<b>72.1</b>	<b>34.6</b>

**16 OTHER BANK BALANCES**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Other balance with banks</b>		
-Margin money fixed deposits with banks*	295.8	48.6
-In deposit accounts**	1,418.2	1,588.5
-Unpaid dividend accounts	1.7	218.5
<b>Total</b>	<b>1,715.7</b>	<b>1,855.6</b>

\*Held as security against guarantees and commitments.

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

**17 LOANS**

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Loan to subsidiary Company (refer note 42)	17.5	26.0
<b>Total</b>	<b>17.5</b>	<b>26.0</b>

**18a INCOME TAX ASSETS (NET)**

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax [Net of provision for tax :Rs. 113.1 Million (March 31, 2022 - Rs. 594.1 Million)]	47.5	30.9
<b>Total</b>	<b>47.5</b>	<b>30.9</b>

**18b CURRENT TAX LIABILITIES (NET)**

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for tax [Net of advance tax Rs. 782.9 Million (March 31, 2022 Rs. 450.5 Million)]	1.7	14.1
<b>Total</b>	<b>1.7</b>	<b>14.1</b>

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

Rs Million

**19 SHARE CAPITAL**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Authorised equity share capital:</b>		
5,000,000 Equity shares of Rs.10 each	50.0	50.0
<b>Issued, subscribed and fully paid up:</b>		
1,454,205 Equity shares of Rs.10 each	14.5	14.5
<b>Total</b>	<b>14.5</b>	<b>14.5</b>

**Notes:**

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

No of equity shares outstanding at the beginning of the year	14,54,205	14,54,205
Movement during the year	-	-
No of equity shares outstanding at the end of the year	14,54,205	14,54,205

Equity share capital at the beginning of the year (Rs. Million)	14.5	14.5
Movement during the year	-	-
<b>Equity share capital at the end of the year (Rs. Million)</b>	<b>14.5</b>	<b>14.5</b>

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

**Equity Shares**

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

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

**Equity Shares**

Disa Holding AG, Switzerland	7,86,657	7,86,657
	54.10%	54.10%
Disa Holding AS, Denmark	3,01,399	3,01,399
	20.73%	20.73%
SBI Small Cap fund	1,13,874	73,578
	7.83%	5.06%

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

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

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



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

**Rs Million**

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

**20 OTHER EQUITY**

Particulars	As at March 31, 2023	As at March 31, 2022
Retained earnings	2,122.6	2,001.6
Capital Redemption Reserve (Buyback of equity shares)	0.6	0.6
Capital reserve	1.5	1.5
<b>Total</b>	<b>2,124.7</b>	<b>2,003.7</b>

Particulars	As at March 31, 2023	As at March 31, 2022
<b>A. Retained earnings</b>		
Opening balance	2,001.6	1,858.8
Add : Profit for the year	284.2	374.4
Add : Other comprehensive income	(3.3)	1.0
Less: Final dividend (Refer Note below)	14.5	14.5
Less: Interim dividend (Refer Note below)	145.4	218.1
Balance at end of the year	2,122.6	2,001.6

Note:

2022-23:

The Board of Directors at its meeting on May 25, 2022 had recommended a final dividend of 100% (Rs 10.0 per equity share of par value Rs 10 each) amounting to Rs. 14.5 Million for the financial year ended March 31, 2022, which was approved by the shareholders at the Thirty Seventh Annual General Meeting of the Company held on August 12, 2022. This has been paid on September 05, 2022.

The Board of Directors at its meeting held on February 09, 2023 declared an interim dividend of Rs. 100 per share (1000%) amounting to Rs 145.4 Million for the financial year 2022-23. This has been paid on March 10, 2023.

The Board of Directors at its meeting on May 25, 2023 has recommended a final dividend of 100% (Rs 10.0 per equity share of par value Rs 10 each) for the financial year ended March 31, 2023, subject to the approval of the shareholders at the next Annual General meeting of the Company. The aggregate amount of final equity dividend proposed to be distributed is Rs 14.5 Million.

2021-22:

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

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

Particulars	As at March 31, 2023	As at March 31, 2022
<b>B. Capital Redemption Reserve</b>		
Opening balance	0.6	0.6
Add : Movement during the year	-	-
Closing balance	0.6	0.6

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

**Rs Million**

**C. Capital reserve**

Opening balance	1.5	1.5
Movement during the year	-	-
Closing balance	1.5	1.5

**Retained earnings**

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

**Capital Redemption Reserve**

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

**Capital reserve**

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

**21 OTHER NON CURRENT FINANCIAL LIABILITIES**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Lease Liabilities	19.4	29.4
<b>Total</b>	<b>19.4</b>	<b>29.4</b>

**22 TRADE PAYABLES**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Total outstanding dues of micro enterprises and small enterprises (Refer note 46)	104.9	122.3
Total outstanding dues of creditors other than micro enterprises and small enterprises	345.8	250.6
<b>Total</b>	<b>450.7</b>	<b>372.9</b>

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

**Rs Million**

**Trade Payables ageing**

**As at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					
	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	104.9	-	-	-	-	104.9
Total outstanding dues of creditors other than micro enterprises and small enterprises	223.3	116.3	2.8	0.5	2.9	345.8
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>328.2</b>	<b>116.3</b>	<b>2.8</b>	<b>0.5</b>	<b>2.9</b>	<b>450.7</b>

**As at March 31, 2022**

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

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

Rs Million

**23 LEASE LIABILITIES**

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	10.0	8.5
<b>Total</b>	<b>10.0</b>	<b>8.5</b>

**24 OTHER CURRENT FINANCIAL LIABILITIES**

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid dividends	1.7	0.3
Dividend payable	-	218.1
Payable on purchase of property, plant and equipment	15.3	34.5
Contractually reimbursable expenses payable	18.5	20.1
<b>Total</b>	<b>35.5</b>	<b>273.0</b>

**25 PROVISIONS**

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for warranties *	17.6	14.9
Employee benefit payables (refer note 39)		
- Compensated absences	9.2	10.0
- Gratuity	17.1	16.0
<b>Total</b>	<b>43.9</b>	<b>40.9</b>

**\* Provision for Warranties**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	14.9	7.3
Provision made during the year	17.5	14.5
Utilisations during the year	14.8	6.9
<b>Provisions at the end of the year</b>	<b>17.6</b>	<b>14.9</b>

**26 OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory liabilities	14.5	10.5
Advances from customers	765.1	543.4
<b>Total</b>	<b>779.6</b>	<b>553.9</b>

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

Rs. Million

**27 REVENUE FROM OPERATIONS**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Sale of products (Refer note (i) below)	2,448.9	2,425.4
(b) Sale of services (Refer note (ii) below)	37.2	22.8
(c) Other operating revenue (Refer note (iii) below)	38.0	28.5
<b>Total</b>	<b>2,524.1</b>	<b>2,476.7</b>

**Notes**

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

**Manufactured goods :**

Machinery	1,675.0	1,756.1
Parts of machinery	486.9	424.8
<b>Sale of Manufactured goods Sub Total - A</b>	<b>2,161.9</b>	<b>2,180.9</b>

**Traded goods :**

Parts of machinery	287.0	244.5
<b>Sales of Traded goods Sub Total - B</b>	<b>287.0</b>	<b>244.5</b>

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

**2,448.9**      **2,425.4**

(ii) **Sale of service comprises:**

Engineering services	7.4	5.0
Supervision of installation services	28.3	16.4
Others	1.5	1.4
<b>Sales of services - Total</b>	<b>37.2</b>	<b>22.8</b>

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

Commission income	21.2	9.1
Sale of scrap	8.0	3.5
Export incentives	8.8	15.9
<b>Other operating revenue - Total</b>	<b>38.0</b>	<b>28.5</b>

**28 OTHER INCOME**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest income (Refer note (i) below )	90.3	89.5
(b) Net gain on foreign currency transactions and translation	8.2	5.3
(c) Other non-operating income (Refer note (ii) below)	6.3	8.4
<b>Total</b>	<b>104.8</b>	<b>103.2</b>

**Particulars**

**For the year ended  
March 31, 2023**      **For the year ended  
March 31, 2022**

**Note:**

(i) **Interest income comprises:**

Interest on:		
Bank deposits	86.9	86.2
Security deposits	0.8	0.7
Loan to subsidiary	2.6	2.6
	90.3	89.5

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

(ii) Other non-operating income comprises:	Rs Million	
Royalty	1.3	3.0
Profit on sales of property, plant and equipment (net)	0.9	1.6
Rental income	2.7	2.5
Miscellaneous	1.4	1.3
<b>Total</b>	<b>6.3</b>	<b>8.4</b>

**29 COST OF MATERIALS CONSUMED**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Stock	308.6	176.8
Add : Purchases	1,205.7	1,411.7
Less : Closing Stock	332.2	308.6
<b>Cost of materials consumed</b>	<b>1,182.1</b>	<b>1,279.9</b>

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Parts of machinery	251.8	205.0
<b>Total</b>	<b>251.8</b>	<b>205.0</b>

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Inventories at the end of the year:</b>		
Finished goods	37.1	41.9
Work-in-progress	123.8	145.8
Stock-in-trade	22.1	14.3
<b>Sub Total</b>	<b>183.0</b>	<b>202.0</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	41.9	-
Work-in-progress	145.8	88.6
Stock-in-trade	14.3	17.1
<b>Sub Total</b>	<b>202.0</b>	<b>105.7</b>
<b>INCREASE/(DECREASE)</b>	<b>19.0</b>	<b>(96.3)</b>

**32 EMPLOYEE BENEFITS EXPENSE**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	342.6	316.0
Contributions to provident and other funds (refer note 39)	36.3	28.2
Staff welfare expenses	31.6	18.6
<b>Total</b>	<b>410.5</b>	<b>362.8</b>

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

<b>33 FINANCE COSTS</b>		<b>Rs Million</b>	
<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>	
<b>Interest expense on:</b>			
(i) Bank guarantee commission	2.4	1.5	
(ii) Interest others	-	1.6	
(iii) Security deposits	3.9	4.7	
<b>Total</b>	<b>6.3</b>	<b>7.8</b>	
<b>34 DEPRECIATION AND AMORTISATION</b>			
<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>	
Depreciation on property, plant and equipment (refer note 4)	32.9	23.2	
Amortisation on intangible assets (refer note 8)	0.4	0.6	
Depreciation on ROU assets (refer note 6)	9.6	9.5	
Depreciation on investment properties (refer note 7)	0.2	0.1	
<b>Total</b>	<b>43.1</b>	<b>33.4</b>	
<b>35 OTHER EXPENSES</b>			
<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>	
Power and fuel	11.6	9.8	
Repairs and maintenance - Buildings	6.0	1.2	
Repairs and maintenance - Machinery	3.0	3.0	
Repairs and maintenance - Others	8.8	5.3	
Insurance	16.0	9.9	
Rates and taxes	7.5	2.6	
Travelling and conveyance	45.8	19.4	
Legal and professional charges	14.8	8.1	
Payments to auditors (refer note (i)(a) below)	4.3	4.1	
Security expenses	6.1	7.4	
Telephone, postage and courier	1.6	2.0	
Printing and stationery	1.1	0.8	
Freight outwards	35.5	57.9	
Commission expenses	6.5	11.3	
Recruitment and training	1.4	2.7	
Group management fees	32.1	23.6	
Directors sitting fees and commission	1.7	1.6	
Royalty	21.4	17.1	
IT costs	10.7	10.9	
Group IT costs	44.4	43.8	
Expenditure on corporate social responsibility (refer note (ii) below)	8.2	7.7	
Bad trade receivables written off	0.2	1.8	
Provision for doubtful trade receivables (net)	2.4	2.2	
Advertisement and sales promotion	1.7	0.3	
Miscellaneous expenses	38.9	29.5	
<b>Total</b>	<b>331.7</b>	<b>284.0</b>	



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

<b>Note:</b>	<b>Rs Million</b>	
<b>(i) Payments to auditors (Net of taxes) :</b>		
<b>(a) Statutory auditors</b>		
Statutory audit	3.6	3.4
Tax Audit	0.5	0.5
Reimbursement of expenses	0.2	0.2
<b>Sub Total</b>	<b>4.3</b>	<b>4.1</b>
<b>(b) Cost auditors</b>		
Cost audit fee	0.2	0.2
<b>Sub Total</b>	<b>0.2</b>	<b>0.2</b>
<b>Total</b>	<b>4.5</b>	<b>4.3</b>

<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
<b>(ii) Expenditure on corporate social responsibility</b>		
(a) Amount required to be spent by the Company during the year	8.2	7.7
(b) Amount of expenditure incurred on purpose other than construction / acquisition of any asset	8.2	7.7
(c) Excess spend of prior years set off during the year	-	-
(d) Shortfall at the end of the year [(d)=(a)-(b)-(c)]	-	-
(e) Total of previous years shortfall		
(f) Reason for shortfall		
<b>Nature of Expenses:</b>		
(a) Students scholarship	6.9	6.8
(b) School development	0.7	0.6
(c) Others	0.6	0.3
<b>Total</b>	<b>8.2</b>	<b>7.7</b>

**36 INCOME TAXES**

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

<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
<b>Current tax</b>		
In respect of the current year	96.7	130.9
<b>Deferred tax</b>		
In respect of the current year	3.5	(2.0)
<b>Total income tax expenses recognised in the current year</b>	<b>100.2</b>	<b>128.9</b>

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

**Rs Million**

**b INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Deferred tax charge / ( benefit )</b>		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	(1.1)	0.3
	(1.1)	0.3
<b>Bifurcation of the income tax recognised in other comprehensive income in to</b>		
Items that will not be reclassified to profit or loss	(1.1)	0.3
	(1.1)	0.3
<b>Reconciliation of effective tax rate</b>		
Profit before income taxes	384.4	503.3
Applicable tax rate	25.17%	25.17%
Expected income tax expenses	96.8	126.7
<b>Adjustments to reconcile expected tax expenses to reported income tax expenses</b>		
Effect of expenses not deductible in determining taxable profit	3.4	2.2
Effect of expenses deductible in determining taxable profit	-	-
	3.4	2.2
Adjusted income tax expenses	100.2	128.9
Effective tax rate	26.06%	25.61%

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

Rs Million

**37 Ratios**

Particulars		Numerator	Denominator	For the year ended March 31, 2023	For the year ended March 31, 2022	Variance
1	Current ratio	Current Assets	Current Liabilities	2.19	2.40	-9%
2	Debt-Equity ratio (Refer below note 'a' )	Debt	Shareholder's Equity	0.01	0.02	-31%
3	Debt Service coverage ratio	EBIT	Finance costs	62.02	65.53	-5%
4	Return on equity (ROE) (Refer below note 'b' )	PAT	Average Shareholder's Equity	0.14	0.19	-28%
5	Inventory turnover ratio	Sales	Average Inventory	4.85	6.25	-22%
6	Trade receivable turnover ratio (Refer below note 'c' )	Sales	Average Accounts Receivable	6.35	9.32	-32%
7	Trade payable turnover ratio (Refer below note 'd' )	Purchases	Average Trade Payables	3.54	4.78	-26%
8	Net capital turnover ratio	Sales	Working Capital	1.58	1.51	4%
9	Net profit ratio	PAT	Sales	0.11	0.15	-24%
10	Return on capital employed (ROCE) (Refer below note 'e' )	EBITDA	Capital Employed	0.13	0.20	-33%
11	Return on investment(ROI)	Other Income	Average Cash and Cash equivalents	1.63	1.45	12%

Notes:

EBIT - Earnings before interest and taxes.

PAT - Profit after tax

Debt includes current and non-current lease liabilities.

Sales - Revenue from operations less other operating revenue

Working capital - Current assets less current liabilities

Capital employed - Total equity

Other income - Interest on bank deposits

EBITDA - Earnings before interest, taxes, depreciation and amortisation

**Explanation for variances exceeding 25%:**

- Decrease in Debt-Equity ratio is on account of decrease in lease liabilities.
- Decrease in ROE is due to decrease in PAT.
- Decrease in trade receivable turnover ratio is contributed by higher exports sales made during the end of the year, received subsequently.
- Decrease in trade payables turnover ratio is contributed by lower buying of input materials.
- Decrease in ROCE primarily due to decrease in EBITDA from the preceding year.

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

Rs Million

**38 EARNINGS PER SHARE (EPS)**

PARTICULARS	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Basic and Diluted</b>		
Profit attributable to equity share holders (Rs. in Million)	284.2	374.4
Nominal Value of equity share (Rs./Share)	10.0	10.0
Weighted average number of ordinary equity share for Basic EPS (Nos.)	14,54,205	14,54,205
Basic and Diluted EPS (Rs./Share)	<b>195.43</b>	<b>257.46</b>

**39 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	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Current service cost	4.7	4.8
Interest Cost	0.9	0.6
<b>Amount recognised in Statement of Profit and Loss</b>	<b>5.6</b>	<b>5.4</b>
<b>Actuarial (gain)/loss</b>		
a) arising from changes in financial assumption	(3.1)	(1.6)
b) arising from experience adjustments	7.7	0.6
c) arising from demographic assumption	-	-
Return on Plan assets excluded amount included in interest income	(0.2)	(0.3)
<b>Amount recognised in other comprehensive income</b>	<b>4.4</b>	<b>(1.3)</b>
<b>Total</b>	<b>10.0</b>	<b>4.1</b>

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

Particulars	Gratuity	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Defined benefit obligation at beginning of the year	72.1	72.3
Current service cost	4.7	4.8
Interest cost	4.7	4.6
Actuarial losses (gains)	4.6	(1.0)
Benefits paid	(5.7)	(8.6)
<b>Defined benefit obligation at the end of the year</b>	<b>80.4</b>	<b>72.1</b>

**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	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Fair value of plan assets at beginning of the year	56.1	59.6
Expected return on plan assets	3.9	4.0
Return on Plan assets excluded amount included in interest income	0.2	0.3
Contributions by employer	8.8	0.8
Benefits paid	(5.7)	(8.6)
<b>Fair value of plan assets at end of the year</b>	<b>63.3</b>	<b>56.1</b>

**IV. Investment details:**

Particulars	%invested as at	%invested as at
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Investment with insurer (Investment in Policy of LIC)	100%	100%

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

Particulars	Gratuity	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Mortality Table (LIC)	2006-08 (IALM)	2006-08 (IALM)
Discount Rate (per annum)	7.40%	6.90%
Rate of escalation in salary (per annum)	6% for 1st 3 year, 7% for next 3 years, 8% thereafter	6% for 1st 3 year, 7% for next 3 years, 8% thereafter

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

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

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

**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.

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

**Rs Million**

Particulars	Gratuity	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Impact in present value of defined benefit obligation:		
If discount rate is increased by 0.5%	(2.2)	(2.1)
If discount rate is decreased by 0.5%	2.3	2.1
If salary escalation rate is increased by 0.5%	2.1	1.9
If salary escalation rate is decreased by 0.5%	(2.0)	(1.9)

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

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

**VII. Asset Liability Matching Strategies**

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

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

(i) Funding arrangements and Funding Policy

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

(ii) Expected contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is Rs. 8.5 Million.

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

Particulars	Gratuity	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Expected outflow in 1st Year	8.5	7.4
Expected outflow in 2nd Year	15.9	13.4
Expected outflow in 3rd Year	8.2	8.5
Expected outflow in 4th Year	7.6	6.6
Expected outflow in 5th Year	7.4	6.1
Expected outflow in 6th to 10th Year	42.0	35.3

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

Rs Million

**X. Expenses recognized in the Statement of Profit and Loss for the year:**

Particulars	Compensated Absences	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Amount recognised in Statement of Profit and Loss	6.0	0.4

**XI. The Principal assumption used in determining compensated absences obligations are as follows:**

Particulars	Compensated Absences	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Mortality Table (LIC)	2006-08 (IALM)	2006-08 (IALM)
Discount Rate (per annum)	7.40%	6.90%
Rate of escalation in salary (per annum)	6% for 1st 3 year, 7% for next 3 years, 8% thereafter	6% for 1st 3 year, 7% for next 3 years, 8% thereafter

**2. Defined Contribution Plans.**

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

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Employer's Contribution to Provident Fund	16.7	14.4
Employers' Contribution to Superannuation Fund	8.0	7.9
Employers' Contribution to ESIC	0.1	0.1

**40 CAPITAL AND OTHER COMMITMENTS**

Particulars	Balance as at March 31, 2023	Balance as at March 31, 2022
Estimated amount of contracts remaining to be executed on capital accounts not provided for	2.8	35.9

**41 CONTINGENT LIABILITIES**

Particulars	Balance as at March 31, 2023	Balance as at March 31, 2022
Claims against Company not acknowledged as debt *		
CST/VAT	7.3	7.3
Excise duty	2.0	2.0
Income tax	13.1	13.3
Corporate guarantee given on behalf of subsidiary	35.0	35.0

\*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.

CST/VAT related to C forms, Excise duty related to free replacements and Income tax related to disallowance of management fees.



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

Rs Million

**4.2 LOAN TO GROUP COMPANIES**

Name of Subsidiary	Loan given / (repayment)		Max amount outstanding during the year	Balance as at	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022		March 31, 2023	March 31, 2022
Bhadra Castalloy Private Limited	(8.5)	-	26.0	17.5	26.0

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

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

The said loan is repayable on demand.

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related parties	17.5	100%	26.0	100%

**4.3 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, 2023	Balance as at March 31, 2022
<b>(A) Financial assets</b>		
<b>Measured at amortised cost</b>		
(a) Cash and bank balances	2,411.5	2,363.6
(b) Trade receivables	1,787.8	1,890.2
(c) Other financial assets	440.3	342.3
(d) Loan given to subsidiary Company	121.9	61.1
(e) Investments in equity instruments	17.5	26.0
	44.0	44.0
<b>Total</b>	<b>2,411.5</b>	<b>2,363.6</b>
<b>(B) Financial liabilities</b>		
<b>Measured at amortised cost</b>		
(a) Trade payables	450.7	372.9
(b) Other financial liabilities	64.9	310.9
<b>Total</b>	<b>515.6</b>	<b>683.8</b>

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

**(iii) Fair value hierarchy:**

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

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

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

**(iv) Financial risk management objectives**

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

**(v) Market Risk**

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

**a) Interest Rate Risk**

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

**b) Foreign Currency Risk**

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

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

**Rs Million**

Particulars	Balance as at March 31, 2023	Balance as at March 31, 2022
<b>Liabilities</b>		
EURO	231.1	107.1
USD	4.8	3.5
<b>Total Liabilities</b>	<b>236.0</b>	<b>110.7</b>
<b>Assets</b>		
EURO	222.1	81.2
USD	4.5	1.0
GBP	0.8	-
<b>Total Assets</b>	<b>227.4</b>	<b>82.2</b>

**Foreign Currency sensitivity analysis**

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

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

**Analysis of 10% strengthening of the INR**

Particulars	EURO Impact (net of tax)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Impact on (profit) or loss for the year	(0.7)	(1.9)
Impact on total equity as at the end of the reporting period	0.7	1.9

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

Rs Million

Impact on profit or loss for the year	USD Impact (net of tax)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Impact on (profit) or loss for the year*	(0.0)	(0.2)
Impact on total equity as at the end of the reporting period**	0.0	0.2

\*Impact on (profit) or loss for the current year Rs. 25,374/-

\*\*Impact on total equity as at the end of the current reporting period Rs 25,374/-

**(vi) Credit Risk**

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

**(a) Trade receivables management**

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

The reversal/allowance for life time expected credit loss on customer balances for the year ended is disclosed in Note 14.

**(b) Other financial assets**

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

**(vii) Liquidity Risk**

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

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

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total
<b>As at March 31, 2023</b>				
Trade payables (Refer Note 22)	450.7	-	-	450.7
Other financial liabilities (Refer Note 21, 23 & 24)	45.5	19.4	-	64.9
<b>As at March 31, 2022</b>				
Trade payables (Refer Note 22)	372.9	-	-	372.9
Other financial liabilities (Refer Note 21, 23 & 24)	281.5	29.4	-	310.9

**(viii) Capital management**

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

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

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

**44 RELATED PARTY DISCLOSURES**

**a) Related parties and their relationship**

<b>Nature of relationship</b>	<b>Name of the relationship</b>
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 (SAS) Wheelabrator Group Ltd. USA DISA Industries, Inc. Norican A/S Italpresse Industrie SpA
Key management personnel	Mr. Anders Wilhjelm Mr. Lokesh Saxena - Managing Director Ms. Deepa Hingorani Ms. Ulla P Tonnesen Mr. Guerin Declan Mr. Bhagya Chandra Rao Mr. Amarnath Mohanty - CFO

**b) Details of related party transactions during the year ended March 31, 2023 and balances outstanding as at March 31, 2023**

<b>Name of the related party</b>	<b>Nature of transactions</b>	<b>Amount</b>	<b>Outstanding balance as at March 31, 2023</b>	<b>Outstanding balance as at March 31, 2022</b>
		(Rs. in Million)	(Rs. in Million)	(Rs. in Million)
DISA Industries AG	Royalty expenses	1.5	Dr.0.1	Cr.2.8
		(6.9)		
	Reimbursement of expenses (receivable)	0.1		
		-		
DISA Technologies Private Ltd.	Service charges	16.2	Cr.4.2	Cr.0.3
		(9.8)		
	Service income	3.1		
		-		
	Reimbursement of expenses (Payable)	0.1		
		(0.1)		
DISA Industries A/S	Royalty expenses	15.2	-	-
		(8.4)		
	Import material	238.0		
		(200.8)		
	Service income	1.9		
		(3.1)		

Rs Million

	Export / sale of materials	227.7	Dr.79.0	Cr.38.3
		(226.1)		
	Reimbursement of expenses (Payable)	0.1		
		(13.8)		
	Commission received	1.8		
(8.9)				
DISA K.K.	Export / sale of materials	0.3	Dr.0.1	Nil
		(0.3)		
DISA (Changzhou) Machinery Ltd.	Import material	7.3	Cr.2.4	Cr.3.7
		(18.6)		
	Export / sale of materials	1.5		
		(2.3)		
	Royalty income	1.3		
(3.0)				
Wheelabrator Czech s.r.o.	Import material	28.6	Cr.5.7	Cr.5.2
		(23.4)		
	Service fees	-		
		(2.5)		
Wheelabrator Group GmbH	Royalty expenses	4.6	Dr.0.8	Cr.1.0
		(3.4)		
	Export / sale of materials	1.1		
		(0.4)		
	Service income	1.0		
		-		
	Commission received	8.3		
-				
Wheelabrator Group (SAS)	Commission received	-	Nil	Nil
		(0.2)		
Wheelabrator Group INC USA	Import material	1.3	Cr.1.3	Nil
		-		
DISA Industries, Inc.	Export / sale of materials	1.6	Dr.0.2	Dr.0.1
		(1.9)		
Norican A/S	Group Management fee	32.1	Cr.18.5	Cr.20.1
		(23.6)		
	Group IT fee	44.4		
		(43.8)		
	Reimbursement of expenses (Payable)	0.7		
(0.9)				

Rs Million

Bhadra Castalloy Private Limited	Purchase of material	28.3	Dr.22.3	Dr.33.5
		(22.6)		
	Reimbursement of group management fees	0.7		
		(1.0)		
	Reimbursement of expenses others (Receivable)	0.1		
		(0.1)		
	Reimbursement of expenses (Payable)	0.5		
	Sales of material	-		
		0.1		
		(0.4)		
Rental Income		0.1		
(0.1)				
Loan repayment received		8.5		
Interest on loan	-			
	2.6			
	(2.6)			
Italpresse Industrie SpA	Commission income	11.3	Dr.5.6	Cr.3.1
		-		
	Purchase of material	11.9		
(10.1)				
Mr.Lokesh Saxena	Remuneration	19.3	Nil	Nil
		(15.2)		
Ms.Deepa Hingorani	Commission and sitting fees	0.8	Nil	Nil
		(0.8)		
Mr.Bhagya Chandra Rao	Commission and sitting fees	0.8	Nil	Nil
		(0.8)		
Mr.Amarnath Mohanty	Remuneration	13.0	Nil	Nil
		(10.2)		

\* Figures in brackets represent previous year numbers

**Notes:**

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

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

**45 SEGMENT REPORTING**

**Entity - wide disclosures :**

**(i) Revenues from customers :**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
India	2,057.0	1,981.8
Outside India	467.1	494.9

**(ii) Non-Current Assets :**

Particulars	As at March 31, 2023	As at March 31, 2022
India	581.2	441.1
Outside India	-	-

Non-current assets is allocated based on the geographic location of the respective assets.

**(iii) Major customers :**

The Company has no customer which accounts for more than 10% of the Company's total revenue for the year ended March 31, 2023 and March 31, 2022.

**46 DISCLOSURES UNDER THE MSMED ACT, 2006**

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

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	104.9	122.3
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amount of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of interest due and payable for the year	-	-
(vii) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note:

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

**47 Additional regulatory information not disclosed elsewhere in the financial statements**

- (i) As per section 248 of the Companies Act, 2013, there are no balances outstanding or transactions with struck off companies.
- (ii) The Company has not traded / invested in Crypto currency or virtual currency.
- (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or



- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vi) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, except as disclosed in the financial statements.
- (vii) The backup of the books of account maintained by the Company in electronic mode has been kept on monthly basis, in a server physically located in India
- (viii) The Company is not a declared willful defaulter by any bank or financial institution or other lender.

**For and on behalf of the Board of Directors**

**Lokesh Saxena**

Managing Director, DIN: 07823712

**Deepa Hingorani**

Director, DIN: 00206310

**Bhagya Chandra Rao**

Director, DIN: 00211127

**Amar Nath Mohanty**

Chief Financial Officer

**Shrithee.MS**

Company Secretary, ACS: 56563

Place: Bangalore

Date : May 25, 2023

Place: Bangalore

Date : May 25, 2023

## 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, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement 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, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and consolidated cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

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

Key Audit Matter	Auditor's Response
<p><b>Revenue recognition</b></p> <p>Refer Note 3.1 and Note 26 to the consolidated financial statements.</p> <p>The Group recognizes revenue from sale of goods based on the terms and conditions of the agreements/arrangements, which vary with different customers. For sales transactions in a certain period around balance sheet date, it is essential to ensure whether the transfer of control of the goods by the Group to the customer occurs before the balance sheet date. Considering material sales transactions close to the year end and that revenue recognition is subject to transfer of control to the customers before the balance sheet date, we consider the risk of revenue from sale of goods being recognised in the incorrect period as a key audit matter.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> <li>We tested the internal controls relating to determination of point in time at which the transfer of control of goods occurs for revenue recognition in the appropriate period in accordance with the Group's accounting policy.</li> <li>For a selection of sale transactions recorded close to the year end, we performed the following audit procedures: <ul style="list-style-type: none"> <li>Analysed the terms and conditions of the underlying agreements/ arrangements with the customer, and</li> <li>Verified evidence for transfer of control of the goods prior to the balance sheet date or otherwise from relevant supporting documents.</li> </ul> </li> </ul>

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

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

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary audited by the other auditor, to the extent it relates to this entity and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary is traced from their financial statements audited by the other auditor.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are

required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows 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 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 within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Parent included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent 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.145.9 Million as at March 31, 2023, total revenues of Rs.123.3 Million and net cash inflows amounting to Rs. 0.1 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

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

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

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on the separate financial statements of the subsidiary referred to in the Other Matters section above we report, to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books except that in respect of the Parent, the backup of the books of account maintained in electronic mode has been kept on monthly basis, instead of on a daily basis, in a server physically located in India. (refer Note 46(vii) to the consolidated financial statements).
- 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, 2023 taken on record by the Board of Directors of the Company and the report of the statutory auditors of its subsidiary Company incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statement 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.
- h) 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.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (refer Note 40 to the consolidated financial statements)
  - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary Company incorporated in India.
  - iv) (a) The respective Managements of the Parent and its subsidiary which is a Company incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the Note 46 (iii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or of such subsidiary, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the

Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiary which is a Company incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the Note 46 (iv) to the consolidated financial statements, no funds have been received by the Parent or such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary which is a Company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) (a) The final dividend proposed in the previous year,

declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

(b) The interim dividend declared and paid by the Parent during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

(c) As stated in note 19 to the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing respective Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent and its subsidiary, which is a Company incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditor of the subsidiary Company included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the auditor in the CARO report of the said Company included in the consolidated financial statements.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No.008072S)

**Monisha Parikh**  
Partner  
(Membership No. 47840)  
UDIN: 23047840BGUUCKZ7064

BENGALURU; May 25, 2023  
MP/UM/2023



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

**(Referred to in paragraph 1 (g) 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, 2023, we have audited the internal financial controls with reference to consolidated financial statements of DISA India Limited (hereinafter referred to as “Parent”) and its subsidiary Company, which is a Company incorporated in India, as of that date.

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

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

#### **Auditor’s Responsibility**

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary Company, which is a Company incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to consolidated financial statements of the Parent and its subsidiary Company, which is a Company incorporated in India.

#### **Meaning of Internal Financial Controls with reference to consolidated financial statements**

A Company’s internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor referred to in the Other Matters paragraph below, the Parent, and its subsidiary Company, which is a Company incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements insofar

as it relates to one subsidiary Company, which is a Company incorporated in India, is based solely on the corresponding report of the auditor of such Company incorporated in India.

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

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No.008072S)

**Monisha Parikh**  
Partner

(Membership No. 47840)  
UDIN: 23047840BGUCKZ7064

**BENGALURU**; May 25, 2023  
MP/UM/2023

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023**

		Rs Million	
Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	4	442.9	315.9
(b) Capital work in progress	5	-	36.0
(c) Investment property	7	4.4	4.6
(d) Right-of-use assets	6	24.9	34.1
(e) Goodwill	8	6.0	6.0
(f) Other intangible assets	9	0.4	0.8
(g) Financial assets			
(i) Other financial assets	10a	48.4	7.7
(h) Income tax assets (Net)	17a	47.8	30.9
(i) Deferred tax assets (Net)	11a	6.2	8.6
(j) Other non-current assets	12a	12.6	9.5
<b>Total non-current assets</b>		<b>593.6</b>	<b>454.1</b>
<b>2 Current assets</b>			
(a) Inventories	13	529.3	521.9
(b) Financial assets			
(i) Trade receivables	14	462.3	362.5
(ii) Cash and cash equivalents	15	74.6	37.0
(iii) Bank balance other than (ii) above	16	1,758.7	1,898.6
(iv) Other financial assets	10b	70.1	47.5
(c) Other current assets	12b	65.0	48.2
<b>Total current assets</b>		<b>2,960.0</b>	<b>2,915.7</b>
<b>Total assets</b>		<b>3,553.6</b>	<b>3,369.8</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	18	14.5	14.5
(b) Other equity	19	2,179.9	2,045.5
<b>Total Equity</b>		<b>2,194.4</b>	<b>2,060.0</b>
<b>2 Liabilities</b>			
<b>2.1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Other financial liabilities			
(a) Lease liabilities	20	19.4	29.4
(b) Deferred tax liabilities (Net)	11b	1.7	1.3
<b>Total non-current liabilities</b>		<b>21.1</b>	<b>30.7</b>
<b>2.2 Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	21		
(A) Total outstanding dues of micro enterprises and small enterprises		102.2	122.4
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		361.5	261.5
(ii) Lease liabilities	22	10.0	8.5
(iii) Other financial liabilities	23	37.9	275.0
(b) Provisions	24	44.7	43.2
(c) Current tax liabilities (net)	17b	1.7	14.3
(d) Other current liabilities	25	780.1	554.2
<b>Total current liabilities</b>		<b>1,338.1</b>	<b>1,279.1</b>
<b>Total equity and liabilities</b>		<b>3,553.6</b>	<b>3,369.8</b>
<b>See accompanying notes to the financial statements</b>	1 to 46		

In terms of our report attached  
**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

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

**For and on behalf of the Board of Directors**  
**Lokesh Saxena**  
Managing Director, DIN: 07823712

**Deepa Hingorani**  
Director, DIN: 00206310  
**Bhagya Chandra Rao**  
Director, DIN: 0021127

**Amar Nath Mohanty**  
Chief Financial Officer

**Shrithee.MS**  
Company Secretary, ACS: 56563

Place: Bangalore  
Date : May 25, 2023

Place: Bangalore  
Date : May 25, 2023

Place: Bangalore  
Date : May 25, 2023



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

Rs Million

Particulars		Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
I	Revenue from operations	26	2,619.0	2,560.7
II	Other income	27	105.3	102.8
<b>III</b>	<b>Total revenue (I+II)</b>		<b>2,724.3</b>	<b>2,663.5</b>
<b>IV</b>	<b>Expenses</b>			
	(a) Cost of materials consumed	28	1,220.9	1,314.2
	(b) Purchases of stock-in-trade	29	251.8	205.0
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	18.3	(98.7)
	(d) Employee benefits expense	31	424.2	375.2
	(e) Finance costs	32	6.3	7.8
	(f) Depreciation and amortisation expense	33	45.1	36.5
	(g) Other expenses	34	355.4	304.7
	<b>Total expenses (IV)</b>		<b>2,322.0</b>	<b>2,144.7</b>
<b>V</b>	<b>Profit before tax (III-IV)</b>		<b>402.3</b>	<b>518.8</b>
<b>VI</b>	<b>Tax expense:</b>	35a		
	(a) Current tax		100.7	135.0
	(b) Deferred tax		3.9	(2.1)
	<b>Total tax expenses (a+b)</b>		<b>104.6</b>	<b>132.9</b>
<b>VII</b>	<b>Profit for the year (V-VI)</b>		<b>297.7</b>	<b>385.9</b>
<b>VIII</b>	<b>Other comprehensive income, net of taxes</b>	35b		
A	(i) Items that will not be reclassified to profit or loss:		(4.5)	1.7
	(ii) Income tax relating to items that will not be reclassified to profit or loss		1.1	(0.4)
	<b>Total other comprehensive income (A((i)+(ii))</b>		<b>(3.4)</b>	<b>1.3</b>
	<b>Total comprehensive income for the year (VII+VIII)</b>		<b>294.3</b>	<b>387.2</b>
	Earnings per equity share (Face value of Rs 10 /- each):	37		
	(a) Basic - Rs.		204.72	265.37
	(b) Diluted - Rs.		204.72	265.37
<b>See accompanying notes to the financial statements</b>		1 to 46		

In terms of our report attached  
**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

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

**For and on behalf of the Board of Directors**  
**Lokesh Saxena**  
Managing Director, DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

**Deepa Hingorani**  
Director, DIN: 00206310

**Bhagya Chandra Rao**  
Director, DIN: 00211127

**Shrithee.MS**  
Company Secretary, , ACS: 56563

Place: Bangalore  
Date : May 25, 2023

Place: Bangalore  
Date : May 25, 2023

Place: Bangalore  
Date : May 25, 2023

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023**

Rs Million

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Profit before tax</b>		402.3	518.8
Adjustments for:			
Depreciation and amortisation expense	33	45.1	36.5
Finance costs	32	6.3	7.8
Profit on sale of property, plant and equipment	27	(0.9)	(1.6)
Interest income	27	(89.9)	(88.6)
Bad trade receivables written off	34	0.2	1.8
Provision/(reversal) for doubtful trade receivables	34	2.4	2.2
Rental income	27	(2.6)	(2.5)
Net unrealised exchange (gains)/losses		(11.2)	(1.9)
Re-measurement of (gains)/losses on defined benefit plans		(4.5)	1.7
<b>Operating profit before changes in working capital</b>		<b>347.2</b>	<b>474.2</b>
<b>Changes in working capital</b>			
<b>Adjustments for (increase)/decrease in non-current assets:</b>			
Other financial assets		(0.7)	(0.8)
Other non-current assets		(10.5)	-
<b>Adjustments for (increase)/decrease in current assets:</b>			
Inventories		(7.4)	(230.5)
Trade receivables		(101.4)	(163.5)
Other financial assets		(14.5)	7.1
Other current assets		(16.8)	6.2
<b>Adjustments for increase/(decrease) in current liabilities:</b>			
Trade payables		90.0	158.7
Other financial liabilities		(1.1)	4.9
Short term provisions		1.5	7.9
Other current liabilities		225.9	49.2
<b>Cash generated from operating activities</b>		<b>512.2</b>	<b>313.4</b>
Income tax paid		(122.8)	(135.3)
<b>Net cash generated from operating activities (A)</b>		<b>389.4</b>	<b>178.1</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for purchase of property, plant and equipment		(145.5)	(146.5)
Proceeds from disposal of property, plant and equipment		0.9	3.3
Redemption/maturity of bank deposits		1,327.4	1,101.7
Investment in bank deposits		(1,444.3)	(1,018.8)
Dividend Transfer from / ( to ) separate bank account		218.1	(218.1)
Interest received		81.8	87.2
Rental income		2.6	2.5
<b>Net Cash used in investing activities (B)</b>		<b>41.0</b>	<b>(188.7)</b>

Rs Million

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Finance costs (including interest on lease liabilities)	32	(6.3)	(7.8)
Payment of lease liabilities		(8.5)	(19.5)
Dividend paid		(378.0)	(14.5)
<b>Net Cash (used in) / generated from financing activities (C)</b>		<b>(392.8)</b>	<b>(41.8)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>37.6</b>	<b>(52.4)</b>
Cash and cash equivalents as at the beginning of the year		<b>37.0</b>	<b>89.4</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>74.6</b>	<b>37.0</b>
<b>Cash and cash equivalents at the end of the year</b>			
Comprises			
(a) In cash in hand		0.1	-
(b) In current accounts		74.5	37.0
		<b>74.6</b>	<b>37.0</b>
<b>See accompanying notes to the financial statements</b>	1 to 46		

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

**Changes in liabilities arising from financing activities for the year ended March 31, 2023**

Particulars	As at April 01, 2022	Financing cash flows	Fair Value adjustment	Recognition of liability/ Other adjustments	As at March 31, 2023
Lease liabilities	37.9	(8.5)	-	-	29.4

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

Particulars	As at April 01, 2021	Financing cash flows	Fair Value adjustment	Recognition of liability/ Other adjustments	As at March 31, 2022
Lease liabilities	57.4	(19.5)	-	-	37.9

In terms of our report attached

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

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

Place: Bangalore  
Date : May 25, 2023

**For and on behalf of the Board of Directors**

**Lokesh Saxena**  
Managing Director, DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

Place: Bangalore  
Date : May 25, 2023

**Deepa Hingorani**  
Director, DIN: 00206310

**Bhagya Chandra Rao**  
Director, DIN: 00211127

**Shrithee.MS**  
Company Secretary, ACS: 56563

Place: Bangalore  
Date : May 25, 2023

**Consolidated Statement of changes in equity for the year ended March 31, 2023**

**a. Equity Share Capital:**

	Rs Million			
	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the reporting year	14,54,205	14.50	14,54,205	14.50
Changes in the equity share capital during the year				
<b>Balance at the end of the reporting year</b>	<b>14,54,205</b>	<b>14.50</b>	<b>14,54,205</b>	<b>14.50</b>

**b. Other equity**

Particulars	Reserves & Surplus			Items of OCI	Total Equity
	Capital Reserve	Capital Redemption reserve	Retained earnings	Remeasurements of defined benefit plans	
<b>Balance as at April 1, 2021</b>	1.5	0.6	1,882.2	6.6	1,890.9
Profit for the year	-	-	385.9	-	385.9
Other comprehensive income (net of taxes)	-	-	-	1.3	1.3
<b>Total Comprehensive Income for the year</b>	<b>1.5</b>	<b>0.6</b>	<b>2,268.1</b>	<b>7.9</b>	<b>2,278.1</b>
Dividends	-	-	(14.5)	-	(14.5)
Tax on dividend	-	-	(218.1)	-	(218.1)
<b>Balance as at March 31, 2022</b>	<b>1.5</b>	<b>0.6</b>	<b>2,035.5</b>	<b>7.9</b>	<b>2,045.5</b>
Profit for the year	-	-	297.7	-	297.7
Other comprehensive income (net of taxes)	-	-	-	(3.4)	(3.4)
<b>Total Comprehensive Income for the year</b>	<b>1.5</b>	<b>0.6</b>	<b>2,333.2</b>	<b>4.5</b>	<b>2,339.8</b>
Dividends	-	-	(159.9)	-	(159.9)
<b>Balance as at March 31, 2023</b>	<b>1.5</b>	<b>0.6</b>	<b>2,173.3</b>	<b>4.5</b>	<b>2,179.9</b>

In terms of our report attached

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

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

Place: Bangalore  
Date : May 25, 2023

**For and on behalf of the Board of Directors**  
**Lokesh Saxena**  
Managing Director, DIN: 07823712

**Amar Nath Mohanty**  
Chief Financial Officer

Place: Bangalore  
Date : May 25, 2023

**Deepa Hingorani**  
Director, DIN: 00206310

**Bhagya Chandra Rao**  
Director, DIN: 00211127

**Shrithee.MS**  
Company Secretary, ACS: 56563

Place: Bangalore  
Date : May 25, 2023

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

**1. General information**

**1.1.** DISA India Limited ("DISA India" or "the Company") along with its wholly owned subsidiary, Bhadra Castalloy Private Limited (formerly known as Bhadra Castalloys Private Limited), incorporated in India, collectively called as "Group" is a leading equipment manufacturer with advanced foundry and surface preparation process technology. It supplies complete foundry systems with DISA range of moulding machines, sand mixers with combination of sand plant equipment, surface preparation machines and environmental control systems to customers across the country with its network of sales offices in New Delhi, Pune, Kolkata and Bangalore with its two manufacturing plants located in Tumkur and Hosakote in Bangalore, Karnataka.

**1.2.** The Group's consolidated financial statements were approved by the Company's Board of Directors on May 25, 2023

**2. Significant accounting policies**

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

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

**2.2. Basis of Preparation and Presentation**

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

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

**2.3. Functional currency**

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

**2.4. Use of estimates and judgements**

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

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

Critical estimates and judgments:

Areas involving critical judgments are

- a) Note 13 – Inventories – Write down of inventories
- b) Note 38 - Estimation of defined benefit obligations
- c) Note 14 – Allowance for doubtful trade receivables - The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with.

**3. Summary of significant accounting policies**

**3.1. Revenue Recognition**

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price for goods supplied and services rendered is net of variable consideration on account of returns and discounts, sales incentives, similar allowances offered by the Company to its customers and goods and service tax. The Group recognizes revenue when the amount of revenue and its related cost can be reliably measured, and it is probable that future economic benefits will flow to the entity and specific criteria in relation to satisfaction of performance obligations have been met for each for the Group's activities described below:

**3.1.1. Sale of goods:**

Sale of goods are accounted on satisfaction of performance obligation by transfer of control of the goods to the customer. Indicators that control has been transferred include the establishment of the Company's present right to receive payment for the goods sold, transfer of physical possession to the customer, transfer of significant risks, and rewards of ownership in the goods to the customer, and the acceptance of the goods by the customer. In case of machineries/equipment which together form part of a contract for a larger group of machinery, revenue is recognized only when all significant machinery/equipment is transferred.

**3.1.2. Services**

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

### 3.1.3. Export Entitlements

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

### 3.1.4. Interest Income

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

### 3.1.5. Commission Income

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

## 3.2. Leases

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

### Group as a Lessee

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

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

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

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

### Group as a Lessor

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

## 3.3. Foreign currency transactions & translations

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

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

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

## 3.4. Employee benefits

### 3.4.1. Defined Contribution Plans:

#### Provident Fund, Superannuation Fund & ESIC

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

### 3.4.2. Defined Benefit Plans

#### Gratuity

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

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

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

Defined benefit costs are categorized as follows:

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

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

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

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

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

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

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

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

### 3.5. Taxation

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

#### 3.5.1. Current Tax

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

#### 3.5.2. Deferred Tax

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

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

### 3.6. Property, plant and equipment

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

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

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

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

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

### 3.7. Investment Properties

Investment properties are properties held to earn rentals and / or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs,



Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 40 requirements for cost model.

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

### **3.8. Goodwill and Other Intangible Assets**

#### **3.8.1. Recognition**

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

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

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

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

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

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

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

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

Recoverable amount is the higher of fair value less costs

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

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

### **3.10. Inventories**

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

### **3.11. Provisions**

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

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

#### **3.11.1. Warranties**

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

### **3.12. Financial instruments**

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

### 3.13. Financial Assets

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

**Measurement:** At initial recognition, the Company measures a financial asset at its fair value plus costs that are directly attributable to the acquisition of the financial asset, except for trade receivables that do not contain a significant financing component, which are measured at transaction price. 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 (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 43).

### **3.17. Earnings per share**

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

### **3.18 Standards Issued but Not Effective**

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment

Rules, 2023. This notification has resulted into amendments in the following existing accounting standards from April 1, 2023.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 102 – Share-based payment
- iii. Ind AS 103 – Business Combinations
- iv. Ind AS 107 – Financial Instruments: Disclosures
- v. Ind AS 109 – Financial Instruments
- vi. Ind AS 115 – Revenue from Contracts with Customers
- vii. Ind AS 1 – Presentation of Financial Statements
- viii. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
- ix. Ind AS 12 – Income Taxes
- x. Ind AS 34 – Interim Financial Reporting

The Group is in the process of evaluating the impact of the above amendments on the Company's financial statements.

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

Rs Million

**4 PROPERTY, PLANT AND EQUIPMENT**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Carrying amounts of:</b>		
Freehold land*	33.3	33.3
Buildings*	281.5	171.6
Plant and machinery	75.7	75.5
Furniture and fixtures	25.3	15.3
Office equipment	9.6	7.0
Patterns	4.1	2.2
Vehicles	3.2	4.9
Computers	10.2	6.1
	<b>442.9</b>	<b>315.9</b>

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
<b>Gross carrying amount</b>									
Balance as on April 1, 2021	33.3	175.4	264.5	20.7	19.2	30.4	8.6	32.4	584.5
Additions	-	93.7	47.8	6.8	0.9	0.3	-	2.6	152.1
Transferred from Investment property	-	5.8	-	-	-	-	-	-	5.8
Deletions	-	9.6	9.1	7.6	5.3	-	-	2.6	34.2
<b>Balance as on March 31, 2022</b>	<b>33.3</b>	<b>253.7</b>	<b>303.2</b>	<b>19.9</b>	<b>14.8</b>	<b>30.7</b>	<b>8.6</b>	<b>32.4</b>	<b>696.6</b>
Additions	-	120.2	13.2	12.5	5.2	2.7	-	8.1	161.9
Deletions	-	-	1.3	0.3	0.8	-	-	4.8	7.2
<b>Balance as on March 31, 2023</b>	<b>33.3</b>	<b>373.9</b>	<b>315.1</b>	<b>32.1</b>	<b>19.2</b>	<b>33.4</b>	<b>8.6</b>	<b>35.7</b>	<b>851.3</b>

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
<b>Accumulated depreciation</b>									
Balance as on April 1, 2021	-	87.6	226.2	10.9	10.9	27.5	2.0	24.8	389.9
Depreciation expense for the year	-	6.3	9.8	1.3	2.1	1.0	1.7	4.1	26.3
Transferred from Investment property	-	3.7	-	-	-	-	-	-	3.7
Deletions	-	8.1	8.3	7.6	5.2	-	-	2.6	31.8
<b>Balance as on March 31, 2022</b>	<b>-</b>	<b>82.1</b>	<b>227.7</b>	<b>4.6</b>	<b>7.8</b>	<b>28.5</b>	<b>3.7</b>	<b>26.3</b>	<b>380.7</b>
Depreciation expense for the year	-	10.3	13.0	2.5	2.6	0.8	1.7	4.0	34.9
Transferred from Investment property	-	-	-	-	-	-	-	-	-
Deletions	-	-	1.3	0.3	0.8	-	-	4.8	7.2
<b>Balance as on March 31, 2023</b>	<b>-</b>	<b>92.4</b>	<b>239.4</b>	<b>6.8</b>	<b>9.6</b>	<b>29.3</b>	<b>5.4</b>	<b>25.5</b>	<b>408.4</b>

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total
<b>Carrying amount</b>									
Balance as on April 1, 2021	33.3	87.8	38.3	9.8	8.3	2.9	6.6	7.6	194.6
Balance as on March 31, 2022	33.3	171.6	75.5	15.3	7.0	2.2	4.9	6.1	315.9
Balance as on March 31, 2023	33.3	281.5	75.7	25.3	9.6	4.1	3.2	10.2	442.9

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

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

Rs Million

**5 CAPITAL WORK IN PROGRESS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Carrying amounts of:</b>		
Capital work in progress	-	36.0
	-	<b>36.0</b>

**CWIP ageing shedule as on March 31, 2023**

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

**CWIP ageing shedule as on March 31, 2022**

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

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

Rs Million

**6 RIGHT-OF-USE ASSETS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Carrying amounts of:</b>		
Building	24.9	34.1
	<b>24.9</b>	<b>34.1</b>

Particulars	Total	
<b>Gross carrying amount</b>		
Balance as on April 1, 2021	-	59.5
Additions	-	-
Deletions	-	11.9
<b>Balance as at March 31, 2022</b>	-	<b>47.6</b>
Additions	-	0.4
Deletions	-	-
<b>Balance as on March 31, 2023</b>	-	<b>48.0</b>

Particulars	Total	
<b>Accumulated depreciation</b>		
Balance as on April 1, 2021	-	4.0
Depreciation expense for the year	-	9.5
Deletions	-	-
<b>Balance as at March 31, 2022</b>	-	<b>13.5</b>
Depreciation expense for the year	-	9.6
Deletions	-	-
<b>Balance as on March 31, 2023</b>	-	<b>23.1</b>

Particulars	Total	
<b>Carrying amount</b>		
Balance as on April 1, 2021	-	55.5
Balance as at March 31, 2022	-	34.1
Balance as on March 31, 2023	-	24.9

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

7 INVESTMENT PROPERTY

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Carrying amounts of:</b>		
Investment property	4.4	4.6
	<b>4.4</b>	<b>4.6</b>

Particulars	Investment Property
<b>Cost or deemed cost</b>	
Balance as on April 1, 2021	7.4
Additions	-
Transferred to property, plant and equipment	5.8
Deletions	-
Balance as on March 31, 2022	13.2
Additions	-
Transferred to property, plant and equipment	-
Deletions	-
Balance as on March 31, 2023	13.2

Particulars	Investment Property
<b>Accumulated depreciation</b>	
Balance as on April 1, 2021	4.8
Depreciation expense for the year	0.1
Transferred to property, plant and equipment	3.7
Deletions	-
Balance as on March 31, 2022	8.6
Depreciation expense for the year	0.2
Transferred to property, plant and equipment	-
Deletions	-
Balance as on March 31, 2023	8.8

Particulars	Investment Property
<b>Carrying amount</b>	
Balance as on April 1, 2021	2.6
Balance as on March 31, 2022	4.6
Balance as on March 31, 2023	4.4



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

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

Fair valuation of Investment Properties as at March 31, 2023 has been arrived at on the basis of valuation carried out by an independent valuers not related to the Company. The valuers are registered with the authority which governs the valuers in India, and in the opinion of the management he has appropriate qualifications and relevant experience in valuation of properties. For all Investment properties, fair value was determined based on the capitalisation of net income method where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The capitalisation rate adopted is with reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuer's knowledge of the factors specific to the respective properties. Thus, the significant unobservable inputs are as follows:

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

Fair value as at March 31, 2023 is Rs. 52.3 Million and as at March 31, 2022 was Rs. 50.4 Million.

Expenses and income in respect of investment properties : Expenses (excluding depreciation) amounting to Rs. 0.1 Million (Year ended March 31, 2022:Rs. 0.2 Million) in respect of repairs, electricity charges, security expenses etc. are included in Note 34 'Other Expenses' and income amounting to Rs.2.6 Million (Year ended March 31, 2022: Rs.2.5 Million) is included in Note 27 'Other income'

**8 GOODWILL**

**Rs Million**

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>Carrying amounts of:</b>	<b>6.0</b>	<b>6.0</b>
Goodwill	6.0	6.0

Particulars	Goodwill
<b>Gross carrying value</b>	
Balance as on April 1, 2021	6.0
Additions	-
Disposals/Adjustments	-
Balance as on March 31, 2022	6.0
Additions	-
Disposals/Adjustments	-
Balance as on March 31, 2023	6.0

Particulars	Goodwill
<b>Accumulated Amortization</b>	
Balance as on April 1, 2021	-
Amortisation expense/Impairment for the year	-
Disposals/Adjustments	-
Balance as on March 31, 2022	-
Amortisation expense/Impairment for the year	-
Disposals/Adjustments	-
Balance as on March 31, 2023	-

Particulars	Goodwill
<b>Carrying amount:</b>	
Balance as on April 1, 2021	6.0
Balance as on March 31, 2022	6.0
Balance as on March 31, 2023	6.0

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

9 OTHER INTANGIBLE ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Carrying amounts of :</b>	<b>0.4</b>	<b>0.8</b>
Computer Software	0.4	0.8

Particulars	Computer Software
<b>Cost or deemed cost</b>	
Balance as on April 1, 2021	23.0
Additions	-
Deletions	-
Balance as on March 31, 2022	23.0
Additions	-
Deletions	-
Balance as on March 31, 2023	23.0

Particulars	Computer Software
<b>Accumulated depreciation</b>	
Balance as on April 1, 2021	21.6
Amortisation expense for the year	0.6
Deletions	-
Balance as on March 31, 2022	22.2
Amortisation expense for the year	0.4
Deletions	-
Balance as on March 31, 2023	22.6

Particulars	Computer Software
<b>Carrying amount</b>	
Balance as on April 1, 2021	1.4
Balance as on March 31, 2022	0.8
Balance as on March 31, 2023	0.4

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

10 OTHER FINANCIAL ASSETS

a) Non-current

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	8.4	7.7
Bank deposits with more than 12 months maturity	40.0	-
<b>Total</b>	<b>48.4</b>	<b>7.7</b>

b) Current

Particulars	As at March 31, 2023	As at March 31, 2022
Advances to employees	5.8	2.1
Security deposits	2.6	2.5
Interest accrued	46.4	38.3
Contractually reimbursable expenses receivable	1.0	4.2
Commission income receivable	14.3	0.4
<b>Total</b>	<b>70.1</b>	<b>47.5</b>

11a DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax asset on:</b>		
Provision for employee benefits	13.4	12.5
IND AS 116 impact	1.1	1.0
Provision for doubtful trade receivables	3.0	2.4
Sub total (A)	17.5	15.9
<b>Deferred tax liabilities on:</b>		
Property, Plant and equipment and intangible assets	11.3	7.3
Sub total (B)	11.3	7.3
<b>Total (A-B)</b>	<b>6.2</b>	<b>8.6</b>

**Movement of deferred tax assets / liabilities**

**For the year ended March 31, 2023**

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax asset on:</b>				
Provision for employee benefits	12.5	(0.2)	1.1	13.4
IND AS 116 impact	1.0	0.1	-	1.1
Provision for doubtful trade receivables	2.4	0.6	-	3.0
Sub total (A)	15.9	0.5	1.1	17.5
<b>Deferred tax liabilities on:</b>				
Property, Plant and equipment and intangible assets	7.3	4.0	-	11.3
Sub total (B)	7.3	4.0	-	11.3
<b>Total (A-B)</b>	<b>8.6</b>	<b>(3.5)</b>	<b>1.1</b>	<b>6.2</b>

**For the year ended March 31, 2022**

**Rs Million**

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax asset on:</b>				
Provision for employee benefits	10.6	2.3	(0.4)	12.5
IND AS 116 impact	0.5	0.5	-	1.0
Provision for doubtful trade receivables	1.9	0.5	-	2.4
Sub total (A)	13.0	3.3	(0.4)	15.9
<b>Deferred tax liabilities on:</b>				
Property, Plant and equipment and intangible assets	6.1	1.2	-	7.3
Sub total (B)	6.1	1.2	-	7.3
<b>Total (A-B)</b>	<b>6.9</b>	<b>2.1</b>	<b>(0.4)</b>	<b>8.6</b>

**11b DEFERRED TAX LIABILITIES (NET)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax asset on:</b>		
Provision for Gratuity	0.1	0.5
Provision for compensated absences and Bonus	0.2	0.2
Sub total (A)	0.3	0.7
<b>Deferred tax liabilities on:</b>		
Property, Plant and equipment and intangible assets	2.0	2.0
Sub total (B)	2.0	2.0
<b>Total (B-A)</b>	<b>1.7</b>	<b>1.3</b>

**Movement of deferred tax assets / liabilities**

**For the year ended March 31, 2023**

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax asset on:</b>				
Provision for Gratuity	0.5	(0.4)	-	0.1
Provision for compensated absences and Bonus	0.2	-	-	0.2
Sub total (A)	0.7	(0.4)	-	0.3
<b>Deferred tax liabilities on:</b>				
Property, Plant and equipment and intangible assets	2.0	-	-	2.0
Sub total (B)	2.0	-	-	2.0
<b>Total (B-A)</b>	<b>1.3</b>	<b>0.4</b>	<b>-</b>	<b>1.7</b>

For the year ended March 31, 2022

Particulars	Rs Million			
	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax asset on:</b>				
Provision for Gratuity	0.5	-	-	0.5
Provision for Compensated absences and Bonus	0.3	(0.1)	-	0.2
Sub total (A)	0.8	(0.1)	-	0.7
<b>Deferred tax liabilities on:</b>				
Property, Plant and equipment and intangible assets	2.1	(0.1)	-	2.0
Sub total (B)	2.1	(0.1)	-	2.0
<b>Total (B-A)</b>	<b>1.3</b>	<b>(0.0)</b>	<b>-</b>	<b>1.3</b>

The applicable tax rate for the year ended March 31, 2023 and March 31, 2022 is 25.17%

**12 OTHER ASSETS**

**a) Non-current**

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid rent	-	-
Prepaid expenses	4.4	3.0
Balance with government authorities	7.0	5.0
Other deposits	1.2	1.5
<b>Total</b>	<b>12.6</b>	<b>9.5</b>

**b) Current**

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	12.3	15.1
Advances to suppliers	11.0	11.9
Duty drawback receivable	10.2	9.0
Balance with government authorities	27.9	8.8
Others	3.6	3.4
<b>Total</b>	<b>65.0</b>	<b>48.2</b>

**13 INVENTORIES**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(At lower of cost and net realisable value)</b>		
Raw materials [Goods in transit - Rs. 28.9 Million; (as at March 31, 2022 Rs. 30.0 Million)]	338.3	312.6
Work-in-progress	131.8	153.1
Finished goods	37.1	41.9
Stock-in-Trade	22.1	14.3
<b>Total</b>	<b>529.3</b>	<b>521.9</b>

The cost of inventory recognised as an expense includes Rs. 5.1 Million (Year ended March 31, 2022: Rs. (4.3) Million)

(a) in respect of obsolete raw material, 5.1 Million (Year ended March 31, 2022: Rs.(4.1) Million)

(b) in respect of obsolete Work-in-progress : Nil (Year ended March 31, 2022: Rs (0.2) Million).

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

Rs Million

**14 TRADE RECEIVABLES**

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good - Secured	-	-
Considered good - Unsecured	466.5	365.8
Trade receivable credit impaired	7.8	6.3
	<b>474.3</b>	<b>372.1</b>
Less: Allowances for credit losses	12.0	9.6
<b>Total</b>	<b>462.3</b>	<b>362.5</b>

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

**Movements in allowance for doubtful trade receivables**

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	9.6	7.4
Add : Provision made during the year	4.2	2.7
Less: Provision reversed during the year	1.8	0.5
<b>Closing balance</b>	<b>12.0</b>	<b>9.6</b>

**Trade Receivables Ageing**

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	205.8	250.1	9.1	1.5	-	-	466.5
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	1.6	-	-	2.2	1.1	2.9	7.8
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Gross Trade Receivables</b>	<b>207.4</b>	<b>250.1</b>	<b>9.1</b>	<b>3.7</b>	<b>1.1</b>	<b>2.9</b>	<b>474.3</b>
Less: allowance for credit losses							(12.0)
<b>Net Trade Receivables</b>							<b>462.3</b>

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	131.2	230.3	4.3	-	-	-	365.8
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	0.5	2.8	0.4	2.6	6.3
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Gross Trade Receivables</b>	<b>131.2</b>	<b>230.3</b>	<b>4.8</b>	<b>2.8</b>	<b>0.4</b>	<b>2.6</b>	<b>372.1</b>
Less: allowance for credit losses							(9.6)
<b>Net Trade Receivables</b>							<b>362.5</b>

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

Rs Million

**15 CASH AND CASH EQUIVALENTS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Cash and cash equivalents:</b>		
(a) Cash on hand	0.1	-
(b) Balance with banks:		
-In current accounts	74.5	37.0
<b>Total</b>	<b>74.6</b>	<b>37.0</b>

**16 OTHER BANK BALANCES**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Other balance with banks</b>		
-Margin money fixed deposits*	295.8	48.6
-In deposit accounts**	1,461.2	1,631.5
-Unpaid dividend accounts	1.7	218.5
<b>Total</b>	<b>1,758.7</b>	<b>1,898.6</b>

\*Held as security against guarantees and commitments.

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

**17a INCOME TAX ASSETS (NET)**

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax [Net of provision for tax :Rs. 117.1 Million (March 31, 2022 - Rs. 594.1 Million)]	47.8	30.9
<b>Total</b>	<b>47.8</b>	<b>30.9</b>

**17b CURRENT TAX LIABILITIES (NET)**

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for tax [Net of advance tax Rs. 782.9 Million (March 31, 2022 Rs. 450.5 Million)]	1.7	14.3
<b>Total</b>	<b>1.7</b>	<b>14.3</b>

**18 SHARE CAPITAL**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Authorised equity share capital:</b>		
5,000,000 Equity shares of Rs.10 each	50.0	50.0
<b>Issued, subscribed and fully paid up:</b>		
1,454,205 Equity shares of Rs.10 each	14.5	14.5
<b>Total</b>	<b>14.5</b>	<b>14.5</b>

**Notes:**

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

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



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

**Equity Shares**

Disa Holding AG, Switzerland	7,86,657	7,86,657
Disa Holding AS, Denmark	3,01,399	3,01,399

Disa Holding AG is a wholly owned subsidiary of Disa Holding AS.

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

**Equity Shares**

Disa Holding AG, Switzerland	7,86,657	7,86,657	54.10%	54.10%
Disa Holding AS, Denmark	3,01,399	3,01,399	20.73%	20.73%
SBI Small Cap fund	1,13,874	73,578	7.83%	5.06%

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

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

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

**v) During the year ended March 31, 2017, the Company had bought back 56,000 fully paid equity shares.**

**19 OTHER EQUITY**

**Rs Million**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Retained earnings	2,177.8	2,043.4
Capital Redemption Reserve (Buyback of equity shares)	0.6	0.6
Capital reserve	1.5	1.5
<b>Total</b>	<b>2,179.9</b>	<b>2,045.5</b>
	-	-

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>A. Retained earnings</b>		
Opening balance	2,043.4	1,888.8
Add : Profit for the year	297.7	385.9
Add : Other comprehensive income	(3.4)	1.3
Less: Final dividend (Refer Note below)	14.5	14.5
Less: Interim dividend (Refer Note below)	145.4	218.1
Balance at end of the year	2,177.8	2,043.4

Note:

2022-23:

The Board of Directors at its meeting on May 25, 2022 had recommended a final dividend of 100% (Rs 10.0 per equity share of par value Rs 10 each) amounting to Rs. 14.5 Million for the financial year ended March 31, 2022, which was approved by the shareholders at the Thirty Seventh Annual General Meeting of the Company held on August 12, 2022. This has been paid on September 05, 2022.

The Board of Directors at its meeting held on February 09, 2023 declared an interim dividend of Rs. 100 per share (1000%) amounting to Rs 145.4 Million for the financial year 2022-23. This has been paid on March 10, 2023.

The Board of Directors at its meeting on May 25, 2023 has recommended a final dividend of 100% (Rs 10.0 per equity share of par value Rs 10 each) for the financial year ended March 31, 2023, subject to the approval of the shareholders at the next Annual General meeting of the Company. The aggregate amount of final equity dividend proposed to be distributed is Rs 14.5 Million.

2021-22:

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

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

Rs Million

Particulars	As at March 31, 2023	As at March 31, 2022
<b>B. Capital Redemption Reserve</b>		
Opening balance	0.6	0.6
Add : Movement during the year	-	-
Closing balance	0.6	0.6
<b>C. Capital reserve</b>		
Opening balance	1.5	1.5
Movement during the year	-	-
Closing balance	1.5	1.5

#### Retained earnings

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

#### Capital Redemption Reserve

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

#### Capital reserve

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

## 20 OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	19.4	29.4
<b>Total</b>	<b>19.4</b>	<b>29.4</b>

## 21 TRADE PAYABLES

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (Refer Note 45)	102.2	122.4
Total outstanding dues of creditors other than micro enterprises and small enterprises	361.5	261.5
<b>Total</b>	<b>463.7</b>	<b>383.9</b>

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

Rs Million

**Trade Payables ageing**  
**As at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					
	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	102.2	-	-	-	-	102.2
Total outstanding dues of creditors other than micro enterprises and small enterprises	238.4	116.9	2.8	0.5	2.9	361.5
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>340.6</b>	<b>116.9</b>	<b>2.8</b>	<b>0.5</b>	<b>2.9</b>	<b>463.7</b>

**As at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment					
	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	122.4	-	-	-	-	122.4
Total outstanding dues of creditors other than micro enterprises and small enterprises	152.0	107.6	1.9	-	-	261.5
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>274.4</b>	<b>107.6</b>	<b>1.9</b>	<b>-</b>	<b>-</b>	<b>383.9</b>

**22 LEASE LIABILITIES**

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	10.0	8.5
<b>Total</b>	<b>10.0</b>	<b>8.5</b>

**23 OTHER CURRENT FINANCIAL LIABILITIES**

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid dividends	1.7	0.3
Dividend payable	-	218.1
Payable on purchase of property, plant and equipment	15.3	34.5
Contractually reimbursable expenses payable	18.5	20.1
Other Payables	2.4	2.0
<b>Total</b>	<b>37.9</b>	<b>275.0</b>

**24 PROVISIONS**

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for warranties *	17.6	14.9
Employee benefit payables (refer note 38)		
- Compensated absences	9.8	10.5
- Gratuity	17.3	17.8
<b>Total</b>	<b>44.7</b>	<b>43.2</b>

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

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

Rs Million

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	14.9	7.3
Provision made during the year	17.5	14.5
Utilisations during the year	14.8	6.9
<b>Provisions at the end of the year</b>	<b>17.6</b>	<b>14.9</b>

**25 OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory liabilities	15.0	10.8
Advances from customers	765.1	543.4
<b>Total</b>	<b>780.1</b>	<b>554.2</b>

Rs Million

**26 REVENUE FROM OPERATIONS**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Sale of products (Refer note (i) below)	2,543.2	2,508.7
(b) Sale of services (Refer note (ii) below)	37.2	22.8
(c) Other operating revenue (Refer note (iii) below)	38.6	29.2
<b>Total</b>	<b>2,619.0</b>	<b>2,560.7</b>

**Notes**

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

Manufactured goods :

Machinery

Parts of machinery

**Sale of Manufactured goods Sub Total - A**

1,675.0

1,756.1

581.2

508.1

**2,256.2**

**2,264.2**

**Traded goods :**

Parts of machinery

**Sales of Traded goods Sub Total - B**

287.0

244.5

**287.0**

**244.5**

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

**2,543.2**

**2,508.7**

(ii) **Sale of service comprises:**

Engineering services

Supervision of installation services

Others

**Sales of services - Total**

7.4

5.0

28.3

16.4

1.5

1.4

**37.2**

**22.8**

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

Commission income

Sale of scrap

Export incentives

**Other operating revenue - Total**

21.2

9.1

8.0

3.5

9.4

16.6

**38.6**

**29.2**

**27 OTHER INCOME**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest income (Refer note (i) below )	89.9	88.6
(b) Net gain on foreign currency transactions and translation	9.2	5.8
(c) Other non-operating income (Refer note (ii) below )	6.2	8.4
<b>Total</b>	<b>105.3</b>	<b>102.8</b>

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

Rs Million

**Note:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>(i) Interest income comprises:</b>		
Interest on:		
Bank deposits	89.1	87.9
Security deposits	0.8	0.7
	<u>89.9</u>	<u>88.6</u>
<b>(ii) Other non-operating income comprises:</b>		
Royalty	1.3	3.0
Profit on sales of property, plant and equipment (net)	0.9	1.6
Rental income	2.6	2.5
Miscellaneous	1.4	1.3
<b>Total</b>	<u><b>6.2</b></u>	<u><b>8.4</b></u>

**28 COST OF MATERIALS CONSUMED**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Stock	312.6	180.8
Add : Purchases	1,246.6	1,446.0
Less : Closing Stock	338.3	312.6
<b>Cost of materials consumed</b>	<u><b>1,220.9</b></u>	<u><b>1,314.2</b></u>

**29 PURCHASE OF STOCK-IN-TRADE**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Parts of machinery	251.8	205.0
<b>Total</b>	<u><b>251.8</b></u>	<u><b>205.0</b></u>

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Inventories at the end of the year:</b>		
Finished goods	37.1	41.9
Work-in-progress	131.8	153.1
Stock-in-trade	22.1	14.3
<b>Sub Total</b>	<u><b>191.0</b></u>	<u><b>209.3</b></u>
<b>Inventories at the beginning of the year:</b>		
Finished goods	41.9	-
Work-in-progress	153.1	93.5
Stock-in-trade	14.3	17.1
<b>Sub Total</b>	<u><b>209.3</b></u>	<u><b>110.6</b></u>
<b>TOTAL</b>	<u><b>18.3</b></u>	<u><b>(98.7)</b></u>

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

Rs Million

**31 EMPLOYEE BENEFITS EXPENSE**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	354.2	326.6
Contributions to provident and other funds (refer note 38)	37.3	29.1
Staff welfare expenses	32.7	19.5
<b>Total</b>	<b>424.2</b>	<b>375.2</b>

**32 FINANCE COSTS**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Interest expense on:</b>		
(i) Bank guarantee commission	2.4	1.5
(ii) Interest others	-	1.6
(iii) Security deposits	3.9	4.7
<b>Total</b>	<b>6.3</b>	<b>7.8</b>

**33 DEPRECIATION AND AMORTISATION**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment (refer note 4)	34.9	26.3
Amortisation on intangible assets (refer note 9)	0.4	0.6
Depreciation on ROU assets (refer note 6)	9.6	9.5
Depreciation on investment properties (refer note 7)	0.2	0.1
<b>Total</b>	<b>45.1</b>	<b>36.5</b>

**34 OTHER EXPENSES**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Power and fuel	20.2	17.5
Rent	-	0.1
Repairs and maintenance - Buildings	6.0	1.2
Repairs and maintenance - Machinery	3.1	3.1
Repairs and maintenance - Others	8.8	5.3
Insurance	16.7	10.4
Rates and taxes	7.7	2.9
Travelling and conveyance	45.9	19.5
Legal and professional charges	17.1	10.1
Payments to auditors (refer note (i)(a) below)	4.6	4.6
Security expenses	7.6	8.6
Telephone, postage and courier	1.9	2.2
Printing and stationery	1.2	0.9
Freight outwards	38.3	59.9
Commission expenses	6.5	11.3
Recruitment and training	1.4	2.7
Group management fees	32.8	24.5
Directors sitting fees and commission	1.7	1.6
Royalty	21.4	17.1
IT costs	10.8	10.9
Group IT costs	44.4	43.8
Expenditure on corporate social responsibility (refer note (ii) below)	8.2	7.7
Bad trade receivables written off	0.2	1.8
Provision for doubtful trade receivables (net)	2.4	2.2
Advertisement and sales promotion	1.7	0.3
Net loss on foreign currency transactions and translation	-	0.7
Contract worker expenses	5.7	4.2
Miscellaneous expenses	39.1	29.6
<b>Total</b>	<b>355.4</b>	<b>304.7</b>

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

Rs Million

Note:

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

**(a) Statutory auditors**

Statutory audit	3.8	3.6
Tax Audit	0.6	0.6
Other services	-	0.2
Reimbursement of expenses	0.2	0.2
<b>Sub Total</b>	<b>4.6</b>	<b>4.6</b>

**(b) Cost auditors**

Cost audit fee	0.2	0.2
<b>Sub Total</b>	<b>0.2</b>	<b>0.2</b>
<b>Total</b>	<b>4.8</b>	<b>4.8</b>

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>(ii) Expenditure on corporate social responsibility</b>		
(a) Gross amount required to be spent by the Company (Year ended March 31, 2022 of Rs 7.7 Mn includes Rs 0.3 Mn for Previous years)	8.2	7.4
(b) Amount spent		
(i) Amount paid during the year towards - On purposes other than above	8.2	7.7
(c) Yet to be paid in cash	-	-
<b>Nature of Expenses:</b>		
(a) Students scholarship	6.9	6.8
(b) School development	0.7	0.6
(c) Others	0.6	0.3
<b>Total</b>	<b>8.2</b>	<b>7.7</b>

**35 INCOME TAXES**

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Current tax</b>		
In respect of the current year	100.7	135.0
<b>Deferred tax</b>		
In respect of the current year	3.9	(2.1)
<b>Total income tax expenses recognised in the current year</b>	<b>104.6</b>	<b>132.9</b>

**b INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Deferred tax charge / ( benefit )</b>		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	(1.1)	0.4
	(1.1)	0.4
<b>Bifurcation of the income tax recognised in other comprehensive income in to</b>		
Items that will not be reclassified to profit or loss	(1.1)	0.4
	(1.1)	0.4

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

**Rs Million**

**Reconciliation of effective tax rate**

Profit before income taxes	402.3	518.8
Applicable tax rate	25.17%	25.17%
Expected income tax expenses	101.3	130.6
<b>Adjustments to reconcile expected tax expenses to reported income tax expenses</b>		
Effect of expenses not deductible in determining taxable profit	3.3	2.3
	<u>3.3</u>	<u>2.3</u>
Adjusted income tax expenses	104.6	132.9
Effective tax rate	25.99%	25.62%

**36 Ratios**

Particulars	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance
1 Current ratio	Current Assets	Current Liabilities	2.21	2.30	-4%
2 Debt-Equity ratio (Refer below note 'a' )	Debt	Shareholder's Equity	0.01	0.02	-33%
3 Debt Service coverage ratio	EBIT	Finance Cost	64.86	67.51	-4%
4 Return on equity (ROE) (Refer below note 'b' )	PAT	Average Shareholder's Equity	0.14	0.19	-26%
5 Inventory turnover ratio	Sales	Average Inventory	4.91	6.23	-21%
6 Trade receivable turnover ratio (Refer below note 'c' )	Net Credit Sales	Average Accounts Receivable	6.35	9.05	-30%
7 Trade payable turnover ratio (Refer below note 'd' )	Net Credit Purchases	Average Trade Payables	0.88	1.24	-29%
8 Net capital turnover ratio	Sales	Working Capital	1.59	1.52	5%
9 Net profit ratio	Net Profit	Sales	0.12	0.15	-23%
10 Return on capital employed (Refer below note 'e' )	EBITDA	Capital Employed	0.14	0.21	-34%
11 Return on investment	Other Income	Average Cash, Cash equivalents & Other marketable securities	1.60	1.39	15%

Notes:

EBIT - Earnings before interest and taxes.

PAT - Profit after tax

Debt includes current and non-current lease liabilities.

Sales - Revenue from operations less other operating revenue

Working capital - Current assets less current liabilities

Capital employed - Total equity

Other income - Interest on bank deposits

EBITDA - Earnings before interest, taxes, depreciation and amortisation

**Explanation for variances exceeding 25%:**

- a Decrease in Debt-Equity ratio is on account of decrease in lease liabilities.
- b Decrease in ROE is due to decrease in PAT from preceding year.
- c Decrease in trade receivable turnover ratio is contributed by higher export sales made during the end of year, received subsequently.
- d Decrease in trade payables turnover ratio is contributed by lower buying of input materials.
- e Decrease in ROCE primarily due to decrease in EBITDA from the preceding year.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs Million

**37 EARNINGS PER SHARE (EPS)**

PARTICULARS	For the Year	For the Year
	ended	ended
	March 31, 2023	March 31, 2022
<b>Basic and Diluted</b>		
Profit attributable to equity share holders (Rs. in Million)	297.7	385.9
Nominal Value of equity share (Rs./Share)	10.0	10.0
Weighted average number of ordinary equity share for Basic EPS (Nos.)	14,54,205	14,54,205
<b>Basic and Diluted EPS (Rs./Share)</b>	<b>204.72</b>	<b>265.37</b>

**38 EMPLOYEE BENEFITS**

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

**1. Defined Benefit Plans**

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

Particulars	Gratuity	
	For the Year	For the Year
	ended	ended
	March 31, 2023	March 31, 2022
Current service cost	5.0	5.2
Interest Cost	0.9	0.7
<b>Amount recognised in the Statement of Profit and Loss</b>	<b>5.9</b>	<b>5.9</b>
<b>Actuarial (gain)/loss</b>		
a) arising from changes in financial assumption	(3.1)	(2.0)
b) arising from experience adjustments	7.8	0.6
c) arising from demographic assumption	-	-
Return on Plan assets excluded amount included in interest income	(0.2)	(0.3)
<b>Amount recognised in other comprehensive income</b>	<b>4.5</b>	<b>(1.7)</b>
<b>Total</b>	<b>10.4</b>	<b>4.2</b>

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

Particulars	Gratuity	
	For the Year	For the Year
	ended	ended
	March 31, 2023	March 31, 2022
Defined benefit obligation at beginning of the year	73.8	74.2
Current service cost	5.0	5.2
Interest cost	4.7	4.7
Actuarial losses (gains)	4.7	(1.4)
Benefits paid	(5.7)	(8.9)
<b>Defined benefit obligation at the end of the year</b>	<b>82.5</b>	<b>73.8</b>

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

Particulars	Gratuity	
	For the Year	For the Year
	ended	ended
	March 31, 2023	March 31, 2022
Fair value of plan assets at beginning of the year	56.1	59.6
Expected return on plan assets	3.9	4.0
Return on Plan assets excluded amount included in interest income	0.2	0.3
Contributions by employer	10.7	0.8
Benefits paid	(5.7)	(8.6)
<b>Fair value of plan assets at year end</b>	<b>65.2</b>	<b>56.1</b>

**IV. Investment details:**

Particulars	%invested as at	%invested as at
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Investment with insurer (Investment in Policy of LIC)	100%	100%

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

Particulars	Gratuity	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Mortality Table (LIC)	2006-08 (IALM)	2006-08 (IALM)
Discount Rate (per annum)	7.40%	6.90%
Rate of escalation in salary (per annum)	6% for 1st 3 year, 7% for next 3 years, 8% thereafter	6% for 1st 3 year, 7% for next 3 years, 8% thereafter

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

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

a) Interest risk: a decrease in the bond interest rate will increase the plan liability.

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

**VI. Sensitivity Analysis**

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

Particulars	In Million	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Impact in present value of defined benefit obligation:		
If discount rate is increased by 0.5%	(2.2)	(2.1)
If discount rate is decreased by 0.5%	2.3	2.1
If salary escalation rate is increased by 0.5%	2.1	1.9
If salary escalation rate is decreased by 0.5%	(2.0)	(1.9)

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

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

**VII. Asset Liability Matching Strategies**

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

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

**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. 8.5 Million.

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

Particulars	Rs. Million	
	Gratuity	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Expected outflow in 1st Year	8.5	7.4
Expected outflow in 2nd Year	15.9	13.4
Expected outflow in 3rd Year	8.2	8.5
Expected outflow in 4th Year	7.6	6.6
Expected outflow in 5th Year	7.4	6.1
Expected outflow in 6th to 10th Year	42.0	35.3

**I. Expenses recognized in the Statement of Profit and Loss for the year:**

Particulars	Compensated Absences	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
	Amount recognised in Statement of Profit and Loss	6.2

**II. The Principal assumption used in determining compensated absences obligations are as follows:**

Particulars	Compensated Absences	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
	Mortality Table (LIC)	2006-08 (IALM)
Discount Rate (per annum)	7.40%	6.90%
Rate of escalation in salary (per annum)	6% for 1st 3 year, 7% for next 3 years, 8% thereafter	6% for 1st 3 year, 7% for next 3 years, 8% thereafter

**2. Defined Contribution Plans.**

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

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Employer's Contribution to Provident Fund	17.5	15.2
Employers' Contribution to Superannuation Fund	8.0	7.9
Employers' Contribution to ESIC	0.1	0.1

**39 CAPITAL AND OTHER COMMITMENTS**

Particulars	Balance as at March 31, 2023	Balance as at March 31, 2022
Estimated amount of contracts remaining to be executed on capital accounts not provided for	2.8	35.9

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

**40 CONTINGENT LIABILITIES**

Particulars	Rs Million	
	Balance as at March 31, 2023	Balance as at March 31, 2022
Claims against the Group not acknowledged as debt *		
CST/VAT	7.3	7.3
Excise duty	2.0	2.0
Income tax	13.1	13.3
Corporate guarantee given on behalf of subsidiary	35.0	35.0

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

CST/VAT related to C forms, Excise duty related to free replacements and Income tax related to disallowance of management fees.

**41 FINANCIAL INSTRUMENTS**

**(i) Financial assets and liabilities**

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

**(ii) Categories of Financial Instruments**

Particulars	Balance as at March 31, 2023	Balance as at March 31, 2022
<b>(A) Financial assets</b>		
<b>Measured at amortised cost</b>	2,414.1	2,353.3
(a) Cash and bank balances	1,833.3	1,935.6
(b) Trade receivables	462.3	362.5
(c) Other financial assets	118.5	55.2
<b>Total</b>	<b>2,414.1</b>	<b>2,353.3</b>
<b>(B) Financial liabilities</b>		
<b>Measured at amortised cost</b>		
(a) Trade payables	463.7	383.9
(b) Other financial liabilities	67.3	312.9
<b>Total</b>	<b>531.0</b>	<b>696.8</b>

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

**(iii) Fair value hierarchy:**

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

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

**(iv) Financial risk management objectives**

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

**(v) Market Risk**

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

**a) Interest Rate Risk**

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

**b) Foreign Currency Risk**

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

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

Particulars	Rs Million	
	Balance as at March 31, 2023	Balance as at March 31, 2022
<b>Liabilities</b>		
EURO	231.1	107.1
USD	4.8	3.5
<b>Total Liabilities</b>	<b>236.0</b>	<b>110.6</b>
<b>Assets</b>		
EURO	222.1	81.2
USD	4.5	1.0
GBP	0.8	-
<b>Total Assets</b>	<b>227.4</b>	<b>82.2</b>

**Foreign Currency sensitivity analysis**

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

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

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

**Analysis of 10% strengthening of the INR**

Particulars	EURO Impact (net of tax)	
	Balance as at March 31, 2023	Balance as at March 31, 2022
Impact on (profit) or loss for the year	(0.7)	(1.9)
Impact on total equity as at the end of the reporting period	0.7	1.9

Particulars	USD Impact (net of tax)	
	Balance as at March 31, 2023	Balance as at March 31, 2022
Impact on (profit) or loss for the year*	(0.0)	(0.2)
Impact on total equity as at the end of the reporting period**	0.0	0.2

\*Impact on (profit) or loss for the current year Rs. 25,374/-

\*\*Impact on total equity as at the end of the current reporting period Rs 25,374/-

**(vi) Credit Risk**

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

**(a) Trade receivables management**

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

The reversal/allowance for life time expected credit loss on customer balances for the year ended is disclosed in Note 14.

**(b) Other financial assets**

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

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

**(vii) Liquidity Risk**

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

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

Particulars	Rs Million			Total
	Less than 1 year	Between 1 to 5 years	Over 5 years	
<b>As at March 31, 2023</b>				
Trade payables (Refer Note 21)	463.7	-	-	463.7
Other financial liabilities (Refer Note 20, 22 & 23)	47.9	19.4	-	67.3
<b>As at March 31, 2022</b>				
Trade payables (Refer Note 21)	383.9	-	-	383.9
Other financial liabilities (Refer Note 20, 22 & 23)	283.5	29.4	-	312.9

**(viii) Capital management**

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

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

**42 RELATED PARTY DISCLOSURES**

**a) Related parties and their relationship**

Nature of relationship	Name of the relationship
Ultimate holding Company	Norican Global A/S
Holding Company	DISA Holding AG
Fellow Subsidiaries	DISA 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 (SAS) Wheelabrator Group Ltd. USA DISA Industries, Inc. Norican A/S Italpresse Industrie SpA Castalloy Inc, USA Castalloy UK
Key management personnel	Mr. Anders Wilhjelm Mr. Lokesh Saxena - Managing Director Ms. Deepa Hingorani Ms. Ulla P Tonnesen Mr. Guerin Declan Mr. Bhagya Chandra Rao Mr. Amarnath Mohanty - CFO

**b) Details of related party transactions during the year ended March 31, 2023 and balances outstanding as at March 31, 2023**

Name of the related party	Nature of transactions	Amount	Outstanding balance as at March 31, 2023	Outstanding balance as at March 31, 2022
		(Rs. in Million)	(Rs. in Million)	(Rs. in Million)
DISA Industries AG	Royalty expenses	1.5		
		(6.9)		
	Reimbursement of expenses (receivable)	0.1		
		-	Dr.0.1	Cr.2.8
DISA Technologies Private Ltd.	Service charges	16.2		
		(9.8)		
	Service income	3.1		
		-		
	Reimbursement of expenses (Payable)	0.1		
		(0.1)	Cr.4.2	Cr.0.3
DISA Industries A/S	Royalty expenses	15.2		
		(8.4)		
	Import material	238.0		
		(200.8)		
	Service income	1.9		
		(3.1)		
	Export / sale of materials	227.7		
	(226.1)			
	Reimbursement of expenses (payable)	0.1		
		(13.8)		
	Commission received	1.8		
		(8.9)	Dr.79.0	Cr.38.3
DISA K.K.	Export / sale of materials	0.3		
		(0.3)	Dr.0.1	Nil
DISA (Changzhou) Machinery Ltd.	Import material	7.3		
		(18.6)		
	Export / sale of materials	1.5		
		(2.3)		
	Royalty income	1.3		
		(3.0)	Cr.2.4	Cr.3.7
Wheelabrator Czech s.r.o.	Import material	28.6		
		(23.4)	Cr.5.7	Cr.5.2
	Service fees	-		
		(2.5)	Cr.5.7	Cr.5.2
Wheelabrator Group GmbH	Royalty expenses	4.6		
		(3.4)		
	Export / sale of materials	1.1		
		(0.4)		
	Service income	1.0		
		-		
	Commission received	8.3		
		-	Dr.0.8	Cr.1.0
Wheelabrator Group (SAS)	Commission received	-		
		(0.2)	Nil	Nil
Wheelabrator Group INC USA	Import material	1.3		
		-	Cr.1.3	Nil
DISA Industries, Inc.	Export / sale of materials	1.6		
		(1.9)	Dr.0.2	Dr.0.1
Norican A/S	Group Management fee	32.1		
		(23.6)		
	Group IT fee	44.4		
		(43.8)		
	Reimbursement of expenses (Payable)	0.7		
		(0.9)	Cr.18.5	Cr.20.1

Rs Million

Castalloy Inc, USA	Export / sale of materials	29.1	Dr. 11.0	Dr. 11.3
		(21.6)		
Castalloy UK	Export / sale of materials	1.1	Dr. 1.1	Nil
		-		
Italpresse Industrie SpA	Commission income	11.3	Dr.5.6	Cr.3.1
	Purchase of material	-		
		11.9		
		(10.1)		
Mr.Lokesh Saxena	Remuneration	19.3	Nil	Nil
		(15.2)		
Ms.Deepa Hingorani	Commission and sitting fees	0.8	Nil	Nil
		(0.8)		
Mr.Bhagya Chandra Rao	Commission and sitting fees	0.8	Nil	Nil
		(0.8)		
Mr.Amarnath Mohanty	Remuneration	13.0	Nil	Nil
		(10.2)		

\* Figures in brackets represent previous year numbers

**Notes:**

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

**43 SEGMENT REPORTING**

**Entity - wide disclosures :**

**(i) Revenues from customers :**

Rs Million

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
India	2,151.9	2,065.8
Outside India	467.1	494.9

**(ii) Non-Current Assets :**

Particulars	As at	As at
	March 31, 2023	March 31, 2022
India	593.6	423.2
Outside India	-	-

Non-current assets is allocated based on the geographic location of the respective assets.

**(iii) Major customers :**

The Group has no customer which accounts for more than 10% of the Group's total revenue for the year ended March 31, 2023 and March 31, 2022



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

**44 Additional information as required by Schedule III to the Companies Act, 2013**

Name of entity	Share of net assets As at March 31, 2023		Share of Profit or Loss As at March 31, 2023		Share of Other compre- hensive income As at March 31, 2023		Share of Total comprehensive income As at March 31, 2023	
	As % of consolidated net assets	Amount (In million)	As % of consolidated profit or loss	Amount (In million)	As % of consolidated other com- prehensive income	Amount (In million)	As % of consolidated total com- prehensive income	Amount (In million)
<b>Parent</b>								
DISA India Limited	97.5%	2,139.2	95.5%	284.2	97.1%	(3.3)	95.4%	280.9
<b>Subsidiary (Indian)</b>								
Bhadra Castalloy Private Limited	2.5%	55.2	4.5%	13.5	2.9%	(0.1)	4.6%	13.4

**45 DISCLOSURES UNDER THE MSMED ACT, 2006**

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

Particulars	Rs. Million	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	102.2	122.4
(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.

**46 Additional regulatory information not disclosed elsewhere in the financial statements**

- (i) As per section 248 of the Companies Act, 2013, there are no balances outstanding or transactions with struck off companies.
- (ii) The Group has not traded / invested in Crypto currency or virtual currency.
- (iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

- (v) The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vi) The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, except as disclosed in the financial statements.
- (vii) In respect of the parent, the backup of the books of account maintained in electronic mode has been kept on monthly basis, in a server physically located in India. In respect of the subsidiary, the backup of the books of account maintained in electronic mode has been kept on a daily basis, in a server physically located in India.
- (viii) The Group is not a declared willful defaulter by any bank or financial institution or other lender.

**For and on behalf of the Board of Directors**

**Lokesh Saxena**

Managing Director, DIN: 07823712

**Deepa Hingorani**

Director, DIN: 00206310

**Bhagya Chandra Rao**

Director, DIN: 00211127

**Amar Nath Mohanty**

Chief Financial Officer

**Shrithee.MS**

Company Secretary, ACS: 56563

Place: Bangalore

Date : May 25, 2023

Place: Bangalore

Date : May 25, 2023

**DISA INDIA LIMITED**

CIN: L85110KA1984PLC006116

Registered Office: World Trade Center (WTC), 6th Floor, Unit No. S-604, Brigade Gateway Campus  
26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bengaluru - 560 055

Telephone: +91 80 2249 6700 Email: investor.relations@disagroup.com Web: www.disagroup.com

May 25, 2023

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

Shrithee M S

Company Secretary



## SBTi - CSR initiative: Greening our future, planting trees

DISA India Limited has pledged to support a sustainable environment by planting trees as part of its CSR project.

With the partner Company, DISA India Limited has entered a deal to plant 5000 saplings over a five-year period. On February 10, 2023, the DIL management team and its CSR partners planted 1,000 trees in a specially created green zone close to Bengaluru, starting with the first batch of 50+ saplings planted by 20+ employees.





# Inauguration of state-of-the-art manufacturing facility at DISA India Limited, Tumakuru, Karnataka



DISA India Limited, a Norican Group Company, is proud to offer their modern, upgraded and consolidated manufacturing plant in Tumkur, Karnataka, which is close to Bengaluru. In a glittering ceremony on 11th November 2022, this state-of-the-art facility was inaugurated by Mr. H.E. Freddy Svane, the Danish Ambassador to India, Mr. Anders Wilhjem, Norican Group President and CEO and Mr. Lokesh Saxena, Managing Director of DISA India Limited, along with other Directors, important customers, key stakeholders and suppliers.



# DISA INDIA LIMITED

## Registered Office

6th Floor, S-604, World Trade Center (WTC)  
Brigade Gateway Campus,  
26/1, Dr Rajkumar Road, Malleswaram-Rajajinagar  
Bangalore-560 055, Karnataka, India  
T: +9180 2249 6700  
F: +9180 2249 6750  
E: bangalore@noricangroup.com  
CIN : L85110KA1984PLC006116

## Manufacturing Facility

Tumkur  
No. 28-32, Satyamangala,  
Industrial Area  
Tumkur - 572104,  
Karnataka, INDIA  
T: +91 816 2214900/01  
E: tumkur@noricangroup.com

## Regional Sales & Services

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

## Subsidiary Company:

Bhadra Castalloy Private Limited  
C-15, Industfial Area, Lower Hutha  
Bhadravathi - 577301, Karnataka. India  
E: info@bhadracastalloy.com  
T: +9182 82263103  
W: www.castalloygroup.com  
CIN: U27200KA2015PTCo84976

## **We are Norican**

DISA | ItalPresseGauss | Monitizer | Simpson | StrikoWestofen | Wheelabrator

[www.noricangroup.com](http://www.noricangroup.com)



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DISAMATIC is a registered trademark of DISA Industries A/S.  
Wheelabrator is the registered trademark of Wheelabrator Technologies (UK) Limited

[www.disagroup.com](http://www.disagroup.com)

[www.wheelabratorgroup.com](http://www.wheelabratorgroup.com)