

Ref: DIL/SEC/2024-25  
July 15, 2024

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 2023-24**

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, 2024 including the Notice of the 39<sup>th</sup> Annual General Meeting and Business Responsibility and Sustainability Report for the year ended March 31, 2024, which are being sent to Shareholders through electronic mode, in respect of the 39<sup>th</sup> Annual General Meeting, scheduled to be held on Thursday, August 8, 2024 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

**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

39<sup>th</sup> Annual Report – 2023-24





# Managing Director's Message



Dear Shareholders,

It is with immense pride and pleasure I present your Company's annual report to you. This is special year for all of us, as we mark 40 years of DISA India Limited. We started from humble beginnings: less than 1 crore turnover in 1984. Forty years later, in the financial year 2023-24, we have now crossed 300 crores in revenue. This is testament to our role as an organization that prides itself in being a good corporate citizen, bringing global technology to the Indian market and valuing all its stakeholders. I take this opportunity to thank our shareholders, customers, suppliers, employees, and our wider community in India for their patronage.

The financial year 2023-24 has been the best year ever for DISA India Limited. Our top line has grown by **26.5 % to 3192 MINR** and the bottom line has grown by **46.5 % to 482 MINR** over the last year. The company's market capitalization stands at an all-time high. In the light of the above **we have declared a 2000% dividend for FY 2023-24.**

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

**Greener energy:** One of the most significant milestones for 2023-24 is the switching of our Tumakuru facility to renewable energy, a significant step towards our emission reduction targets under the science-based targets initiative (SBTi), which we signed along with our group company two years ago. As of March 2024, Tumakuru is sourcing 100% of its energy supply from wind power.

**Planting the future:** Our commitment to giving back to society and to our local communities is taking root, literally. For the second year running, we have planted 1000 trees locally, taking us to 2000 trees in total that will be greening our communities for decades to come.

**Exports business growth:** We have capitalized on our consolidated manufacturing facility to advance DIL's export business. The Group company has supported our equipment exports to the European and U.S. markets to deliver new foundry projects.

**Digital at the core:** Our Monitizer solutions have gained further traction in the market and we continue to receive positive feedback and encouragement from customers for our digital offering. The majority of our new equipment is now by default fitted with Monitizer's "Norigate" device, thus making the equipment "digital ready." At the same time, our aftermarket team is working towards digitally enabling our existing installed base as well.

**Aftermarket expansion:** We are investing further in supporting our customers' production through ever faster, ever more responsive aftermarket support. For example, we are rapidly expanding our network of distributors who can stock parts close to the customer for their equipment. More and more of our foundry customers are choosing our service contracts to give them higher production output and reduced downtime. Our initiative to offer faster turnarounds for the large installed base of DISA ARPA equipment has reached a first milestone, with the first remanufacturing facility for DISA ARPA machines up and running at Kolhapur.

As I reflect on the past year's accomplishments and challenges, it is evident that the unwavering trust of our valued customers and the strategic direction which we have taken, have propelled us forward even as overall market conditions remain challenging.

Despite the volatile economic landscape and unprecedented global challenges, we have once more demonstrated resilience and agility. Our commitment to innovation, operational excellence, and customer-centricity has enabled us to navigate uncertainty and emerge stronger than ever before.

Our revenue growth has surpassed all expectations, reflecting the success of our market expansion strategies and the resilience of our business model. Additionally, our prudent cost management practices have enhanced our operational efficiency and bolstered our bottom line. Our commitment to sustainability and corporate social responsibility is steadfast. We have continued to integrate sustainable practices into our operations, ensuring that we not only deliver value to our shareholders but also contribute positively to society and the environment.

Looking ahead, we recognize that challenges will continue to come our way, and uncertainties will not go away. Despite a tough environment, we are confident in our ability to adapt and innovate.

We stay guided by our core values and driven by a shared global **Norican mission of "Exceeding customers' expectations"**. Our group management team and our board of directors have offered invaluable support and direction in this journey. I can say with confidence that we are well-positioned to capitalize on emerging opportunities and deliver long-term value to our stakeholders.

Last but not the least, I would like to express my gratitude to our outstanding employees, whose hard work and dedication have been instrumental in our success. I would also like to thank our shareholders for their continued trust and support. Together, we will continue to chart a path of sustainable growth and success for DISA India Limited.

Lokesh Saxena  
Managing Director

**Board of Directors**

Ms. Deepa Agar Hingorani - Chairperson  
 Mr. Anders Wilhjelm  
 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 (upto 22.04.2024)  
 Ms. Vidya Jayant ( from 23.04.2024)

**Company Secretary & Compliance Officer**

Ms. Shrithee M S ( upto 29.04.2024 and from 23.05.2024)

**Bankers**

Kotak Mahindra Bank Ltd.  
 HDFC Bank Ltd.  
 HSBC Ltd.  
 State Bank of India

**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**

S.R. Batliboi & Associates LLP  
 Bengaluru

**Solicitors**

Chander Kumar & Associates  
 Bengaluru

**Internal Auditors**

Protiviti India Member Pvt. Ltd  
 Bengaluru

**Secretarial Auditor**

Mr. Vijaykrishna 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 Ninth (39<sup>th</sup>) Annual General Meeting of DISA India Limited will be held on Thursday, the 8<sup>th</sup> day of August, 2024 at 11.00 AM IST through Video Conferencing (VC) to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including the consolidated financial statements) of the Company for the year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon.
2. To confirm the payment of Interim Dividend of Rs.100/- (1000%) and to declare Final Dividend of Rs. 100/- (1000%) per Equity Share of Rs. 10/- each for the Financial Year ended March 31, 2024.
3. To appoint a Director in place of Ms. Ulla Hartvig Plathe Tønnesen (DIN: 08507796), who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS:

4. To ratify the remuneration of Cost Auditors.  
To consider, and if thought fit, to pass, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof], the appointment of Messrs. Rao, Murthy & Associates, Cost Accountants, Bengaluru (Reg. No.000065), as Cost Auditors of the Company for conducting the cost audit of the accounts and records for the Financial Year ended March 31, 2024 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.”

5. Commission payable to Independent Directors.  
To consider, and if thought fit, to pass, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Regulation 17(6)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 197 of the Companies Act, 2013 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 [including any statutory modification(s) or re-enactment(s) thereof], approval be and is hereby accorded for the payment of Commission to the Independent Directors of the Company in such proportion as the Board may think fit at a rate not exceeding 1% of the net profits of the Company to be computed in the manner laid down in Section 198 of the Companies Act, 2013 commencing from the financial year 2024-25.”

6. To approve ‘Material Related Party Transactions’ for FY 2024-25 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. 1000 Million (Rupees One Thousand Million Only) for FY 2024-25 which are in the ordinary course of business and at 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 23, 2024  
Place: Bengaluru

Shrithree M S  
Company Secretary  
Membership No.: ACS 56563

### NOTES:

1. In view of disruptions caused by COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 02/2022 dated May 5, 2022, General Circular No. 10/2022, General Circular No. 11/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 (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, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 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, 2024 and permitted companies to conduct Annual General Meeting (AGM) through video conferencing or other audio visual means (VC) till September 30, 2024, 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 39<sup>th</sup> AGM of your Company is being convened and conducted through VC.

2. The Company has facilitated the Members to participate in the 39<sup>th</sup> AGM through VC facility provided by Central Depository Services Limited (CDSL). The instructions for participation by members are given in the subsequent paragraphs. Participation in AGM through VC shall be allowed on a first-come-first-served basis.
3. As per MCA Circulars, members attending the 39<sup>th</sup> AGM through VC will be reckoned for the purpose of quorum as per Section 103 of the Companies Act, 2013.
4. For exercising the votes by the Members by electronic means, the Company has provided the facility of remote e-voting as well as e-voting during the AGM. The procedure for using the remote e-voting facility as well as e-voting during the AGM is given in the subsequent paragraphs.
5. Members joining the AGM through VC shall be permitted to exercise their right to vote using the e-voting facility at the AGM, provided they have not cast their votes using remote e-voting facility. The members who have already cast their votes prior to AGM using the remote e-voting facility may also join the AGM through VC; but shall not be entitled to cast their votes again at the AGM.
6. As per the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and such proxy need not be a Member of the Company. Since 39<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 39<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice. Similarly, as this AGM is being held through VC, the route map is not annexed to this notice.
7. Corporate members may authorize their representatives for casting the votes using remote e-voting facility or for participation and voting in the AGM using VC. Institutional Investors are encouraged to attend and vote at the AGM through VC.
8. In 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.
9. In line with MCA Circulars and SEBI Circulars, the Annual Report

for the Financial Year 2023-24 along with Notice of 39<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>

10. 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 8, 2024. Members seeking to inspect such documents may send an email to [investor.relations@noricangroup.com](mailto:investor.relations@noricangroup.com).
11. 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 1, 2024. This would enable the Company to compile the information and provide replies at the meeting.
12. Persons holding the shares on August 1, 2024 (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 2, 2024 to August 8, 2024 (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 6, 2024 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 1, 2024.
14. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank

account details and specimen signature.

In case of non-updation of PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend / interest etc. shall be paid upon furnishing all the aforesaid details in entirety.

15. Pursuant to the changes introduced by the Finance Act, 2020 w.e.f. April 1, 2020, Dividends paid or distributed by a Company

### **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 2024-25, 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 self-attested 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 self-attested 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 self-attested copy of PAN.
Shareholders, being Alternative Investment Funds (AIFs)	NIL	A Declaration that the AIFs are registered under SEBI as per SEBI Regulations, self-attested copy of PAN and SEBI registration certificate.
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, self-attested copy of 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':

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

The 'specified person' in relation to Financial Year 2024-25

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:

means a person who has:

- 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
- 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 2024-25. c) Form 10F filed electronically with Income tax authorities. 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 2024-25. c) Form 10F filed electronically with Income tax authorities. 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.integratedregistry.in/TaxExemptionRegistration.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.integratedregistry.in/TaxExemptionRegistration.aspx> on or before August 1, 2024, 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 1, 2024 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 1, 2024.

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 1, 2024, 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 are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.

- (a) For shares held in electronic form: to their Depository Participants ("DPs")
  - (b) For shares held in physical form: to the Company/RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023. To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details.
20. Non-resident Indian shareholders are requested to immediately inform the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be, about the following matters: -
    - (a) the change in residential status on return to India for permanent settlement, and
    - (b) the particulars of the NRE account with a bank in India, if not furnished earlier.
  21. Members holding shares in single name in physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13, as prescribed by the Government may be obtained from the Registrar and Share Transfer Agent or the Secretarial Department of the Company at its Registered Office. This document has also been uploaded on the weblink of the Company i.e., <https://www.disagroup.com/en-in/investor-relations/investor-grievances>
  22. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).

23. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the Meeting, is annexed hereto. Further, additional information with respect to Item No. 3 is also annexed hereto.
24. Procedure for e-voting and joining AGM through VC:

In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is providing the facility of remote e-voting to its Members in respect of the

business to be transacted at the 39th 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 4, 2024 (9.00 AM IST) and ends on August 7, 2024 (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 1, 2024 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/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or <a href="https://www.cdslindia.com">https://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/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/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="https://www.cdslindia.com">https://www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered mobile &amp; email as recorded in the demat account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting service providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) Users who have already registered for NSDL IDeAS facility, may visit the e-Services website of NSDL i.e., <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On clicking on the 'Beneficial Owner' icon under 'Login' under 'IDeAS' section, a new screen will open. After successful authentication using the User ID and Password, user will be able to see e-voting services. Click on 'Access to e-Voting' under e-voting services will lead to e-voting page. Click on company name or e-voting service provider name will redirect to e-voting service provider website for casting the vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user has not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select 'Register Online for IDeAS' portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3) Alternatively, the user may visit the e-voting website of NSDL i.e., <a href="https://www.evoting.nsd.com">https://www.evoting.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL</li> </ol>

Shareholder Type	Login Method
	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 & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their epository 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 <https://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 <https://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:

For shareholders holding shares in demat Form (other than Individual shareholders) and in Physical Form	
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.

(d) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly

note that this password is to be also used by the demat account holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (e) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (f) Click on the EVSN relevant to 'DISA India Limited' on which you choose to vote.
- (g) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES/NO" is available for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (h) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (i) After selecting the resolution, if you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (j) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (k) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (l) If a demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.

**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 the 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:

Through 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 2, 2024. 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 <https://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 1, 2024.
- (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 1, 2024 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 <https://www.evotingindia.com> under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

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

25. 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	Ms. Ulla Hartvig Plathe Tønnesen (DIN: 08507796)
Age	53 years
Date of appointment on the Board	July 12, 2019
Qualification	MSC in Economics & Business Administration, Copenhagen Business School.
Brief profile and nature of their expertise in specific functional areas	Ms. Ulla Hartvig Plathe Tønnesen is the President of DISA Industries A/S of Norican Group and has more than 25 years of work experience in the Group in the fields of Marketing, Manufacturing and Supply Chain, in senior management roles. She has extensive experience in the Moulding & Foundry segment of the industry.
Current Remuneration	Not Applicable
Details of Remuneration sought to be paid	Nil
Key terms and conditions of appointment	She will be a Director of the Company. She will be required to comply with the applicable provisions of the Companies Act, 2013 and SEBI Regulations and other applicable laws
Number of meetings of the Board attended during the year	Ms. Ulla Hartvig Plathe Tønnesen has attended all the 4 (Four) meetings out of 4(Four) meetings during the Financial Year 2023-24.
Directorships in other Companies	<ul style="list-style-type: none"> <li>Multi-Wing</li> <li>MAAG Gear AG</li> </ul>
Committee Memberships	<ul style="list-style-type: none"> <li>DISA India Limited: Stakeholders' Relationship Committee – Member Corporate Social Responsibility 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

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

Date: May 23, 2024  
Place: Bengaluru

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

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

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

Based on the recommendation of the Audit Committee, the Board of Directors at its Meeting held on May 25, 2023, had re-appointed Messrs. Rao, Murthy & Associates as Cost Auditors, for conducting the Cost Audit for the Financial Year 2023-24 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. 4 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. 4 of the Notice for approval of the Members.

#### Item No. 5 – Commission payable to Independent Directors.

The Independent Directors are being paid a Commission of Rs. 4,00,000/- (Rupees Four Lakhs Only) each per annum. The Commission is being paid after approval of shareholders was obtained at the 33rd Annual General Meeting held on 9th day of August, 2018 from the financial year 2018-19 onwards.

The Nomination and Remuneration Committee and the Board of Directors at their Meetings held on February 6, 2024, have reviewed the amount of commission paid to the Independent Directors and recommend to revise the Commission payable to the Independent Directors to Rs. 5,00,000/- (Rupees Five Lakhs Only) each per annum subject to the approval of the shareholders. Such commission will be paid to the Independent Directors in addition to the sitting fees for attending the meetings of the Board and its Committees.

As per second proviso to Sub-Section (1) of Section 197, remuneration payable to Non-Executive Directors is limited to 1% of profits of the Company. The increased Commission as proposed by the Company is well within the limits.

As per Regulation 17(6)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the compensation paid to Non-Executive Directors, including the Independent Directors shall be approved by the Shareholders.

Ms. Deepa Hingorani and Mr. Bhagya Chandra Rao, Independent

Directors, being the recipients of above Commission are concerned or interested in the Resolution set out at Item No. 5 of the Notice. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said Resolution.

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

#### Item No. 6 - Approval of 'Material Related Party Transactions' for FY 2024-25 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) Regulation, 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, are 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) Regulations, 2015 these transactions require approval of the Shareholders by passing an Ordinary Resolution for enabling the Company to undertake material related party transactions with DISA Industries A/S, for FY 2024-25 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:**

Particulars	Information
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 FY 2024-25
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. 1000 Million for FY 2024-25.
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	30%
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 RPTs entered into/by the Company during the Financial Year 2023-24 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 at Item No. 6 of the Notice for approval of the members in terms of Regulation 23 of the 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.

Date: May 23, 2024  
Place: Bengaluru

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

## BOARD'S REPORT

The Board of Directors has the pleasure in presenting the 39<sup>th</sup> Annual Report and Audited Financial Statements for the Financial Year ended March 31, 2024, together with the Independent Auditors' Report.

### FINANCIAL RESULTS

Your Company has achieved the highest Revenue from Operations of Rs. 3,191.5 Million for the year 2023-24 with an increase of 26.4% over previous year 2022-23 as the Company bounced back post pandemic driven by a buoyant economy and strong macro-economic indicators. Profit After Tax for the year also grew by a whopping 46.2% to Rs. 415.4 Million from the previous year due to strong margins.

Summarized financial results for the year are given below.

	(Rs. Million)	
Description	2023-24	2022-23
<b>Revenue from Operations(net)</b>	<b>3,191.5</b>	2,524.1
<b>Profit before depreciation, tax, finance cost and Exceptional Item</b>	<b>637.0</b>	433.8
Less: Depreciation	45.4	43.1
Less: Finance Cost	7.1	6.3
Less: Exceptional Item	25.5	0.0
Less: Tax Expenses (including deferred tax)	143.6	100.2
<b>Profit After Tax</b>	<b>415.4</b>	284.2
Add: Other Comprehensive income	(4.0)	(3.3)
<b>Total Comprehensive income for the year, net of tax</b>	<b>411.4</b>	280.9
Add: Balance in Profit & Loss account brought forward from previous year	2,108.1	1,987.1
<b>Profit Available for Appropriation</b>	<b>2,519.5</b>	2,268.0
<b>Appropriation:</b>		
Interim Dividend declared for the year	145.4	145.4
Final Dividend (proposed)	145.4	14.5
Balance in Profit & Loss Account	2,228.7	2,108.1
Earnings Per Share (Rs)	285.65	195.43
Market price per share as on March 31 (Rs)	13,835.0	7,926.9

### PERFORMANCE OF THE COMPANY

The best ever Revenue from Operations for the Financial Year 2023-24 of Rs 3,191.5 Million was achieved driven by a strong order backlog at the beginning of the year, increased exports, strong After Market sales and exploring new markets. The Company's focus during the year continued to be on strong supply chain management, to contain prices, control discretionary expenses and conservation of cash. The Company has continued to expand its sales and market activities in overseas market in Middle East, Africa and CIS countries.

Strong margins were achieved as the Company was able to mitigate the impact of rises in input materials and increase in logistics costs through increases in selling price, advanced buying strategy and increases in aftermarket parts revenue.

The employees of the Company remain partners in the growth story of the Company as they have shown exemplary commitment to take the Company to new heights.

In contrast to the ups and downs witnessed last year, the automotive sector saw a healthy revival in 2023-24 aided by a recovery in economic activities and increased mobility. This along with the infrastructure industries like Railways, Renewable Energy, Steel, Cement, Airports, Ports and Exports were on a growth trajectory.

In this scenario, the Company continued to maintain 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 2023-24, 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 4, 2024. Considering the strong performance and healthy cash balance in the current year, the Directors have recommended a Final Dividend of Rs. 100/- per Equity Share of Rs. 10 each (i.e., 1000%), amounting to Rs. 145.42 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. 290.84 Million at 70% 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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/3dividenddistributionpolicyjan2022.pdf>

### 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, 2024 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, 2024, 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 geopolitical situation continues to be very uncertain in view of the European and Middle East wars. The global slowdown is another phenomenon which has impacted major markets and big economies. Since we do business in export markets, we are not immune to having an impact arising out of these situations. Your company does not have a direct business exposure to the war zone and is not impacted by restrictions on both Russia and Belarus. The Company continues to watch these developments and their impact on its business quite rigorously.

We have seen a resurgent demand for automobiles and infrastructure development sectors in the last Financial Year and it may continue in the new Financial Year as well. The continuity of interest rates over the last quarters has impacted on the pace of growth of the capital goods sector. There is a slight underutilization of current capacities and liquidity continues to be an issue. However, your Company is well equipped to take suitable measures to respond to the ever-changing external environment from time to time. Your Company continues to explore 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**

In the light of strong impetus and focus on manufacturing industry in the Indian market, the foundry industry has further assumed importance more than ever before. This focus not only remain domestic, but also exports in view of automotive customers sourcing components for the global products from Indian foundries.

The overall outlook for the foundry industry stays stable with growth orientation, due to growth in the end customer industries such as automotive, agriculture, infrastructure, railways & general engineering. India continues to produce 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. The industry has seen an average growth rate of 4-5% in India.

Automotive is the biggest casting consumer in the market and industry has seen a growth in all segments except for tractors and trucks in the year 2023/24. A speedy investment by government on the infrastructure focusing on low-cost housing, railways, roads, airport, ports has added to stability on the demand side. This has helped the foundries to plan their production processes better and built-in mechanism to improve the quality of the end casting. We are also seeing customers who have taken advantage on the economic infrastructure in India to move from neighboring countries in India.

The Competition has been heating up, with new entrants aspiring to take a share of this growing industry. Global players are not shying away from taking a share in the Indian market by investments in India through acquisitions. Large forging companies in India have made acquisitions in the foundry industry to add up to the competitive environment.

The challenges in this industry are arising as the demand for cleaner technology, access to finance, high interest rates, the need for continuous innovation and upgradation, availability of skilled workforce and compliance with international quality standards and regulations.

Technological advancements in the foundry industry continue to be on the top of the agenda for major players. Your Company offers a strong technological advantage by bringing in global technologies to the Indian market on ongoing basis. Your Company has a strong manufacturing base, with a unique workforce of qualified and experienced engineers, project managers and application experts to meet the ever changing and intricate demand from customers. A close working relationship with the global technological centers in Norican group, DISA India for the last Four decades has been at the forefront with “Exceeding Customers Expectations” approach.

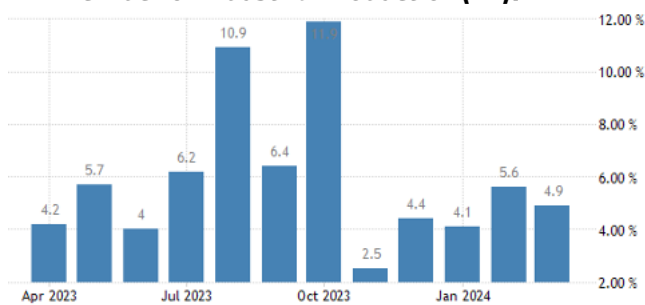
DISA India holds a major share in the Indian foundry industry and has also made inroad by setting up new foundries across Middle East and CIS countries. Our “Full Foundry” approach brings a unique advantage to the customers. The digital solution offered in “Monitizer” is helping to make foundries digitally ready for the future.

DISA India has created a unique model of engaging with customers on “Long term service contracts” thereby effecting positive outputs, reduction in downtimes and overall cost reduction per KG of castings. Our Aftermarket product offerings near to the customers production lines, through distributors is unmatched in the industry. We now have relevant stocks with our distributors' warehouse to create supply chain efficiency for the end customers.

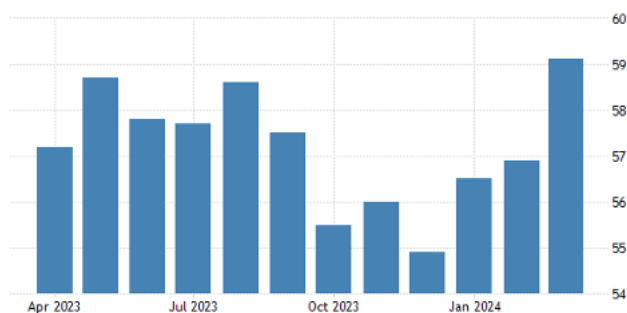
The GDP estimates for the Financial Year 2024-25 stay positive at 6.5 to 7 % and India remain the highest growing major economy of the world. Although we do not see any visible signs of downturn, we are keeping a cautious growth direction owing to the Geo- political issues across the world.

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**

While your Company has delivered well in the Financial Year 2023-24, the threat of uncertainties unfolded by the current geopolitical issues, continues to impact the markets globally.

Full Foundry Solution from your Company has seen a positive impact in way to go to the market not only in India but the export business as

**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		
	2023-24	2022-23	Change %	2023-24	2022-23	Change %
Operation Profit Margin (EBITDA) %	<b>15.1%</b>	13.0%	2.1%	<b>15.3%</b>	13.3%	2.0%
Net Profit Margin %	<b>13.0%</b>	11.3%	1.7%	<b>13.1%</b>	11.4%	1.7%
Debtor Turnover Ratio	<b>8.5</b>	6.4	2.1	<b>8.4</b>	6.4	2.0
Inventory Turnover Ratio	<b>2.8</b>	2.8	0.0	<b>2.8</b>	2.8	0.0
Interest Coverage Ratio	<b>27.4</b>	28.3	(0.9)	<b>28.3</b>	29.6	(1.3)
Current Ratio	<b>2.1</b>	2.2	(0.1)	<b>2.1</b>	2.2	(0.1)
Debt Equity Ratio	<b>0.01</b>	0.01	0.0	<b>0.01</b>	0.01	0.0
Earning Per Share (Rs)	<b>285.65</b>	195.43	90.22	<b>294.87</b>	204.72	90.15

During the year, there were favorable changes in the above ratios. The increase in profit margin was driven by an increase in volume of OEM sales. Increase in Debtors turnover ratio is indicative of the high Sales and robust collection.

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

Particulars	Standalone			Consolidated		
	2023-24	2022-23	Change %	2023-24	2022-23	Change %
Return on Net Worth %	<b>17.4%</b>	13.4%	4.0%	<b>17.4%</b>	13.7%	3.7%

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

## **CORPORATE SOCIAL RESPONSIBILITY**

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

"NORICAN Scholarship" program has made scholarships available to students in eight educational institutions in the neighbourhood of your Company's plant. During the Financial Year, scholarships were provided to 518 needy students. Directors have the pleasure to report that your Company has provided scholarships to 3,829 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 542 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 future foundry men. During the year, the Company has spent Rs. 0.4 Million towards this scholarship.

The Company has 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 Corporate Social Responsibility projects pursued by the Company are available on the website of the Company at [https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/csr\\_policy\\_20230117\\_final.pdf](https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/csr_policy_20230117_final.pdf)

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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/4riskmanagementpolicyjan2022.pdf>

## **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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/2whistleblowerpolicyjan2022.pdf> Complaints raised, if any, are dealt with as per this policy. No complaints have been received during the year 2023-24.

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

There has been no change in the constitution of Board during the year under review. The Members approved the re-appointment of Mr. Lokesh Saxena (DIN: 07823712) at the 38<sup>th</sup> Annual General Meeting of the Company for a period of three years effective from June 21, 2023 to June 20, 2026. 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, Ms. Ulla Hartvig Plathe Tønnesen (DIN: 08507796), retires at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment.

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 2023-24 contain affirmations regarding registrations in the data bank.

The Company has three Key Managerial Personnel (KMP), Mr. Lokesh Saxena, Managing Director, Ms. Vidya Jayant, Chief Financial Officer and Ms. Shrithee M S, Company Secretary & Compliance Officer. Mr. Amar Nath Mohanty, Chief Financial Officer retired from the services of the Company at the close of business hours on April 22, 2024 and Ms. Vidya Jayant was appointed as the Chief Financial Officer effective from April 23, 2024. Ms. Shrithee M S, Company Secretary & Compliance Officer resigned from the office at close of business hours on April 29, 2024 and was again appointed as the Company Secretary & Compliance Officer effective from May 23, 2024.

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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/2024\\_dil\\_remuneration\\_policy.pdf](https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/2024_dil_remuneration_policy.pdf)

### **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 Companies Act, 2013 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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/2024\\_familiarisation\\_program\\_for\\_independent\\_directors\\_29052024.pdf](https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/2024_familiarisation_program_for_independent_directors_29052024.pdf)

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

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

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

### **BOARD EVALUATION**

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

Further, the Independent Directors, at their exclusive Meeting held on February 2, 2024, 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 2024-25.

## 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 2023-24, being the eighth year of operations, has been quite satisfactory. The Audited Financial Results of the Wholly Owned Subsidiary for the Financial Year ended March 31, 2024, 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. 125.4 Million and Rs. 13.4 Million respectively. Revenue from operations for the year was higher by 1.7% and Profit after tax was 0.7% lower as compared to previous year.

Consolidated Revenue from Operations of the Company for the year was Rs. 3,285.5 Million as against Rs.2,619.0Million in the previous year, with an increase of 25.4%.

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 an yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are reviewed and a statement giving details of all Related Party Transactions is placed before the Audit Committee and the Board of Directors for their noting/approval on quarterly basis. The details of all Related Party Transactions are disclosed in the Sl. No. 37 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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/5dilpolicyonrpt2022.pdf>

## 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 Industries (Shanghai) Co. Ltd.	China
StrikoWestofen Thermal Equipment (Taicang) Co. Ltd.	China
Matrasur Composites SAS	France
Wheelabrator Group SAS	France
Walther Trowal SARL	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
DISA India Limited	India

Name of Subsidiary	Country
DISA Technologies Private Limited	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. d Ltd.	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
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
Montiizer GmbH	Germany

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

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

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

Your Company has made an investment of Rs. 44 Million in the Equity Share Capital of its Wholly Owned Subsidiary Company, Bhadra Castalloy Private Limited during the year 2015-16. It has extended interest-bearing intercompany demand loan of Rs. 26 Million in the year 2016-17 for the purpose of financing the purchase considerations paid for acquisition of the foundry by the Subsidiary of which Rs. 8.5 Million has been repaid in the year 2022-23. 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 Messrs. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004) were appointed as Statutory Auditors of the Company for a term of 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.

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

**COST AUDITORS**

The Cost accounts and records as required to be maintained under Section 148 (1) of the Act are duly made and maintained by the Company.

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, 2023, 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, 2024.

**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. Vijaykrishna KT, Practising Company Secretary to undertake the

Secretarial Audit of the Company for the Financial Year ended March 31, 2024. 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 Companies Act, 2013.

**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 SEBI (LODR)(Amendment) Regulations, 2018, 'Annual Secretarial Compliance Report' issued by Mr. Vijayakrishna KT, Practising Company Secretary for the Financial Year ended March 31, 2024 will be filed with BSE within the due date of May 30, 2024.

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, 2024 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 has a three-year long-term agreement with the workmen effective from October 1, 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 Companies Act, 2013 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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/2024\\_dil\\_remuneration\\_policy.pdf](https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/2024_dil_remuneration_policy.pdf)

**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:

Name of the employee	Designation	Remuneration (Rs. Millions)
Mr. Lokesh Saxena	Managing Director	23.8
Mr. Amar Nath Mohanty	Chief Financial Officer	14.1

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 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 Companies Act, 2013 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 Companies

Act, 2013 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 2023-24.

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

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

**OTHER DISCLOSURES**

a) Your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of

India during the year.

- b) During the financial year, neither any application nor any proceeding is initiated against the Company under the Insolvency and Bankruptcy Code, 2016.
- c) 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 23, 2024  
Place: Singapore

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, 2024, the Company has spent CSR amount by providing scholarships to 518 Students across Karnataka. Direct scholarships (Norican Scholarship) were provided to 463 meritorious students at the identified institutions in the vicinity of its manufacturing facility. 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 at 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, furniture, projectors, computers and laboratory equipment in 8 educational institutions in and around its manufacturing facility. During the year, the Company has also partnered with the That’s Eco Foundation (Registered Trust) in 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 (Chairperson)	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. 408 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
(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)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (Rs. Million)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (Rs. Million)	Amount Spent in the Financial Year (Rs. Million)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any.		Amount remaining to be spent in succeeding Financial Years. (Rs. Million)	Deficiency, if any
					Amount (Rs. Million)	Date of Transfer		
1	2020-21	Nil	Nil	Nil	0.3 (PM-CARES)	29-09-2021	Nil	Nil
2	2021-22	Nil	Nil	Nil	Nil	NA	Nil	Nil
3	2022-23	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 in 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 23, 2024

Lokesh Saxena  
Managing Director  
DIN:07823712  
Bengaluru

Bhagya Chandra Rao  
Chairman – CSR Committee  
DIN:00211127  
New York

**ANNEXURE - B**

**FORM AOC-1**

**Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures**

**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, 2024**

**Part "A": Subsidiaries**

**(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, 2023 to March 31, 2024; 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	68.4
7	Total assets	152.2
8	Total liabilities	152.2
9	Investments	0.0
10	Turnover	125.4
11	Profit before taxation	18.0
12	Provision for taxation	4.6
13	Profit after taxation	13.4
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, 2024.

For and on behalf of the Board of Directors

Date: May 23, 2024

Deepa Hingorani  
Director  
DIN: 00206310  
Singapore

Lokesh Saxena  
Managing Director  
DIN: 07823712  
Bengaluru

Vidya Jayant  
Chief Financial Officer  
Bengaluru

Shrithee M S  
Company Secretary  
Bengaluru



**ANNEXURE - C**

**FORM AOC-2**

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

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, 2024

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'.	14.34	Nil
2	DISA Industries A/S, Denmark	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	330.12	Nil
3	DISA Industries A/S, Denmark	Reimbursement of Expenses Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.28	Nil
4	DISA Industries A/S, Denmark	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	163.93	Nil
5	DISA Industries A/S, Denmark	Service Income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	3.25	Nil
6	DISA Industries A/S, Denmark	Commission Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	23.61	Nil

Date(s) of approval by the Board: The transactions were approved at the Board Meetings held on August 10, 2023, November 7, 2023, February 6, 2024 & May 23, 2024.

Approval of Audit Committee and shareholders have been obtained (at the 38<sup>th</sup> Annual General Meeting held on August 10, 2023) pursuant to the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, for an amount not exceeding in aggregate Rs. 900 Million for FY 2023-24. Further, for an amount not exceeding in aggregate Rs. 1000 Million for FY 2024-25 approval of shareholders is sought, which also forms part of this Annual General Meeting Notice.

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

Date(s) of approval by the Board: The transactions were approved at the Board Meetings held on August 10, 2023, November 7, 2023, February 6, 2024 & May 23, 2024.

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 Industrie AG	Royalty Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	3.32	Nil
2	DISA Industrie AG	Reimbursement of Expenses Received	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'.	10.39	Nil
4	DISA Technologies Pvt Ltd	Reimbursement of Expenses Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.09	Nil
5	DISA Technologies Pvt Ltd	Reimbursement of Expenses Paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.19	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:
6	DISA K. K. Japan	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.32	Nil
7	DISA (Changzhou) Machinery Ltd	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	18.64	Nil
8	DISA (Changzhou) Machinery Ltd	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	6.35	Nil
9	DISA (Changzhou) Machinery Ltd	Royalty Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	2.30	Nil
10	Wheelabrator Czech s.r.o.	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	51.76	Nil
11	Wheelabrator Group GmbH	Royalty paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	2.67	Nil
12	Wheelabrator Group GmbH	Reimbursement of Expenses Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.09	Nil
13	Wheelabrator Group GmbH	Commission received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.20	Nil
14	Wheelabrator Group Inc USA	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.08	Nil
15	DISA Industries Inc	Sale of Goods	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	2.25	Nil
16	Norican A/S	Group Management services Fees	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	44.87	Nil
17	Norican A/S	Group IT Fees	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	50.40	Nil
18	Norican A/S	Reimbursement of Expenses paid	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.40	Nil
19	Norican A/S	Reimbursement of Expenses Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.15	Nil
20	Italpresse Industrie SpA	Import of Materials	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	14.76	Nil
21	Bhadra Castalloy Pvt Ltd	Purchases	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	31.40	Nil
22	Bhadra Castalloy Pvt Ltd	Reimbursement of Expenses Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.49	Nil
23	Bhadra Castalloy Pvt Ltd	Interest on Loan Received	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	1.73	Nil
24	Bhadra Castalloy Pvt Ltd	Service income	Ongoing	Transactions based on information placed before Audit Committee while seeking 'Omnibus Approval'.	0.14	Nil

Date: May 23, 2024  
Place: Singapore

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, 2024**

**[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, 2024 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, 2024 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- (f) 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
- (g) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (h) 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 nonmaterial findings made

during the course of the audit relating to the provisions of the Companies Act and Labour Laws were addressed suitably by the Management.

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 except that the Managing Director was re-appointed during the year.

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

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

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

Place: Bengaluru  
Date: 23.05.2024

Vijayakrishna K T  
Practising Company Secretary  
FCS No.: 1788 C P No.: 980  
Peer Review Certificate No. 1883/2022  
UDIN: F001788F000432031

*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.

Place: Bangalore  
Date: 23.05.2024

Vijayakrishna KT  
Practising Company Secretary  
FCS No.: 1788 C P No.: 980  
Peer Review Certificate No. 1883/2022  
UDIN: F001788F000432031

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

### 2. Board of Directors:

#### Composition & Size of the Board

As on March 31, 2024, 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. Details of appointments /re-appointments of Directors during the financial year 2023-24 are provided in Board's Report.

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

As at the Financial Year ended March 31, 2024, 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 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 2023-24 contain affirmations regarding registrations in the data bank.

Particulars of the directorship of the Board, membership and office of the Chairman of Board Committees across all Companies as on March 31, 2024 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 10, 2023*	Directorships**	Committee Memberships***	Committee Chairmanships***	Name of listed entity	Category
			Held	Attended						
1	Deepa Hingorani (DIN: 00206310)*	Independent Non-Executive Director	4	4	Yes	3	2	1	Ugro Capital Limited	Non – Executive Director
2	Bhagya Chandra Rao (DIN: 00211127)	Independent Non-Executive Director	4	4	Yes	5	6	2	Wendt India Limited	Independent Director
									Shetron Limited	Independent Director
									Suprajit Engineering limited	Independent Director
3	Anders Wilhelm (DIN: 08507772)	Non-Independent Non-Executive Director	4	3	Yes	1	-	-	-	-

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 10, 2023*	Directorships**	Committee Memberships***	Committee Chairmanships***	Name of listed entity	Category
			Held	Attended						
4	Ulla H P Tonnesen (DIN: 08507796)	Non-Independent Non-Executive Director	4	4	Yes	1	1	-	-	-
5	Michael Declan Guerin (DIN: 09055549)	Non-Independent Non-Executive Director	4	4	Yes	1	1	-	-	-
6	Lokesh Saxena (DIN: 07823712)	Executive Director	4	4	Yes	3	1	-	-	-

# Ceased to be a director in Urgo Capital Limited at the close of business hours on April 25, 2024 Roserve Enviro Pvt. Ltd. at the close of business hours on April 18, 2024.

\* The last Annual General Meeting was held on Thursday, August 10, 2023 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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/2023\\_dil\\_terms\\_of\\_appointment\\_of\\_an\\_independent\\_director.pdf](https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/2023_dil_terms_of_appointment_of_an_independent_director.pdf)

The Company's familiarization program for Independent Directors is available on the website of the Company at [https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/2024\\_familiarisation\\_program\\_for\\_independent\\_directors\\_29052024.pdf](https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/2024_familiarisation_program_for_independent_directors_29052024.pdf)

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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/dilcodeofconductaspersebitregulations01apr2019.pdf>

As required by law, brief profiles and other particulars of the Directors seeking appointment/re-appointment are given in the Notice convening the 39<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 Wilhelm</li> <li>● Ms. Ulla H P Tønnesen</li> <li>● Mr. Michael Declan Guerin</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 Wilhelm</li> <li>● Ms. Ulla H P Tønnesen</li> <li>● Mr. Michael Declan Guerin</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 Wilhelm</li> <li>● Ms. Ulla H P Tønnesen</li> <li>● Mr. Michael Declan Guerin</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 Wilhelm</li> <li>● Ms. Ulla H P Tønnesen</li> <li>● Mr. Michael Declan Guerin</li> <li>● Mr. Lokesh Saxena</li> </ul>

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

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

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

During the Financial Year, the Board met 4 (four) times: **May 25, 2023, August 10, 2023, November 7, 2023 and February 6, 2024.**

**Independent Directors Meeting:**

During the Financial Year, a separate Meeting of the Independent Directors was held on February 2, 2024 through Video Conferencing (VC) mode without the attendance of Non-Report on Corporate Governance

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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/dilcodeofconductaspersebitregulations01apr2019.pdf>



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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/dilcodeofconductaspersebitregulations01apr2019.pdf>

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, 2024.

Date: May 23, 2024  
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 Chairman of the Committee. The Committee has three Members.

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

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

The Committee met 4 (four) times during the Financial Year on **May 25, 2023, August 9, 2023, November 7, 2023 and February 6, 2024.** The attendance of each Member of the Committee is as stated below:

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

**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:

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

The Committee reviews the following among others:

1. Formulation of criteria for evaluation of Independent Directors and the Board;
2. Devising a Policy on Board diversity;
3. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
4. Various criteria including minimum and maximum age, minimum qualification, desired background, diversity, evaluation and remuneration criteria for the Directors, KMPs and other employees.

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

Managing Director is invited to the Committee Meetings whenever necessary.

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

The Committee met 2 (two) times during the Financial Year on **May 25, 2023 and February 6, 2024.**

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	2

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

#### **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 2023-24 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 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 **July 31, 2023 and February 5, 2024.**

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

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

There were no investor complaints received during the Financial Year 2023-24 (June Qtr.-NIL, Sep Qtr.-NIL, Dec Qtr.-NIL and March Qtr.-NIL). There were no pending investor complaints as on March 31, 2024. There were no pending share transfers as on March 31, 2024.

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:**

Ms. Shrithee MS, Company Secretary & Compliance Officer  
DISA India Limited,  
World Trade Center (WTC),  
6th Floor, Unit No. S-604,  
Brigade Gateway Campus, 26/1, Dr. Rajkumar Road,  
Malleswaram-Rajajinagar, Bengaluru - 560 055.  
[E-Mail: investor.relations@noricangroup.com](mailto:investor.relations@noricangroup.com)  
Phone: 91-80- 22496701  
Fax: 91-80-224967503

**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 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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/4riskmanagementpolicyjan2022.pdf>

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 **July 31, 2023 and January 24, 2024.**

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

\* Mr. Amar Nath Mohanty, Chief Financial Officer retired from the services of the Company and also ceased to be a member at the close of business hours on April 22, 2024.

**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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/csr\\_policy\\_20230117\\_final.pdf](https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/csr_policy_20230117_final.pdf)

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 once during the Financial Year on **February 5, 2024.**

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

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

**8. Senior Management:**

Particulars of Senior Management are as below:

Name of Senior Management Personnel	Category
Amar Nath Mohanty*	Chief Financial Officer (up to April 22, 2024)
Vidya Jayant*	Chief Financial Officer (April 23, 2024 onwards)
Shrithee MS**	Company Secretary
Jagadish A Kulkarni	Sales Director – W & A, IMEA
V N Satyanarayana	Sales Director – DISA & Filters, IMEA
Abhas Acharya	Vice President – After Market
Venkatesha M	Vice President – SCM (IMEA)
Manish Mathur	Vice President – Procurement
Stephys Udayakumar	AVP – HR & Admin

\* Mr. Amar Nath Mohanty, Chief Financial Officer retired from the services of the Company at the close of business hours on April 22, 2024 and Ms. Vidya Jayant was appointed as the Chief Financial Officer with effect from April 23, 2024

\*\* Ms. Shrithee M.S, Company Secretary resigned from the services of the Company at the close of business hours on April 29, 2024 and was again appointed as Company Secretary with effect from May 23, 2024

## 9. Remuneration of Directors:

The details of remuneration paid to the Directors during the Financial Year 2023-24 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	15.0	7.1	0.0	1.7	NA	6 months Notice period or Salary in lieu thereof	3 months Notice period & 3 months Salary	Nil	<b>23.8</b>

### b) Non-Executive Independent Directors

(Rs. Million)

Name	Sitting fees	Commission
Ms. Deepa Hingorani	0.40	0.40
Mr. Bhagya Chandra Rao	0.37	0.40
<b>Total</b>	<b>0.77</b>	<b>0.80</b>

### c) Non-Executive Non-Independent Directors

As per the 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 the 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.

From the Financial Year 2024-25 and onwards, the sitting fees payable to the Chairperson of the Board is revised to Rs. 65,000/- (Rupees Sixty Five Thousand Only) per Meeting and sitting fees payable to the Chairperson of Committees is revised to Rs. 40,000/- (Rupees Forty 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. Further, the Board at the meeting held on February 6, 2024, revised the total amount of commission payable to each Independent Directors to Rs. 500,000/- p.a. (Rupees Five Lakhs Only) in respect of any one Financial Year for the proportionate period of their Board membership with the Company, which also forms part of this Annual General Meeting Notice for approval of the Shareholders. 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.

## 10. Related Party Transactions:

The Company has complied with the requirements of the Companies Act, 2013 and the Listing Regulations on Related Party Transactions. Prior approvals 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 Thirty Eighth (38th) Annual General Meeting of the Company held on August 10, 2023 for an amount not exceeding in aggregate Rs. 900 Million for FY 2023-24 for transactions with DISA Industries A/S, Denmark. Further, for an amount not exceeding in aggregate Rs. 1000 Million for FY 2024-25 approval of shareholders is sought for transactions with DISA Industries A/S, Denmark which also forms part of this Annual General Meeting Notice.

The Company has disclosed the Policy on dealing with Related Party Transactions on its website at <https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/5dilpolicyonrpt2022.pdf>

## 11. 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 17, 2023, the Company has transferred Rs. 44,583/- to IEPF towards unclaimed dividend for the year 2015-16, Rs. 44,110/- and Rs. 43,375/- were transferred to IEPF during the FY 2022-23 and FY 2021-22 respectively towards unclaimed dividend for the calendar year 2013 and 2014-15. On December 11, 2023, the Company has transferred 304 shares (on which dividend has not been paid or claimed for seven

consecutive years) to IEPF as compared to 208 shares and 805 shares transferred during the FY 2022-23 and FY 2021-22 respectively.

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.)*
2016-17	Final	2.50	11-08-2017	04-10-2024	47,618
2017-18	Final	2.50	09-08-2018	09-10-2025	49,698
2018-19	Final	2.50	08-08-2019	04-10-2026	21,630
2019-20	Final	2.50	12-08-2020	13-10-2027	16,522
2020-21	Final	10.00	12-08-2021	13-10-2028	60,446
2021-22	Interim	150.00	28-03-2022	03-05-2029	6,34,338
2021-22	Final	10.00	12-08-2022	17-09-2029	46,934
2022-23	Interim	100.00	09-02-2023	17-03-2030	4,27,022
2022-23	Final	10.00	10-08-2023	15-09-2030	58,566

\* Balances as on March 31, 2024.

## 12. Risk Management:

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

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

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

Risk Management Policy is hosted on the Company's Website at <https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/4riskmanagementpolicyjan2022.pdf>

## 13. 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, 2024. CEO/CFO Certification is part of this report.

## 14. 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 (ROC), 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:

- The Board: The Company does not maintain a separate office for Non-executive Chairperson.
- 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.
- Audit Qualifications: The auditor report does not contain any qualifications.
- Separate post of Chairperson and Chief Executive Officer: The Company has separate persons to the post of Chairperson and Managing Director.
- 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.

## 15. General Body Meetings:

Location and time of the last three Annual General Meetings:

Financial Year	Date	Venue	Time
2020-21	12-08-2021	Through Video Conferencing (VC)	11.00 AM
2021-22	12-08-2022	Through Video Conferencing (VC)	11.00 AM
2022-23	10-08-2023	Through Video Conferencing (VC)	11.00 AM

Special Resolutions passed in the previous three Annual General Meetings:

Financial Year	Special Resolutions
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
2022-23	(1) To re-appoint Mr. Lokesh Saxena (DIN: 07823712) as Managing Director of the Company.

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.

## 16. 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. 37.

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.

The Company has disclosed the Policy on dealing with Related Party Transactions on its website at <https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/5dilpolicyonrpt2022.pdf>

### 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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/2whistleblowerpolicyjan2022.pdf>. 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 2023-24 as on March 31, 2024 is in compliance with the requirements of the Listing Regulations, as applicable.

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

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

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

#### (ii) Reporting of Internal Auditors:

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

### 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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/dil\\_policy\\_on\\_material\\_subsidary\\_amended\\_01apr2019.pdf](https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/dil_policy_on_material_subsidary_amended_01apr2019.pdf)

### 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 2023-24 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.5.0 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 of 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:**

The wholly owned subsidiary company has outstanding loan of Rs. 17.5 Million at the end of the financial year as on March 31, 2024.

**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.

**17. 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>.

**18. General Information to Shareholders:**

**(a) Annual General Meeting:**

Date: August 8, 2024

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, General Circular No. 11/2022 dated 28.12.2022 and General Circular No. 09/2023 dated September 25, 2023 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, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023, the 39th AGM of the Company is being convened and conducted through Video Conferencing.

Period 12 Months: April 2023 to March 2024

Date of Book Closure: August 2, 2024 to August 8, 2024 (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 2024-25 has been paid within due date)

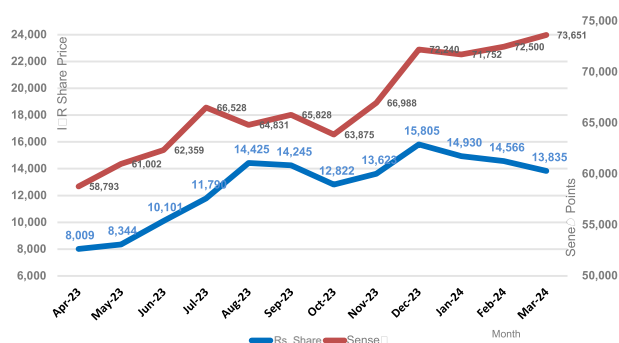
Date of payment of dividend: September 6, 2024  
(Subject to Shareholders' approval)

**(b) Stock Market price data for the period April 2023 to March 2024:**

Period	BSE-Sensex		Market Price (Rs.)	
	High	Low	High	Low
Apr-23	61,209	58,793	8,068	7,800
May-23	63,036	61,002	8,649	7,850
Jun-23	64,769	62,359	10,300	8,002
Jul-23	67,619	64,836	12,250	10,002
Aug-23	66,658	64,724	15,444	11,773
Sep-23	67,927	64,818	15,450	13,950
Oct-23	66,592	63,093	14,255	12,652
Nov-23	67,070	63,550	13,994	12,600
Dec-23	72,484	67,149	17,570	13,400
Jan-24	73,428	70,002	16,338	14,501
Feb-24	73,414	70,810	16,285	14,390
Mar-24	74,245	71,674	14,750	13,238

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

The market Capitalization is 20,119 Mn as on March 31, 2024



**(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 Practising 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 Exchange where the Company's Equity Shares are listed.

As per the Listing Regulations 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, subdivision/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) Disclosure of Certain types of agreements binding listed entities:**

Pursuant to Schedule III, Para A, Clause 5A of Listing Regulations, there are no agreements impacting management or control of the Company or imposing any restriction or create any liability upon the Company.

**(h) Distribution of shareholding as on March 31, 2024:**

Range of Shares	No. of Share Holders	% of Total Share Holders	No. of Shares Held	% of Shareholding	
1	500	4,009	98.62	1,38,973	9.56
501	1,000	28	0.69	18,189	1.25
1,001	2,000	14	0.34	19,153	1.32
2,001	3,000	2	0.05	5,210	0.36
3,001	4,000	3	0.07	10,387	0.71
4,001	5,000	0	0.00	0	0.00
5,001	10,000	3	0.07	18,564	1.28
10,001	& above	6	0.15	1,243,729	85.53
<b>Total</b>	<b>4,065</b>	<b>100.00</b>	<b>1,454,205</b>	<b>100.00</b>	

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

About 98.90% of the 1,454,205 outstanding Equity Shares have been dematerialized up to March 31, 2024.

**(j) Shareholding pattern as on March 31, 2024:**

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	116,623	8.02
Body Corporate	11,956	0.82
NRI	9,497	0.65
FII	225	0.02
Indian Promoter	-	-
Clearing Member	33	0.00
Trust	0	0.00
Investor Education and Protection Fund	13,347	0.92
General Public	214,467	14.75
<b>Sub Total (B)</b>	<b>366,148</b>	<b>25.18</b>
<b>Total (A) + (B)</b>	<b>1,454,205</b>	<b>100.00</b>



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

**(l) 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 on 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.

**(m) Plant Location:**

No.28-32, Satyamangala  
Industrial Area, Tumkur -572 104  
Karnataka.  
Tel: +91-816-2004003

**(n) Address for correspondence:**

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

**(o) 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, 2024 it had not obtained any credit rating for this purpose.

**(p) Dividend Distribution Policy:**

Dividend Distribution Policy is placed on the website of the Company at <https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/3dividenddistributionpolicyjan2022.pdf>

Date: May 23, 2024  
Place: Singapore

For DISA India Limited  
Deepa Hingorani  
Chairperson  
DIN: 00206310

**CEO/CFO CERTIFICATION FOR THE YEAR ENDED MARCH 31, 2024**

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

We, Lokesh Saxena, Managing Director and Vidya Jayant, 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, 2024 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, 2024;
  - (2) there were no significant changes in accounting policies during the year ended March 31, 2024; 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 20, 2024  
Place: Bengaluru

Lokesh Saxena  
Managing Director

Vidya Jayant  
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), 6th 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), 6th 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 31st March, 2024 has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

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

Place: Bengaluru  
Date: 23.05.2024

Vijayakrishna K T  
Practising Company Secretary  
FCS No.: 1788 C P No.: 980  
Peer Review Certificate No. 1883/2022  
UDIN: F001788F000431976

**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 31st March, 2024, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

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

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

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

Place: Bengaluru  
Date: 23.05.2024

Vijayakrishna K T  
Practising Company Secretary  
FCS No.: 1788 C P No.: 980  
Peer Review Certificate No. 1883/2022  
UDIN: F001788F000432053

ANNEXURE- G

**BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR) 2023-24**

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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. Company, being part of the Norican Group, is also led by the sustainable business principles being practiced across the Group cutting across various geographies.

The Company has made endeavours in making its facilities more sustainable, infrastructure more energy efficient, initiatives to reduce energy consumption and it is already using wind energy in the Plant located at Tumkur. The Company has taken initiatives, as part of Corporate Social Responsibility, to plant 5000 trees in a span of five years and 1000 trees have been planted in the city of Bangalore in FY 2023-24, totaling to 2000 trees in the past two years.

The Company seeks 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, recycle 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 518 students in the year 2023-24 including 50 graduate engineering students across Karnataka, 463 students for careers counselling and advancement and 5 students for their study on Bachelor Degree on Advanced Manufacturing to date approx. 3,829 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 its manufacturing facility. We engage with our workforces and their families 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, 2023 to March 31, 2024
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
14	Name of the assurance provider	Not applicable
15	Type of assurance obtained	Not applicable

## II. Products / Services

### 16. 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 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. Norican Digital solutions with DISA foundry equipment solution complies Industry 4.0 requirement. It is an IOT based system which detect and analyse process efficiency, energy consumption, waste generation on real time basis which help to reduce the carbon footprints.</p> <p>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>	Manufacturing	100%

Sl. No.	Description of main activity	Description of business activity	% Of Turnover
2.	Filters 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.		
3.	Surface Preparations Machines Surface preparation machines (Shot Blasting & 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.		

**17. 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, 2023	% Of Total Turnover contributed – 31 <sup>st</sup> March, 2024
1	Sale of Machinery	29292 & 29197	66.4%	68.5%
2	Sale of Machinery Parts	29191	30.6%	26.4%
3	Sale of Engineering Services and Installation Services	11201	1.5%	4.1%
4	Other Operating Income	None	1.5%	1.0%
	<b>Total</b>		<b>100%</b>	<b>100%</b>

**III. Operations**

**18. 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	1	0	1
Offices: Bengaluru	0	1	1
<b>Total</b>	<b>1</b>	<b>1</b>	<b>2</b>

**19. Markets served by the entity**

**a. Number of Locations**

Locations	Number
National (No. of States)	20
International (No. of countries)	15



**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 2023	% of total	31 <sup>st</sup> March 2024	% Of Exports
Domestic	2,057.0	81.5%	2,676.7	83.9%
Exports	467.1	18.5%	514.8	16.1%
<b>Total</b>	<b>2,524.1</b>	<b>100%</b>	<b>3,191.5</b>	<b>100%</b>

**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**

**20. Details as at March 31, 2024 and March 31, 2023**

**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 (D)	205 (210)	197(204)	96%(97%)	8(6)	4%(3%)
2	Other than permanent (E)	23(17)	19(17)	83%(100%)	4(0)	17%(0%)
<b>3</b>	<b>Total Employees (D+E)</b>	<b>228 (227)</b>	<b>216(221)</b>	<b>95%(97%)</b>	<b>12(6)</b>	<b>5%(3%)</b>
<b>Workers</b>						
4	Permanent (F)	70(71)	70(71)	100%(100%)	0(0)	0%(0%)
5	Other than permanent (G)	8(17)	8(17)	100%(100%)	0(0)	0%(0%)
<b>6</b>	<b>Total Workers (F+G)</b>	<b>78(88)</b>	<b>78(88)</b>	<b>100%(100%)</b>	<b>0(0)</b>	<b>0%(0%)</b>

**b. Differently abled employees - Nil**

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

Particulars	Total (B) 31 <sup>st</sup> March 2023	Total (C) 31 <sup>st</sup> March 2024	No. and % of Females			
			No. (B) and % (C/A) 31 March 2023		No. (D) and % (D/B) 31 March 2024	
			No.	%	No.	%
Board of Directors	6	6	2	33%	2	33%
Other Key Management Personnel	2	2	1	50%	1	50%

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

Particulars	2023-24			2022-23			2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8.70%	0.00%	8.70%	12.2%	0.60%	12.80%	13.30%	1.80%	15.10%
Permanent Workers	23.53%	0.00%	23.53%	18.9%	0.00%	18.90%	11.70%	0.00%	11.70%

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

**23. (a) as at March 31, 2023 and March 31, 2024**

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**

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

Sl. No.	Name	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2024
1	Whether CSR is applicable as per Section 135 of the Companies Act, 2013	Yes	Yes
2	Turnover	2,524,136,323	3,191,489,499
3	Net Worth	2,139,206,295	2,390,804,421
4	<b>Total amount spent on CSR</b>	<b>8,171,333</b>	<b>8,160,000</b>

**VII. Transparency and Disclosures Compliances**

**25. 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 2023-24			FY 2022-23		
		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	Nil	Nil	-	4	Nil	-

**26. 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 in the form of subsidies or tax incentives.	-	The Management does not see any threat to DISA growth, rather creating more opportunities in Aluminum business.
2	Alternative Sources of Renewable Energy	Opportunity	SBTi	In Tumkur facility, the Company has switched to drawing power from Wind farm from March 2024 and this would reduce our power cost from non-renewable sources over a period of time.	This is a positive move and in line with SBTi norms.

Sl. No.	Material Issue Identified	Indicate whether Risk or Opportunity	Rationale for identifying the risk / opportunity	Approach to adapt or mitigate	Positive / Negative Implications
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.
5	Labour accident risks	Risk and Opportunity	The Company's operations could potentially hurt the workers physically if the Standard Safety Norms are not complied with.	Company considers safety of its workers and workplace as a matter of priority and the Board directly reviews the safety related aspects. Further, there is constant training given to employees on safety measures and safety audit is also carried out.	Positive
6	Geo-political Risks	Risk and Opportunity	Due to Geo-political changes, including within the country due to change in government, there could be risks of countries changing their regulations of trade or government's regulations may undergo a change.	Management constantly reviews the political scenario and also considers Geo-political risks in taking decisions. Further, the exports are to diversified group of countries and thereby mitigating risk concentration of dependence on one economy.	Positive and Negative.
7	Climate Change, Environmental Stewardship	Risk and Opportunity	Customers may look for greener products and hence there is a risk that existing product line may have to be revamped or tuned to their requirements.	Management continuously monitors the requirement of the customers and aligns their product accordingly.	Positive.
8	Supply Chain disruptions	Risk	Possibility of a vendor not being able to deliver the input is a risk.	We have diversified our procurement to ensure there is no dependence on a particular Vendor.	Positive.

**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	Environmental Protection	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	Y	Y	Y	Y
B. Has the Board (Yes / No) approved the policy.	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/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/2023_dil_business_responsibility_sustainability_reporting_policy.pdf">https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/2023_dil_business_responsibility_sustainability_reporting_policy.pdf</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: <input type="checkbox"/> ISO 9001:2015 Quality Management System standard certification <input type="checkbox"/> ISO 14001:2015 Environmental Management System standard certification <input type="checkbox"/> ISO 45001:2018 Occupational Health and Safety Management System standard certification								
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								

	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Ethics & Transparency	Product Responsibility	Human Resources	Responsiveness to Stakeholders	Respect for Human Rights	Environmental Protection	Public Policy Advocacy	Inclusive Growth	Customer Engagement
<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 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 The Risk Management Committee oversees the sustainability related initiatives of the Company.								

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, overview by the Board of Directors, subjected to audit by 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')	5	2	100%
Employees other than Board of Directors and Key Managerial Personnel.	10	5	70%
Workers	6	3	96%

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):

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

\*The Company has evaluated the requirements of reporting under the above clause based on the materiality guidelines given under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company had a dispute with a customer and the matter was subjected to Arbitration proceedings. The Arbitral tribunal order dated October 12, 2023 has awarded a claim of Rs.25.5 Million plus interest @ 12% p.a. against the Company for alleged unsatisfactory performance of an equipment, which the Company has challenged the same in competent Commercial Court. The Company has disclosed the same in Note No. 32 of its standalone financial statements as of March 31, 2024. Though there are other tax disputes which have been appropriately disclosed in the financial statements, these are not classified as fines/penalties/punishment/award/compounding fees/ or settlement since there are less than the materiality threshold, either individually or cumulatively.

Non-Monetary				
Particulars	Name of the regulatory / enforcement agencies / judicial institutions	Amount (Rs. in Crores)	Brief of the Case	Has an appeal been preferred? (Yes / No)
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: <https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/202420170131noricanantibriberyv520150415.pdf>

The Company is also guided by the Code of Conduct Policy available in the link: <https://www.disagroup.com/-/media/files/shared-pdf-downloads/norican-corporate/disa-india-financials/dilcodeofconductaspersebitregulationso1apr2019.pdf>

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

Particulars	FY 2023-24	FY 2022-23
Directors	None	
KMPs		
Employees		
Workers		

- 6) Details of complaints with regard to conflict of interest

Particulars	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
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.

- 8) Number of days of accounts payables ((Accounts Payables \* 365) / Cost of goods / services procured) in the following format

	FY 2023-24	FY 2022-23
Number of Days of Accounts Payables	74.7	102.5

- 9) Openness of Business: Provide details of concentration of purchases and sales with trading houses, dealers and related parties along with loans and advances & investments, with related parties in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	Purchases from trading houses as % of total purchases	NA	NA
	Number of trading houses where purchases are made from	NA	NA
	Purchases from Top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	Sales to dealers / distributors as % of total sales	15%	17%
	Number of dealers / distributors to whom sales are made	5	5
	Sales to Top 10 dealers / distributors as % of total sales to dealers / distributors	15%	17%
Share of RPTs in	Purchases (Purchases with related parties / Total Purchases)	20%	22%
	Sales (Sales to related parties / Total Sales)	6%	9%
	Loans and Advances (Loans and advances given to related parties / Total loans and advances) Rs in Million	17.5	17.5
	Investments (Investments in related parties / Total Investments made). (Rs. Million)	44.0	44.0

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

- 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.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
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.

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)
  - 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.

- 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 Karnataka State Pollution Control Board ("KSPCB") registered recycler
E-Waste	Sold to KSPCB / Central Pollution Control Board ("CPCB") registered recycler
Hazardous Waste	Sold to KSPCB registered recycler / Incinerator
Other Waste	Sold to KSPCB registered recycler

- 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.**

- Details of Insurance:
  - 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 (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees (Total including Workers)</b>											
Male	197	197	100%	197	100%	0	0%	NA	NA	NA	NA
Female	8	8	100%	8	100%	8	100%	NA	NA	NA	NA
<b>Total</b>	<b>205</b>	<b>205</b>	<b>100%</b>	<b>205</b>	<b>100%</b>	<b>8</b>	<b>4%</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<b>Other than Permanent Employees – Employees on Contract are taken care by the Contract Employer.</b>											
Male	Trainees are covered under Workmen's Compensation Policy and Group Personal Accident Policies taken by the Company.										
Female											
<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 (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	70	70	100%	70	100%	NA	NA	NA	NA	NA	NA
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA	NA	NA	NA
<b>Total</b>	<b>70</b>	<b>70</b>	<b>100%</b>	<b>70</b>	<b>100%</b>	<b>Nil</b>	<b>Nil</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<b>Other than Permanent Workers</b>											
Male	8	8	100%	8	100%	NA	NA	NA	NA	NA	NA
Female	0	0	Nil	0	Nil	0	0	NA	NA	NA	NA
<b>Total</b>	<b>8</b>	<b>8</b>	<b>100%</b>	<b>8</b>	<b>100%</b>	<b>0</b>	<b>0</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2023-24	FY 2022-23
Cost incurred on well being measures as a % of total revenue of the Company	1.4%	1.3%

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

Benefits	FY 2023-24			FY 2022-23		
	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 2)	NA	0% (Note 2)	0% (Note 2)	NA
Others (Superannuation)	22%	0%	N	42%	0%	N

Note:

- Gratuity is funded with Life Insurance Corporation of India.
- There are no permanent employees who were covered under ESI for the current financial year and previous financial year.
- 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.
- 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.
- 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>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

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 Department 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 worker in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24			FY 2022-2023		
	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)
<b>Total Permanent Employees</b>	<b>135</b>	<b>0</b>	<b>0%</b>	<b>139</b>	<b>0</b>	<b>0%</b>
Male	127	0	0%	133	0	0%
Female	8	0	0%	6	0	0%
<b>Total Permanent Workers</b>	<b>70</b>	<b>70</b>	<b>100%</b>	<b>71</b>	<b>71</b>	<b>100%</b>
Male	70	70	100%	71	71	100%
Female	0	0	0%	0	0	0%

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.(B)	%(B / A)	No.(C)	%(C / A)		No.(E)	%(E/D)	No.(F)	%(F / D)
<b>Employees</b>										
Male	127	91	72%	92	72%	133	118	88%	53	40%
Female	8	4	50%	12*	150%	6	5	83%	4	67%
<b>Total</b>	<b>135</b>	<b>95</b>	<b>70%</b>	<b>104</b>	<b>77%</b>	<b>139</b>	<b>123</b>	<b>88%</b>	<b>57</b>	<b>41%</b>
<b>Workers</b>										
Male	70	70	100%	0	0%	71	65**	92%	30	42%
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Total</b>	<b>70</b>	<b>70</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>71</b>	<b>65</b>	<b>92%</b>	<b>30</b>	<b>42%</b>

\*Employees have undergone one or more training programs.

\*\*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 2023 - 24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees (for permanent employees)</b>						
Male	127	127	100%	133	133	100%
Female	8	7	88%	6	6	100%
<b>Total</b>	<b>135</b>	<b>134</b>	<b>99%</b>	<b>139</b>	<b>139</b>	<b>100%</b>

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Workers - No specific performance and career development reviews done for workers</b>						
Male	70	70	100%	71	71	100%
Female	0	0	0%	0	0	0%
<b>Total</b>	<b>70</b>	<b>70</b>	<b>100%</b>	<b>71</b>	<b>71</b>	<b>100%</b>

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 for such system?

As part of ensuring a safe and hygienic work environment, Company ensures that (Occupational, Health and Safety) 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?

- (Environment, Health and Safety) 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)

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

- d. Do the employees/ workers 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 2023-24	FY2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	None	None
	Workers	None	0.7
Total recordable work-related injuries	Employees	None	None
	Workers	None	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.

- a. 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.
- b. The Company ensures the food and beverages products used are Food Safety and Standards Authority of India (FSSAI) certified.
- c. Relevant safety posters are displayed in the workplaces around the factory. Regular safety awareness programs are conducted in the factory.
- d. Pre-employment medical health checkup conducted for all employees.
- e. Annual Health checkup conducted for all the employees and workers at factory.
- f. Health and Safety awareness programs conducted for all employees.
- g. Annual emergency mock – drill conducted.
- h. Ensuring compliance of fire emergency requirements, fire alarm and fire extinguishers in office and plant.
- i. Factory and office facility are covered under CCTV surveillance.
- j. Employees are trained in first aid treatment and to attend to emergencies. The Company has ensured availability of first-aid equipment in all its facilities.

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

Particulars	FY 2023-24			FY 2022-23		
	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. Notifications as released	None	None	As it is explained in sr. no 12 Complying to Govt. Notifications as released
Health and Safety	None	None		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	100%
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 in point no. 2.

2. List of 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 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (C/D)
<b>Employees</b>						
Permanent	135	135	100%	139	139	100%
Other than Permanent	15	15	100%	0	0	0%
<b>Total employees</b>	<b>150</b>	<b>150</b>	<b>100%</b>	<b>139</b>	<b>139</b>	<b>100%</b>
<b>Workers</b>						
Permanent	70	70	100%	71	71	100%
Other than Permanent	8	8	100%	17	17	100%
<b>Total workers</b>	<b>78</b>	<b>78</b>	<b>100%</b>	<b>88</b>	<b>88</b>	<b>100%</b>

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 Company.

Harassment in any form of behaviour 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 organizational policies, finances and long term organizational 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 2023-24				FY 2022-23				
		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	127	0	0%	127	100%	133	0	0%	133	100%
Female	8	0	0%	8	100%	6	0	0%	6	100%
<b>Other than Permanent</b>										
Male	19	0	0%	19	100%	0	0	0%	0	0%
Female	4	0	0%	4	100%	0	0	0%	0	0%

Category	Total (A)	FY 2023-24				FY 2022-23				
		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>Workers</b>										
<b>Permanent</b>										
Male	70	0	0%	70	100%	71	0	0%	71	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Other than Permanent</b>										
<b>Male</b>	8	8	100%	0	0%	17	17	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:

a. Median remuneration/wages

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors*	1	23,806,711	0	0
Independent Directors	1	770,000	1	800,000
KMP	1	14,121,606	1	2,176,130
Employees other than above	125	1,418,531	7	2,125,225
Workers	70	957,448	0	0

Note:

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

b. Gross Wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross Wages paid to females as % of total wages	3%	3%

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 2023-24			FY 2022-23		
	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 labour						
Forced labour						

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at end of the year	Remarks	Filed during year	Pending resolution at the end of the year	Remarks
Wages						
Other human rights related issues			None			

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 in the following format:

	FY 2023-24	FY2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld.	Nil	Nil

8. 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.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No) - Yes  
10. 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

11. 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 2023-24	FY 2022-23
<b>From renewable sources</b>		
Total electricity consumption (A)	85,000 KJ	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total (A+ B+ C)	85,000 KJ	-
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	-	-
<b>From non-renewable sources</b>		
Total electricity consumption (D)	4,655,644,189 KJ	3,555,421,200 KJ
Total fuel consumption (E)	3,87,600 KJ	4,38,178 KJ
Energy consumption through other sources (F)	68,508,000 KJ	70,740,000 KJ
Total energy consumed from nonrenewable sources (D+E+F)	4,724,539,789 KJ	3,626,599,378 KJ
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>4,724,624,789 KJ</b>	<b>3,626,599,378 KJ</b>
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	1.48	1.44
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
<b>Energy intensity in terms of physical output</b>	-	-
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 2023-24	FY 2022-23
Water withdrawal by source (in KL)		
i) Surface water	Nil	Nil
ii) Ground water	Nil	Nil
iii) Third Party water (Tanker water)	4,060 KL	4,670 KL
iv) Sea water	Nil	Nil
v) Others	Nil	Nil
<b>Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)</b>	<b>4,060 KL</b>	<b>4,670 KL</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>4,060 KL</b>	<b>4,670 KL</b>
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations)	0.00	0.00
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
<b>Water intensity</b> (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. Provide the following details related to water discharged:

	FY 2023-24	FY 2022-23
<b>Water discharged by destination and level of treatment (in kiloliters)</b>		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Ground water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) To Others		
- No treatment	-	-
- With treatment – please specify level of treatment	3,636 KL	1,087 KL STP operation started from Oct'22 onwards
<b>Total Water discharged (in kilolitres)</b>	<b>3,636 KL</b>	<b>1,087 KL</b>

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.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.  
Not Applicable.
6. Details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Nox	µg/m <sup>3</sup>	10.1 Avg	12.4 Avg
Sox	µg/m <sup>3</sup>	6.2 Avg	7.4 Avg
Particulate Matter	µg/m <sup>3</sup>	45.1 Avg	51.2 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.

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

Parameter	Unit	FY 2023-24	FY 2022-23
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	853.26 MT CO <sub>2</sub> equivalent	743 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
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.00	0.00
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		-	-
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>		-	-
<b>Total Scope 1 and Scope 2 emission intensity</b> (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.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details  
–Yes. Tube lights and MV lamps replaced to LED Lights in phase manner at factory.
9. Details related to waste management by the entity.

Parameter	FY 2023-24	FY 2022-23
<b>Total waste generated (in metric tons)</b>		
Plastic waste (A)	0.69MT	0.83MT
E-waste (B)	NA	0.3 MT
Bio-medical waste (C)	NA	NA
Construction & demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other hazardous waste (G)	2.09 MT	4.37 MT
Other non-hazardous waste (H)	208.37 MT	238.03 MT
<b>Total (A+B+C+D+E+F+G+H)</b>	<b>211.15 MT</b>	<b>243.23 MT</b>

Parameter	FY 2023-24	FY 2022-23
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT / Rs Million)	0.00	0.00
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity.	-	-

**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>	<b>Nil</b>	<b>Nil</b>

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

Category of waste		
Incineration	0.22 MT	0.38 MT
Landfilling	Nil	Nil
Other disposing operations	Nil	Nil
<b>Total</b>	<b>0.22 MT</b>	<b>0.38 MT</b>

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.

10. 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.

11. 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.			

12. 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.					

13. 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:

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. i. Number of affiliations with trade and industry chambers/ associations - 9  
ii. 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

2. 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:

Sl.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable						

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

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

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

	FY 2023-24	FY 2022-23
Directly sourced from MSME/Small producers	52%	52%
Sourced directly from within/neighboring districts	57%	63%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

	FY 2023-24		FY 2022-23	
	Rs. Million	%	Rs. Million	%
Rural	-	-	-	-
Semi-Urban	-	-	-	-
Urban	227.4	52%	223.3	54%
Metropolitan	206.7	48%	187.2	46%
<b>Total</b>	<b>434.1</b>	<b>100%</b>	<b>410.5</b>	<b>100%</b>

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Tumkur (Plant) has been considered as Urban and the Corporate Office (Bengaluru) has been considered as Metropolitan. The above is the employee cost including wages paid to all personnels in the Plant and in the Corporate Office.

**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:

	FY 2023-24			FY 2022-23		
	Received during year	Pending resolution at end of year	Remarks	Received during year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive trade practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair trade practices	Nil	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil	Nil

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

	Number	Reasons for recall
Voluntary recalls	None	Not Applicable.
Forced recalls	None	Not Applicable.

5. 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>.

6. 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 FY 2023-24 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 operational cost.

**(i) The steps taken or impact on conservation of energy** - 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 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.

**(ii) The steps taken by the company for utilizing alternate sources of energy** - The Company has switched to wind energy in its Tumkur plant from March 2024.

**(iii) The capital investment on energy conservation equipments** - Not Applicable.

**B. Technology absorption**

**(i) The efforts made towards 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. 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.

**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution**- Benefits have been reflected in terms of improved quality, productivity and operational efficiency of equipment supplied by the Company.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)** - Not Applicable.

(a) The details of technology imported : Not Applicable.

(b) the year of import : Not Applicable.

(c) Whether the technology been fully absorbed : Not Applicable.

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof and : Not Applicable.

**(iv) The expenditure incurred on Research and Development** – All major R&D efforts are pooled centrally at the Group level. The expenditure has been mainly in the nature of payment of license fee for use of technology knowhow reported as royalty and technology fees under other expenses.

**C. Foreign Exchange Earnings and Outgo**

Foreign Exchange Earned: Rs. 517.72 Mn

Foreign Exchange Out go: Rs. 671.83 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) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

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

**1) Ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2023-24**

Sl.No.	Name Messrs.	Designation	Ratio of remuneration for 2023-24 to MRE
1	Anders Wilhjelm	Non Executive Director	NA
2	Ulla Hartvig Plathe Tonnesen	Non Executive Director	NA
3	Michael Declan Guerin	Non Executive Director	NA
4	Deepa Agar Hingorani	Independent Director	0.36
5	Bhagya Chandra Rao	Independent Director	0.33
6	Lokesh Saxena	Managing Director	20.40

**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:**

Anders Wilhjelm, Non Executive Director	:	NA
Ulla Hartvig Plathe Tonnesen, Non Executive Director	:	NA
Michael Declan Guerin, Non Executive Director	:	NA
Deepa Agar Hingorani, Independent Director	:	-8%
Bhagya Chandra Rao, Independent Director	:	-2%
Lokesh Saxena, Managing Director	:	9%
Amar Nath Mohanty, Chief Financial Officer*	:	9%
Shrithee M S, Company Secretary**	:	2%

\* Retired at the close of business hours on April 22, 2024 and Ms. Vidya Jayant was appointed as Chief Financial Officer with effect from April 23, 2024.

\*\* Upto April 29, 2024 and appointed again with effect from May 23, 2024.

**3) The percentage increase in the median remuneration of employees in the financial year** : -5.9%

**4) The number of permanent employees on the rolls of the Company** : 205

**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.



**INDEPENDENT AUDITOR'S REPORT**

**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, 2024, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of material 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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 for the financial year ended March 31, 2024. 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. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key Audit Matter	How our audit addressed the key audit matter
<p><b>Revenue from contracts with customers</b> (as described in note 3.2 and 23 of the standalone financial statements)</p>	
<p>The Company recognises revenue from sale of goods based on the terms and conditions specified in the agreement(s), which vary for different products. For sale of goods around the balance sheet date, it is essential to ensure that the transfer of control of the goods to the customer occurs before the balance sheet date. Considering, the Company has material sale transactions close to the year-end and recognition of revenue 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>Our audit procedures include the following:</p> <ul style="list-style-type: none"> <li>➤ We evaluated the Company's accounting policies pertaining to revenue recognition and assessed compliance with the policies in terms of Ind AS 115 - Revenue from Contracts with Customers.</li> <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 sample of sales transactions recorded closer 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 for the different products, and</li> <li>- Verified evidence like lorry receipts, despatch entries in gate register and other supporting documents for transfer of control of the goods prior to the balance sheet date.</li> </ul> </li> <li>➤ We read and assessed the relevant disclosures made in the standalone financial statements.</li> </ul>

We have determined that there are no other key audit matters to communicate in our report.

### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities 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 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 with reference to financial statements 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 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 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.

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 for the financial year ended March 31, 2024, 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 Matter**

The standalone financial statements of the Company for the year ended March 31, 2023, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 25, 2023.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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;
  - (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 i.) that the Company does not have server physically located in India for the daily backup of the books of account and other books and papers maintained in electronic mode, and; ii.) for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g);
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in

Equity dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The modification relating to the maintenance of books of account and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g);
- (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to 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 36 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 46(v) 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 or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or

otherwise, that the Intermediary shall, whether, 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 46(vi) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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; and
- c) Based on such 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 (a) and (b) contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act. As stated in note 18c 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 declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- vi. The Company has migrated to a new/ upgraded version of the accounting software from legacy accounting software during the year. The audit trail feature in respect of the legacy accounting software was not enabled, as described in note 46(x) to the financial statements. Further, the Company is in the process of establishing necessary controls and documentation regarding audit trail for new/ upgraded version of the accounting software, as described in aforesaid note. Consequently, we are unable to comment on audit trail feature of the legacy and new/ upgraded version of the accounting software.

For **S.R. Batliboi & Associates**

LLP Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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**per Sunil Gaggar**

Partner

Membership Number: 104315

UDIN: 24104315BKEXHX3821

Place of Signature: Bengaluru

Date: May 23, 2024

**Annexure '1' referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" section of our Report of even date**

Re: DISA India Limited (the "Company")

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.
- B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) All Property, Plant and Equipment were physically verified by the Management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Management has conducted physical verification of inventory including inventory lying with third parties at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the Management is appropriate. No material discrepancies were noticed on such verification.
- (b) As disclosed in note 13a to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/ statements filed by the Company with such banks are in agreement with the audited books of accounts of the Company. The Company do not have sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.
- (iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, limited liability partnerships or any other party. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other party. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) During the year, the Company has not granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other party. In earlier year, the Company granted a loan to its subsidiary company, where the schedule of repayment of principal has not been stipulated in the agreement. Hence, we are unable to make a specific comment on the regularity of repayment of principal. In respect of such loan, the schedule of payment of interest has been stipulated in the agreement and receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other party which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, limited liability partnerships or any other party which had fallen due during the year.
- (f) During the year, the Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other party. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) Loans, investments and guarantees in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company. The Company has not provided security in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the

Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the manufacture of goods, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of

excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) There are no dues of goods and services tax, provident fund, employees' state insurance, service tax, customs duty, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute. The dues of income tax, excise duty, central sales tax and entry tax, which have not been deposited on account of any dispute, are as follows:

(Amount in INR millions)

Name of the statute	Nature of the Dues	Amount	Amount paid Under protest	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty	2.1	0.2	FY 2013-2018	CESTAT
The Central Sales Tax Act, 1956	Central Sales Tax	6.6	2.3	FY 2012-2013	Karnataka Appellate Tribunal
The Karnataka Tax on Entry of Goods Act, 1979	Entry Tax	0.7	0.6	FY 2012-2013	Karnataka Appellate Tribunal
The Income Tax Act, 1961	Income Tax	139.7	85.3	AY 2012-13 and AY 2013-14	CIT(A)

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on 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 did not have any term loans outstanding during the year hence, the requirement to report on clause ix(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary company.
- (f) The Company has not raised loans during the year on the

pledge of securities held in its subsidiary company. Hence, the requirement to report on clause ix(f) of the Order is not applicable to the Company.

- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under Sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT - 4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report

- on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or person connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no core investment company as a part of the group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 44 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 in compliance with second proviso to Sub-section 5 of Section 135 of the Companies Act, 2013. This matter has been disclosed in note 31 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of Sub-section (6) of Section 135 of Companies Act, 2013. This matter has been disclosed in note 31 to the financial statements.

For **S.R. Batliboi & Associates**

LLP Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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**per Sunil Gaggar**

Partner

Membership Number: 104315

UDIN: 24104315BKEXHX3821

Place: Bengaluru

Date: May 23, 2024

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF DISA INDIA LIMITED**

**Report on the Internal Financial Controls 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 of DISA India Limited ("the Company") as of March 31, 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 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 these standalone financial statements 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") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these 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 these 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 these 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 these standalone financial statements.

**Meaning of Internal Financial Controls with Reference to these Standalone Financial Statements**

A company's internal financial controls 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 controls 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 with reference to standalone 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, the Company has, in all material respects, 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, 2024, 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 issued by the ICAI.

For **S.R. Batliboi & Associates**  
LLP Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

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**per Sunil Gaggar**

Partner

Membership Number: 104315

UDIN: 24104315BKEXHX3821

Place of Signature: Bengaluru

Date: May 23, 2024

**STANDALONE BALANCE SHEET AS AT MARCH 31, 2024**  
(All amounts in Indian Rupees Millions, unless otherwise stated)

	Notes No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4	385.4	394.0
(b) Capital work-in-progress	4	8.2	-
(c) Investment properties	5	4.3	4.4
(d) Right-of-use assets	43	14.9	24.9
(e) Other intangible assets	6	--	0.4
(f) Financial assets			
(i) Investment in subsidiary	7	44.0	44.0
(ii) Other financial assets	8a	22.3	51.0
(g) Income tax assets (net)	16a	39.3	47.5
(h) Deferred tax assets (net)	9	12.0	6.2
(i) Other non-current assets	10a	8.5	11.4
<b>Total non-current assets</b>		<b>538.9</b>	<b>583.8</b>
<b>Current assets</b>			
(a) Inventories	11	833.3	515.2
(b) Financial assets			
(i) Trade receivables	12	290.9	454.6
(ii) Cash and cash equivalent	13a	69.7	72.1
(iii) Bank balance other than (ii) above	14	2,191.9	1,715.7
(iv) Loans	15	17.5	17.5
(v) Other financial assets	8b	73.8	56.6
(c) Other current assets	10b	98.2	64.5
<b>Total current assets</b>		<b>3,575.3</b>	<b>2,896.2</b>
<b>Total assets</b>		<b>4,114.2</b>	<b>3,480.0</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	17	14.5	14.5
(b) Other equity	18a	2,376.2	2,124.7
<b>Total Equity</b>		<b>2,390.7</b>	<b>2,139.2</b>
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	43	7.5	19.4
<b>Total non-current liabilities</b>		<b>7.5</b>	<b>19.4</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	43	11.9	10.0
(ii) Trade payables	19		
(I) Total outstanding dues of micro enterprises and small enterprises		111.2	104.9
(II) Total outstanding dues of creditors other than micro enterprises and small enterprises		343.5	304.3
(iii) Other financial liabilities	20	66.4	77.0
(b) Provisions	21	69.7	43.9
(c) Current tax liabilities (net)	16b	5.5	1.7
(d) Other current liabilities	22	1,107.8	779.6
<b>Total current liabilities</b>		<b>1,716.0</b>	<b>1,321.4</b>
<b>Total liabilities</b>		<b>1,723.5</b>	<b>1,340.8</b>
<b>Total equity and liabilities</b>		<b>4,114.2</b>	<b>3,480.0</b>
Summary of material accounting policies	2		

The accompanying notes form an integral part of the Standalone Financial Statements. As per our report of even date attached

**For S.R. Batliboi & Associates LLP**  
Chartered Accountants  
Firm's Registration No. 101049W/E300004

per **Sunil Gagar**  
Partner  
Membership No. 104315  
Place: Bangalore  
Date: May 23, 2024

**For and on behalf of the Board of Directors**  
**DISA India Limited**  
CIN: I85110ka1984plc006116

**Lokesh Saxena**  
Managing Director  
DIN: 07823712  
**Vidya Jayant**  
Chief Financial Officer  
Place :Bangalore  
Date: May 23, 2024

**Deepa Hingorani**  
Director  
DIN: 00206310  
**Shrithree MS**  
Company Secretary , ACS : 56563  
Place :Bangalore  
Date: May 23, 2024

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

	Notes No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>I Income</b>			
Revenue from contracts with customers	23	3,191.5	2,524.1
Other income	24	154.8	104.8
<b>Total Income</b>		<b>3,346.3</b>	<b>2,628.9</b>
<b>II Expenses</b>			
(a) Cost of materials consumed	25	1,786.1	1,182.1
(b) Purchase of traded goods	26	237.1	251.8
(c) (Increase)/decrease in inventories of finished goods, work in progress and traded goods	27	(119.1)	19.0
(d) Employee benefits expense	28	434.1	410.5
(e) Finance costs	29	7.1	6.3
(f) Depreciation and amortisation expense	30	45.4	43.1
(g) Other expenses	31	371.1	331.7
<b>Total expenses</b>		<b>2,761.8</b>	<b>2,244.5</b>
<b>III Profit before exceptional items and tax (I-II)</b>		<b>584.5</b>	<b>384.4</b>
<b>IV Exceptional items</b>	32	25.5	
<b>V Profit before tax (III-IV)</b>		<b>559.0</b>	<b>384.4</b>
<b>VI Tax expense:</b>			
(a) Current tax	9	148.1	96.7
(b) Deferred tax (credit) / expense	9	(4.5)	3.5
<b>Total tax expenses</b>		<b>143.6</b>	<b>100.2</b>
<b>VII Profit after tax (V-VI)</b>		<b>415.4</b>	<b>284.2</b>
<b>VIII Other comprehensive income, net of taxes</b>			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods :			
(i) Re-measurement losses in defined benefit plans	34	(5.3)	(4.4)
(ii) Income tax effect	9	1.3	1.1
<b>Total other comprehensive income (net of taxes)</b>		<b>(4.0)</b>	<b>(3.3)</b>
<b>IX Total comprehensive income for the year (VII+VIII)</b>		<b>411.4</b>	<b>280.9</b>
Earnings per equity share (Face value of Rs 10 /- each):	33		
Basic and Diluted, computed on the basis of profit for the year		285.65	195.43
Summary of material accounting policies	2		

The accompanying notes form an integral part of the Standalone Financial Statements  
As per our report of even date attached

**For S.R. Batliboi & Associates LLP**  
Chartered Accountants  
Firm's Registration No. 101049W/E300004

**per Sunil Gaggar**  
Partner  
Membership No. 104315  
Place: Bangalore  
Date: May 23, 2024

**For and on behalf of the Board of Directors**  
**DISA India Limited**  
CIN: I85110ka1984plc006116

**Lokesh Saxena**  
Managing Director  
DIN: 07823712

**Vidya Jayant**  
Chief Financial Officer  
Place :Bangalore  
Date: May 23, 2024

**Deepa Hingorani**  
Director  
DIN: 00206310

**Shrithee MS**  
Company Secretary , ACS : 56563  
Place :Bangalore  
Date: May 23, 2024

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**a. Equity Share Capital:**

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares of Rs. 10 each issued, subscribed and fully paid</b>				
Balance as at the beginning of the reporting year	1,454,205	14.50	1,454,205	14.50
Changes in the equity share capital during the year	-	-	-	-
<b>Balance at the end of the reporting year</b>	<b>1,454,205</b>	<b>14.50</b>	<b>1,454,205</b>	<b>14.50</b>

**b. Other equity**

	Reserves & Surplus			
	Capital Reserve	Capital Redemption reserve	Retained earnings	Total Equity
<b>Balance as at April 1,2022</b>	1.5	0.6	2,001.6	2,003.7
Profit for the year	-	-	284.2	284.2
Other comprehensive income (net of taxes)	-	-	(3.3)	(3.3)
Dividends (refer note 18c)	-	-	(159.9)	(159.9)
<b>Balance as at March 31, 2023</b>	<b>1.5</b>	<b>0.6</b>	<b>2,122.6</b>	<b>2,124.7</b>
Profit for the year	-	-	415.4	415.4
Other comprehensive income (net of taxes)	-	-	(4.0)	(4.0)
Dividends (refer note 18c)	-	-	(159.9)	(159.9)
<b>Balance as at March 31, 2024</b>	<b>1.5</b>	<b>0.6</b>	<b>2,374.1</b>	<b>2,376.2</b>
Summary of material accounting policies	Note 2			

The accompanying notes form an integral part of the standalone Financial Statements

As per our report of even date attached

**For S.R. Batliboi & Associates LLP**

Chartered Accountants  
Firm's Registration No. 101049W/E300004

**per Sunil Gaggar**

Partner  
Membership No. 104315  
Place: Bangalore  
Date: May 23, 2024

**For and on behalf of the Board of Directors**

**DISA India Limited**  
CIN: I85110ka1984plc006116

**Lokesh Saxena**

Managing Director  
DIN: 07823712

**Vidya Jayant**

Chief Financial Officer  
Place :Bangalore  
Date: May 23, 2024

**Deepa Hingorani**

Director  
DIN: 00206310

**Shrithee MS**

Company Secretary , ACS : 56563  
Place :Bangalore  
Date: May 23, 2024

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

	Notes No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Profit before tax</b>		559.0	384.4
Adjustments to reconcile profit before tax to net cash flows :			
Exceptional items	32	25.5	-
Depreciation and amortisation expense	30	45.4	43.1
Finance costs	29	7.1	6.3
Profit on sale of property, plant and equipment	24	(0.7)	(0.9)
Interest income	24	(140.3)	(90.3)
Bad debts	31	-	0.2
Provision for doubtful trade receivables	31	8.1	2.4
Rental income	24	(2.5)	(2.7)
Net unrealised exchange gains		(4.7)	(10.2)
<b>Operating profit before changes in working capital</b>		<b>496.9</b>	<b>332.3</b>
<b>Changes in working capital</b>			
<b>Adjustments for (increase)/decrease in non-current assets:</b>			
Other financial assets		0.2	(0.7)
Other non-current assets		2.0	(10.8)
<b>Adjustments for (increase)/decrease in current assets:</b>			
Inventories		(318.1)	(4.6)
Trade receivables		155.6	(105.0)
Other financial assets		(1.5)	(14.6)
Other current assets		(33.7)	(17.2)
<b>Adjustments for increase/(decrease) in current liabilities:</b>			
Trade payables		50.2	88.0
Other financial liabilities		2.3	(1.5)
Short term provisions		(5.0)	3.0
Other current liabilities		328.2	225.7
<b>Cash generated from operating activities</b>		<b>677.1</b>	<b>494.6</b>
Income tax paid (net)		(136.1)	(118.3)
<b>Net cash generated from operating activities (A)</b>		<b>541.0</b>	<b>376.3</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment & Capital work-in-progress		(48.4)	(144.1)
Proceeds from sale of property, plant and equipment		1.7	0.9
Loan repayment from subsidiary company		-	8.5
Redemption/maturity of bank deposits		1,763.9	1,319.4
Investment in bank deposits		(2,210.6)	(1,436.3)
Dividend Transfer from / ( to ) separate bank account		-	218.1
Interest received		123.6	84.8
Repayment of rental deposits		(0.2)	-
Rental income		2.5	2.7
<b>Net Cash flows (used in) / from investing activities (B)</b>		<b>(367.5)</b>	<b>54.0</b>

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Finance costs		(6.2)	(9.3)
Payment of principal portion of lease liabilities		(10.0)	(5.5)
Dividends paid		(159.7)	(378.0)
<b>Net Cash flow used in financing activities (C)</b>		<b>(175.9)</b>	<b>(392.8)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)</b>		<b>(2.4)</b>	<b>37.5</b>
Cash and cash equivalent as at the beginning of the year	13a	<b>72.1</b>	<b>34.6</b>
<b>Cash and cash equivalent at the end of the year</b>		<b>69.7</b>	<b>72.1</b>
<b>Cash and cash equivalent at the end of the year</b>		13a	
Comprises			
(a) Cash in hand		-	0.1
(b) Balance in current accounts		69.7	72.0
		<b>69.7</b>	<b>72.1</b>
Summary of material accounting policies	2		

Refer Note 13b for Change in liabilities arising from financing activities and for non-cash financing and investing activities.

The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date attached

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

Firm's Registration No. 101049W/E300004

**per Sunil Gaggar**

Partner

Membership No. 104315

Place: Bangalore

Date: May 23, 2024

**For and on behalf of the Board of Directors**

**DISA India Limited**

CIN: I85110ka1984plc006116

**Lokesh Saxena**

Managing Director

DIN: 07823712

**Vidya Jayant**

Chief Financial Officer

Place :Bangalore

Date: May 23, 2024

**Deepa Hingorani**

Director

DIN: 00206310

**Shrithree MS**

Company Secretary , ACS : 56563

Place :Bangalore

Date: May 23, 2024

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR  
THE YEAR ENDED MARCH 31, 2024**

**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 and the Company's ultimate holding company is Norican Global A/S, Denmark. The registered office of the Company is located at World Trade Center (WTC), 6th Floor, Unit No. S-604, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bengaluru - 560 055, India. CIN of the Company is L85110KA1984PLC006116.

**1.2.** The Company is an equipment manufacturer and is engaged in supplying complete foundry systems that includes primarily DISA brand of moulding machines, sand mixers with combination of sand plant equipment, surface preparation machines and environmental control systems to customers across the country and manufacturing plant located in Tumkur, Bangalore, Karnataka.

**1.3.** The Company's standalone financial statements were approved by the Company's Board of Directors on May 23, 2024.

**2. Material accounting policies**

**2.1. Basis of Preparation and Presentation**

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to standalone financial statement.

The financial statements have been prepared on the historical cost basis, except for the defined benefit plans, which have been measured at fair value.

The accounting policies adopted for preparation and presentation of financial statement have been consistent with the previous year.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

**2.2. 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.

**2.3. Significant accounting judgements, estimates and assumptions**

The preparation of the Company's standalone financial statements requires the Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and assumptions are reviewed on periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The key assumptions concerning the future and other key sources of estimation, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are described below. The Company's assumptions and estimates are based on parameters available at the time of preparation of the standalone financial statements. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Provision for inventories

Management reviews the aged inventory on a periodic basis. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. The Management also evaluates on the usability of existing inventories as a result of technological and regulatory changes if any and provides for the required allowances for slow moving/ non-moving and obsolete inventory. This review also involves comparison of the carrying value of the aged inventory item with the respective net realisable value. Management believes that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature,

a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the Management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. These mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

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.

Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

Provision for warranty

Warranty estimates are established using historical information on the nature, frequency and average cost of warranty claims and also Management estimates regarding possible future outflow on servicing the customers for any corrective action in respect of product failure.

**3. Summary of material accounting policies**

**3.1. Current versus non-current classification**

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**3.2. Revenue from contracts with customers**

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 of goods sold and services rendered is net of goods & service tax, returns, discounts offered by the Company

as part of the contract. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer, it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. Specific criteria's in relation to satisfaction of performance obligations have been met for each for the Company's activities described below:

3.2.1 Revenue from sale of product:

Revenue from sale of manufactured goods is recognised at the point in time on satisfaction of each performance obligation by transfer of control of the machines to the customer, generally on dispatch. A performance obligation is transferred when the customer obtains control.

a) Revenue from sale of manufactured machinery:

The Company earns revenues from sale of two categories of manufactured machineries 1) smaller machines or parts of larger assembled machineries i.e. sand plants and 2) single machines viz. moulding machines, short-blast machines, filters, and other similar machines. For the first category, each individual machine or part of the large assembled machines are separate performance obligation with transaction price allocated to each of these identified performance obligation in the contract on a relative stand-alone selling price. For the second category, each single machine is identified as a separate performance obligation.

The Company also considers other promises viz. supervision of installation services in the contract that are separate performance obligations to which a portion of the transaction price is allocated.

b) Revenue from sale of traded and manufactured parts of machinery:

Revenue from sale of traded and manufactured parts of machinery is recognised at the point in time on satisfaction of each performance obligation by transfer of control to the customer, generally on delivery.

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (3.15) Financial instruments – initial recognition and subsequent measurement.

The Company applies the practical expedient for short-term advances received from customers. That is, the promised



amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

#### 3.2.2. Warranty obligations

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions in section (3.13) Provisions.

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.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.3.

#### 3.2.3 Supervision services for erection and commissioning

The Company provides supervision services as bundled together with the sale of equipment to a customer. The supervision of installation services do not significantly customise or modify the equipment.

Contracts for bundled sales of equipment and supervision services are comprised of separate performance obligations because the equipment and installation and supervision services are both sold on a stand-alone basis and are distinct within the context of contract. Accordingly, the Company allocates the transaction price based on the relative stand-alone selling prices of the equipment and installation and supervision services.

The Company recognises revenue supervision services over time because the customer simultaneously receives and consumes the benefits provided to them. The Company uses an input method in measuring progress of the installation and supervision services because there is a direct relationship between the Company's effort (i.e., based on cost incurred or labour hours incurred) and the transfer of service to the customer. The Company recognises revenue on the basis of the cost/labour hours expended relative to the total expected cost/labour hours to complete the service.

#### 3.2.4. Loyalty Discount

Loyalty discount is provided to dealers who are customers of the Company on sale of spare parts that can be redeemed

against subsequent sales. The Company applies the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Company then applies the requirements on constraining estimates in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the expected future rebates (i.e., the amount not included in the transaction price).

#### 3.2.5. Commission Income

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

#### 3.2.6. 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.

#### 3.2.7. Interest Income

Interest Income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable.

### **3.3. 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.

#### Right-of-use assets

The Company recognises a right-of-use asset 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 i.e., 5 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In addition, the right-of-use asset is periodically reduced by impairment losses.

#### Lease liabilities

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. The lease liability is measured at amortised cost using the effective interest method.

#### 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.

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

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. 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.

#### **3.4. 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.

#### **3.5. Employee benefits**

##### 3.5.1 Defined Contribution Plans

The Company makes defined contribution to the Government Employee Provident Fund, Superannuation Fund and Employees' State Insurance, which are recognised in the Statement of Profit and Loss, on accrual basis. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Company has no obligation, other than the contribution payable to the provident fund.

##### 3.5.2. Defined Benefit Plans

The Company operates a defined benefit gratuity plan in India. The Company contributes to a gratuity fund maintained by an independent insurance company. The Company's liabilities under The Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in the 'Employee benefits expense' in the Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets (excluding amounts included in net Interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. These are presented as re-measurement gains or losses on defined benefit plans under other comprehensive income in other equity. Remeasurements gains or losses are not reclassified subsequently to the Statement of Profit and Loss.

##### 3.5.3. Leave encashment / Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation in the Statement of Profit and Loss.

The Company presents the entire leave as a current liability in the Balance Sheet, since it does not have any unconditional

right to defer its settlement for twelve months after the reporting date.

#### 3.5.4. Short term & Other Long-Term Employee benefits

Short-term employee benefits are recognised as an expense on accrual basis.

### 3.6. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

### 3.7. Taxation

Tax expense for the year comprises of current tax expense and

deferred tax using rates at the balance sheet date.

#### 3.7.1. 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.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

#### 3.7.2. 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, except when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible 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 except, when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at the

end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements.

Deferred tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### 3.8. Property, plant and equipment

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

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

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

The Company, based on technical assessment made by technical expert and Management estimate, depreciates certain property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The Management believes that these estimated useful lives reflect fair

approximation of the period over which the assets are likely to be used. The Company has used the following rates to provide depreciation on its property, plant and equipment:

Nature of Asset	Useful lives (in years)
Buildings	30-60
Plant and machinery	10-15
Furniture and fixtures	10
Office equipment	5
Patterns	7
Vehicles	5-10
Computers	3-6

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.

The Company reviews the estimated residual values, expected useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. In particular, the Company considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Furthermore, the Company considers climate-related matters, including physical and transition risks. Specifically, the Company determines whether climate-related legislation and regulations might impact either the useful life or residual values, e.g., by banning or restricting the use of the Company's fossil fuel-driven machinery and equipment or imposing additional energy efficiency requirements on the Company's buildings and office properties.

### 3.9. 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. Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over 40 years from the date of original purchase.

The Company, based on technical assessment made by technical expert and Management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The Management believes that these estimated useful

lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Company measures investment properties using cost-based measurement, the fair value of investment properties are disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

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.

### **3.10. Other Intangible Assets**

#### **3.10.1. Recognition**

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

Intangible assets, with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives of four years. Computer software, except standard utility software packages which are not integral part of the hardware are classified as Intangible assets.

#### **3.10.2. 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.

### **3.11. Impairment of non-financial assets**

At the end of each reporting period, the Company reviews the carrying amounts of its 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.

The Company assesses whether climate risks, including physical risks and transition risks could have a significant impact.

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.

### **3.12. 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.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale

### **3.13. Provisions and contingent liability**

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).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future

events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Provisions, contingent liabilities are reviewed at each Balance Sheet date.

### **3.14. Investment in subsidiaries**

A subsidiary is an entity that is controlled by another entity. Investment in its subsidiary are carried at cost less impairment, if any.

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

### **3.15. Financial instruments**

Financial instruments are recognised when the Company becomes a party to the contract that gives rise to financial assets and financial liabilities. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### Subsequent measurement

#### **Financial Assets**

##### *Financial assets at amortised cost*

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost includes loans, trade receivables, cash and cash equivalents, bank balance other than cash and cash equivalent and security deposits included under other financial assets.

##### *Financial assets at fair value through OCI (FVTOCI)*

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

#### Impairment of financial assets

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment loss or gain in statement of profit and loss.

#### **Financial liabilities**

##### *Financial liabilities at amortised cost*

This is the category most relevant to the Company. After initial recognition, such financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The Company's financial liabilities at amortised cost includes lease liabilities, trade payables and employee payables included under other financial liabilities.

#### Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and 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. Dividend**

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### **3.18. 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 40).

### **3.19. 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.

### **3.20. Changes in accounting policies and disclosures**

#### **New and amended standards.**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

#### **(i) Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Company's standalone financial statements.

#### **(ii) Disclosure of Accounting Policies – Amendments to Ind AS 1**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

**(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022. Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

**3.21. Climate-related matters**

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both

physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Company considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.
- Impairment of non-financial assets. The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Company's products.

**3.22. Standards notified but not yet effective.**

There are no standards that are notified and not yet effective as on the date.



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

**4. PROPERTY, PLANT AND EQUIPMENT**

(All amounts in Indian Rupees Millions, unless otherwise stated)

Particulars	Freehold land*	Buildings*	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total	Capital work-in-Progress
<b>At Cost</b>										
Balance as at April 1, 2022	3.1	239.6	285.3	19.9	14.5	30.7	8.6	31.0	632.7	36.0
Additions	-	119.6	13.1	12.5	5.1	2.7	-	7.5	160.5	-
Capitalisation	-	-	-	-	-	-	-	-	-	36.0
Disposals	-	-	1.3	0.3	0.8	-	-	4.8	7.2	-
<b>Balance as at 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>-</b>
Additions	-	-	4.3	0.9	1.5	4.3	11.7	5.2	27.9	8.2
Disposals	-	-	-	1.2	0.8	5.2	4.8	3.9	15.9	-
<b>Balance as at March 31, 2024</b>	<b>3.1</b>	<b>359.2</b>	<b>301.4</b>	<b>31.8</b>	<b>19.5</b>	<b>32.5</b>	<b>15.5</b>	<b>35.0</b>	<b>798.0</b>	<b>8.2</b>

Particulars	Freehold land*	Buildings*	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total	Capital work-in-Progress
<b>Accumulated depreciation</b>										
Balance as at April 1, 2022	-	75.3	221.1	4.6	7.7	28.5	3.7	25.4	366.3	-
Depreciation expense for the year	-	9.7	12.0	2.5	2.5	0.8	1.7	3.7	32.9	-
Disposals	-	-	1.3	0.3	0.8	-	-	4.8	7.2	-
<b>Balance as at 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>-</b>
Depreciation expense for the year	-	11.8	10.0	3.0	3.0	1.4	1.9	4.4	35.5	-
Disposals	-	-	-	1.1	0.8	5.2	3.9	3.9	14.9	-
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>96.8</b>	<b>241.8</b>	<b>8.7</b>	<b>11.6</b>	<b>25.5</b>	<b>3.4</b>	<b>24.8</b>	<b>412.6</b>	<b>-</b>

Particulars	Freehold land*	Buildings*	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total	Capital work-in-Progress
<b>Net book value</b>										
Balance as at March 31, 2023	3.1	274.2	65.3	25.3	9.4	4.1	3.2	9.4	394.0	-
Balance as at March 31, 2024	3.1	262.4	59.6	23.1	7.9	7.0	12.1	10.2	385.4	8.2

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

On transition to Ind AS (i.e. April 01, 2016), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

**Capital work-in-progress ageing schedule**

**As at March 31, 2024**

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*	8.2	-	-	-	8.2
2 Projects temporarily suspended	-	-	-	-	-
Total	8.2	-	-	-	8.2

\* Capital work-in-progress pertains to factory office renovation

**As at 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	-	-	-	-	-

Note : The Company does not have any Capital-work-in progress in projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024 and March 31, 2023

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**5. INVESTMENT PROPERTIES**

<b>Particulars</b>	<b>Investment Property</b>
Balance as at April 1, 2022	13.2
Additions	-
<b>Balance as at March 31, 2023</b>	<b>13.2</b>
Additions	-
<b>Balance as at March 31, 2024</b>	<b>13.2</b>
<b>Particulars</b>	<b>Investment Property</b>
<b>Accumulated depreciation</b>	
Balance as at April 1, 2022	8.6
Depreciation expense for the year	0.2
<b>Balance as at March 31, 2023</b>	<b>8.8</b>
Depreciation expense for the year	0.1
<b>Balance as at March 31, 2024</b>	<b>8.9</b>
<b>Particulars</b>	<b>Investment Property</b>
<b>Carrying amount</b>	
Balance as at March 31, 2023	4.4
Balance as at March 31, 2024	4.3

On transition to Ind AS (i.e. April 01, 2016), the Company has elected to continue with the carrying value of all Investment properties measured as per the previous GAAP and use that carrying value as the deemed cost of Investment property.

**Information regarding income and expenditure of Investment properties**

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Rental income derived from investment properties (refer note 24)	2.5	2.7
Direct operating expenses (including repairs and maintenance) arising from investment properties that generate rental income	0.1	0.1
Direct operating expenses (including repairs and maintenance) arising from investment properties that did not generate rental income	-	-
<b>Profit arising from investment properties before depreciation and indirect expenses</b>	<b>2.4</b>	<b>2.6</b>
Less – Depreciation	0.1	0.2
<b>Profit arising from investment properties before indirect expenses</b>	<b>2.3</b>	<b>2.4</b>

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

The Company's investment property consists of three commercial properties in India. The management has determined that the investments property consists of one class of asset "Office" based on nature, characteristics and risks of each property. As at March 31, 2024 and March 31, 2023, the fair values of the properties are Rs.56.2 Million and Rs.52.3 Million respectively. Fair valuation of Investment Properties as at March 31, 2024 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

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

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. Market rate fixed by Sub Registrar's for valuation for the stamp duty & Registration; 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.

**6 OTHER INTANGIBLE ASSETS**

Particulars	Computer Software
<b>At Cost</b>	
<b>Balance as at April 1, 2022</b>	23.0
Additions	-
Deletions	-
<b>Balance as at March 31, 2023</b>	23.0
Additions	-
Deletions	-
<b>Balance as at March 31, 2024</b>	23.0
<b>Accumulated Amortisation</b>	
Balance as at April 1, 2022	22.2
Amortisation expense for the year	0.4
Deletions	-
<b>Balance as at March 31, 2023</b>	22.6
Amortisation expense for the year	0.4
Deletions	-
<b>Balance as at March 31, 2024</b>	23.0
<b>Carrying amount</b>	
Balance as at March 31, 2023	0.4
Balance as at March 31, 2024	-

On transition to Ind AS (i.e. April 01, 2016), the Company has elected to continue with the carrying value of all Intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible assets.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**7 INVESTMENTS IN SUBSIDIARY COMPANY**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investments in subsidiary Company</b>		
Unquoted equity share carried at cost		
<b>Bhadra Castalloy Private Limited</b>		
4,400,000 (March 31, 2023 : 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

The company holds 100% investment in the Subsidiary and the principal place of business is Bhadravati, Karnataka

**8 OTHER FINANCIAL ASSETS**

**a) Non-current**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good:		
Security deposits	11.6	11.0
Bank deposits with more than 12 months maturity	10.7	40.0
<b>Total</b>	<b>22.3</b>	<b>51.0</b>

**b) Current**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good:		
Advances to employees	8.1	5.8
Interest accrued	61.1	45.2
Other receivables from related party (refer note 39)	4.6	5.6
<b>Total</b>	<b>73.8</b>	<b>56.6</b>

**9 INCOME TAX**

**DEFERRED TAX ASSETS (NET)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred tax asset on:</b>		
Provision for gratuity	3.3	4.3
Provision for leave encashment	2.5	2.3
Provision for employee bonus	7.2	6.8
Provision for litigations	7.0	-
Lease liabilities	4.8	7.4
Provision for doubtful trade receivables	5.1	3.0
Sub total (A)	29.9	23.8

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**Deferred tax liabilities on:**

Property, Plant and equipment and intangible assets	14.2	11.3
Right-of-use assets	3.7	6.3
Sub total (B)	17.9	17.6
<b>Total (A-B)</b>	<b>12.0</b>	<b>6.2</b>

**Movement of deferred tax assets / liabilities  
For the year ended March 31, 2024**

Particulars	As at April 01, 2023	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	As at March 31, 2024
<b>Deferred tax asset on:</b>				
Provision for gratuity	4.3	(2.3)	1.3	3.3
Provision for leave encashment	2.3	0.2	-	2.5
Provision for employee bonus	6.8	0.4	-	7.2
Provision for litigations	-	7.0	-	7.0
Lease liabilities	7.4	(2.6)	-	4.8
Provision for doubtful trade receivables	3.0	2.1	-	5.1
Sub total (A)	23.8	4.8	1.3	29.9
<b>Deferred tax liabilities on:</b>				
Property, Plant and equipment and intangible assets	11.3	2.9	-	14.2
Right-of-use assets	6.3	(2.6)	-	3.7
Sub total (B)	17.6	0.3	-	17.9
<b>Total (A-B)</b>	<b>6.2</b>	<b>4.5</b>	<b>1.3</b>	<b>12.0</b>

**For the year ended March 31, 2023**

Particulars	As at April 01, 2022	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	As at March 31, 2023
<b>Deferred tax asset on:</b>				
Provision for gratuity	4.0	(0.8)	1.1	4.3
Provision for leave encashment	2.5	(0.2)	-	2.3
Provision for employee bonus	6.0	0.8	-	6.8
Lease liabilities	9.5	(2.1)	-	7.4
Provision for doubtful trade receivables	2.4	0.6	-	3.0
Sub total (A)	24.4	(1.7)	1.1	23.8
<b>Deferred tax liabilities on:</b>				
Property, Plant and equipment and intangible assets	7.3	4.0	-	11.3
Right-of-use assets	8.5	(2.2)	-	6.3
Sub total (B)	15.8	1.8	-	17.6
<b>Total (A-B)</b>	<b>8.6</b>	<b>(3.5)</b>	<b>1.1</b>	<b>6.2</b>

The applicable tax rate for the year ended March 31, 2024 and March 31, 2023 is 25.17%

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**Reconciliation of deferred tax asset (net):**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Opening balance as at 1 April</b>	6.2	8.6
Tax income/(expense) during the year recognised in profit or loss	4.5	(3.5)
Tax income/(expense) during the year recognised in OCI	1.3	1.1
<b>Closing balance as at 31 March</b>	<b>12.0</b>	<b>6.2</b>

**INCOME TAXES**

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current Tax</b>	148.1	96.7
In respect of the current year	148.1	96.7
<b>Deferred tax</b>	(4.5)	3.5
In respect of the current year	(4.5)	3.5
<b>Total income tax expenses recognised in the current year</b>	<b>143.6</b>	<b>100.2</b>

**INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Deferred tax charge benefit</b>		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	(1.3)	(1.1)
	(1.3)	(1.1)
<b>Bifurcation of the income tax recognised in other comprehensive income</b>		
Items that will not be reclassified to profit or loss	(1.3)	(1.1)
	(1.3)	(1.1)
<b>Reconciliation of effective tax rate</b>		
Profit before tax	559.0	384.4
Applicable tax rate	25.17%	25.17%
Expected income tax expenses	140.7	96.8
<b>Adjustments to reconcile expected tax expenses to reported income tax expenses</b>		
<b>Effect of expenses not deductible in determining taxable profit</b>		
Expenditure on corporate social responsibility	2.1	2.1
Others	0.8	1.3
	2.9	3.4
Adjusted income tax expenses	143.6	100.2
Effective tax rate	25.68%	26.05%

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**10 OTHER ASSETS**

**a) Non-current**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good:		
Prepaid expenses	3.3	4.4
Balance with government authorities	5.2	7.0
<b>Total</b>	<b>8.5</b>	<b>11.4</b>

**b) Current**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good:		
Prepaid expenses	13.0	11.8
Advances to suppliers	19.7	11.0
Duty drawback receivable	10.1	10.2
Balance with government authorities	45.1	27.9
Contract assets	8.9	-
Others	1.4	3.6
<b>Total</b>	<b>98.2</b>	<b>64.5</b>

**11 INVENTORIES**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(At lower of cost and net realisable value)</b>		
Raw materials	531.2	332.2
[Goods in transit - Rs. 26.9 Million; (as at March 31, 2023 Rs. 28.9 Million)]		
Work-in-progress	270.3	123.8
Finished goods	5.9	37.1
Traded goods	25.9	22.1
<b>Total</b>	<b>833.3</b>	<b>515.2</b>

During the year ended March 31, 2024 Rs. 4.1 Million (Year ended March 31, 2023: Rs. 5.1 Million) recognised as an expense in respect of slow/non moving and obsolete inventories.

**12 TRADE RECEIVABLES**

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good - Unsecured		
- From related parties (refer note 39)	61.2	193.6
- From others	233.1	265.2
Trade receivable credit impaired	16.7	7.8
	<b>311.0</b>	<b>466.6</b>
Less: Allowances for credit losses	20.1	12.0
<b>Total</b>	<b>290.9</b>	<b>454.6</b>
<b>Impairment Allowance (allowance for bad and doubtful debts)</b>		
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables - credit impaired	20.1	12.0
<b>Total</b>	<b>20.1</b>	<b>12.0</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

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

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

For terms and conditions relating to related party receivables, refer Note 39.

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

**Movements in allowance for doubtful trade receivables**

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	12.0	12.0
Add: Provision created during the year	12.1	4.2
Less: Provision reversed during the year	4.0	4.2
<b>Closing balance</b>	<b>20.1</b>	<b>12.0</b>

**Trade Receivable ageing**

**As at March 31, 2024**

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	73.2	199.2	10.6	11.3	-	-	294.3
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	9.6	1.6	5.5	16.7
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>73.2</b>	<b>199.2</b>	<b>10.6</b>	<b>20.9</b>	<b>1.6</b>	<b>5.5</b>	<b>311.0</b>
							<b>(20.1)</b>
<b>Net Trade Receivables</b>							<b>290.9</b>

**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	199.1	240.0	18.2	1.5	-	-	458.8
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>200.7</b>	<b>240.0</b>	<b>18.2</b>	<b>3.7</b>	<b>1.1</b>	<b>2.9</b>	<b>466.6</b>
<b>Less: allowance for credit losses</b>							<b>(12.0)</b>
<b>Net Trade Receivables</b>							<b>454.6</b>



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**13a CASH AND CASH EQUIVALENT**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Cash and cash equivalents:</b>		
(a) Cash on hand	-	0.1
(b) Balance with banks:		
-In current accounts	69.7	72.0
<b>Total</b>	<b>69.7</b>	<b>72.1</b>

At March 31, 2024, the Company had available Rs 70 Million (March 31, 2023: Rs 70 Million) of undrawn secured borrowing facilities sanctioned from the bank

The quarterly returns or statements of current assets filed by the Company against sanctioned working capital limits with banks are in agreement with the books of accounts

**13b CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Lease liabilities</b>		
<b>Opening Balance</b>	29.4	37.9
Interest expenses	2.3	3.1
Cashflows	(12.3)	(11.6)
<b>Closing Balance</b>	<b>19.4</b>	<b>29.4</b>

**14 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Other balance with banks</b>		
-Margin money fixed deposits with banks*	548.2	295.8
-In deposit accounts**	1,641.8	1,418.2
-Unpaid dividend accounts	1.9	1.7
<b>Total</b>	<b>2,191.9</b>	<b>1,715.7</b>

\*Held as security against guarantees and commitments.

\*\*With original maturity of more than three months and remaining maturity less than twelve months.

**15 LOANS**

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Loan to subsidiary Company (refer note 37 and 39)	17.5	17.5
<b>Total</b>	<b>17.5</b>	<b>17.5</b>

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.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**Disclosure required under Section 186(4) of the companies Act 2013**

Included in loans and advance are certain intercorporate deposits the particulars of which are disclosed below as required by Section 186(4) of the Companies Act 2013

Name of the loanee	Rate of Interest	Due Date	Secured/ unsecured	As at March 31, 2024	As at March 31, 2023
Bhadra Castalloy Private Limited	9.9%	On demand	unsecured	17.5	17.5

**Break up of financial assets carried at amortised cost**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial assets measured at amortised cost:</b>		
Loans (refer note 15)	17.5	17.5
Trade receivables (refer note 12)	290.9	454.6
Cash and cash equivalent (refer note 13a)	69.7	72.1
Bank balance other than cash and cash equivalent (refer note 14)	2,191.9	1,715.7
Other financial assets (refer note 8)	96.1	107.6
<b>Total financial assets carried at amortised cost</b>	<b>2,666.1</b>	<b>2,367.5</b>

**16a INCOME TAX ASSETS (NET)**

Particulars	As at March 31, 2024	As at March 31, 2023
Advance tax [net of provision for tax]	39.3	47.5
<b>Total</b>	<b>39.3</b>	<b>47.5</b>

**16b CURRENT TAX LIABILITIES (NET)**

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for tax [net of advance tax]	5.5	1.7
<b>Total</b>	<b>5.5</b>	<b>1.7</b>

**17 EQUITY SHARE CAPITAL**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised equity share capital:</b>		
5,000,000 (March 31, 2023: 5,000,000) Equity shares of Rs.10 each	50.0	50.0
<b>Issued, subscribed and fully paid up:</b>		
1,454,205 (March 31, 2023: 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 TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**Notes:**

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

No of equity shares outstanding at the beginning of the year	1,454,205	1,454,205
Movement during the year	-	-
No of equity shares outstanding at the end of the year	1,454,205	1,454,205
Equity share capital at the beginning of the year (Rs. Million)	14.5	14.5
Movement during the year	-	-
<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, The Holding Company	786,657	786,657
Disa Holding AS, Denmark	301,399	301,399

Disa Holding AG is a wholly owned subsidiary of Disa Holding AS.

\* in full figures

**iii) Details of shares held by each shareholder holding more than 5% shares:**

**Equity Shares**

Disa Holding AG, Switzerland	786,657	786,657
	54.10%	54.10%
Disa Holding AS, Denmark	301,399	301,399
	20.73%	20.73%
SBI Small Cap fund	114,711	113,874
	7.89%	7.83%

**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, where the dividend is declared by the Board of Directors.

**v) The Company has neither issued any bonus shares nor bought back any shares during the period of five years immediately preceding the reporting date.**

**vi) Details of shares held by promoters**

As at March 31, 2024	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs.10 each fully paid	Disa Holding AG, Switzerland	786,657	-	786,657	54.10%	-
Equity shares of Rs.10 each fully paid	Disa Holding AS, Denmark	301,399	-	301,399	20.73%	-
<b>Total</b>		<b>1,088,056</b>	<b>-</b>	<b>1,088,056</b>	<b>74.82%</b>	<b>-</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

As at March 31, 2023	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs.10 each fully paid	Disa Holding AG, Switzerland	786,657	-	786,657	54.10%	-
Equity shares of Rs.10 each fully paid	Disa Holding AS, Denmark	301,399	-	301,399	20.73%	-
<b>Total</b>		<b>1,088,056</b>	<b>-</b>	<b>1,088,056</b>	<b>74.82%</b>	<b>-</b>

**18a OTHER EQUITY**

Particulars	As at March 31, 2024	As at March 31, 2023
Retained earnings	2,374.1	2,122.6
Capital Redemption Reserve (Buyback of equity shares)	0.6	0.6
Capital reserve	1.5	1.5
<b>Total</b>	<b>2,376.2</b>	<b>2,124.7</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>A. Retained earnings</b>		
Opening balance	2,122.6	2,001.6
Add : Profit for the year	415.4	284.2
Add : Other comprehensive income	(4.0)	(3.3)
Less: Dividend (Refer Note 18c)	159.9	159.9
Balance at end of the year	2,374.1	2,122.6
<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

**18b NATURE AND PURPOSE OF RESERVES**

**Retained earnings**

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**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.

**18c Distribution made and proposed**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Dividends on equity shares declared and paid:</b>		
Final dividend for the year ended on March 31, 2023: Rs 10 per share (March 31, 2022: Rs 10 per share)	14.5	14.5
Interim dividend for the year ended on March 31, 2024: Rs 100 per share (March 31, 2023: Rs 100 per share)	145.4	145.4
	<b>159.9</b>	<b>159.9</b>
<b>Proposed dividends on Equity shares:</b>		
Proposed dividend for the year ended on March 31, 2024: Rs 100 per share (March 31, 2023: Rs 10 per share)	145.4	14.5
	<b>145.4</b>	<b>14.5</b>

**19 TRADE PAYABLES**

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (Refer note 41)	111.2	104.9
Total outstanding dues of creditors other than micro enterprises and small enterprises	343.5	304.3
<b>Total</b>	<b>454.7</b>	<b>409.2</b>

Includes amount payable to related party Rs.159.6 (March 31, 2023 : Rs.124.3) (refer note 39)

**Trade Payables ageing**

**As at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled amount	Not due	< 1 year	1-2 years	2-3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	111.2	-	-	-	-	111.2
Total outstanding dues of creditors other than micro enterprises and small enterprises	108.7	201.0	27.2	3.3	1.6	1.7	343.5
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>108.7</b>	<b>312.2</b>	<b>27.2</b>	<b>3.3</b>	<b>1.6</b>	<b>1.7</b>	<b>454.7</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**As at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled amount	Not due	< 1 year	1-2 years	2-3 years	> 3 years	
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	119.0	62.8	116.3	2.8	0.5	2.9	304.3
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>119.0</b>	<b>167.7</b>	<b>116.3</b>	<b>2.8</b>	<b>0.5</b>	<b>2.9</b>	<b>409.2</b>

**Terms and conditions of the above financial liabilities:**

(a) Trade payables are non-interest bearing and are normally settled on 30 to 60 day terms.

(b) For terms and conditions with related parties, refer to note 39.

**20 OTHER CURRENT FINANCIAL LIABILITIES**

Particulars	As at March 31, 2024	As at March 31, 2023
Employee Payables	42.3	40.2
Rental deposits	1.1	1.3
Unpaid dividends	1.9	1.7
Payable on Purchase of property, plant and equipment	2.4	15.3
Other payable to related party (refer note 39)	18.7	18.5
<b>Total</b>	<b>66.4</b>	<b>77.0</b>

**21 PROVISIONS**

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for warranties *	18.4	17.6
Employee benefit payables		
- Compensated absences	10.1	9.2
- Gratuity (refer note 34)	13.1	17.1
Provision for litigations**	28.1	-
<b>Total</b>	<b>69.7</b>	<b>43.9</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. Provision is calculated based on past experience.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**  
(All amounts in Indian Rupees Millions, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	17.6	14.9
Provision made during the year	13.8	17.5
Utilisations during the year	13.0	14.8
<b>Provisions at the end of the year</b>	<b>18.4</b>	<b>17.6</b>

\*\*Includes provision amounting to Rs. 25.5 (March 31, 2023: Nil) made on account of an Arbitration Award, refer note 32

**22 OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from customers	1,086.4	765.1
Statutory liabilities	21.4	14.5
<b>Total</b>	<b>1,107.8</b>	<b>779.6</b>

**23 REVENUE FROM CONTRACTS WITH CUSTOMERS**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from operations</b>		
Sale of products (Refer note (i) below)	3,029.4	2,448.9
Sale of services (Refer note (ii) below)	130.0	37.2
<b>Sub -total</b>	<b>3,159.4</b>	<b>2,486.1</b>
<b>Other operating revenue</b>		
Other operating revenue (Refer note (iii) below)	32.1	38.0
<b>Total</b>	<b>3,191.5</b>	<b>2,524.1</b>

**Notes**

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

**Manufactured goods :**

Machinery	2,186.6	1,675.0
Parts of machinery	509.8	486.9
<b>Sale of Manufactured goods Sub Total - A</b>	<b>2,696.4</b>	<b>2,161.9</b>

**Traded goods :**

Parts of machinery	333.0	287.0
<b>Sales of Traded goods Sub Total - B</b>	<b>333.0</b>	<b>287.0</b>
<b>Total sale of products - A + B</b>	<b>3,029.4</b>	<b>2,448.9</b>

(ii) **Sale of service comprises:**

Supervision services for erection and commissioning	122.6	28.3
Others	7.4	8.9
<b>Sales of services - Total</b>	<b>130.0</b>	<b>37.2</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

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

Commission income	20.6	21.2
Sale of scrap	3.4	8.0
Export incentives	8.1	8.8
<b>Other operating revenue - Total</b>	<b>32.1</b>	<b>38.0</b>

(iv) **Disaggregated revenue information Analysis of revenues by geography :**

India	2,643.9	2,057.0
Outside India	547.6	467.1
<b>Revenue - Total</b>	<b>3,191.5</b>	<b>2,524.1</b>

**Timing of revenue recognition :**

Goods transferred at a point in time	3,061.5	2,486.9
Services transferred over time	130.0	37.2
<b>Revenue - Total</b>	<b>3,191.5</b>	<b>2,524.1</b>

(v) **Contract Balances**

Trade receivables (refer note 12)	290.9	454.6
Contract assets (refer note 10b)	8.9	-
Advances from customers (refer note 22)	1,086.4	765.1

(a) Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days. During the year ended, March 31, 2024, Rs 20.2 Million (March 31, 2023: Rs 12.0 million) was recognised as provision for expected credit losses on trade receivables.

(b) Contract Assets relates to revenue earned from supervision services for erection and commissioning. As such, the balances of this account vary and depend on the number of ongoing contracts at the end of the year.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) for contract assets is expected to be recognised within one year.

(c) Advances from customers include short-term advances received to deliver machinery equipment's, and loyalty points not yet redeemed. The outstanding balances of these accounts increased in 2023-24 due to the continuous increase in the Company's customer base.

The amount of revenue recognised in the current year of Rs 705.4 Million (March 31, 2023: Rs 482.8 Million) that was included in the opening advance from customer balance towards unsatisfied performance obligation.

(vi) **Performance obligation**

Information about the Company's performance obligations are summarised below:

**Sale of manufactured machinery**

The performance obligation is satisfied upon dispatch of the machines or sub-machines (part of larger machineries) and payment is generally collected in advance.

In some contracts, supervision services for erection and commissioning are agreed to be provided to customers as a part of sale of manufactured machinery. The supervision services are accounted for as a separate performance obligation and a portion of the transaction price is allocated. The performance obligation for the supervision services is satisfied over one year based on time elapsed.

**Sale of traded and manufactured parts of machinery**

The performance obligation is satisfied upon delivery of the spare parts and payment is generally due within 30 to 60 days from delivery.

Customers are entitled to loyalty discounts which results in allocation of a portion of the transaction price to the loyalty discounts. Revenue is recognised when the loyalty discount is redeemed.

In addition, the Company updates its estimates of the loyalty discount that will be redeemed on a quarterly basis and any adjustments to the contract liability balance are charged against revenue.



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

(vii) **Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

Revenue as per contracted price		
<b>Adjustments</b>	3,170.9	2,501.3
Less: Loyalty discounts	20.6	22.8
<b>Revenue - Total</b>	<b>3,191.5</b>	<b>2,524.1</b>

**24 OTHER INCOME**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Interest income (Refer note (i) below )	140.3	90.3
(b) Net gain on foreign currency transactions and translation	7.4	8.2
(c) Other non-operating income (Refer note (ii) below)	7.1	6.3
<b>Total</b>	<b>154.8</b>	<b>104.8</b>

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
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**Note:**

(i) **Interest income comprises:**

Interest income on financial assets carried at amortised cost

Bank deposits	137.2	86.9
Security deposits	0.8	0.8
Loan to subsidiary (refer note 39)	1.7	2.6
Others	0.6	-
<b>Total</b>	<b>140.3</b>	<b>90.3</b>

(ii) **Other non-operating income comprises:**

Royalty income	2.3	1.3
Profit on sales of property, plant and equipment (net)	0.7	0.9
Rental income	2.5	2.7
Miscellaneous income	1.6	1.4
<b>Total</b>	<b>7.1</b>	<b>6.3</b>

**25 COST OF MATERIALS CONSUMED**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Stock	332.2	308.6
Add : Purchases	1,985.1	1,205.7
Less : Closing Stock	531.2	332.2
<b>Cost of materials consumed</b>	<b>1,786.1</b>	<b>1,182.1</b>

**26 PURCHASE OF TRADED GOODS**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Parts of machinery	237.1	251.8
<b>Total</b>	<b>237.1</b>	<b>251.8</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**27 (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Inventories at the end of the year:</b>		
Finished goods	5.9	37.1
Work-in-progress	270.3	123.8
Traded goods	25.9	22.1
<b>Sub Total</b>	<b>302.1</b>	<b>183.0</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	37.1	41.9
Work-in-progress	123.8	145.8
Traded goods	22.1	14.3
<b>Sub Total</b>	<b>183.0</b>	<b>202.0</b>
<b>(Increase)/ decrease in inventories</b>		
Finished goods	31.2	4.8
Work-in-progress	(146.5)	22.0
Traded goods	(3.8)	(7.8)
<b>Total</b>	<b>(119.1)</b>	<b>19.0</b>

**28 EMPLOYEE BENEFITS EXPENSE**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	353.8	342.6
Gratuity Expenses (refer note 34)	5.9	5.6
Compensated absence	6.1	6.0
Contributions to provident and other funds (refer note 34)	24.9	24.7
Staff welfare expenses	43.4	31.6
<b>Total</b>	<b>434.1</b>	<b>410.5</b>

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on 3 May 2023. However, the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

**29 FINANCE COSTS**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Bank guarantee commission	3.9	2.4
(ii) Interest expense on financial liabilities carried at amortized cost		
Lease liability (refer note 43)	2.3	3.1
Others	0.9	0.8
<b>Total</b>	<b>7.1</b>	<b>6.3</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**30 DEPRECIATION AND AMORTISATION EXPENSE**

<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Depreciation on property, plant and equipment (refer note 4)	35.5	32.9
Amortisation on intangible assets (refer note 6)	0.4	0.4
Depreciation on ROU assets (refer note 43)	9.4	9.6
Depreciation on investment properties (refer note 5)	0.1	0.2
<b>Total</b>	<b>45.4</b>	<b>43.1</b>

**31 OTHER EXPENSES**

<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Power and fuel	12.0	11.6
Repairs and maintenance		
Buildings	8.4	12.1
Machinery	5.4	3.0
Others	9.1	8.8
Insurance	4.5	16.0
Rates and taxes	2.2	7.5
Travelling and conveyance	54.0	45.8
Legal and professional charges	20.9	14.8
Payments to auditors (refer note (i) below)	4.6	4.3
Freight and forwarding charges	28.4	35.5
Sales Commission expenses	13.3	6.5
Recruitment and training	6.6	1.4
Group management fees	44.9	32.1
Royalty expense	20.3	21.4
Information technology costs	60.5	55.1
Expenditure on corporate social responsibility (refer note (ii) below)	8.2	8.2
Bad trade receivables written off	-	0.2
Provision for doubtful trade receivables (net)	8.1	2.4
Advertisement and sales promotion	3.6	1.7
Sub Contracting expenses	39.2	22.9
Miscellaneous expenses	16.9	20.4
<b>Total</b>	<b>371.1</b>	<b>331.7</b>

**Note:**

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

Statutory audit (including limited review)	3.9	3.6
Tax Audit	0.3	0.5
Reimbursement of expenses	0.4	0.2
<b>Total</b>	<b>4.6</b>	<b>4.3</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**(ii) Disclosures in accordance with guidance note on accounting for expenditure on corporate social responsibility ("CSR") Activities**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Expenditure on corporate social responsibility</b>		
(a) Gross Amount required to be spent by the Company during the year	8.2	8.2
(b) Amount approved by the Board to be spent during the year	8.2	8.2
(c) Amount spent during the year ended	8.2	8.2
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above		
- in cash		
- Yet to be paid in cash	8.2	8.2
(d) Details of related party transactions	-	-
(e) Details related to spent / unspent obligations		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	-	-
iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-

CSR expenditure has been incurred for promoting education including scholarship to meritorious students and contribution to development of schools.

**Details of other than ongoing project**

In case of Section 135(5) of the Companies Act 2013 (Other than ongoing project)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance as on April 01:		
With Company	-	-
In Separate CSR Unspent A/c	-	-
Amount required to be spent during the year	8.2	8.2
Amount spent during the year		
From Company's bank A/c	8.2	8.2
From Separate CSR Unspent A/c	-	-
Balance as on March 31:		
With Company	-	-
In Separate CSR Unspent A/c	-	-

The Company has no ongoing projects as per Section 135(6) of the Companies Act, 2013.

There are no contribution to political parties in the current and previous year.

**32 EXCEPTIONAL ITEMS**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Provision made on account of an Arbitration Award	25.5	-
<b>Total</b>	<b>25.5</b>	<b>-</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

Exceptional items of Rs 25.5 million for the year ended March 31, 2024, represent a provision made on account of an Arbitration Award of Rs. 25.5 million plus interest of 12% per annum against the Company during the quarter ended September 30, 2023, for alleged unsatisfactory performance of an equipment supplied to a customer in the past. The provision has been made based on prudent practice and on conservative principles without any admission of liability on the part of the Company and without prejudice to its legal rights. The Company is advised by its legal advisors that the award is arbitrary and beyond the terms of the Company's contract with the customer. Accordingly, the Company has filed an appeal with the Commercial Court of Bangalore on January 10, 2024, against the award.

**33 EARNINGS PER SHARE (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following table reflects the income and share data used in the basic and diluted EPS computations:

<b>PARTICULARS</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
<b>Basic and Diluted</b>		
Profit attributable to equity share holders (Rs. in Million)	415.4	284.2
Nominal Value of equity share (Rs./Share)	10.0	10.0
Weighted average number of ordinary equity share for Basic EPS (Nos.)	1,454,205	1,454,205
Basic and Diluted EPS (Rs./Share)	<b>285.65</b>	<b>195.43</b>

**34 EMPLOYEE BENEFIT OBLIGATIONS**

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

The Company has one post-employment funded plans, namely Gratuity.

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Act). Under the Act, an employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Gratuity being administered by a Trust is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The Gratuity plan for the Company is a defined benefit scheme where annual contributions as demanded by the insurer are deposited to a Gratuity Fund established to provide gratuity benefits. The Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. The Company makes provision of such gratuity asset/liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method.

**1. Defined Benefit Plans**

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

<b>Particulars</b>	<b>Gratuity</b>	
	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
Current service cost	5.0	4.7
Interest Cost	0.9	0.9
<b>Amount recognised in Statement of Profit and Loss</b>	<b>5.9</b>	<b>5.6</b>
<b>Actuarial (gain)/loss</b>		
a) arising from changes in financial assumption	5.2	(3.1)
b) arising from experience adjustments	0.9	7.7
c) arising from demographic assumption	-	-
Return on Plan assets (excluding Interest income)	(0.8)	(0.2)
<b>Amount recognised in other comprehensive income</b>	<b>5.3</b>	<b>4.4</b>
<b>Total</b>	<b>11.2</b>	<b>10.0</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

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

Particulars	Gratuity	
	Year ended March 31, 2024	Year ended March 31, 2023
Defined benefit obligation at beginning of the year	80.4	72.1
Current service cost	5.0	4.7
Interest cost	5.7	4.7
Actuarial losses (gains)	6.1	4.6
Benefits paid	(5.3)	(5.7)
<b>Defined benefit obligation at the end of the year</b>	<b>91.9</b>	<b>80.4</b>

**III. Reconciliation of Opening and Closing balances of fair value of plan assets and net liability recognised:**

Particulars	Gratuity	
	Year ended March 31, 2024	Year ended March 31, 2023
Fair value of plan assets at beginning of the year	63.3	56.1
Expected return on plan assets	4.8	3.9
Return on Plan assets (excluding interest income)	0.8	0.2
Contributions by employer	15.2	8.8
Benefits paid	(5.3)	(5.7)
<b>Fair value of plan assets at end of the year</b>	<b>78.8</b>	<b>63.3</b>
Present value of defined benefit obligation at the end of the year	91.9	80.4
<b>Net liability recognised in the balance sheet</b>	<b>13.1</b>	<b>17.1</b>
Current	13.1	17.1
Non Current	-	-

**IV. Investment details:**

Particulars	%invested as at	%invested as at
	Year ended March 31, 2024	Year ended March 31, 2023
Investment with insurer (Investment in Policy of LIC)	100%	100%

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

Particulars	Gratuity	
	Year ended March 31, 2024	Year ended March 31, 2023
Mortality Table	2006-08 (IALM)	2006-08 (IALM)
Discount Rate (per annum)	7.20%	7.40%
Rate of escalation in salary (per annum)	8.00%	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.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

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.

Particulars	Gratuity	
	Year ended March 31, 2024	Year ended March 31, 2023
Impact in present value of defined benefit obligation:		
If discount rate is increased by 0.5%	(2.5)	(2.2)
If discount rate is decreased by 0.5%	2.6	2.3
If salary escalation rate is increased by 0.5%	2.3	2.1
If salary escalation rate is decreased by 0.5%	(2.3)	(2.0)

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 all of the gratuity payments 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. 9.1 Million.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

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

Particulars	Gratuity	
	Year ended March 31, 2024	Year ended March 31, 2023
Year 1	9.1	8.5
Year 2	15.8	15.9
Year 3	9.2	8.2
Year 4	9.0	7.6
Year 5	11.6	7.4
Next 5 years	47.6	42.0

The average duration of the defined benefit plan obligation at the end of the reporting period is 6 years (March 31, 2023: 6 years).

**2. Defined Contribution Plans.**

The Company has no obligation, other than the contributions payable to the below mentioned fund.

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employer's Contribution to Provident Fund	17.2	16.8
Employers' Contribution to Superannuation Fund	7.7	7.9

**35 CAPITAL AND OTHER COMMITMENTS**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Estimated amount of contracts remaining to be executed on capital accounts and not provided for	1.3	35.9

**36 CONTINGENT LIABILITES**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Claims against Company not acknowledged as debt		
CST/VAT [Rs 2.3 Million (March 31, 2023: Rs 3.0 Million) paid under protest]	6.6	7.3
Excise duty	-	2.0
Income tax	10.8	13.1
Corporate guarantee given on behalf of subsidiary	-	35.0

The Company is contesting the tax litigations In respect of income tax matters for the years FY 2011-12 and FY 2012-13 for disallowances made by the tax authorities and for CST/VAT matters for the financial year 2012-13 where the demand is against non-filing of C forms. The Management, including its tax advisors, believes that it's position will likely to be upheld at the various forums where the matters are pending. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**37 LOAN TO SUBSIDIARY COMPANY**

**a) Disclosure as per Part A of Schedule V of securities (Listing Obligations and Disclosures Requirements) Regulations, 2015 as regards the inter-corporate deposits, loans and advances granted to subsidiaries and holding companies and other companies in which the directors are interested.**

Name of Subsidiary	Amount outstanding as at		Max amount outstanding during the year ended		Investment by loanee in shares of the parent Company
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	
Bhadra Castalloy Private Limited	17.5	17.5	17.5	26.0	Nil

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.

There are no outstanding debts due from the directors or other officers of the Company

**b) Disclosure as per Schedule III of the Companies Act, 2013**

Type of Borrower	As at March 31, 2024		As at March 31, 2023	
	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 party	17.5	100%	17.5	100%

The said loan is repayable on demand.

**38 FAIR VALUE MEASUREMENTS**

**(i) Financial Instruments by category**

Particulars	Note	Carrying Value		Fair Value	
		Balance as at March 31, 2024	Balance as at March 31, 2023	Balance as at March 31, 2024	Balance as at March 31, 2023
<b>(A) Financial assets</b>					
<b>Measured at amortised cost</b>					
(a) Trade receivables	12	290.9	454.6	290.9	454.6
(b) Other financial assets	8	96.1	107.6	96.1	107.6
(c) Loan given to subsidiary company	15	17.5	17.5	17.5	17.5
(d) Cash and cash equivalents	13a	69.7	72.1	69.7	72.1
(e) Bank balance other than cash and cash equivalent	14	2,191.9	1,715.7	2,191.9	1,715.7
<b>Total</b>		<b>2,666.1</b>	<b>2,367.5</b>	<b>2,666.1</b>	<b>2,367.5</b>
<b>(B) Financial liabilities</b>					
<b>Measured at amortised cost</b>					
(a) Trade payables	19	454.7	409.2	454.7	409.2
(b) Lease liability	43	19.4	29.4	19.4	29.4
(c) Other financial liabilities	22	66.4	77.0	66.4	77.0
<b>Total</b>		<b>540.5</b>	<b>515.6</b>	<b>540.5</b>	<b>515.6</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

The Management assessed that the fair value of cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, trade payables and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**(ii) 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.

As on March 31, 2024 and March 31, 2023, the Company does not hold any financial instruments which are measured at fair value. Therefore, disclosure under fair value is not applicable to the Company.

**(iii) Financial risk management**

The Company's principal financial liabilities comprise of trade payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade receivables, and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The market risk to the Group is mainly due to foreign exchange exposure risk, Interest rate risk and other price risk. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Company's risk management activity focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Group does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Group is exposed are described below.

**(A) 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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes trade payable, trade receivable, bank deposits, loans.

**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. The Group has interest bearing bank deposits which are carrying fixed rate of interest. However, the exposure to risk of changes in market interest rates is minimal. The Group has not used any interest rate derivatives to hedge the interest rate risk.

**b) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). The Group does not enter into any derivative instruments for trading or speculative purposes.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

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

Particulars	Balance as at March 31, 2024	Balance as at March 31, 2023
<b>Liabilities</b>		
EURO	171.2	231.1
USD	9.3	4.8
<b>Total Liabilities</b>	<b>180.5</b>	<b>235.9</b>
<b>Assets</b>		
EURO	78.4	222.1
USD	8.6	4.5
GBP	-	0.8
<b>Total Assets</b>	<b>87.0</b>	<b>227.4</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 Rupee 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 Rupee against these currencies would have led to an equal but opposite effect.

**Analysis of 10% strengthening of the INR**

Particulars	EURO Impact (net of tax)	
	Year ended March 31, 2024	Year ended March 31, 2023
Impact on profit or loss for the year	(6.9)	(0.7)
Impact on total equity as at the end of the reporting period	6.9	0.7

Impact on profit or loss for the year	USD Impact (net of tax)	
	Year ended March 31, 2024	Year ended March 31, 2023
Impact on profit or loss for the year	(0.1)	(0.0)
Impact on total equity as at the end of the reporting period	0.1	0.0

**c) Commodity price risk**

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacturing of OEM products, and therefore require a continuous supply of steel.

**(B) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company only deals with parties which has good credit rating/ worthiness given by external rating agencies or based on Company's internal assessment.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**(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 12.

**(b) Financial instrument and bank deposits**

Credit risk from balances with banks is managed by the Company in accordance with its policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

**(c) 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 table below summarises the maturity profile of the Company's financial liabilities based on contractual payments:

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total
<b>As at March 31, 2024</b>				
Trade payables (Refer Note 19)	454.7	-	-	454.7
Lease liabilities	13.3	7.8	-	21.1
Other financial liabilities (Refer Note 20)	66.4	-	-	66.4
<b>As at March 31, 2023</b>				
Trade payables (Refer Note 19)	409.2	-	-	409.2
Lease liabilities	12.3	21.1	-	33.4
Other financial liabilities (Refer Note 20)	77.0	-	-	77.0

**(iv) Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

Particulars	Balance as at March 31, 2024	Balance as at March 31, 2023
Borrowings	-	-
Less: cash and cash equivalents	(69.7)	(72.1)
<b>Net debt - A</b>	-	-
<b>Total equity attributable to the equity share holders of the company - B</b>	2,390.7	2,139.2
Net debt as a percentage of total capital (A/B)	0%	0%
<b>Total Capital Employed (A+B)</b>	2,390.7	2,139.2

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

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**  
(All amounts in Indian Rupees Millions, unless otherwise stated)

**39 RELATED PARTY DISCLOSURES**

**a) Name of related parties and related party relationship**

**Name of party**

**Nature of relationship**

**i) Parties where control exists:**

Norican Global A/S	Ultimate holding Company
DISA Holding AS	Intermediate Holding Company
DISA Holding AG	Holding Company
Bhadra Castalloy Private Limited	Subsidiary Company

**ii) Name of other related parties as per Ind AS 24 with whom transactions have taken place during the year:**

**Fellow Subsidiaries**

DISA Industries AG  
DISA Technologies Private Ltd.  
DISA Industries A/S  
DISA K.K.  
DISA (Changzhou) Machinery Ltd.  
Wheelabrator Czech s.r.o.  
Wheelabrator Group GmbH  
Wheelabrator Group Ltd. USA  
DISA Industries, Inc.  
Norican A/S  
Italpresse Industrie SpA

**Key management personnel (KMP)**

Mr. Lokesh Saxena, Managing Director  
Ms. Deepa Hingorani, Independent Director  
Mr. Anders Wilhjelm, Director  
Ms. Ulla P Tonnesen, Director  
Mr. Guerin Declan, Director  
Mr. Bhagya Chandra Rao, Independent Director  
Mr. Amarnath Mohanty, CFO (Up to April 22, 2024)  
Mrs. Vidya Jayant, CFO (From April 23, 2024)  
Ms. Shrithee MS, Company Secretary

**b) Transactions with related parties**

Name of the related party	Nature of transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
DISA Industries AG	Royalty expenses	3.3	1.5
	Reimbursement of expenses (receivable)	-	0.1
	Reimbursement of expenses (payable)	0.1	-
DISA Technologies Private Ltd.	Legal and professional charges	10.4	16.2
	Sale of services	-	3.1
	Reimbursement of expenses (payable)	0.2	0.1
	Reimbursement of expenses (receivable)	0.1	-

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

DISA Industries A/S	Royalty expenses	14.3	15.2
	Purchase of raw materials	157.1	95.1
	Purchase of traded goods	173.0	142.9
	Sale of services	3.2	1.9
	Sale of products	190.7	227.7
DISA Industries A/S	Reimbursement of expenses (payable)	-	0.1
	Reimbursement of expenses (receivable)	0.3	-
	Commission income	19.6	1.8
DISA K.K.	Sale of products	0.3	0.3
DISA (Changzhou) Machinery Ltd.	Purchase of raw materials	18.6	7.3
	Sale of products	6.4	1.5
	Royalty income	2.3	1.3
Wheelabrator Czech s.r.o.	Purchase of raw materials	32.9	18.0
	Purchase of traded goods	18.9	10.6
Wheelabrator Group GmbH	Royalty expenses	2.7	4.6
	Sale of products	-	1.1
	Sale of services	-	1.0
	Reimbursement of expenses (receivable)	0.1	-
	Commission income	1.0	8.3
Wheelabrator Group Inc. USA	Purchase of raw materials	0.1	1.3
DISA Industries, Inc.	Sale of products	2.2	1.6
Norican A/S	Group Management fee	44.9	32.1
	Information technology costs	50.4	44.4
	Reimbursement of expenses (receivable)	0.1	-
	Reimbursement of expenses (payable)	1.4	0.7
Bhadra Castalloy Private Limited	Purchase of raw materials	31.4	28.3
	Reimbursement of expenses (receivable)	1.4	0.7
	Reimbursement of expenses (payable)	0.1	0.5
	Sale of products	-	0.1
	Rental income	0.1	0.1
	Loan repayment received	-	8.5
	Interest income on loan	1.7	2.6
Italpresse Industrie SpA	Commission income	-	11.3
	Purchase of traded goods	14.8	11.9
DISA Holding AG	Dividend paid	86.5	86.5
DISA Holding AS	Dividend paid	33.1	33.1

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

Mr.Lokesh Saxena	Salaries and wages	22.1	17.9
	Contributions to provident and other funds	1.7	1.4
Mr.Amarnath Mohanty	Salaries and wages	13.1	12.1
	Contributions to provident and other funds	1.0	0.9
Ms. Shrithee MS	Salaries and wages	2.1	0.7
	Contributions to provident and other funds	0.1	-
Ms.Deepa Hingorani	Commission	0.4	0.4
	Sitting fees	0.4	0.4
Mr.Bhagya Chandra Rao	Commission	0.4	0.4
	Sitting fees	0.4	0.4

**c) Balance outstanding as at year end**

Name of the related party	Nature of Balance	As at March 31, 2024	As at March 31, 2023
Bhadra Castalloy Private Limited	Investments	44.0	44.0
	Other receivables	4.6	4.6
	Loan given	17.5	17.5
	Interest accrued on Loan	-	2.2
	Trade payables	3.5	3.0
DISA (Changzhou) Machinery Ltd.	Trade receivables	0.4	0.7
	Trade payables	13.4	3.1
DISA Industries A/S	Trade receivables	48.4	178.8
	Other receivables	-	1.0
	Trade payables	105.4	99.8
DISA Industries AG	Trade receivables	-	0.1
	Trade payables	0.6	-
DISA Industries, Inc.	Trade receivables	0.1	0.2
DISA K.K.	Trade receivables	-	0.1
DISA Technologies Private Ltd.	Trade payables	3.1	4.2
Italtipresse Industrie SpA	Trade receivables	12.3	12.3
	Trade payables	7.0	6.6
Norican A/S	Other payables	18.7	18.5
Wheelabrator Czech s.r.o.	Trade payables	24.8	5.7
Wheelabrator Group GmbH	Trade receivables	-	1.4
	Trade payables	0.4	0.6
Wheelabrator Group Inc. USA	Trade payables	1.4	1.3

**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.
4. As the future liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**40 SEGMENT REPORTING**

The Managing Director of the Company has been identified as the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance as a whole. Accordingly, the entire Company has been identified as one segment. Hence, no separate segment information has been presented.

The Company is engaged in equipment manufacturer with foundry and surface preparation process technology business which forms the Company's only primary segment. Secondary segment reporting is based on the location of the Company's customer, which is provided in the table below. The Company operates mainly in two geographical areas, India and Rest of the world.

Each segment item reported is measured based on the measure used to report to the Chief Operating Decision Maker for the purposes of making decisions about allocating resources to the segment and assessing its performance. Also, all other assets and liabilities are used interchangeably and domiciled in India.

The accounting policies adopted in the preparation of the financial statements are also consistently applied to record revenue and expenditure and assets and liabilities in individual segments. The material accounting policies are set out in note 2 & 3 of financial statements.

**(i) Revenues from customers :**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
India	2,643.9	2,057.0
Outside India	547.6	467.1

**(ii) Non-Current Assets :**

Particulars	As at March 31, 2024	As at March 31, 2023
India	389.7	398.8
Outside India	-	-

Non-current assets is allocated based on the geographic location of the respective assets, Non-Current assets for this purpose consist of property, plant and equipment, investment properties and intangible 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, 2024 and March 31, 2023.

**41 DISCLOSURES UNDER THE MSMED ACT, 2006**

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

Amount due and remaining unpaid

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	111.2	104.9
Interest due on above	-	-
	111.2	104.9
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006		
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

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.

**42** The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by within due date of filing the Return of Income as required under law. The Management is of the opinion that its international transactions are at arm's length so the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

**43 LEASES**

**Company as a lessee**

The Company has entered into property lease for office space. This lease is for a period of five years. The Company's obligations under the lease is secured by the lessor's title to the leased assets.

Below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Total
<b>As at April 01, 2022</b>	34.1
Additions during the year	0.4
Depreciation expense for the year	(9.6)
<b>As at March 31, 2023</b>	<b>24.9</b>
Additions during the year	-
Deletions during the year	(0.6)
Depreciation expense for the year	(9.4)
<b>As at March 31, 2024</b>	<b>14.9</b>

Below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance at the beginning of the year</b>	29.4	37.9
Additions during the year	-	-
Accretion of interest during the year	2.3	3.1
Payments during the year	(12.3)	(11.6)
<b>Balance at the end of the year</b>	<b>19.4</b>	<b>29.4</b>
Current	11.9	10.0
Non-current	7.5	19.4

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

The maturity analysis of lease liabilities is disclosed in Note 38.

The effective interest rate for lease liabilities is 9.9%, with maturity in 2026.

The following are the amounts recognised in profit or loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation expense of right-of-use assets	9.4	9.6
Interest expense on lease liabilities	2.3	3.1
<b>Total amount recognised in profit or loss</b>	<b>11.7</b>	<b>12.7</b>

The Company had total cash outflows for leases of Rs 12.3 Million in March 31, 2024 (Rs. 11.6 Million in March 31, 2023). The Company also had no non-cash additions to right-of-use assets and lease liabilities for the year ended March 31, 2024 and March 31, 2023. There are no future cash outflows relating to leases that have not yet commenced.

The Company has no lease contracts that contains variable payments

The Company has a lease contract that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised

**Company as a lessor**

The Company has entered into operating leases on its investment property portfolio consisting of office buildings (see Note 5). These leases have terms up to five years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The lessee is also required to provide a residual value guarantee on the properties. Rental income recognised by the Company during the year is Rs 2.5 Million (March 31, 2023: Rs 2.7 Million) (refer note 24).

Future minimum rentals receivable under non-cancellable operating leases as at year end, are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Within one year	0.8	1.5
Between 1 and 2 years	-	0.8
Between 2 and 3 years	-	-
Between 3 and 4 years	-	-
Between 4 and 5 years	-	-
More than five years	-	-
	<b>0.8</b>	<b>2.3</b>

**44 RATIO ANALYSIS AND ITS ELEMENTS**

Particulars	Numerator	Denominator	For the year ended March 31, 2024	For the year ended March 31, 2023	Variance
1 Current ratio	Current Assets	Current Liabilities	2.08	2.19	-5%
2 Debt-Equity ratio	Total Debt = Lease liabilities	Total Equity	0.01	0.01	0%
3 Debt Service coverage ratio	Earnings for debt service= Profit after tax + depreciation and amortisations expense + Finance Costs	Debt service= Finance costs - Payment of principal portion of lease liabilities	27.36	28.27	-3%

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

Particulars	Numerator	Denominator	For the year ended March 31, 2024	For the year ended March 31, 2023	Variance
4 Return on equity (ROE) (Refer below note 'a' )	Profit after tax	Average Total Equity	0.18	0.14	31%
5 Inventory turnover ratio	Cost of goods sold= Cost of materials consumed + Purchase of traded goods + (Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	Average Inventory	2.82	2.83	0%
6 Trade receivable turnover ratio (Refer below note 'b' )	Revenue from contracts with customers - Other operating revenue	Average Trade Receivable	8.48	5.80	46%
7 Trade payable turnover ratio (Refer below note 'c' )	Purchase of raw materials + Purchase of traded goods	Average Trade Payables	5.14	3.73	38%
8 Net capital turnover ratio	Revenue from contracts with customers - Other operating revenue	Working Capital= Current assets - current liabilities	1.70	1.58	8%
9 Net profit ratio	Profit after tax	Revenue from contracts with customers - Other operating revenue	0.13	0.11	20%
10 Return on capital employed (ROCE) (Refer below note 'd' )	Earnings before interest and taxes= Profit before exceptional items and tax + Finance costs	Total Equity	0.25	0.18	35%
11 Return on investment (ROI) (Refer below note 'e' )	Interest Income on Bank Deposits	Investments = Bank deposits	0.06	0.05	26%

**Explanation for variances exceeding 25%:**

- Increase in ROE is due to Increase in profit after tax.
- Increase in trade receivable turnover ratio is contributed by faster collection of debtors.
- Increase in trade payables turnover ratio is contributed by higher purchase of input materials.
- Increase in ROCE is primarily due to insignificant increase in fixed cost.
- Increase in ROI is primarily due to Increase in Bank interest rate.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**45 EVENTS AFTER THE REPORTING PERIOD**

The board of directors have proposed dividend after the balance sheet date which are subject to approval by the shareholders at the annual general meeting. Refer note 18c for details.

**46 OTHER STATUTORY INFORMATION**

- (i) There are no proceedings which have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- (ii) As per section 248 of the Companies Act, 2013, there are no balances outstanding or transactions with struck off companies.
- (iii) The Company has not traded / invested in Crypto currency or virtual currency.
- (iv) The Company has no charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (v) 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
- (vi) 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.
- (vii) 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).
- (viii) The Company is not a declared willful defaulter by any bank or financial institution or other lender.
- (ix) The Company does not have server physically located in India for the daily backup of the books of account and other books and papers maintained in electronic mode.
- (x) The Company has migrated from legacy accounting software Microsoft dynamics AX to upgraded version of accounting software Microsoft dynamics 365FO during the year. The audit trail feature in respect of the legacy accounting software is not enabled. The Company is in the process of establishing necessary controls and documentations regarding audit trail in respect of new/ upgraded version of the accounting software.

**47** The financial statements of the Company for the year ended March 31, 2023, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 25, 2023.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants  
Firm's Registration No. 101049W/E300004

**per Sunil Gaggar**

Partner  
Membership No. 104315  
Place: Bangalore  
Date: May 23, 2024

**For and on behalf of the Board of Directors**

**DISA India Limited**

CIN: I85110ka1984plc006116

**Lokesh Saxena**

Managing Director  
DIN: 07823712

**Vidya Jayant**

Chief Financial Officer  
Place :Bangalore  
Date: May 23, 2024

**Deepa Hingorani**

Director  
DIN: 00206310

**Shrithee MS**

Company Secretary , ACS : 56563  
Place :Bangalore  
Date: May 23, 2024

**INDEPENDENT AUDITOR'S REPORT**

**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 (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance Sheet as at March 31, 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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 other auditor on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, its consolidated profit including other comprehensive income, its consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those

Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 for the financial year ended March 31, 2024. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditor of component not audited by us, as reported in its audit report furnished to us by the Management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key Audit Matter	How our audit addressed the key audit matter
<b>Revenue from contracts with customers</b> (as described in note 3.2 and 22 of the consolidated financial statements)	
<p>The Holding Company recognises revenue from sale of goods based on the terms and conditions specified in the agreement(s), which vary for different products. For sale of goods around the balance sheet date, it is essential to ensure that the transfer of control of the goods by the Holding Company to the customer occurs before the balance sheet date. Considering, the Holding Company has material sale transactions close to the year-end and recognition of revenue 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>Our audit procedures include the following:</p> <ul style="list-style-type: none"> <li>• We evaluated the Holding Company's accounting policies pertaining to revenue recognition and assessed compliance with the policies in terms of Ind AS 115 - Revenue from Contracts with Customers.</li> <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 Holding Company's accounting policy.</li> <li>• For a sample of sales transactions recorded closer 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 for the different products, and</li> <li>- Verified evidence like lorry receipts, despatch entries in gate register and other supporting documents for transfer of control of the goods prior to the balance sheet date.</li> </ul> </li> <li>• We read and assessed the relevant disclosures made in the consolidated financial statements.</li> </ul>

## Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated 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 and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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.

## Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 of the assets of their respective company(ies) 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 the 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 consolidated 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 Holding Company, 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 their respective company(ies) 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in

the Group are also responsible for overseeing the financial reporting process of their respective company(ies).

## Auditor's Responsibilities 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 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 Holding Company has adequate internal financial controls with reference to financial statements 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 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 entity or business activities within the Group of which we are the independent auditor, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditor. For the other entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company included in the consolidated financial statements of which we are the independent auditor 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 for the financial year ended March 31, 2024 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 Matter**

- (a) We did not audit the financial statements and other financial information, in respect of one subsidiary, whose financial statements include total assets of Rs 152.2 million as at March 31, 2024, and total revenues of Rs 125.4 million and net cash inflows of Rs 2.9 million for the year ended on that date. The financial statement and other financial information have been audited by other auditor, which financial statements, other financial information and auditor's report have been furnished to us by the Management. 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 Sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of such other auditor.
- (b) The consolidated financial statements of the Group for the year ended March 31, 2023, included in these consolidated financial statements, have been audited by the predecessor

auditor who expressed an unmodified opinion on those statements on May 25, 2023.

Our opinion above on the consolidated financial statements, 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the subsidiary company, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of subsidiary, as noted in the 'Other Matter' paragraph we report, to the extent applicable, that:
  - (a) We/the other auditor whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and report of the other auditor, except i.) that the Holding Company does not have server physically located in India for the daily backup of the books of account and other books and papers maintained in electronic mode, and; ii.) for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g);
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor who is appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2024 from

being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification relating to the maintenance of books of account and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g);

(g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) In our opinion and based on the consideration of report of other statutory auditor of the subsidiary, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company and its subsidiary, incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to 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 and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other Matter' paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer note 35 to the consolidated financial statements;
- ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, during the year ended March 31, 2024.

Based on the consideration of report of other statutory auditor of the subsidiary company, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company incorporated in India during the year ended March 31, 2024.

- iv. a) The respective Managements of the Holding Company and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, respectively that, to the best of its knowledge and belief, as disclosed in the note 45 (v) 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 Holding Company or any of such subsidiary, to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding,

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

- b) The respective Managements of the Holding Company and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, respectively that, to the best of its knowledge and belief, as disclosed in the note 45(vi) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiary, from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary, shall, whether, 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; and
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid during the year by the Holding Company, is in accordance with Section 123 of the Act.

As stated in note 17c to the consolidated financial statements, the Board of Directors of the Holding Company, have proposed final dividend for the year which is subject to the approval of the members of the Holding Company at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

Based on the consideration of report of other statutory auditor of the subsidiary company, no dividend has been declared or paid during the year by the subsidiary company, incorporated in India.

- vi) The Holding Company has migrated to a new/ upgraded version of the accounting software from legacy accounting software during the year. The audit trail feature in respect of the legacy accounting software was not enabled, as



described in note 45(x) to the consolidated financial statements. Further, the Holding Company is in the process of establishing necessary controls and documentations regarding audit trail for new/ upgraded version of the accounting software, as described in aforesaid note. Consequently, we are unable to comment on audit trail feature of the legacy and new/ upgraded version of the accounting software.

Further in case of one subsidiary, the audit trail (edit log) facility was enabled at the end of the year as described in the note 45(x) to the consolidated financial statements, hence audit trail facility was not operating throughout the year for all relevant transactions recorded in the software and reporting on whether there were any instance of tampering with the audit trail does not apply.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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**per Sunil Gaggar**

Partner

Membership Number: 104315

UDIN: 24104315BKEXHZ3562

Place of Signature: Bengaluru

Date: May 23, 2024

**Annexure '1' referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" section of our Report of even date**

Re: DISA India Limited (the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group")

Based on our audit and on the consideration of report of the other auditor on separate financial statements and other financial information of the subsidiary company incorporated in India, we state that::

(xxi) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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**per Sunil Gaggar**

Partner

Membership Number: 104315

UDIN: 24104315BKEXHZ3562

Place: Bengaluru

Date: May 23, 2024

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF DISA INDIA LIMITED.**

**Report on the Internal Financial Controls 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 financial statements of DISA India (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 (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 Holding Company's internal financial controls with reference to consolidated financial statements 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") and the Standards on Auditing, specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 with reference to consolidated 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 and the audit evidence obtained by the other auditor in terms of its 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 with reference to consolidated financial statements.

**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 controls 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, the Group, which are companies incorporated in India, have, maintained in all material respects, 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, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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**per Sunil Gaggar**

Partner

Membership Number: 104315

UDIN: 24104315BKEXHZ3562

Place of Signature: Bengaluru

Date: May 23, 2024

### **Other Matters**

Our 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 of the Holding Company, in so far as it relates to the one subsidiary, which is a company incorporated in India, is based on the corresponding report of the auditor of such subsidiary incorporated in India.

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024**  
(All amounts in Indian Rupees Millions, unless otherwise stated)

	Notes No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4	434.5	442.9
(b) Capital work-in-progress	4	8.2	-
(c) Investment properties	5	4.3	4.4
(d) Right-of-use assets	42	14.9	24.9
(e) Goodwill	6	6.0	6.0
(f) Other intangible assets	7	-	0.4
(g) Financial assets			
(i) Other financial assets	8a	22.3	51.0
(h) Income tax assets (net)	15a	39.3	47.8
(i) Deferred tax assets (net)	9a	12.0	6.2
(j) Other non-current assets	10a	9.8	12.6
<b>Total non-current assets</b>		<b>551.3</b>	<b>596.2</b>
<b>Current assets</b>			
(a) Inventories	11	843.5	529.3
(b) Financial assets			
(i) Trade receivables	12	309.7	476.6
(ii) Cash and cash equivalent	13a	75.1	74.6
(iii) Bank balance other than (ii) above	14	2,242.9	1,758.7
(iv) Other financial assets	8b	75.9	53.2
(c) Other current assets	10b	98.4	65.0
<b>Total current assets</b>		<b>3,645.5</b>	<b>2,957.4</b>
<b>Total assets</b>		<b>4,196.8</b>	<b>3,553.6</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	16	14.5	14.5
(b) Other equity	17a	2,444.6	2,179.9
<b>Total Equity</b>		<b>2,459.1</b>	<b>2,194.4</b>
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	42	7.5	19.4
(b) Deferred tax liabilities (net)	9b	1.8	1.7
<b>Total non-current liabilities</b>		<b>9.3</b>	<b>21.1</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	42	11.9	10.0
(ii) Trade payables	18		
(A) Total outstanding dues of micro enterprises and small enterprises		107.8	102.2
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		354.2	320.0
(iii) Other financial liabilities	19	68.5	79.4
(b) Provisions	20	70.7	44.7
(c) Current tax liabilities (net)	15b	6.2	1.7
(d) Other current liabilities	21	1,109.1	780.1
<b>Total current liabilities</b>		<b>1,728.4</b>	<b>1,338.1</b>
<b>Total liabilities</b>		<b>1,737.7</b>	<b>1,359.2</b>
<b>Total equity and liabilities</b>		<b>4,196.8</b>	<b>3,553.6</b>
Summary of material accounting policies	2		

The accompanying notes form an integral part of the Consolidated Financial Statements As per our report of even date attached

**For S.R. Batliboi & Associates LLP**  
Chartered Accountants  
Firm's Registration No. 101049W/E300004

**For and on behalf of the Board of Directors**  
**DISA India Limited**  
CIN: I85110ka1984plc006116

**per Sunil Gaggar**  
Partner  
Membership No. 104315  
Place: Bangalore  
Date: May 23, 2024

**Lokesh Saxena**  
Managing Director  
DIN: 07823712

**Vidya Jayant**  
Chief Financial Officer  
Place :Bangalore  
Date: May 23, 2024

**Deepa Hingorani**  
Director  
DIN: 00206310

**Shrithree MS**  
Company Secretary , ACS : 56563  
Place :Bangalore  
Date: May 23, 2024

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024**  
(All amounts in Indian Rupees Millions, unless otherwise stated)

	Notes No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>I Income</b>			
Revenue from contracts with customers	22	3,285.5	2,619.0
Other income	23	155.9	105.3
<b>Total Income</b>		<b>3,441.4</b>	<b>2,724.3</b>
<b>II Expenses</b>			
(a) Cost of materials consumed	24	1,823.0	1,220.9
(b) Purchase of traded goods	25	237.1	251.8
(c) (Increase)/decrease in inventories of finished goods, work in progress and traded goods	26	(118.4)	18.3
(d) Employee benefits expense	27	447.0	424.2
(e) Finance costs	28	7.1	6.3
(f) Depreciation and amortisation expense	29	47.4	45.1
(g) Other expenses	30	395.7	355.4
<b>Total expenses</b>		<b>2,838.9</b>	<b>2,322.0</b>
<b>III Profit before exceptional items and tax (I-II)</b>		<b>602.5</b>	<b>402.3</b>
<b>IV Exceptional items</b>	31	25.5	-
<b>V Profit before tax (III-IV)</b>		<b>577.0</b>	<b>402.3</b>
<b>VI Tax expense:</b>			
(a) Current tax	9c	152.6	100.7
(b) Deferred tax (credit) / expense	9c	(4.4)	3.9
<b>Total tax expenses</b>		<b>148.2</b>	<b>104.6</b>
<b>VII Profit after tax (V-VI)</b>		<b>428.8</b>	<b>297.7</b>
<b>VIII Other comprehensive income, net of taxes</b>			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods :			
(i) Re-measurement losses in defined benefit plans	33	(5.5)	(4.5)
(ii) Income tax effect	9c	1.3	1.1
<b>Total other comprehensive income (net of taxes)</b>		<b>(4.2)</b>	<b>(3.4)</b>
<b>IX Total comprehensive income for the year (VII+VIII)</b>		<b>424.6</b>	<b>294.3</b>
Earnings per equity share (Face value of Rs 10 /- each):	32		
Basic and Diluted, computed on the basis of profit for the year		294.87	204.72
Summary of material accounting policies	2		

The accompanying notes form an integral part of the Consolidated Financial Statements  
As per our report of even date attached

**For S.R. Batliboi & Associates LLP**  
Chartered Accountants  
Firm's Registration No. 101049W/E300004

**per Sunil Gaggar**  
Partner  
Membership No. 104315  
Place: Bangalore  
Date: May 23, 2024

**For and on behalf of the Board of Directors**  
**DISA India Limited**  
CIN: I85110ka1984plc006116

**Lokesh Saxena**  
Managing Director  
DIN: 07823712  
**Vidya Jayant**  
Chief Financial Officer  
Place :Bangalore  
Date: May 23, 2024

**Deepa Hingorani**  
Director  
DIN: 00206310  
**Shrithree MS**  
Company Secretary , ACS : 56563  
Place :Bangalore  
Date: May 23, 2024

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**a. Equity Share Capital:**

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares of Rs. 10 each issued, subscribed and fully paid</b>				
Balance as at the beginning of the reporting year	1,454,205	14.50	1,454,205	14.50
Changes in the equity share capital during the year	-	-	-	-
<b>Balance at the end of the reporting year</b>	<b>1,454,205</b>	<b>14.50</b>	<b>1,454,205</b>	<b>14.50</b>

**b. Other equity**

Particulars	Reserves & Surplus			
	Capital Reserve	Capital Redemption reserve	Retained earnings	Total Equity
<b>Balance as at April 1,2022</b>	1.5	0.6	2,043.4	2,045.5
Profit for the year	-	-	297.7	297.7
Other comprehensive income (net of taxes)	-	-	(3.4)	(3.4)
Dividends (refer note 17c)	-	-	(159.9)	(159.9)
<b>Balance as at March 31, 2023</b>	<b>1.5</b>	<b>0.6</b>	<b>2,177.8</b>	<b>2,179.9</b>
Profit for the year	-	-	428.8	428.8
Other comprehensive income (net of taxes)	-	-	(4.2)	(4.2)
Dividends (refer note 17c)	-	-	(159.9)	(159.9)
<b>Balance as at March 31, 2024</b>	<b>1.5</b>	<b>0.6</b>	<b>2,442.5</b>	<b>2,444.6</b>
Summary of material accounting policies	Note 2			

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date attached

**For S.R. Batliboi & Associates LLP**

Chartered Accountants  
Firm's Registration No. 101049W/E300004

**per Sunil Gaggar**

Partner  
Membership No. 104315  
Place: Bangalore  
Date: May 23, 2024

**For and on behalf of the Board of Directors**

**DISA India Limited**  
CIN: I85110ka1984plc006116

**Lokesh Saxena**

Managing Director  
DIN: 07823712

**Vidya Jayant**

Chief Financial Officer  
Place :Bangalore  
Date: May 23, 2024

**Deepa Hingorani**

Director  
DIN: 00206310

**Shrithree MS**

Company Secretary , ACS : 56563  
Place :Bangalore  
Date: May 23, 2024

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

	Notes No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Profit before tax</b>		577.0	402.3
Adjustments to reconcile profit before tax to net cash flows :			
Exceptional items	31	25.5	
Depreciation and amortisation expense	29	47.4	45.1
Finance costs	28	7.1	6.3
Profit on sale of property, plant and equipment	23	(0.7)	(0.9)
Interest income	23	(141.4)	(89.9)
Bad debts	30	-	0.2
Provision/(reversal) for doubtful trade receivables	30	8.1	2.4
Rental income	23	(2.4)	(2.6)
Net unrealised exchange gains		(4.8)	(11.2)
<b>Operating profit before changes in working capital</b>		<b>515.8</b>	<b>351.7</b>
<b>Changes in working capital</b>			
<b>Adjustments for (increase)/decrease in non-current assets:</b>			
Other financial assets		0.2	(0.7)
Other non-current assets		1.9	(10.5)
<b>Adjustments for (increase)/decrease in current assets:</b>			
Inventories		(314.2)	(7.4)
Trade receivables		158.9	(105.9)
Other financial assets		(1.5)	(14.5)
Other current assets		(33.4)	(16.8)
<b>Adjustments for increase/(decrease) in current liabilities:</b>			
Trade payables		44.5	90.0
Other financial liabilities		2.0	(1.1)
Short term provisions		(5.0)	1.5
Other current liabilities		329.0	225.9
<b>Cash generated from operating activities</b>		<b>698.2</b>	<b>512.2</b>
Income tax paid		(139.6)	(122.8)
<b>Net cash generated from operating activities (A)</b>		<b>558.6</b>	<b>389.4</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment & Capital work-in-progress		(50.6)	(145.5)
Proceeds from sale of property, plant and equipment		1.7	0.9
Redemption/maturity of bank deposits		1,760.9	1,327.4
Investment in bank deposits		(2,215.6)	(1,444.3)
Dividend Transfer from / ( to ) separate bank account			218.1
Interest received		119.2	81.8
Repayment of rental deposits		(0.2)	
Rental income		2.4	2.6
<b>Net cash flows (used in) / from investing activities (B)</b>		<b>(382.2)</b>	<b>41.0</b>



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Finance costs		(6.2)	(9.3)	
Payment of principal portion of lease liabilities		(10.0)	(5.5)	
Dividends paid		(159.7)	(378.0)	
<b>Net cash flows used in financing activities (C)</b>		<b>(175.9)</b>	<b>(392.8)</b>	
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)</b>			<b>0.5</b>	<b>37.6</b>
Cash and cash equivalent as at the beginning of the year	13a	<b>74.6</b>	<b>37.0</b>	
<b>Cash and cash equivalent at the end of the year</b>		<b>75.1</b>	<b>74.6</b>	
<b>Cash and cash equivalent at the end of the year</b>	13a			
Comprises				
(a) In cash in hand			0.1	
(b) In current accounts		75.1	74.5	
		<b>75.1</b>	<b>74.6</b>	
Summary of material accounting policies	2			

Refer Note 13b for Change in liabilities arising from financing activities and for non-cash financing and investing activities.

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date attached

**For S.R. Batliboi & Associates LLP**

Chartered Accountants  
Firm's Registration No. 101049W/E300004

**per Sunil Gaggar**

Partner  
Membership No. 104315  
Place: Bangalore  
Date: May 23, 2024

**For and on behalf of the Board of Directors**

**DISA India Limited**  
CIN: I85110ka1984plc006116

**Lokesh Saxena**

Managing Director  
DIN: 07823712

**Vidya Jayant**

Chief Financial Officer  
Place :Bangalore  
Date: May 23, 2024

**Deepa Hingorani**

Director  
DIN: 00206310

**Shrithee MS**

Company Secretary , ACS : 56563  
Place :Bangalore  
Date: May 23, 2024

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

**1. General information**

**1.1.** DISA India Limited ("the Company" or "the Holding Company") along with its wholly owned subsidiary, Bhadra Castalloy Private Limited (formerly known as Bhadra Castalloys Private Limited), collectively called as "Group". DISA India Limited 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 and the Company's ultimate holding company is Norican Global A/S, Denmark. The registered office of the company is located at World Trade Center (WTC), 6th Floor, Unit No. S-604, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bengaluru - 560 055, India. CIN of the Company is L85110KA1984PLC006116.

**1.2.** The Group is an equipment manufacturer and is engaged in supplying complete foundry systems that includes primarily DISA brand of moulding machines, sand mixers with combination of sand plant equipment, surface preparation machines and environmental control systems to customers across the country and manufacturing plant located in Tumkur, Bangalore, Karnataka.

**1.3.** The Company's consolidated financial statements were approved by the Company's Board of Directors on May 23, 2024.

**2. Material accounting policies**

**2.1.** Basis of Preparation and Presentation The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to consolidated financial statement. The financial statements have been prepared on the historical cost basis, except for the defined benefit plans, which have been measured at fair value. The accounting policies adopted for preparation and presentation of financial statement have been consistent with the previous year. The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

**2.2. Basis of Consolidation**

The consolidated financial statements comprise the financial statements of the Company and its wholly owned subsidiary as at March 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)• Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights; and
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of the subsidiary used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31, 2024.

**Consolidation procedure:**

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in the subsidiary and the parent's portion of equity of the subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intraGroup assets and liabilities, equity,

income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intraGroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). IntraGroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12, Income Taxes, applies to temporary differences that arise from the elimination of profits and losses resulting from intraGroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity shareholders of the parent of the Group. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between member and the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any noncontrolling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

### 2.3. Goodwill

Goodwill is initially measured at cost. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in Statement of Profit and Loss.

An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

### 2.4. Functional currency

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.

### 2.5. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires the Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and assumptions are reviewed on periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The key assumptions concerning the future and other key sources of estimation, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are described below. The Group's assumptions and estimates are based on parameters available at the time of preparation of the consolidated financial statements. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### Provision for inventories

Management reviews the aged inventory on a periodic basis. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. The Management also evaluates on the usability of existing inventories as a result of technological and regulatory changes if any and provides for the required allowances for slow moving/ non-moving and obsolete inventory. This review also involves comparison of the carrying value of the aged inventory item with the respective net realisable value. Management believes that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

#### Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present

value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the Management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. These mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

#### 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.

#### Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

#### Provision for warranty

Warranty estimates are established using historical information on the nature, frequency and average cost of warranty claims and also Management estimates regarding possible future outflow on servicing the customers for any corrective action in respect of product failure.

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

#### **3.1. Current versus non-current classification**

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### **3.2. Revenue from contracts with customers**

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 of goods sold and services rendered is net of goods & service tax, returns, discounts offered by the Group as part of the contract. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer, it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. Specific criteria's in relation to satisfaction of performance obligations have been met for each for the Group's activities described below:

##### 3.2.1 Revenue from sale of products

Revenue from sale of manufactured goods is recognised at the point in time on satisfaction of each performance obligation by transfer of control of the machines to the customer, generally on dispatch. A performance obligation is transferred when the customer obtains control.

##### a) Revenue from sale of manufactured machinery:

The Group earns revenues from sale of two categories of manufactured machineries 1) smaller machines or parts of larger assembled machineries i.e. sand plants and 2) single machines viz. moulding machines, short-blast machines, filters, and other similar machines. For the first category, each individual machine or part of the large assembled machines are separate performance obligation with transaction price allocated to each of these identified performance obligation in the contract on a relative stand-alone selling price. For the second category, each single machine is identified as a separate performance obligation.

The Group also considers other promises viz. supervision of installation services in the contract that are separate performance obligations to which a portion of the transaction price is allocated.

##### b) Revenue from sale of traded and manufactured parts of machinery:

Revenue from sale of traded and manufactured parts of machinery is recognised at the point in time on satisfaction of each performance obligation by transfer of control to the customer, generally on delivery.

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (3.15) Financial instruments – initial recognition and subsequent measurement.

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

### 3.2.2. Warranty obligations

The Group typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions in section (3.13) Provisions.

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.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.5.

### 3.2.3 Supervision services for erection and commissioning

The Group provides supervision services as bundled together with the sale of equipment to a customer. The supervision of installation services do not significantly customise or modify the equipment.

Contracts for bundled sales of equipment and supervision services are comprised of separate performance obligations because the equipment and installation and supervision services are both sold on a stand-alone basis and are distinct within the context of contract. Accordingly, the Group allocates the transaction price based on the relative stand-alone selling prices of the equipment and installation and supervision services.

The Group recognises revenue supervision services over time because the customer simultaneously receives and consumes the benefits provided to them. The Group uses an input method in measuring progress of the installation and supervision services because there is a direct relationship between the Group's effort (i.e., based on cost incurred or labour hours incurred) and the transfer of service to the customer. The Group recognises revenue on the basis of the cost/labour hours expended relative to the total expected cost/labour hours to complete the service.

### 3.2.4. Loyalty Discount

Loyalty discount is provided to dealers who are customers of the Group on sale of spare parts that can be redeemed against subsequent sales. The Group applies the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Group then applies the requirements on

constraining estimates in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the expected future rebates (i.e., the amount not included in the transaction price).

### 3.2.5. Commission Income

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

### 3.2.6. 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.

### 3.2.7. Interest Income

Interest Income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable.

## 3.3. Leasing

### 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.

#### Right-of-use assets

The Group recognises a right-of-use asset 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 i.e., 5 years.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In addition, the right-of-use asset is periodically reduced by impairment losses.

#### Lease liabilities

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. The lease liability is measured at amortised cost using the effective interest method.

#### 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.

#### Group as a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. 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.

### **3.4. Foreign currency transactions & translations**

In preparing the 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.

### **3.5. Employee benefits**

#### 3.5.1 Defined Contribution Plans

The Group makes defined contribution to the Government Employee Provident Fund, Superannuation Fund and Employees' State Insurance, which are recognised in the Statement of Profit and Loss, on accrual basis. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Group has no obligation, other than the contribution payable to the provident fund.

#### 3.5.2. Defined Benefit Plans

The Group operates a defined benefit gratuity plan in India. The Group contributes to a gratuity fund maintained by an independent insurance Company. The Group's liabilities under The Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year

using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in the 'Employee benefits expense' in the Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets (excluding amounts included in net Interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. These are presented as re-measurement gains or losses on defined benefit plans under other comprehensive income in other equity. Remeasurements gains or losses are not reclassified subsequently to the Statement of Profit and Loss.

#### 3.5.3. Leave encashment / Compensated absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognises accumulated compensated absences based on actuarial valuation in the Statement of Profit and Loss.

The Group presents the entire leave as a current liability in the Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

#### 3.5.4. Short term & Other Long-Term Employee benefits

Short-term employee benefits are recognised as an expense on accrual basis.

### **3.6. Fair value measurement**

The Group measures financial instruments at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

### **3.7. Taxation**

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

#### 3.7.1. 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.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method,

depending on which method predicts better resolution of the treatment.

#### 3.7.2. 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, except when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible 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 except, when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements.

Deferred tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### **3.8. Property, plant and equipment**

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

duties), less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, non-refundable taxes & duties, freight and other directly attributable costs to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Management. Freehold land is not depreciated.

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

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

The Group, based on technical assessment made by technical expert and Management estimate, depreciates certain property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The Management believes that these estimated useful lives reflect fair approximation of the period over which the assets are likely to be used. The Group has used the following rates to provide depreciation on its property, plant and equipment:

Nature of Asset	Useful lives ( in years )
Buildings	30-60
Plant and machinery	10-15
Furniture and fixtures	10
Office equipment	5
Patterns	7
Vehicles	5-10
Computers	3-6

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.

The Group reviews the estimated residual values, expected useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. In particular, the Group considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Furthermore, the Group considers climate-related matters, including physical and transition risks. Specifically, the Group determines whether climate-related legislation and regulations might impact either the useful life or residual values, e.g., by banning or restricting the use of the

Group's fossil fuel-driven machinery and equipment or imposing additional energy efficiency requirements on the Group's buildings and office properties.

### 3.9. 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. Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group depreciates building component of investment property over 40 years from the date of original purchase.

The Group, based on technical assessment made by technical expert and Management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Group measures investment properties using cost-based measurement, the fair value of investment properties are disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

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.

### 3.10. Other Intangible Assets

#### 3.10.1. Recognition

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

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

Computer software, except standard utility software packages



which are not integral part of the hardware are classified as Intangible assets.

#### 3.10.2. 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.

### 3.11. Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its 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.

The Group assesses whether climate risks, including physical risks and transition risks could have a significant impact.

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.

### 3.12. 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. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### 3.13. Provisions and contingent liability

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).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Provisions, contingent liabilities are reviewed at each Balance Sheet date.

### 3.14. Investment in subsidiaries

A subsidiary is an entity that is controlled by another entity. Investment in its subsidiary are carried at cost less impairment, if any.

The Group reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

### 3.15. Financial instruments

Financial instruments are recognised when the Group becomes a party to the contract that gives rise to financial assets and financial liabilities. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell

the asset.

#### Subsequent measurement

#### **Financial Assets**

##### *Financial assets at amortised cost*

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Group's financial assets at amortised cost includes loans, trade receivables, cash and cash equivalents, bank balance other than cash and cash equivalent and security deposits included under other financial assets.

##### *Financial assets at fair value through OCI (FVTOCI)*

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

#### Impairment of financial assets

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The amount of ECLs (or reversal) that is required to adjust the

loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment loss or gain in statement of profit and loss.

#### Financial liabilities

##### Financial liabilities at amortised cost

This is the category most relevant to the Group. After initial recognition, such financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The Group's financial liabilities at amortised cost includes lease liabilities, trade payables and employee payables included under other financial liabilities.

#### Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and 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 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.

### **3.17. Dividend**

The Group recognises a liability to make cash distributions to equity holders of the Group when the distribution is authorised, and the distribution is no longer at the discretion of the Group. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

### **3.18. 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 38).

### **3.19. 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.

### **3.20. Changes in accounting policies and disclosures**

#### **New and amended standards.**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Group applied for the first-time these amendments.

#### **(i) Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Group's consolidated financial statements.

#### **(ii) Disclosure of Accounting Policies – Amendments to Ind AS 1**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the

measurement, recognition or presentation of any items in the Group's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022. Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

### **3.21. Climate-related matters**

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.
- Impairment of non-financial assets. The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Group's products.

### **3.22. Standards notified but not yet effective.**

There are no standards that are notified and not yet effective as on the date.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

**4. PROPERTY, PLANT AND EQUIPMENT**

(All amounts in Indian Rupees Millions, unless otherwise stated)

Particulars	Freehold land*	Buildings*	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total	Capital work-in-Progress
<b>At Cost</b>										
Balance as at April 1, 2022	33.3	253.7	303.2	19.9	14.8	30.7	8.6	32.4	696.6	36.0
Additions	-	120.2	13.2	12.5	5.2	2.7	-	8.1	161.9	-
Capitalisation	-	-	-	-	-	-	-	-	-	36.0
Disposals	-	-	1.3	0.3	0.8	-	-	4.8	7.2	-
<b>Balance as at 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>	<b>-</b>
Additions	-	1.1	5.4	0.9	1.5	4.3	11.7	5.2	30.1	8.2
Disposals	-	-	-	1.2	0.8	5.2	4.8	3.9	15.9	-
<b>Balance as at March 31, 2024</b>	<b>33.3</b>	<b>375.0</b>	<b>320.5</b>	<b>31.8</b>	<b>19.9</b>	<b>32.5</b>	<b>15.5</b>	<b>37.0</b>	<b>865.5</b>	<b>8.2</b>

Particulars	Freehold land*	Buildings*	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total	Capital work-in-Progress
<b>Accumulated depreciation</b>										
Balance as at April 1, 2022	-	82.1	227.7	4.6	7.8	28.5	3.7	26.3	380.7	-
Depreciation expense for the year	-	10.3	13.0	2.5	2.6	0.8	1.7	4.0	34.9	-
Disposals	-	-	1.3	0.3	0.8	-	-	4.8	7.2	-
<b>Balance as at 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>	<b>-</b>
Depreciation expense for the year	-	12.4	11.0	3.0	3.1	1.4	1.9	4.7	37.5	-
Disposals	-	-	-	1.1	0.8	5.2	3.9	3.9	14.9	-
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>104.8</b>	<b>250.4</b>	<b>8.7</b>	<b>11.9</b>	<b>25.5</b>	<b>3.4</b>	<b>26.3</b>	<b>431.0</b>	<b>-</b>

Particulars	Freehold land*	Buildings*	Plant and machinery	Furniture and fixtures	Office equipment	Patterns	Vehicles	Computers	Total	Capital work-in-Progress
<b>Net book value</b>										
Balance as at March 31, 2023	33.3	281.5	75.7	25.3	9.6	4.1	3.2	10.2	442.9	-
Balance as at March 31, 2024	33.3	270.2	70.1	23.1	8.0	7.0	12.1	10.7	434.5	8.2

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

On transition to Ind AS (i.e. April 01, 2016), the Group has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

**Capital work-in-progress ageing schedule As at March 31, 2024**

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*	8.2	-	-	-	8.2
2 Projects temporarily suspended	-	-	-	-	-
Total	8.2	-	-	-	8.2

\* Capital work-in-progress pertains to factory office renovation

**As at 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	-	-	-	-	-

Note : The Group does not have any Capital-work-in progress in projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024 and March 31, 2023

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**5. INVESTMENT PROPERTIES**

Particulars	Investment Property
Balance as at April 1, 2022	13.2
Additions	-
<b>Balance as at March 31, 2023</b>	<b>13.2</b>
Additions	-
<b>Balance as at March 31, 2024</b>	<b>13.2</b>
Particulars	Investment Property
<b>Accumulated depreciation</b>	
Balance as at April 1, 2022	8.6
Depreciation expense for the year	0.2
<b>Balance as at March 31, 2023</b>	<b>8.8</b>
Depreciation expense for the year	0.1
<b>Balance as at March 31, 2024</b>	<b>8.9</b>
Particulars	Investment Property
<b>Carrying amount</b>	
Balance as at March 31, 2023	4.4
Balance as at March 31, 2024	4.3

On transition to Ind AS (i.e. April 01, 2016), the group has elected to continue with the carrying value of all Investment properties measured as per the previous GAAP and use that carrying value as the deemed cost of Investment properties.

**Information regarding income and expenditure of Investment properties**

Particulars	As at March 31, 2024	As at March 31, 2023
Rental income derived from investment properties (refer note 23)	2.4	2.6
Direct operating expenses (including repairs and maintenance) arising from investment properties that generate rental income	0.1	0.1
Direct operating expenses (including repairs and maintenance) arising from investment properties that did not generate rental income	-	-
<b>Profit arising from investment properties before depreciation and indirect expenses</b>	<b>2.3</b>	<b>2.5</b>
Less – Depreciation	0.1	0.2
<b>Profit arising from investment properties before indirect expenses</b>	<b>2.2</b>	<b>2.3</b>

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

The Group's investment property consists of three commercial properties in India. The Management has determined that the investments property consists of one class of asset "Office" based on nature, characteristics and risks of each property. As at March 31, 2024 and March 31, 2023, the fair values of the properties are Rs.56.2 Million and Rs.52.3 Million respectively.

Fair valuation of Investment Properties as at March 31, 2024 has been arrived at on the basis of valuation carried out by an independent valuers not related to the Group. 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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

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. Market rate fixed by Sub Registrar's for valuation for the stamp duty & Registration.; 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.

**6 GOODWILL**

Particulars	Goodwill
<b>Gross carrying value</b>	
Balance as at April 1, 2022	6.0
Additions	-
Disposals/ Adjustments	-
<b>Balance as at March 31, 2023</b>	<b>6.0</b>
Additions	-
Disposals/ Adjustments	-
<b>Balance as at March 31, 2024</b>	<b>6.0</b>
<b>Accumulated Amortisation</b>	
Balance as at April 1, 2022	-
Amortisation expense/ Impairment for the year	-
Disposals/ Adjustments	-
<b>Balance as at March 31, 2023</b>	<b>-</b>
Amortisation expense/ Impairment for the year	-
Disposals/ Adjustments	-
<b>Balance as at March 31, 2024</b>	<b>-</b>
<b>Carrying amount:</b>	
Balance as at March 31, 2023	6.0
Balance as at March 31, 2024	6.0

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**7 OTHER INTANGIBLE ASSETS**

Particulars	Computer Software
<b>At Cost</b>	
Balance as at April 1, 2022	23.0
Additions	-
Deletions	-
<b>Balance as at March 31, 2023</b>	<b>23.0</b>
Additions	-
Deletions	-
<b>Balance as at March 31, 2024</b>	<b>23.0</b>
<b>Accumulated Amortisation</b>	
Balance as at April 1, 2022	22.2
Amortisation expense for the year	0.4
Deletions	-
<b>Balance as at March 31, 2023</b>	<b>22.6</b>
Amortisation expense for the year	0.4
Deletions	-
<b>Balance as at March 31, 2024</b>	<b>23.0</b>
<b>Carrying amount</b>	
Balance as at March 31, 2023	0.4
Balance as at March 31, 2024	-

On transition to Ind AS (i.e. April 01, 2016), the Group has elected to continue with the carrying value of all Intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible assets.

**8 OTHER FINANCIAL ASSETS**

**a) Non-current**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good:		
Security deposits	11.6	11.0
Bank deposits with more than 12 months maturity	10.7	40.0
<b>Total</b>	<b>22.3</b>	<b>51.0</b>

**b) Current**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good:		
Advances to employees	8.1	5.8
Interest accrued	67.8	46.4
Other receivables from related party (refer note 37)	-	1.0
<b>Total</b>	<b>75.9</b>	<b>53.2</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**9 INCOME TAX**

**9a DEFERRED TAX ASSETS (NET)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred tax asset on:</b>		
Provision for gratuity	3.3	4.3
Provision for leave encashment	2.5	2.3
Provision for employee bonus	7.2	6.8
Provision for litigations	7.0	-
Lease liabilities	4.8	7.4
Provision for doubtful trade receivables	5.1	3.0
Sub total (A)	29.9	23.8
<b>Deferred tax liabilities on:</b>		
Property, Plant and equipment and intangible assets	14.2	11.3
Right-of-use assets	3.7	6.3
Sub total (B)	17.9	17.6
<b>Total (A-B)</b>	<b>12.0</b>	<b>6.2</b>

**Movement of deferred tax assets / liabilities  
For the year ended March 31, 2024**

Particulars	As at April 01, 2023	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	As at March 31, 2024
<b>Deferred tax asset on:</b>				
Provision for gratuity	4.3	(2.3)	1.3	3.3
Provision for leave encashment	2.3	0.2	-	2.5
Provision for employee bonus	6.8	0.4	-	7.2
Provision for litigations	-	7.0	-	7.0
Lease liabilities	7.4	(2.6)	-	4.8
Provision for doubtful trade receivables	3.0	2.1	-	5.1
Sub total (A)	23.8	4.8	1.3	29.9
<b>Deferred tax liabilities on:</b>				
Property, Plant and equipment and intangible assets	11.3	2.9	-	14.2
Right-of-use assets	6.3	(2.6)	-	3.7
Sub total (B)	17.6	0.3	-	17.9
<b>Total (A-B)</b>	<b>6.2</b>	<b>4.5</b>	<b>1.3</b>	<b>12.0</b>



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**For the year ended March 31, 2023**

Particulars	As at April 01, 2022	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	As at March 31, 2023
<b>Deferred tax asset on:</b>				
Provision for gratuity	4.0	(0.8)	1.1	4.3
Provision for leave encashment	2.5	(0.2)	-	2.3
Provision for employee bonus	6.0	0.8	-	6.8
Lease liabilities	9.5	(2.1)	-	7.4
Provision for doubtful trade receivables	2.4	0.6	-	3.0
Sub total (A)	24.4	(1.7)	1.1	23.8
<b>Deferred tax liabilities on:</b>				
Property, Plant and equipment and intangible assets	7.3	4.0	-	11.3
Right-of-use assets	8.5	(2.2)	-	6.3
Sub total (B)	15.8	1.8	-	17.6
<b>Total (A-B)</b>	<b>8.6</b>	<b>(3.5)</b>	<b>1.1</b>	<b>6.2</b>

**9b DEFERRED TAX LIABILITIES (NET)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred tax asset on:</b>		
Provision for gratuity	0.1	0.1
Provision for leave encashment	0.1	0.1
Provision for employee bonus	0.1	0.1
Sub total (A)	0.3	0.3
<b>Deferred tax liabilities on:</b>		
Property, Plant and equipment and intangible assets	2.1	2.0
Sub total (B)	2.1	2.0
<b>Total (B-A)</b>	<b>1.8</b>	<b>1.7</b>

**Movement of deferred tax assets / liabilities  
For the year ended March 31, 2024**

Particulars	As at April 01, 2023	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	As at March 31, 2024
<b>Deferred tax asset on:</b>				
Provision for gratuity	0.1	-	-	0.1
Provision for leave encashment	0.1	-	-	0.1
Provision for employee bonus	0.1	-	-	0.1
Sub total (A)	0.3	-	-	0.3
<b>Deferred tax liabilities on:</b>				
Property, Plant and equipment and intangible assets	2.0	0.1	-	2.1
Sub total (B)	2.0	0.1	-	2.1
<b>Total (B-A)</b>	<b>1.7</b>	<b>0.1</b>	<b>-</b>	<b>1.8</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**For the year ended March 31, 2023**

Particulars	As at April 01, 2022	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	As at March 31, 2023
<b>Deferred tax asset on:</b>				
Provision for gratuity	0.5	(0.4)	-	0.1
Provision for leave encashment	0.1	-	-	0.1
Provision for employee bonus	0.1	-	-	0.1
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>

The applicable tax rate for the year ended March 31, 2024 and March 31, 2023 is 25.17%

**Reconciliation of deferred tax (net):**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Opening balance as at 1 April</b>	4.5	7.3
Tax income/(expense) during the year recognised in profit or loss	4.4	(3.9)
Tax income/(expense) during the year recognised in OCI	1.3	1.1
<b>Closing balance as at 31 March</b>	<b>10.2</b>	<b>4.5</b>

**9c INCOME TAXES**

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current Tax</b>	152.6	100.7
In respect of the current year	152.6	100.7
<b>Deferred tax</b>	(4.4)	3.9
In respect of the current year	(4.4)	3.9
<b>Total income tax expenses recognised in the current year</b>	<b>148.2</b>	<b>104.6</b>

**INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Deferred tax charge / ( benefit )</b>		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	(1.3)	0.4
	(1.3)	0.4

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**Bifurcation of the income tax recognised in other comprehensive income in to**

Items that will not be reclassified to profit or loss	(1.3)	0.4
	(1.3)	0.4

**Reconciliation of effective tax rate**

Profit before tax	577.0	402.3
Applicable tax rate	25.17%	25.17%
Expected income tax expenses	145.2	101.3

**Adjustments to reconcile expected tax expenses to reported income tax expenses**

**Effect of expenses not deductible in determining taxable profit**

Expenditure on corporate social responsibility	2.1	2.1
Others	0.9	1.2

	3.0	3.3
Adjusted income tax expenses	148.2	104.6
Effective tax rate	25.68%	25.99%

**10 OTHER ASSETS**

**a) Non-current**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good:		
Prepaid expenses	3.3	4.4
Balance with government authorities	5.2	7.0
Other deposits	1.3	1.2
<b>Total</b>	<b>9.8</b>	<b>12.6</b>

**b) Current**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good:		
Prepaid expenses	13.2	12.3
Advances to suppliers	19.7	11.0
Duty drawback receivable	10.1	10.2
Balance with government authorities	45.1	27.9
Contract assets	8.9	-
Others	1.4	3.6
<b>Total</b>	<b>98.4</b>	<b>65.0</b>

**11 INVENTORIES**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(At lower of cost and net realisable value)</b>		
Raw materials	534.1	338.3
[Goods in transit - Rs. 26.9 Million; (as at March 31, 2023 Rs. 28.9 Million)]		
Work-in-progress	277.6	131.8
Finished goods	5.9	37.1
Traded goods	25.9	22.1
<b>Total</b>	<b>843.5</b>	<b>529.3</b>

During the year ended March 31, 2024 Rs. 4.1 Million (Year ended March 31, 2023: Rs. 5.1 Million) recognised as an expense in respect of slow/non moving and obsolete inventories.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**12 TRADE RECEIVABLES**

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good - Unsecured		
- From related parties (refer note 37)	70.1	205.7
- From others	243.0	275.1
Trade receivable credit impaired	16.7	7.8
	<b>329.8</b>	<b>488.6</b>
Less: Allowances for credit losses	20.1	12.0
<b>Total</b>	<b>309.7</b>	<b>476.6</b>
<b>Impairment Allowance (allowance for bad and doubtful debts)</b>		
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables - credit impaired	20.1	12.0
<b>Total</b>	<b>20.1</b>	<b>12.0</b>

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

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person.

For terms and conditions relating to related party receivables, refer Note 37.

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

**Movements in allowance for doubtful trade receivables**

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	12.0	12.0
Add: Provision made during the year	12.1	4.2
Less: Provision reversed during the year	4.0	4.2
<b>Closing balance</b>	<b>20.1</b>	<b>12.0</b>

**Trade Receivables Ageing**

As at March 31, 2024

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	85.2	206.0	10.6	11.3	-	-	313.1
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	9.6	1.6	5.5	16.7
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>85.2</b>	<b>206.0</b>	<b>10.6</b>	<b>20.9</b>	<b>1.6</b>	<b>5.5</b>	<b>329.8</b>
<b>Less : allowance for credit losses</b>							<b>(20.1)</b>
<b>Net Trade Receivables</b>							<b>309.7</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**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	220.1	250.1	9.1	1.5	-	-	480.8
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>221.7</b>	<b>250.1</b>	<b>9.1</b>	<b>3.7</b>	<b>1.1</b>	<b>2.9</b>	<b>488.6</b>
<b>Less : allowance for credit losses</b>							<b>(12.0)</b>
<b>Net Trade Receivables</b>							<b>476.6</b>

**13a CASH AND CASH EQUIVALENT**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Cash and cash equivalent:</b>		
(a) Cash on hand	-	0.1
(b) Balance with banks:		
-In current accounts	75.1	74.5
<b>Total</b>	<b>75.1</b>	<b>74.6</b>

At March 31, 2024, the Group had available Rs 70 Million (March 31, 2023: Rs 70 Million) of undrawn secured borrowing facilities sanctioned from the bank

The quarterly returns or statements of current assets filed by the Group against sanctioned working capital limits with banks are in agreement with the books of accounts

**13b CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Lease liabilities</b>		
<b>Opening Balance</b>	29.4	37.9
Interest expenses	2.3	3.1
Cashflows	(12.3)	(11.6)
<b>Closing Balance</b>	<b>19.4</b>	<b>29.4</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**14 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Other balance with banks</b>		
-Margin money fixed deposits*	548.2	295.8
-In deposit accounts**	1,692.8	1,461.2
-Unpaid dividend accounts	1.9	1.7
<b>Total</b>	<b>2,242.9</b>	<b>1,758.7</b>

\*Held as security against guarantees and commitments.

\*\*With original maturity of more than three months and remaining maturity less than twelve months.

**Break up of financial assets carried at amortised cost**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Financial assets measured at amortised cost:</b>		
Trade receivables (refer note 12)	309.7	476.6
Cash and cash equivalent (refer note 13a)	75.1	74.6
Other Bank balances (refer note 14)	2,242.9	1,758.7
Other financial assets (refer note 8)	98.2	104.2
<b>Total financial assets carried at amortised cost</b>	<b>2,725.9</b>	<b>2,414.1</b>

**15a INCOME TAX ASSETS (NET)**

Particulars	As at March 31, 2024	As at March 31, 2023
Advance tax [net of provision for tax]	39.3	47.8
<b>Total</b>	<b>39.3</b>	<b>47.8</b>

**15b CURRENT TAX LIABILITIES (NET)**

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for tax [net of advance tax]	6.2	1.7
<b>Total</b>	<b>6.2</b>	<b>1.7</b>

**16 EQUITY SHARE CAPITAL**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised equity share capital:</b>		
5,000,000 (March 31, 2023: 5,000,000) Equity shares of Rs.10 each	50.0	50.0
<b>Issued, subscribed and fully paid up:</b>		
1,454,205 (March 31, 2023: 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 TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**Notes:**

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

No of equity shares outstanding at the beginning of the year	1,454,205	1,454,205
Movement during the year	-	-
No of equity shares outstanding at the end of the year	1,454,205	1,454,205
Equity share capital at the beginning of the year (Rs. Million)	14.5	14.5
Movement during the year	-	-
<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, The Holding Company	786,657	786,657
Disa Holding AS, Denmark	301,399	301,399

Disa Holding AG is a wholly owned subsidiary of Disa Holding AS.

\* In full figures

**iii) Details of shares held by each shareholder holding more than 5% shares:**

**Equity Shares**

Disa Holding AG, Switzerland	786,657	786,657
	54.10%	54.10%
Disa Holding AS, Denmark	301,399	301,399
	20.73%	20.73%
SBI Small Cap fund	114,711	113,874
	7.89%	7.83%

**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, where the dividend is declared by the Board of Directors.

- v)** The Group has neither issued any bonus shares nor bought back any shares during the period of five years immediately preceding the reporting date.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

vi) Details of shares held by promoters

As at March 31, 2024	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs.10 each fully paid	Disa Holding AG, Switzerland	786,657	-	786,657	54.10%	-
Equity shares of Rs.10 each fully paid	Disa Holding AS, Denmark	301,399	-	301,399	20.73%	-
<b>Total</b>		<b>1,088,056</b>	<b>-</b>	<b>1,088,056</b>	<b>74.82%</b>	<b>-</b>

As at March 31, 2023	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs.10 each fully paid	Disa Holding AG, Switzerland	786,657	-	786,657	54.10%	-
Equity shares of Rs.10 each fully paid	Disa Holding AS, Denmark	301,399	-	301,399	20.73%	-
<b>Total</b>		<b>1,088,056</b>	<b>-</b>	<b>1,088,056</b>	<b>74.82%</b>	<b>-</b>

17a OTHER EQUITY

Particulars	As at March 31, 2024	As at March 31, 2023
Retained earnings	2,442.5	2,177.8
Capital Redemption Reserve (Buyback of equity shares)	0.6	0.6
Capital reserve	1.5	1.5
<b>Total</b>	<b>2,444.6</b>	<b>2,179.9</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>A. Retained earnings</b>		
Opening balance	2,177.8	2,043.4
Add : Profit for the year	428.8	297.7
Add : Other comprehensive income	(4.2)	(3.4)
Less: Dividend (Refer Note 17c)	159.9	159.9
Balance at end of the year	2,442.5	2,177.8
<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



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**17b NATURE AND PURPOSE OF RESERVES**

**Retained earnings**

Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

**Capital Redemption Reserve**

During the year ended March 31, 2017, the Holding 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 Holding Company's own equity instruments is transferred to capital reserve.

**17c Distribution made and proposed**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Dividends on equity shares declared and paid:</b>		
Final dividend for the year ended on March 31, 2023: Rs 10 per share (March 31, 2022: Rs 10 per share)	14.5	14.5
Interim dividend for the year ended on March 31, 2024: Rs 100 per share (March 31, 2023: Rs 100 per share)	145.4	145.4
	<b>159.9</b>	<b>159.9</b>
<b>Proposed dividends on Equity shares:</b>		
Proposed dividend for the year ended on March 31, 2024: Rs 100 per share (March 31, 2023: Rs 10 per share)	145.4	14.5
	<b>145.4</b>	<b>14.5</b>

**18 TRADE PAYABLES**

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (Refer note 40)	107.8	102.2
Total outstanding dues of creditors other than micro enterprises and small enterprises	354.2	320.0
<b>Total</b>	<b>462.0</b>	<b>422.2</b>

Includes amount payable to related party Rs.156.1 (March 31, 2023 : Rs.121.4) (refer note 37)

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**Trade Payables ageing**

**As at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment						
	Unbilled amount	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	107.8	-	-	-	-	107.8
Total outstanding dues of creditors other than micro enterprises and small enterprises	108.7	211.7	27.2	3.3	1.6	1.7	354.2
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>108.7</b>	<b>319.5</b>	<b>27.2</b>	<b>3.3</b>	<b>1.6</b>	<b>1.7</b>	<b>462.0</b>

**As at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment						
	Unbilled amount	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	119.0	77.9	116.9	2.8	0.5	2.9	320.0
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>119.0</b>	<b>180.1</b>	<b>116.9</b>	<b>2.8</b>	<b>0.5</b>	<b>2.9</b>	<b>422.2</b>

**Terms and conditions of the above financial liabilities:**

- (a) Trade payables are non-interest bearing and are normally settled on 30 to 60 day terms.  
(b) For terms and conditions with related parties, refer to Note 37.

**19 OTHER CURRENT FINANCIAL LIABILITIES**

Particulars	As at March 31, 2024	As at March 31, 2023
Employee Payables	44.4	42.6
Rental deposits	1.1	1.3
Unpaid dividends	1.9	1.7
Payable on Purchase of property, plant and equipment	2.4	15.3
Other payable to related party (refer note 37)	18.7	18.5
<b>Total</b>	<b>68.5</b>	<b>79.4</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**20 PROVISIONS**

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for warranties *	18.4	17.6
Employee benefit payables		
- Compensated absences	10.7	9.8
- Gratuity (refer note 33)	13.5	17.3
Provision for litigations **	28.1	-
<b>Total</b>	<b>70.7</b>	<b>44.7</b>

\*Warranty provisions represents cost of commitment made by the Group during the time sale which are accrued at recognition of revenue and are expected to be utilized within a period of one year. Provision is calculated based on past experience.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	17.6	17.6
Provision made during the year	13.8	17.5
Utilisations during the year	13.0	17.5
<b>Provisions at the end of the year</b>	<b>18.4</b>	<b>17.6</b>

\*\*Includes provision amounting to Rs. 25.5 (March 31, 2023: Nil) made on account of an Arbitration Award , refer note 31

**21 OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from customers	1,086.4	765.1
Statutory liabilities	22.7	15.0
<b>Total</b>	<b>1,109.1</b>	<b>780.1</b>

**22 REVENUE FROM CONTRACTS WITH CUSTOMERS**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from operations</b>		
Sale of products (Refer note (i) below)	3,123.2	2,543.2
Sale of services (Refer note (ii) below)	130.0	37.2
<b>Sub-total</b>	<b>3,253.2</b>	<b>2,580.4</b>
<b>Other operating revenue</b>		
Other operating revenue (Refer note (iii) below)	32.3	38.6
<b>Total</b>	<b>3,285.5</b>	<b>2,619.0</b>
<b>Notes</b>		
(i) <b>Sale of products comprises :</b>		
Manufactured goods :		
Machinery	2,186.6	1,675.0
Parts of machinery	603.6	581.2
<b>Sale of Manufactured goods Sub Total - A</b>	<b>2,790.2</b>	<b>2,256.2</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

<b>Traded goods :</b>		
Parts of machinery	333.0	287.0
<b>Sales of Traded goods Sub Total - B</b>	<b>333.0</b>	<b>287.0</b>
<b>Total sale of products - A + B</b>	<b>3,123.2</b>	<b>2,543.2</b>
(ii) <b>Sale of service comprises:</b>		
Supervision services for erection and commissioning	122.6	28.3
Others	7.4	8.9
<b>Sales of services - Total</b>	<b>130.0</b>	<b>37.2</b>
(iii) <b>Other operating revenue comprises :</b>		
Commission income	20.6	21.2
Sale of scrap	3.4	8.0
Export incentives	8.3	9.4
<b>Other operating revenue - Total</b>	<b>32.3</b>	<b>38.6</b>
(iv) <b>Disaggregated revenue information Analysis of revenues by geography :</b>		
India	2,724.3	2,124.1
Outside India	561.2	494.9
<b>Revenue - Total</b>	<b>3,285.5</b>	<b>2,619.0</b>
<b>Timing of revenue recognition :</b>		
Goods transferred at a point in time	3,155.5	2,581.8
Services transferred over time	130.0	37.2
<b>Revenue - Total</b>	<b>3,285.5</b>	<b>2,619.0</b>
(v) <b>Contract Balances</b>		
Trade receivables (refer note 12)	309.7	476.6
Contract assets (refer note 10b)	8.9	-
Advances from customers (refer note 21)	1,086.4	765.1

(a) Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days. During the year ended, March 31, 2024, Rs 20.2 Million (March 31, 2023: Rs 12.0 million) was recognised as provision for expected credit losses on trade receivables.

(b) Contract assets relates to revenue earned from Supervision services for erection and commissioning. As such, the balances of this account vary and depend on the number of ongoing contracts at the end of the year. The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) for contract assets is expected to be recognised within one year.

(c) Advances from customers include short-term advances received to deliver machinery equipment's, and loyalty points not yet redeemed. The outstanding balances of these accounts increased in 2023-24 due to the continuous increase in the Group's customer base.

The amount of revenue recognised in the current year of Rs 705.4 Million (March 31, 2023: Rs 482.8 Million) that was included in the opening advance from customer balance towards unsatisfied performance obligation.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

(vi) **Performance obligation**

Information about the Group's performance obligations are summarised below:

**Sale of manufactured machinery**

The performance obligation is satisfied upon dispatch of the machines or sub-machines (part of larger machineries) and payment is generally collected in advance.

In some contracts, supervision services for erection and commissioning are agreed to be provided to customers as a part of sale of manufactured machinery. The supervision services are accounted for as a separate performance obligation and a portion of the transaction price is allocated. The performance obligation for the supervision services is satisfied over one-year based on time elapsed.

**Sale of traded and manufactured parts of machinery**

The performance obligation is satisfied upon delivery of the spare parts and payment is generally due within 30 to 60 days from delivery.

Customers are entitled to loyalty discounts which results in allocation of a portion of the transaction price to the loyalty discounts. Revenue is recognised when the loyalty discount is redeemed.

In addition, the Group updates its estimates of the loyalty discount that will be redeemed on a quarterly basis and any adjustments to the contract liability balance are charged against revenue.

(vii) **Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

Revenue as per contracted price	3,264.9	2,596.2
<b>Adjustments</b>		
Less: Loyalty discounts	20.6	22.8
<b>Revenue - Total</b>	<b>3,285.5</b>	<b>2,619.0</b>

**23 OTHER INCOME**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Interest income (Refer note (i) below )	141.4	89.9
(b) Net gain on foreign currency transactions and translation	7.5	9.2
(c) Other non-operating income (Refer note (ii) below)	7.0	6.2
<b>Total</b>	<b>155.9</b>	<b>105.3</b>

**Note:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) <b>Interest income comprises:</b>		
Interest income on financial assets carried at amortised cost		
Bank deposits	140.0	89.1
Security deposits	0.8	0.8
Others	0.6	-
	<b>141.4</b>	<b>89.9</b>
(ii) <b>Other non-operating income comprises:</b>		
Royalty income	2.3	1.3
Profit on sales of property, plant and equipment (net)	0.7	0.9
Rental income	2.4	2.6
Miscellaneous income	1.6	1.4
<b>Total</b>	<b>7.0</b>	<b>6.2</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**24 COST OF MATERIALS CONSUMED**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Stock	338.3	312.6
Add : Purchases	2,018.8	1,246.6
Less : Closing Stock	534.1	338.3
<b>Cost of materials consumed</b>	<b>1,823.0</b>	<b>1,220.9</b>

**25 PURCHASE OF TRADED GOODS**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Parts of machinery	237.1	251.8
<b>Total</b>	<b>237.1</b>	<b>251.8</b>

**26 (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Inventories at the end of the year:</b>		
Finished goods	5.9	37.1
Work-in-progress	277.6	131.8
Traded goods	25.9	22.1
<b>Sub Total</b>	<b>309.4</b>	<b>191.0</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	37.1	41.9
Work-in-progress	131.8	153.1
Traded goods	22.1	14.3
<b>Sub Total</b>	<b>191.0</b>	<b>209.3</b>
<b>(Increase)/ decrease in inventories</b>		
Finished goods	31.2	4.8
Work-in-progress	(145.8)	21.3
Traded goods	(3.8)	(7.8)
<b>Total</b>	<b>(118.4)</b>	<b>18.3</b>

**27 EMPLOYEE BENEFITS EXPENSE**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	364.8	354.2
Gratuity Expenses (refer note 33)	6.2	5.9
Compensated absence	6.1	6.0
Contributions to provident and other funds (refer note 33)	25.5	25.4
Staff welfare expenses	44.4	32.7
<b>Total</b>	<b>447.0</b>	<b>424.2</b>

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on 3 May 2023. However, the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**28 FINANCE COSTS**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Bank guarantee commission	3.9	2.4
(ii) Interest expense on financial liabilities carried at amortized cost		
Lease liability (refer note 42)	2.3	3.1
others	0.9	0.8
<b>Total</b>	<b>7.1</b>	<b>6.3</b>

**29 DEPRECIATION AND AMORTISATION EXPENSE**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment (refer note 4)	37.5	34.9
Amortisation on intangible assets (refer note 7)	0.4	0.4
Depreciation on ROU assets (refer note 42)	9.4	9.6
Depreciation on investment properties (refer note 5)	0.1	0.2
<b>Total</b>	<b>47.4</b>	<b>45.1</b>

**30 OTHER EXPENSES**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel	20.8	20.2
Repairs and maintenance		
Buildings	10.0	13.6
Machinery	5.5	3.1
Others	9.1	8.8
Insurance	4.9	16.7
Rates and taxes	2.6	7.7
Travelling and conveyance	54.1	45.9
Legal and professional charges	23.2	17.1
Payments to auditors (refer note (i) below)	5.0	4.6
Freight and forwarding charges	30.8	38.3
Sales Commission expenses	13.3	6.5
Recruitment and training	6.6	1.4
Group management fees	46.3	32.8
Royalty expense	20.3	21.4
Information technology costs	60.7	55.2
Expenditure on corporate social responsibility (refer note (ii) below)	8.2	8.2
Bad trade receivables written off	-	0.2
Provision for doubtful trade receivables (net)	8.1	2.4
Advertisement and sales promotion	3.6	1.7
Sub Contracting expenses	45.0	28.6
Miscellaneous expenses	17.6	21.0
<b>Total</b>	<b>395.7</b>	<b>355.4</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**Note:**

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

Statutory audit (including limited review)	4.2	3.8
Tax Audit	0.4	0.6
Reimbursement of expenses	0.4	0.2
<b>Sub Total</b>	<b>5.0</b>	<b>4.6</b>

**(ii) Disclosures in accordance with guidance note on accounting for expenditure on corporate social responsibility ("CSR") Activities**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Expenditure on corporate social responsibility</b>		
(a) Gross Amount required to be spent by the Group during the year	8.2	8.2
(b) Amount approved by the Board to be spent during the year	8.2	8.2
(c) Amount spent during the year ended	8.2	8.2
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above		
- In cash		
- Yet to be paid in cash	8.2	8.2
(d) Details of related party transactions	-	-
(e) Details related to spent / unspent obligations	-	-
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	-	-
iii) Unspent amount in relation to:	-	-
- Ongoing project	-	-
- Other than ongoing project	-	-

CSR expenditure has been incurred for promoting education including scholarship to meritorious students and contribution to development of schools.

**Details of other than ongoing project**

In case of Section 135(5) of the Companies Act 2013 (Other than ongoing project)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance as on April 01:	-	-
With Group	-	-
In Separate CSR Unspent A/c		
Amount required to be spent during the year	8.2	8.2
Amount spent during the year		
From Company's bank A/c	8.2	8.2
From Separate CSR Unspent A/c		
Balance as on March 31:		
With Group	-	-
In Separate CSR Unspent A/c	-	-

The Group has no ongoing projects as per Section 135(6) of the Companies Act

There are no contribution to political parties in the current and previous year.



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**31 EXCEPTIONAL ITEMS**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Provision made on account of an Arbitration Award	25.5	-
<b>Total</b>	<b>25.5</b>	<b>-</b>

Exceptional items of Rs 25.5 million for the year ended March 31, 2024, represent a provision made on account of an Arbitration Award of Rs. 25.5 million plus interest of 12% per annum against the Holding Company during the quarter ended September 30, 2023, for alleged unsatisfactory performance of an equipment supplied to a customer in the past. The provision has been made based on prudent practice and on conservative principles without any admission of liability on the part of the Holding Company and without prejudice to its legal rights. The Holding Company is advised by its legal advisors that the award is arbitrary and beyond the terms of the Holding Company's contract with the customer. Accordingly, the Holding Company has filed an appeal with the Commercial Court of Bangalore on January 10, 2024, against the award.

**32 EARNINGS PER SHARE (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following table reflects the income and share data used in the basic and diluted EPS computations:

PARTICULARS	Year ended March 31, 2024	Year ended March 31, 2023
<b>Basic and Diluted</b>		
Profit attributable to equity share holders (Rs. in Million)	428.8	297.7
Nominal Value of equity share (Rs./Share)	10.0	10.0
Weighted average number of ordinary equity share for Basic EPS (Nos.)	1,454,205	1,454,205
Basic and Diluted EPS (Rs./Share)	<b>294.87</b>	<b>204.72</b>

**33 EMPLOYEE BENEFIT OBLIGATIONS**

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

The Group has one post-employment funded plans, namely Gratuity.

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Act). Under the Act, an employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Gratuity being administered by a Trust is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The Gratuity plan for the Group is a defined benefit scheme where annual contributions as demanded by the insurer are deposited to a Gratuity Fund established to provide gratuity benefits. The Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. The Group makes provision of such gratuity asset/liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**1. Defined Benefit Plans**

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

Particulars	Gratuity	
	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	5.3	5.0
Interest Cost	0.9	0.9
<b>Amount recognised in the Statement of Profit and Loss</b>	<b>6.2</b>	<b>5.9</b>
<b>Actuarial (gain)/loss</b>		
a) arising from changes in financial assumption	5.3	(3.1)
b) arising from experience adjustments	1.0	7.8
c) arising from demographic assumption	-	-
Return on Plan assets (excluding Interest income)	(0.8)	(0.2)
<b>Amount recognised in other comprehensive income</b>	<b>5.5</b>	<b>4.5</b>
<b>Total</b>	<b>11.7</b>	<b>10.4</b>

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

Particulars	Gratuity	
	Year ended March 31, 2024	Year ended March 31, 2023
Defined benefit obligation at beginning of the year	82.5	73.8
Current service cost	5.3	5.0
Interest cost	5.9	4.7
Actuarial losses (gains)	6.3	4.7
Benefits paid	(5.5)	(5.7)
<b>Defined benefit obligation at the end of the year</b>	<b>94.5</b>	<b>82.5</b>

**III. Reconciliation of Opening and Closing balances of fair value of plan assets and net liability recognised:**

Particulars	Gratuity	
	Year ended March 31, 2024	Year ended March 31, 2023
Fair value of plan assets at beginning of the year	65.2	56.1
Expected return on plan assets	5.0	3.9
Return on Plan assets (excluding interest income)	0.8	0.2
Contributions by employer	15.5	10.7
Benefits paid	(5.5)	(5.7)
<b>Fair value of plan assets at year end</b>	<b>81.0</b>	<b>65.2</b>
Present value of defined benefit obligation at the end of the year	94.5	82.5
<b>Net liability recognised in the balance sheet</b>	<b>13.5</b>	<b>17.3</b>
Current	13.5	17.3
Non Current	-	-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**IV. Investment details:**

Particulars	%invested as at Year ended March 31, 2024	%invested as at Year ended March 31, 2023
Investment with insurer (Investment in Policy of LIC)	100%	100%

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

Particulars	Gratuity	
	Year ended March 31, 2024	Year ended March 31, 2023
Mortality Table	2006-08 (IALM)	2006-08 (IALM)
Discount Rate (per annum)	7.20%	7.40%
Rate of escalation in salary (per annum)	8.00%	6% for 1st 3 year, 7% for next 3 years, 8% thereafter

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

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

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

**VI. Sensitivity Analysis**

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

Particulars	Gratuity	
	Year ended March 31, 2024	Year ended March 31, 2023
Impact in present value of defined benefit obligation:		
If discount rate is increased by 0.5%	(2.5)	(2.2)
If discount rate is decreased by 0.5%	2.6	2.3
If salary escalation rate is increased by 0.5%	2.3	2.1
If salary escalation rate is decreased by 0.5%	(2.3)	(2.0)

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.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**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 all of the gratuity payments 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 Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

**VIII. Effect of Plan on Entity's Future Cash Flows**

(i) Funding arrangements and Funding Policy

The Group has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.

(ii) Expected contribution during the next annual reporting period

The Group's best estimate of Contribution during the next year is Rs. 9.1 Million.

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

Particulars	Gratuity	
	Year ended March 31, 2024	Year ended March 31, 2023
Year 1	9.1	8.5
Year 2	15.8	15.9
Year 3	9.2	8.2
Year 4	9.0	7.6
Year 5	11.6	7.4
Next 5 years	48.8	42.0

The average duration of the defined benefit plan obligation at the end of the reporting period is 6 years (March 31, 2023: 6 years).

**2. Defined Contribution Plans.**

The Group has no obligation, other than the contributions payable to the below mentioned fund. Contribution of Defined Contribution Plan, recognized as expense for the year are as under:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employer's Contribution to Provident Fund	17.7	17.4
Employers' Contribution to Superannuation Fund	7.7	7.9
Employers' Contribution to ESIC	0.1	0.1

**34 CAPITAL AND OTHER COMMITMENTS**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Estimated amount of contracts remaining to be executed on capital accounts not provided for	1.3	2.8

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**35 CONTINGENT LIABILITIES**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Claims against the Group not acknowledged as debt		
CST/VAT [Rs 2.3 Million (March 31, 2023: Rs. 3.0 Million) paid under protest]	6.6	7.3
Excise duty	-	2.0
Income tax	10.8	13.1

The Group is contesting the tax litigations in respect of income tax matters for the years FY 2011-12 and FY 2012-13 for disallowances made by the tax authorities and for CST/VAT matters for the FY 2012-13 where the demand is against non-filing of C forms. The Management, including its tax advisors, believes that its position will likely be upheld at the various forums where the matters are pending. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

**36 FINANCIAL INSTRUMENTS**

**(i) Financial Instruments by category**

Particulars	Note	Carrying Value		Fair Value	
		Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
<b>(A) Financial assets</b>					
<b>Measured at amortised cost</b>					
(a) Trade receivables	12	309.7	476.6	309.7	476.6
(b) Other financial assets	8	98.2	104.2	98.2	104.2
(c) Cash and cash equivalents	13a	75.1	74.6	75.1	74.6
(d) Bank balance other than cash and cash equivalent	14	2,242.9	1,758.7	2,242.9	1,758.7
		<b>2,725.9</b>	<b>2,414.1</b>	<b>2,725.9</b>	<b>2,414.1</b>
<b>(B) Financial liabilities</b>					
<b>Measured at amortised cost</b>					
(a) Trade payables	18	462.0	422.2	462.0	422.2
(b) Lease liability	42	19.4	29.4	19.4	29.4
(c) Other financial liabilities	19	68.5	79.4	68.5	79.4
		<b>549.9</b>	<b>531.0</b>	<b>549.9</b>	<b>531.0</b>

The Management assessed that the fair value of cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, trade payables and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**(ii) 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.

As on March 31, 2024 and March 31, 2023, the Group does not hold any financial instruments which are measured at fair value. Therefore, disclosure under fair value is not applicable to the Group.

**(iii) Financial risk management**

The Group's principal financial liabilities comprise of trade payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade receivables, and cash and cash equivalents that derive directly from its operations.

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The market risk to the Group is mainly due to foreign exchange exposure risk, Interest rate risk and other price risk. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Group's risk management activity focuses on actively securing the Group's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Group does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Group is exposed are described below.

**(A) 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	Year ended March 31, 2024	Year ended March 31, 2023
<b>Liabilities</b>		
EURO	171.2	107.1
USD	18.2	14.5
<b>Total Liabilities</b>	<b>189.4</b>	<b>121.6</b>
<b>Assets</b>		
EURO	78.4	81.2
USD	8.6	1.0
GBP	-	0.8
<b>Total Assets</b>	<b>87.0</b>	<b>83.0</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**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 Rupee 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 Rupee against these currencies would have led to an equal but opposite effect.

**Analysis of 10% strengthening of the Rupee**

Particulars	EURO Impact (net of tax)	
	Year ended March 31, 2024	Year ended March 31, 2023
Impact on profit or loss for the year	(6.9)	(1.9)
Impact on total equity as at the end of the reporting period	6.9	1.9

Particulars	USD Impact (net of tax)	
	Year ended March 31, 2024	Year ended March 31, 2023
Impact on profit or loss for the year	(0.7)	(1.0)
Impact on total equity as at the end of the reporting period	0.7	1.0

**c) Commodity price risk**

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacturing of OEM products, and therefore require a continuous supply of steel.

**(B) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group only deals with parties which has good credit rating/ worthiness given by external rating agencies or based on Groups internal assessment.

**(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 the reversal/ allowance for life time expected credit loss on customer balances for the year ended is disclosed in note 12.

**(b) Financial instrument and bank deposits**

Credit risk from balances with banks is managed by the Group in accordance with its policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

**(C) 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.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

The table below summarises the maturity profile of the Group's financial liabilities based on contractual payments:

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total
<b>As at March 31, 2024</b>				
Trade payables (Refer Note 18)	462.0	-	-	462.0
Lease liability	13.3	7.8	-	21.1
Other financial liabilities (Refer Note 19)	68.5	-	-	68.5
<b>As at March 31, 2023</b>				
Trade payables (Refer Note 18)	422.2	-	-	422.2
Lease liability	12.3	21.1	-	33.4
Other financial liabilities (Refer Note 19)	79.4	-	-	79.4

**(iv) Capital management**

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Borrowings	-	-
Less: cash and cash equivalents	75.1	74.6
<b>Net debt - A</b>	-	-
<b>Total equity attributable to the equity share holders of the company - B</b>	2,459.1	2,194.4
Net debt as a percentage of total capital (A/B)	0%	0%
<b>Total Capital Employed (A+B)</b>	2,459.1	2,194.4

The Group is predominantly equity financed which is evident from the capital structure table. Further, the Group has always been a net cash Group with cash and bank balances being far in excess of debt.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

**37 RELATED PARTY DISCLOSURES**

**a) Name of related parties and related party relationship**

**Name of party**

**Nature of relationship**

**i) Parties where control exists:**

Norican Global A/S	Ultimate holding Company
DISA Holding AS	Intermediate Holding Company
DISA Holding AG	Holding Company

**ii) Name of other related parties as per Ind AS 24 with whom transactions have taken place during the year:**

**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.



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

Wheelabrator Group GmbH  
Wheelabrator Group Ltd. USA  
DISA Industries, Inc.  
Norican A/S  
Italpresse Industrie SpA  
Castalloy Inc, USA  
Castalloy UK

**Key management personnel (KMP)**

Mr. Lokesh Saxena, Managing Director  
Ms. Deepa Hingorani, Independent Director  
Mr. Anders Wilhjelm, Director  
Ms. Ulla P Tonnesen, Director  
Mr. Guerin Declan, Director  
Mr. Bhagya Chandra Rao, Independent Director  
Mr. Amarnath Mohanty, CFO (Up to April 22, 2024)  
Mrs. Vidya Jayant, CFO (From April 23, 2024)  
Ms. Shrithee MS, Company Secretary

**b) Transactions with related parties**

Name of the related party	Nature of transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
DISA Industries AG	Royalty expenses	3.3	1.5
	Reimbursement of expenses (receivable)	-	0.1
	Reimbursement of expenses (payable)	0.1	-
DISA Technologies Private Ltd.	Legal and professional charges	10.4	16.2
	Sale of services	-	3.1
	Reimbursement of expenses (payable)	0.2	0.1
	Reimbursement of expenses (receivable)	0.1	-
DISA Industries A/S	Royalty expenses	14.3	15.2
	Purchase of raw materials	157.1	95.1
	Purchase of traded goods	173.0	142.9
	Sale of services	3.2	1.9
	Sale of products	190.7	227.7
	Reimbursement of expenses (payable)	-	0.1
	Reimbursement of expenses (receivable)	0.3	-
DISA K.K.	Commission income	19.6	1.8
DISA (Changzhou) Machinery Ltd.	Sale of products	0.3	0.3
	Purchase of raw materials	18.6	7.3
	Sale of products	6.4	1.5
	Royalty income	2.3	1.3

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

Wheelabrator Czech s.r.o.	Purchase of raw materials	32.9	18.0
	Purchase of traded goods	18.9	10.6
Wheelabrator Group GmbH	Royalty expenses	2.7	4.6
	Sale of products	-	1.1
	Sale of services	-	1.0
	Reimbursement of expenses (receivable)	0.1	-
	Commission income	1.0	8.3
Wheelabrator Group Inc. USA	Purchase of raw materials	0.1	1.3
DISA Industries, Inc.	Sale of products	2.2	1.6
Norican A/S	Group Management fee	44.9	32.1
	Information technology costs	50.4	44.4
	Reimbursement of expenses (receivable)	0.1	-
	Reimbursement of expenses (payable)	1.4	0.7
Italpresse Industrie SpA	Commission income	-	11.3
	Purchase of traded goods	14.8	11.9
Castalloy Inc, USA	Sale of products	13.6	29.1
Castalloy UK	Sale of products	-	1.1
DISA Holding AG	Dividend paid	86.5	86.5
DISA Holding AS	Dividend paid	33.1	33.1
Mr.Lokesh Saxena	Salaries and wages	22.1	17.9
	Contributions to provident and other funds	1.7	1.4
Mr.Amarnath Mohanty	Salaries and wages	13.1	12.1
	Contributions to provident and other funds	1.0	0.9
Ms. Shrithee MS	Salaries and wages	2.1	0.7
	Contributions to provident and other funds	0.1	-
Ms.Deepa Hingorani	Commission	0.4	0.4
	Sitting fees	0.4	0.4
Mr.Bhagya Chandra Rao	Commission	0.4	0.4
	Sitting fees	0.4	0.4

**C) Balance Outstanding as at year end**

Name of the related party	Nature of Balance	As at March 31, 2024	As at March 31, 2023
DISA (Changzhou) Machinery Ltd.	Trade receivables	0.4	0.7
	Trade payables	13.4	3.1
DISA Industries A/S	Trade receivables	48.4	178.8
	Other receivables	-	1.0
	Trade payables	105.4	99.8

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

DISA Industries AG	Trade receivables	-	0.1
	Trade payables	0.6	-
DISA Industries, Inc.	Trade receivables	0.1	0.2
DISA K.K.	Trade receivables	-	0.1
DISA Technologies Private Ltd.	Trade payables	3.1	4.2
Italpresse Industrie SpA	Trade receivables	12.3	12.3
	Trade payables	7.0	6.6
Norican A/S	Other payables	18.7	18.5
Wheelabrator Czech s.r.o.	Trade payables	24.8	5.7
Wheelabrator Group GmbH	Trade receivables	-	1.4
	Trade payables	0.4	0.6
Wheelabrator Group Inc. USA	Trade payables	1.4	1.3
Castalloy Inc, USA	Trade receivables	8.9	11.0
Castalloy UK	Trade receivables	-	1.1

**Notes:**

1. The above information has been determined to the extent such parties have been identified on the basis of information provided by the Group, 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.
4. As the future liability for gratuity is provided on an actuarial basis for the Group as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

**38 SEGMENT REPORTING**

The Managing Director of the Group has been identified as the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108, Operating Segments. The CODM evaluates the Group's performance as a whole. Accordingly, the entire Group has been identified as one segment. Hence, no separate segment information has been presented.

The Group is engaged in equipment manufacturer with foundry and surface preparation process technology business which forms the Group's only primary segment. Secondary segment reporting is based on the location of the Group's customer, which is provided in the table below. The Group operates mainly in two geographical areas, India and Rest of the world.

Each segment item reported is measured based on the measure used to report to the Chief Operating Decision Maker for the purposes of making decisions about allocating resources to the segment and assessing its performance. Also, all other assets and liabilities are used interchangeably and domiciled in India.

The accounting policies adopted in the preparation of the financial statements are also consistently applied to record revenue and expenditure and assets and liabilities in individual segments. The material accounting policies are set out in note 2 & 3 of financial statements.

**(i) Revenues from customers :**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
India	2,724.3	2,124.1
Outside India	561.2	494.9

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**(ii) Non-Current Assets :**

Particulars	As at March 31, 2024	As at March 31, 2023
India	438.8	447.7
Outside India	-	-

Non-current assets is allocated based on the geographic location of the respective assets, Non-current assets for this purpose consist of property, plant and equipment, investment properties and intangible 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, 2024 and March 31, 2023.

**39 STATUTORY GROUP INFORMATION**

		As at March 31, 2024		As at March 31, 2023	
<b>Net Assets, i.e., total assets minus total liabilities</b>		<b>As % of consolidated net assets</b>	<b>Amount (in million )</b>	<b>As % of consolidated net assets</b>	<b>Amount (in million )</b>
Parent	DISA India Limited	97.2%	2,390.7	97.5%	2,139.2
Subsidiary (Indian)	Bhadra Castalloy Private Limited	2.8%	68.4	2.5%	55.2
<b>Share in profit and loss</b>		<b>As % of consolidated profit or loss</b>	<b>Amount (in million )</b>	<b>As % of consolidated profit or loss</b>	<b>Amount (in million )</b>
Parent	DISA India Limited	96.9%	415.4	95.5%	284.2
Subsidiary (Indian)	Bhadra Castalloy Private Limited	3.1%	13.4	4.5%	13.5
<b>Share in other Comprehensive income</b>		<b>As % of consolidated other comprehensive income</b>	<b>Amount (in million )</b>	<b>As % of consolidated other comprehensive income</b>	<b>Amount (in million )</b>
Parent	DISA India Limited	95.2%	(4.0)	97.1%	(3.3)
Subsidiary (Indian)	Bhadra Castalloy Private Limited	4.8%	(0.2)	2.9%	(0.1)
<b>Share in total Comprehensive income</b>		<b>As % of consolidated total comprehensive income</b>	<b>Amount (in million )</b>	<b>As % of consolidated total comprehensive income</b>	<b>Amount (in million )</b>
Parent	DISA India Limited	96.9%	411.4	95.4%	280.9
Subsidiary (Indian)	Bhadra Castalloy Private Limited	3.1%	13.2	4.6%	13.4

**40 DISCLOSURES UNDER THE MSMED ACT, 2006**

Disclosure under Micro, Small and Medium Enterprises Development Act ,2006  
Amount due and remaining unpaid

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(I) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	107.8	102.2
Interest due on above	-	-
	107.8	102.2

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

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.

**41** The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by within due date of filing the Return of Income as required under law. The Management is of the opinion that its international transactions are at arm's length so the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

**42 LEASES**

**Group as a lessee**

The Group has entered into property lease for office space. This lease is for a period of five years. The Group's obligations under the lease is secured by the lessor's title to the leased assets.

Below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Total
<b>As at April 01, 2022</b>	34.1
Additions during the year	0.4
Depreciation expense for the year	(9.6)
<b>As at March 31, 2023</b>	<b>24.9</b>
Additions during the year	-
Deletions during the year	(0.6)
Depreciation expense for the year	(9.4)
<b>As at March 31, 2024</b>	<b>(14.9)</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

Below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance at the beginning of the year</b>	29.4	37.9
Additions during the year	-	-
Accretion of interest during the year	2.3	3.1
Payments during the year	(12.3)	(11.6)
<b>Balance at the end of the year</b>	<b>19.4</b>	<b>29.4</b>
Current	11.9	10.0
Non-current	7.5	19.4

The maturity analysis of lease liabilities is disclosed in Note 36

The effective interest rate for lease liabilities is 9.9%, with maturity in 2026.

The following are the amounts recognised in profit or loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation expense of right-of-use assets	9.4	9.6
Interest expense on lease liabilities	2.3	3.1
<b>Total amount recognised in profit or loss</b>	<b>11.7</b>	<b>12.7</b>

The Group had total cash outflows for leases of Rs 12.3 Million in March 31, 2024 (Rs. 11.6 Million in March 31, 2023). The Group also had no non-cash additions to right-of-use assets and lease liabilities for the year ended March 31, 2024 and March 31, 2023. There are no future cash outflows relating to leases that have not yet commenced.

The Group has no lease contracts that contains variable payments

The Group has a lease contract that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised

**Group as a lessor**

The Group has entered into operating leases on its investment property portfolio consisting of office buildings (see Note 5). These leases have terms up to five years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The lessee is also required to provide a residual value guarantee on the properties. Rental income recognised by the Group during the year is Rs 2.4 Million (March 31, 2023: Rs 2.6 Million) (refer note 23).

Future minimum rentals receivable under non-cancellable operating leases as at year end, are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Within one year	0.8	1.5
Between 1 and 2 years	-	0.8
Between 2 and 3 years	-	-
Between 3 and 4 years	-	-
Between 4 and 5 years	-	-
More than five years	-	-
	<b>0.8</b>	<b>2.3</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

**43 RATIO ANALYSIS AND ITS ELEMENTS**

The ratios have not being disclosed in the consolidated financial statements pursuant to the guidance under the Revised Guidance Note on Division II-Ind AS Schedule III to the Companies Act, 2013 issued by the Institute of Chartered Accountants of India ("ICAI").

**44 EVENTS AFTER THE REPORTING PERIOD**

The board of directors have proposed dividend after the balance sheet date which are subject to approval by the shareholders at the annual general meeting. Refer note 17c for details.

**45 OTHER STATUTORY INFORMATION**

- (i) There are no proceedings which have been initiated during the year or are pending against the Group as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- (ii) As per section 248 of the Companies Act, 2013, there are no balances outstanding or transactions with struck off companies.
- (iii) The Group has no charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not traded / invested in Crypto currency or virtual currency.
- (v) 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 Group (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) 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 Group 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.
- (vii) 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).
- (viii) The Group is not a declared willful defaulter by any bank or financial institution or other lender.
- (ix) The Holding Company does not have server physically located in India for the daily backup of the books of account and other books and papers maintained in electronic mode. 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.
- (x) The Holding Company has migrated from legacy accounting software Microsoft dynamics AX to upgraded version of accounting software Microsoft dynamics 365FO during the year. The audit trail feature in respect of the legacy accounting software is not enabled. The Holding Company is in the process of establishing necessary controls and documentations regarding audit trail in respect of new/ upgraded version of the accounting software. Further in case of the Subsidiary Company, which is a company incorporated in India and whose financial statements have been audited under the Act, have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, but the same was enabled on March 26, 2024. Hence audit trail facility was not operating throughout the year for all relevant transactions recorded in the software and instance of tampering with the audit trail does not apply.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in Indian Rupees Millions, unless otherwise stated)

- 46** The consolidated financial statements of the Company for the year ended March 31, 2023, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 25, 2023.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants  
Firm's Registration No. 101049W/E300004

**per Sunil Gaggar**

Partner  
Membership No. 104315  
Place: Bangalore  
Date: May 23, 2024

**For and on behalf of the Board of Directors**

**DISA India Limited**  
CIN: I85110ka1984plc006116

**Lokesh Saxena**

Managing Director  
DIN: 07823712

**Vidya Jayant**

Chief Financial Officer  
Place :Bangalore  
Date: May 23, 2024

**Deepa Hingorani**

Director  
DIN: 00206310

**Shrithee MS**

Company Secretary , ACS : 56563  
Place :Bangalore  
Date: May 23, 2024



**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](mailto:investor.relations@disagroup.com) Web: [www.disagroup.com](http://www.disagroup.com)

May 23,2024

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 your 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](mailto: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



## Norican India Plants 1000 Saplings in 2024, Continuing Environmental Commitment

Norican India has planted 1000 saplings in 2024 as part of its ongoing environmental initiatives on February 2nd, 2024. Led by enthusiastic employees, this effort follows last year's success in transforming barren land into a vibrant mini forest with 1000 saplings. The company aims to plant 1000 saplings annually for five years, totalling 5000 saplings by 2027.



## Strengthening Partnerships: Shareholder Visit to DISA India's Tumkuru Plant

On November 24, 2023, DISA India shareholders visited the company's manufacturing facility in Tumkuru as part of an Investor Relations program. The shareholders were impressed by the company's state-of-the-art manufacturing capabilities and innovative processes firsthand.



## DISA India Celebrates 40th Anniversary with Customers' Day Event

DISA India marked its 40th anniversary with a vibrant Customers' Day event on February 1, 2024, at its Tumkuru manufacturing facility. The event attracted 95 attendees, including representatives from 35 esteemed customers, the Danish Embassy in India and The Institute of Indian Foundrymen.

The day began with a ceremonial lamp lighting symbolizing unity, followed by a keynote address from Mr. Lokesh Saxena, Managing Director of DISA India. Highlighting 40 years of shared success, the event showcased DISA India's innovative foundry equipment and concluded with a networking lunch, reinforcing the company's commitment to excellence and collaborative growth.



# DISA INDIA LIMITED

## Registered Office

6th Floor, S-604, World Trade Center (WTC)  
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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, Industrial 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)



DISA is a registered trademark of DISA Holding A/S.  
DISAMATIC is a registered trademark of DISA Industries A/S.  
Wheelabrator is the registered trademark of Wheelabrator Technologies (UK) Limited

[www.disagroup.com](http://www.disagroup.com)

[www.wheelabratorgroup.com](http://www.wheelabratorgroup.com)