



TITAGARH
RAIL SYSTEMS LIMITED

**ADDING SPEED
TO PROGRESS**

#atmanirbharbharat



Annual Report 2024

The background is a deep blue color with several white, motion-blurred streaks that curve across the frame, suggesting speed and movement. The streaks are most prominent in the upper left and lower right corners.

**MOBILITY FOR
BILLIONS, GLOBALLY.**

The Mobility Story

2007

First production of EMU/MEMU1 for Indian Railways
Significant increase of Foundry capacity

1997

Establishment of Titagarh Wagons Limited (TWL) as a manufacturing unit of freight wagons

2009

Certified by RDSO – G105 with a production capacity of 8,400 wagons/year

2015

Acquired 100% of Titagarh Firema, an Italian manufacturer of passenger rolling stock

2019

Order for Metro Coaches in India
First Aluminum metro trains to be manufactured in India

2021

Complete set up of first Aluminum Coach plant & Propulsion manufacturing plant in Kolkata

2022

- Single largest order in the last 10 years from Indian Railways for 24,177 wagons
- Delivered first prototype of Traction Motors
- Delivered first train for Pune Metro

2023

- Won Vande Bharat train manufacturing cum maintenance order in consortium with BHEL
- Order received for Bangalore Metro (contract manufacturing)
- Won the order for supply of forged wheels for Indian Railways in consortium with RKFL

2024

- Strategic collaboration with ABB for propulsion systems and
- alliance with Sidwal Refrigeration Pvt Ltd for railway components.
- Order received for Surat and Ahmedabad metros.



Note: Journey as of respective financial year ending (March 31)

- EMU: Electric Multiple Unit; MEMU: Mainline Electric Multiple Unit
- In 2022, Invitalia, Govt of Italy's investment arm along with financial investor acquired stake in Firema, resulting in TRSL's stake in Firema reducing to 49.70%
- In 2024, with fresh equity investment by JV-SPV of TRSL & Sidwal, Invitalia, other shareholders into Firema, the stake of TRSL in Firema reduced to 25.43%

MESSAGE FROM CHAIRMAN

Starting with a foundry acquired in 1982 to the pride of being the largest wagon manufacturer in the country, our journey has been marked by several important milestones, driven by our unwavering commitment to innovation, quality, and societal well-being.

Year of unprecedented growth

FY 2024 has been marked with many achievements such as highest ever revenue, profits and productivity - a testament to our robust business model, strategic foresight and the relentless dedication of our team. Titagarh is now a comprehensive solution provider with unique distinction of leadership in manufacture of both the freight and passenger rail segments.

Participation in the country's railway infrastructure development

We are aligned with Government's initiatives viz. "Make in India" and "AatmaNirbhar Bharat", and are proud to be participating in the development and growth of India.

Commitment to Excellence

Our growth story is a result of our commitment to excellence and providing mobility solutions for billions in line with our vision and mission.

Moving forward, we remain focused on excellence, innovation and sustainability. Our strategic initiatives combined with our commitment to giving back to the society, will help us navigate future challenges and seize emerging opportunities. Our values have built a solid foundation and Titagarh will continue to conduct itself as a responsible corporate citizen.



**Jagdish Prasad
Chowdhary**
(Executive Chairman)

FROM VCMD's DESK

Innovation and Automation

At Titagarh, we are passionate about innovative solutions with unwavering commitment to ensuring complete satisfaction to our customers. Our relentless pursuit of operational excellence and quality products helps us exceed customer expectations providing the basis of our growth.

Proud of Contribution to National Initiatives

We are immensely proud of our role as an enabler in the development of India's railway infrastructure. Espousing the government's "Make in India" and "AatmaNirbhar Bharat" initiatives, we aim to foster self-reliance in domestic manufacturing capabilities dedicated to contributing to the broader vision of a "Viksit Bharat".

Journey continues

Rather than look back at our achievements, we consistently keep our focus on our vision and mission of becoming the most dependable mobility solution provider in the country and globally. Our shareholders, customers and all other stakeholders have been and will continue to be the centre of all our efforts to make Titagarh stay and progress speedily on track in the massive infrastructure growth plans being implemented in the railway sector of the country.



**Umesh
Chowdhary**
(Vice Chairman &
Managing Director)



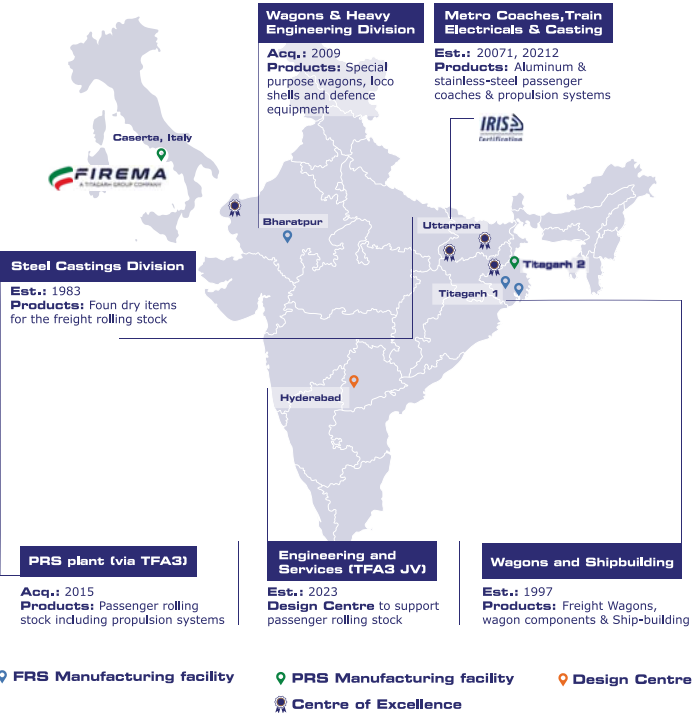
OUR VISION

“ To be a globally recognized leader in the infrastructure sector, providing world class products and services that exceed customer expectations while contributing to the betterment of society. ”

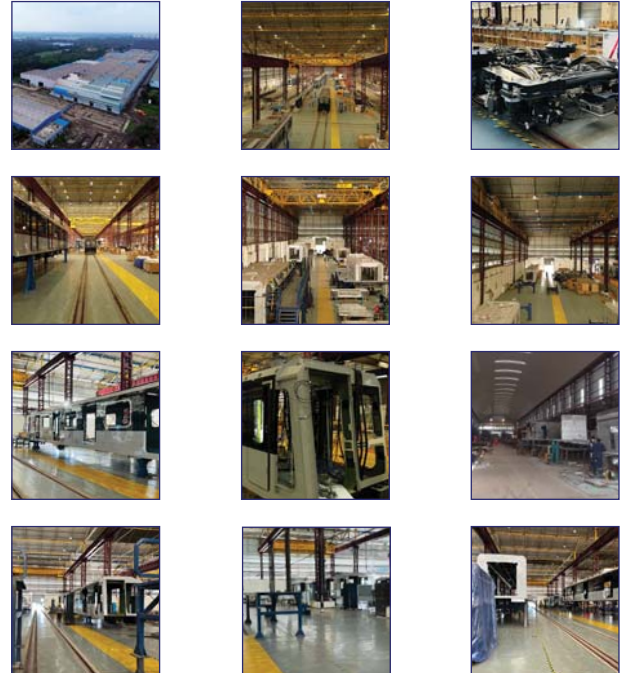
OUR MISSION

“ At Titagarh, we are dedicated to ensuring utmost customer satisfaction through the delivery of high-quality products and services. Our goal is to establish ourselves as a world-class mobility solutions provider in the infrastructure sector, catering to the unique needs of our customers and facilitating their long-term business success. Our values manifest in the holistic satisfaction of all stakeholders, with due focus on benefiting society at large. ”

Geographical Footprints



Manufacturing Facilities & Engineering Centre



Freight Rail Systems (FRS)
Passenger Rail Systems (PRS)

Note:
 1. Post acquisition in 2005, the EMU / MEMU coach manufacturing started from 2007
 2. In 2021 the plant was completely revamped for metro and other passenger rolling stock and propulsion systems
 3. TFA - Titagarh Firema SpA



TRSL Passenger Rail Systems Facility, West Bengal, India



TITAGARH RAIL SYSTEMS LIMITED

CIN: L27320WB1997PLC084819
CORPORATE INFORMATION*

BOARD OF DIRECTORS & KMPs

Shri J P Chowdhary	Executive Chairman	Ms. Nayantara Palchoudhuri	Independent Director
Shri Umesh Chowdhary	Vice Chairman and Managing Director	Shri Atul Joshi	Independent Director
Shri Prithish Chowdhary	Deputy Managing Director	Shri Bontha Prasada Rao	Independent Director
Shri Anil Kumar Agarwal	Deputy Managing Director & CEO (FRS)	Shri Krishan Kumar Jalan	Independent Director
Shri Saket Kandai	Director (Freight Rolling Stock)	Shri Debanjan Mandal	Independent Director
Smt. Rashmi Chowdhary	Non-Executive Director	Shri Sushil Kumar Roongta	Independent Director
Shri Sourav Singhania	Chief Financial Officer	Shri Dinesh Arya	Company Secretary & Chief Compliance Officer

Audit Committee

Shri Atul Joshi	Chairman
Shri Krishan Kumar Jalan	Member
Shri Bontha Prasada Rao	Member

Nomination & Remuneration Committee

Shri Krishan Kumar Jalan	Chairman
Shri J P Chowdhary	Member
Shri Bontha Prasada Rao	Member
Shri Sushil Kumar Roongta	Member

Management Committee

Shri J P Chowdhary	Chairman
Shri Umesh Chowdhary	Member
Shri Prithish Chowdhary	Member
Shri Anil Kumar Agarwal	Member

Auditors

Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants, Kolkata
Salarpúria & Partners, Chartered Accountants, Kolkata

Bankers

ICICI Bank Limited	IDBI Bank Limited
State Bank of India	Bandhan Bank Limited
Union Bank of India	Central Bank of India
Bank of India	IDFC First Bank Limited
IndusInd Bank Limited	Kotak Mahindra Bank Limited
Axis Bank Limited	HDFC Bank Limited
Canara Bank	Punjab National Bank
Yes Bank Limited	HSBC Limited
Standard Chartered Bank	

Stakeholders' Relationship Committee

Shri Krishan Kumar Jalan	Chairman
Shri Umesh Chowdhary	Member
Ms. Nayantara Palchoudhuri	Member

Corporate Social Responsibility Committee

Smt. Rashmi Chowdhary	Chairperson
Shri J P Chowdhary	Member
Ms. Nayantara Palchoudhuri	Member
Shri Krishan Kumar Jalan	Member

Risk Management Committee

Shri Atul Joshi	Chairman
Shri Sushil Kumar Roongta	Member
Shri Debanjan Mandal	Member
Shri Prithish Chowdhary	Member

Registrar & Transfer Agent (RTA)

Maheshwari Datamatics Pvt. Ltd.
23, R N Mukherjee Road, 5th Floor,
Kolkata – 700001
Phone: 033 22435029 / 22482248,
Email for Investors: mdpldc@yahoo.com

Registered Office

Poddar Point, 10th Floor, 113 Park Street, Kolkata-700016
Phone: 91 33 4019 0800, Fax: 91 33 4019 0823

Corporate Office

Titagarh Towers, 756 Anandapur, E.M. Bypass, Kolkata 700107
Phone: 91 33 4019 0800, Fax: 91 33 4019 0823
Email: investors@titagarh.in; Website: www.titagarh.in

*As on July 30, 2024

BOARD OF DIRECTORS & KMPs



Shri Jagdish Prasad Chowdhary
Executive Chairman



Shri Umesh Chowdhary
Vice Chairman and Managing Director



Shri Prithish Chowdhary
Deputy Managing Director



Shri Anil Kumar Agarwal
Deputy Managing Director
& CEO (FRS)



Shri Saket Kandoi
Director
(Freight Rolling Stock)



Smt. Rashmi Chowdhary
Non-Executive Director (NED)



Shri Atul Joshi
Independent Director



Shri Krishan Kumar Jalan
Independent Director



Shri Sushil Kumar Roongta
Independent Director



Ms. Nayantara Palchoudhuri
Independent Director



Shri Bontha Prasada Rao
Independent Director



Shri Debanjan Mandal
Independent Director



Shri Saurav Singhania
Chief Financial Officer



Shri Dinesh Arya
Company Secretary



MOBILITY FOR ALL THINGS 'GOODS'

With an annual production capacity of 12,000 wagons, from the coal that powers power stations to the electric vehicle that runs on the electricity thus generated, and everything in between may have travelled on one of the TRSL wagons.

KEY HIGHLIGHTS

TRSL continues to be a Net Debt negative company

Rs. 3,853 Crores Revenue in FY 2024	38.58% Revenue Growth (YoY)	Rs. 297 Crores Highest ever PAT since inception of the Company	7.71% PAT Margin
Rs. 14,530 Cr - Company Rs. 13,326 Cr - Share from JV Order book position	4 Manufacturing Facilities	12,000 Wagons per year Manufacturing Capacity	250 Coaches per year Passenger Rail Systems Capacity
CRISIL AA-/Stable Rating by CRISIL	23.30 EPS	Rs. 129.62 Lakhs CSR expenditure	Promoters (40.46%) Shareholding as of July, 2024

Only Indian Company manufacturing both wagons and coaches



**Freight
Rolling Stock**



Flat Wagons



Hopper Wagons



Tank Wagons



Box Wagons



Car Carrying Wagons



Covered Wagons



**Special Purpose
Wagons Brake Van**

**Freight
Components**



Forged Wheel Set1
(through joint venture)



Cast Bogies



Couplers



Draft Gear



Loco Shells



CMS Crossing

Passenger Rolling Stock



Semi High-Speed Trains



High Speed Train



EMU Train Sets



Urban Metro Rail



Light Rail Transport



Diesel Electric Multiple Units



Body Shells and Bogies

Propulsion & Electrical Equipment



Propulsion System



Traction Motors



Auxiliary Power Supply



Electronic Equipment



Traction Converters and Power Electronics



Train Control and Monitoring System



Hardware and Software

UNMISSABLE MARK OF MOBILITY

From those 'sturdier than thou' EMU coaches, to those cutting-edge metro train-sets, TRSL's stamp of quality is everywhere. These rail systems move billions, maybe even someone you know.





CONTENTS

Directors' Report	28
Management Discussion & Analysis	52
Corporate Governance Report	57
Business Sustainability and Responsibility Report	82
Financial Statements	
Standalone Financial Statements	117
Consolidated Financial Statements	202
Notice	297

BOARD'S REPORT

Dear Shareholders,

Your Directors present their Twenty-Seventh Annual Report on the business and operations of Titagarh Rail Systems Limited (formerly Titagarh Wagons Limited) (‘the Company’ or ‘TRSL’) together with the Audited Financial Statements, for the financial year ended March 31, 2024. The consolidated performance of Titagarh Group (the Company and its subsidiary) has appropriately been referred to in this Report.

Financial and Performance Highlights and State of Company's Affairs

Titagarh Group's financial performance during the financial year ended March 31, 2024 was as follows

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from operations	385,330.04	278,052.90	385,330.04	277,959.04
Other income	4,567.17	4,398.39	3,980.71	4,258.30
Total Income (TI)	389,897.21	282,451.29	389,310.75	282,217.34
Earnings before interest, tax, depreciation and amortisation (EBIDTA)	49,760.22	30,829.78	49,173.76	30,607.35
Less: Finance Cost	7,345.42	8,074.67	7,345.42	8,074.67
Less: Depreciation and amortization expenses	2,710.12	2,250.35	2,710.12	2,250.35
Profit/(Loss) before exceptional items & tax	39,704.68	20,504.76	39,118.22	20,282.33
Share of Profit/(Loss) of Joint Ventures	-	-	(260.84)	(1,272.63)
Exceptional items	-	4,627.55	-	-
Profit/(Loss) before tax	39,704.68	15,877.21	38,857.38	19,009.70
Tax Expenses/(Benefits)	10,014.00	5,540.57	10,014.00	5,546.37
Profit/(Loss) for the year after tax from continuing operations	29,690.68	10,336.64	28,843.38	13,463.33
Loss from discontinued operations (net of tax)	-	-	(229.22)	(891.70)
Profit/(Loss) for the year after tax	29,690.68	10,336.64	28,614.16	12,571.63
Other Comprehensive Income/(Loss) (net of tax)	6.14	(1,020.12)	32.07	(999.70)
Total Comprehensive Income for the year	29,696.82	9,316.52	28,646.23	11,571.93

The Operating segments based on the Company's products have been identified as ‘Freight Rail Systems’ (FRS) consisting of Wagons Steel Castings and includes Shipbuilding, Bridges and Defence, and ‘Passenger Rail Systems’ (PRS) consisting of Metro Coaches, EMUs, Trains Electricals, Tractions Motors.

Your Company's performance during the Financial Year ended March 31, 2024 (FY 2023-24) was excellent with the highest ever turnover, revenue and profit on a standalone basis since inception, thus making the FY 2024 another remarkable year for your Company underlining its continuing growth momentum.

On a standalone level, the revenue from operations went up by Rs. 107,277.14 Lakhs registering an increase of 38.58% and EBIDTA of Rs. 49,760.22 lakhs in FY 23-24 was higher by 61.40% as compared to Rs. 30,829.78 lakhs in FY 22-23, Profit after tax, climbed from Rs. 10,336.64 lakhs in FY 22-23 to Rs. 29,690.68 lakhs in FY 23-24, an impressive increase of 187.24%.

On a consolidated basis, the Group's total income increased from Rs. 282,217.34 lakhs in FY 22-23 to Rs. 389,310.75 lakhs in FY 23-24 i.e. an increase of 38.63%; the EBIDTA from Rs. 30,607.35 lakhs in FY 22-23 to Rs. 49,173.76 lakhs in FY 23-24 recording an increase of 60.66% and Profit after tax from continuing operations for FY 23-24 increased to Rs. 28,843.38 lakhs as compared to Rs. 13,463.33 lakhs in FY 22-23, being an improvement of 114.24%.

FY2024 has been a year like no other as it is manifested in some of the major developments/events mentioned below:

- ✦ In consortium with Bharat Electricals Limited, your Company was awarded ‘‘Manufacturing cum Maintenance of 80 Vande Bharat Trains including Up-gradation of the Government Manufacturing Units & Trainset Depots’’ and comprehensive maintenance of the same for 35 years in the mega tender of Indian Railways. The BHFL-TRSL consortium was the only AatmaNirbhar consortium that

participated in the tender process. A special purpose vehicle (SPV) will be formed between the consortium partners to carry out the maintenance of the trains. It is a matter of great pride for the Company to be a part of the Government's Make in India policy.

- ✦ Your Company in consortium with Ramkrishna Forgings Limited (RKFL) incorporated a Joint Venture Company (JVC) in the name and style of ‘‘Ramkrishna Titagarh Rail Wheels Limited’’ (RTRWL) on June 09, 2023, for execution of the Project – ‘‘Manufacturing and Supply of Forged Wheels’’ pursuant to long term Agreement, under AatmaNirbhar Bharat.
- ✦ The fitment trials for the traction motor supplied in November, 2022 were completed successfully in June, 2023 and the clearance for bulk supply has been received in July, 2023. Your Company is now fully equipped to undertake unrestricted supply in developmental category.
- ✦ Your Company received Letter of Acceptance in June, 2023 from the Gujarat Metro Rail Corporation Limited (GMRL) for ‘‘Design, Manufacture, Supply, Testing, Commissioning and Training of 72 nos. of Standard Gauge Cars for Surat Metro Rail Phase-II Project’’. The order value is about INR 857 crore and execution would start 76 weeks after signing the contract and is scheduled to be completed in 132 weeks thereafter.
- ✦ Fund raising was successfully completed through Preferential allotment aggregating to Rs. 288 crores. 76,00,000 equity shares of Rs. 2/- each at an issue price of Rs. 380/- per equity share (including premium of Rs. 378/- each share) aggregating Rs. 288.80 Crores were issued and allotted on preferential basis to Smallcap World Fund Inc., a FPI registered with SEBI and part of Capital Group, one of the largest financial investors in the world, for working capital requirements and general corporate purposes.
- ✦ Your Company made a Qualified Institutions Placement (QIP) of 75,02,679 fully paid up equity shares for an amount aggregating to Rs. 699.99 Crores were issued at an issue price of Rs. 933 per share i.e. at a premium of Rs. 931 per equity share. The QIP Issue witnessed several marquee institutional investors garnering a significant percentage of the Issue size. Fund has been raised for repayment/prepayment of certain outstanding borrowing, working capital requirement and general corporate purposes.
- ✦ As part of its strategy your Company with consistent focus on managing the resources more efficiently, achieved net debt negative status during the year, thereby underlining financial stability of the Company.
- ✦ Your Company was awarded the contract for Design, Manufacture, Supply, Testing, Commissioning & Training of

30 nos. of Standard Gauge Cars for Ahmedabad Metro Rail Phase-II Project by GMRL valued approx Rs. 350 Cr.

- ✦ A private limited company in India in joint venture with Titagarh Firema SpA, Italy, associate of the Company, was incorporated in the name and style of ‘‘Titagarh Firema Engineering Services Private Limited’’ (TFESPL) on September 16, 2023, for the purpose of engineering and design related services to support the Transit & Propulsion business.
- ✦ Following the roll out of 1021 Wagons in the 3rd quarter, your Company achieved production of 1089 Wagons in March and 2700 in Q4 FY24, highest ever numbers in the industry.
- ✦ Credit Rating of the Company was upgraded to CRISIL AA-/ Stable (Long Term Rating) and CRISIL A1+ (Short Term Rating) by CRISIL Ratings Limited.
- ✦ A strategic alliance was entered into with Sidwal Refrigeration Industries Private Limited (Sidwal), wholly owned subsidiary of Amber Enterprises India Limited, wherein the Company and Sidwal agreed and invested Rs. 100 crores each, to acquire equal control in Shivalkis Mercantile Private Limited (Shivalkis). JV-SPV to set up new facility in India to manufacture critical railway components & subsystems used in the manufacture of Railway & Metro coaches. The JV-SPV in turn made fresh equity investments into Titagarh Firema SpA, Italy, associate company of TRSL.
- ✦ The strategic partnership entered into with ABB to supply propulsion systems for metro rolling stock projects in India aims to bring the two companies together to build on their respective potential and synergies to become an established player in the Indian market and expand its market base to other projects and countries. Pursuant to the agreement Titagarh is procuring from ABB propulsion systems including traction converters, auxiliary converters traction motors and TCMS software. The agreement also includes Titagarh securing manufacturing rights and production license for traction motors along with the complete transfer of technology of the GoA 4 (Driverless metro) TCMS software from ABB to Titagarh. This partnership is aligned with the Indian government's ‘‘Make in India’’ and ‘‘Atmanirbhar Bharat’’ initiatives and has had an early success by winning orders to design and supply equipment for metro coaches for the state of Gujarat, one of the leading industrialised States in India.

Your Company has successfully augmented capacities at Titagarh and Bharatpur facilities to 1000 Wagons per month and streamlined processes including their automation. Further, capacity creation for backward integration of key components for wagon manufacturing including CRF, Bogie components, air brake pipes is progressing as per schedule

to debottleneck the value chain congestion and bring about substantial improvement in productivity.

The implementation of Government's plans to radically improve the railway infrastructure as part of its "Atmanirbhar Bharat" and "Make in India" initiatives towards its commitment to "Viksit Bharat" is expected to keep the demand for your Company's products strong in future. Further, the dedicated focus on continuous improvement in its products and processes duly supported by innovative measures to optimally utilise the resources for execution of the orders combined with further growth in order book from continuing participation in tenders for both freight rolling stock and passenger rolling stock segments makes the outlook for the current year promising.

On a consolidated basis your Company's performance during the year under review was satisfactory with all key performance indicators recording substantial improvement as compared to the previous financial year. The additional investment of 10 million Euros by Invalita, the investment agency of the Government of Italy simultaneously with capital infusion by the JV-SPV formed through strategic alliance of your Company with Sidwal Refrigeration Private Limited into Titagarh Firema SpA is reaffirmation of the potential of the associate company in Italy.

Your Directors are pleased to report that your Company has successfully initiated export of traction converters to Italy by first batch of 8 converters against the order for 132 converters valued at EUR 7.18 million (INR 65 Crore approx.). This development is a testimony to your Company's capability to manufacture sophisticated products in the passenger rail segment and also presents excellent potential for growth in future exports.

Management Discussion and Analysis

A detailed analysis of your Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report

Dividend

The Board of Directors considering the good performance and strong cash flow, has recommended a dividend of 40% i.e. INR 0.80 per equity share of face value of Rs. 2/- each out of the profits for the financial year ended March 31, 2024 as compared to 25% i.e. INR 0.50 per equity share for the previous year. The Board has recommended the dividend based on the parameters laid down in the Dividend Distribution Policy, which can be accessed on the website of the Company at https://www.titagarh.in/storage/report/actual/1683172930_WEB83p_ddr-policy.pdf

The said dividend, if approved by the members at the ensuing 27th Annual General Meeting ('AGM') will be paid to those shareholders whose name appears on the register of members (including Beneficial Owners) of the Company as on the Book Closure/ Record Date.

In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. As a result, the Company will pay the dividend after deducting applicable tax, if any at the source. The total dividend on equity shares for FY 2023-24, if approved by the shareholders, would in aggregate be about Rs. 10.77 Crores.

Transfer to reserves

Your directors do not propose to transfer any amount to the general reserve for the year under review.

Change in nature of business, if any

During the year under review there was no change in the nature of business of the Company.

Changes in Share Capital

As at March 31, 2024, the issued, subscribed and paid-up equity share capital of the Company was Rs. 26,93,47,536 comprising of 13,46,73,768 equity shares of Rs. 2/- each. During the year under review, the Company has not issued any shares or convertible securities or shares with differential voting rights nor granted stock options or sweat equity.

During the year under review, your Company's equity share capital was augmented as follows:

The paid-up capital of the Company increased to Rs. 25,43,42,178/- upon allotment of 76,00,000 equity shares of Rs. 2/- each at an issue price of Rs. 380/- per equity share (premium of Rs. 378/- each share) aggregating Rs. 288.80 Crores on preferential basis.

The paid-up capital of the Company increased to Rs. 26,93,47,536 upon allotment of 75,02,679 fully paid up equity shares at an issue price of Rs. 933 per share i.e. at a premium of Rs. 931 per equity share through Qualified Institutions Placement for an amount aggregating to Rs. 699.99 Crores.

Change in name of the Company

The Company's name was changed to Titagarh Rail Systems Limited in line with the expanded business portfolio in rail systems space and to better reflect the Company's increasing presence across the entire gamut of operations in the rail ecosystem. Fresh Certificate of Incorporation pursuant to change of name was issued by the Registrar of Companies on May 19, 2023.

Shifting of Registered Office of the Company

During the year under review, the Registered Office of the Company was shifted from Titagarh Towers, 756, Anandapur, E.M. Bypass, Kolkata -700107 to Poddar Point, 10th Floor, 114, Park Street, Kolkata-700016 within the State of West Bengal w.e.f. October 01, 2023, pursuant to the approval of

the shareholders at the 26th Annual General Meeting of the Company held on September 29, 2023.

Awards, Achievements & Notable events

The Company and its management received several notable recognitions during the year:

- ❖ Titagarh Rail Systems Limited was bestowed with the 'Excellence in Manufacturing of Wagons' award at "The 5th Rail Analysis Innovation & Excellence Summit 2024", this recognition reinforces the Company's commitment to excellence and innovation.
- ❖ Shri Umesh Chowdhary, VCMD & CEO, Titagarh Group, attended the CEO delegation accompanying our Hon'ble Prime Minister Shri. Narendra Modi to Paris, the Guest of Honor at the French National Day celebrations.
- ❖ The Company was invited in the 3rd Edition of Inno Metro, India and Shri Prithish Chowdhary, Deputy Managing Director participated as one of the Panellist Speakers.
- ❖ Two new sections of Pune Metro inaugurated by the Hon'ble Prime Minister Shri. Narendra Modi, are being served by the most modern aluminium metro rakes designed and manufactured by Titagarh under the #MakeinIndia and #AtmanirbharBharat initiatives of the Hon'ble Prime Minister. A miniature model of the coach built by Titagarh was presented to Hon'ble PM on this momentous occasion.
- ❖ The PRS unit received IRIS Certification - ISO/TS 22163, which reflects your Company's commitment towards Quality and Safety in the Railway Industry.
- ❖ During the year under review, your Company launched 1st and 2nd Diving Support Craft A20 (Yard 325) and A21 (Yard 326) respectively under the "Make in India" initiative built for Indian Navy.
- ❖ The Company continues to spearhead India's maritime progress under the "Make in India" initiative towards a Viksit Bharat and has launched its first indigenous 25T Bollard Pull Tug and second 25T Bollard Pull Tug ("Bahubali") for the Indian Navy.
- ❖ Pune Metro new stretches were inaugurated from Ruby Hall Clinic to Ramwadi and the foundation stone for the extension of the stretch from Pimpri-Chinchwad Municipal Corporation to Nigdi of Pune Metro Rail was laid, which will be served by the aluminium metro rakes designed and manufactured by Titagarh under the Make in India and Atmanirbhar Bharat initiatives of the Hon'ble Prime Minister. Titagarh is indeed privileged and honoured to

be a part of this great infrastructural revolution in India, which is a true reflection of India's Amrit Kaal

Credit Rating

During the year under review, CRISIL Ratings Limited revised its outlook on long-term bank facilities of the Company in September 2023, to 'CRISIL A+/- Stable' and short-term bank facilities of the Company was reaffirmed to 'CRISIL A1+."

Further in June 2024, Credit Rating of the Company was upgraded to CRISIL AA-/ Stable (Long Term Rating) and CRISIL A1+ (Short Term Rating) by CRISIL Ratings Limited.

Material Changes and Commitments after the balance sheet date

No material changes and commitments have occurred since the date of close of the financial year, to which the financial statements relate, till the date of this report, which might affect the financial position of the Company.

Investor Education and Protection Fund (IEPF)

As stipulated by the applicable provisions of the Companies Act, 2013 (the Act) read with IEPF (Accounting, Audit, Transfer & Refund) Rules, 2016, as amended (the IEPF Rules) all unpaid or unclaimed dividend required to be transferred by the Company to the IEPF has been/ shall be transferred, details whereof are provided on the Company's website: www.titagarh.in.

Pursuant to the provisions of Section 124(6) of the Act read with the IEPF Rules, all the shares on which dividends remain unpaid or unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority ('IEPF Account') as notified by the Ministry of Corporate Affairs. In accordance with the said provisions, the Company had executed and submitted the necessary documents for transfer of 8,861 equity shares of Rs. 2/- each, to the IEPF account, on May 12, 2023, in respect of which dividend had not been claimed by the members for seven consecutive years or more as on the cut-off date, i.e. April 15, 2023. The details of all shares transferred to the IEPF Account are uploaded on the Company's website.

The Company identified 183 shareholders holding 11,120 equity shares in aggregate, who have not claimed their dividend consecutively since FY 2016-17 and therefore shares held by them were liable to be transferred to the IEPF Account on due date i.e. August 29, 2024. The Company sent a communication to all concerned with information regarding transfer of their shares and reminder for taking appropriate action for claiming the dividend unclaimed on their shares and also published a Notice in the leading newspaper both

in English and Vernacular language on May 26, 2024, which was also uploaded at the website of the Company and the Stock Exchanges.

Risk Management, Risks and Concerns

A Risk Management Policy to identify and assess the key risk areas, monitor mitigation measures and report compliance which is in line with the provisions of the Act and Listing Regulations has been adopted by the Company. Based on a review, major elements of risks have been identified and are being monitored for effective and timely mitigation.

The Company has laid down governance procedures around information, communication and risk reporting to inform the Risk Management Committee, the Audit Committee and the Board of Directors about risk assessment, mitigation effectiveness evaluation and related outcome and status.

The Company has a Risk Management Committee of the Board of Directors of the Company under the Chairmanship of Shri Atul Joshi, Independent Director of the Company, to assist the Audit Committee and the Board of Directors in overseeing the Company's risk management processes and controls.

The strategic risks forming part of the Enterprise Risk Management process are also aligned with the audit universe, to the extent seen appropriate/ relevant.

Subsidiary Companies, Associates and Joint Ventures

A report containing the details required under Section 134 of the Companies Act, 2013 ('the Act') read with Rule 8(1) of the Companies (Accounts) Rules, 2014 in respect of performance and financial position for the financial year ended March 31, 2024, of subsidiary: Titagarh Singapore Pte. Ltd., Singapore; associate: Titagarh Firema SpA, Italy and Joint Venture Companies: Titagarh Mermec Private Limited, Ramkrishna Titagarh Rail Wheels Limited, Titagarh Firema Engineering Services Private Limited and Shivalkis Mercantile Private Limited included in the Consolidated Financial Statements (CFS) in the Form AOC-1 is annexed to this Report and marked as **Annexure DR-1**. The CFS is attached to this Annual Report.

"Ramkrishna Titagarh Rail Wheels Limited" (RTRWL) was incorporated as joint venture company (JVC) by your Company in consortium with Ramkrishna Forgings Limited (RKFL) on June 09, 2023, for execution of the Project – "Manufacturing and Supply of Forged Wheels" under long term Agreement with AasmaNirbhar Bharat. The Shareholders' Agreement has been executed on August 02, 2023 for operation and management of RTRWL.

"Titagarh Firema Engineering Services Private Limited"

(TFESPL) incorporated as joint venture company by your Company with Titagarh Firema SpA, Italy, associate of the Company, is engaged in providing engineering and design related services to support the Transit & Propulsion business. The Company entered into a business transfer agreement with TFESPL, as per which the design centre of the Company located in Hyderabad and all 25 employees were transferred to TFESPL, during the year.

In terms of the strategic alliance with Sidwal Refrigeration Industries Private Limited (Sidwal), wholly owned subsidiary of Amber Enterprises India Limited, the Company and Sidwal invested Rs. 100 crores each, to acquire equal control in Shivalkis Mercantile Private Limited (Shivalkis), JV-SPV to set up new facility in India to manufacture critical railway components & subsystems used in the manufacture of Railway & Metro coaches. The JV-SPV in turn made fresh equity investments into Titagarh Firema SpA, Italy, associate company of TRSL.

Loans, Guarantee and Investments

Particulars of loans, guarantees and investments made by the Company pursuant to the Section 186 of the Act are furnished under notes to financial statements. The Company has been informed that the said loan, guarantee and security are proposed to be utilised by each recipient for its general business/corporate purposes.

Significant and Material Orders

There were no material/significant orders passed by any regulator, tribunal impacting the going concern status and the Company's operations in future.

Copy of the Annual Return

Pursuant to the provisions of Section 92(3) of the Act read with Section 134(3)(a), the copy of the annual return for the financial year ended March 31, 2024, is available on the website of the Company at [https://www.titagarh.in/storage/report/actual/Form%20MGT-7%20\(2023-24\).pdf](https://www.titagarh.in/storage/report/actual/Form%20MGT-7%20(2023-24).pdf) and the same can be viewed by the members and stakeholders of the Company.

Related Party Transactions

All Related Party Transactions (RPTs) are entered into by the Company pursuant to compliance with the applicable laws and also in accordance with the policy adopted by the Board. Audit Committee reviews and approves all the RPTs as stipulated by the Listing Regulations and based thereon final approval of the Board is obtained. The particulars of contracts or arrangements with related parties referred to in section 188(1) of the Act and as mentioned in form AOC-2 of the Rules prescribed in the Companies (Accounts) Rules, 2014 under the Act are annexed hereto and marked as **Annexure DR-2**.

Number of Board Meetings

The Board of Directors met fifteen (15) times during the financial year ended March 31, 2024 as per the details provided in the Corporate Governance Report forming part of Annual Report.

Composition of Audit Committee

As on the date of this report, the Audit Committee constituted by the Board has Shri Atul Joshi as Chairman and Shri Krishan Kumar Jalan and Shri Bontha Prasada Rao as its members. Further details are provided in the Corporate Governance Report forming part of Annual Report.

During the year all recommendations made by the Audit Committee were accepted by the Board.

Directors and Key Managerial Personnel

The shareholders at their 26th Annual General Meeting held on September 29, 2023 approved the following appointment/re-appointment:

1. Shri Bontha Prasada Rao (DIN: 01705080) was appointed as an Independent Director to hold office for a term of five years w.e.f. September 04, 2023
2. Shri Debanjan Mandal (DIN: 00469622) was appointed as an Independent Director to hold office for a term of five years w.e.f. September 04, 2023

Based on the recommendation of Nomination and Remuneration Committee ("NRC") and Audit Committee

1. Shri Anil Kumar Agarwal (DIN: 01501767) was elevated to Deputy Managing Director and CEO of Freight Rail Systems vertical of the Company w.e.f. December 20, 2023 and he ceased to be the CFO of the Company from the said date.
2. Shri Prithish Chowdhary (DIN: 08509158) was designated Deputy CEO of Passenger Rail System in addition to being Director (Marketing and Business Development) w.e.f. December 20, 2023
3. Shri Sourav Singhania was promoted to Chief Financial Officer of the Company w.e.f. December 20, 2023.

During the year under review, the second five year term of Shri Manoj Mohanka and Shri Sunirmal Talukdar, Independent Directors of the Company was completed at the close of business hours on March 31, 2024. The Board places on record its sincere appreciation for the services rendered by both of them.

In terms of Section 149 of the Act and Listing Regulations, Shri Atul Joshi, Shri Sushil Kumar Roongta, Shri Krishan Kumar Jalan, Ms. Nayantara Palchoudhary, Shri B.P. Rao and Shri Debanjan Mandal are the Independent Directors of the Company as on the date of this report.

Based on the recommendation of the NRC and the Audit Committee, the Board of Directors of the Company approved:

- The re-appointment of Shri Anil Kumar Agarwal (DIN: 01501767), Executive Director designated as Deputy Managing Director and CEO (FRS) for a term of 3 (three) years w.e.f. May 29, 2024.
- Elevation of Shri Prithish Chowdhary as the Deputy Managing Director of the Company w.e.f. May 15, 2024

Shri Umesh Chowdhary, Vice Chairman and Managing Director (VCMD) retires by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 152 of the Act and is eligible for re-appointment.

The proposal for his re-appointment and remuneration of Shri Anil Kumar Agarwal, remuneration of Shri Prithish Chowdhary and continuation of Shri Umesh Chowdhary as VCMD is being placed before the shareholders for their approval at the ensuing Annual General Meeting.

The information prescribed by Listing Regulations in respect of the above-named Directors is given in the Notice of 27th Annual General Meeting.

Evaluation of the Board's performance, Committee and Individual Directors

In compliance with the Act and Listing Regulations, the performance evaluation of the Board, Committees and Individual Directors was carried out during the FY 2023-24 as per the details set out in Corporate Governance Report.

Declaration by Independent Directors

Declarations pursuant to the Sections 164 and 149(6) of the Act and Listing Regulations and affirmation of compliance with the Code of Conduct as well as the Code for Regulation of Insider Trading adopted by the Board, by all the Independent Directors of the Company have been made. In the opinion of the Board, the Independent Directors hold highest standard of integrity and possess the requisite qualifications, experience, expertise and proficiency.

Remuneration Policy and remuneration

A policy approved by the Nomination and Remuneration Committee and adopted by the Board is practiced by the Company on remuneration of Directors and Senior Management Employees, as per the details set out in the Corporate Governance Report.

Corporate Governance Report

The Company has complied with the corporate governance requirements under the Act and Listing Regulations. A separate section on Corporate Governance under Listing Regulations along with a certificate from a Company Secretary in Practice conforming compliance is annexed to and forms part of the Annual Report.

Business Responsibility and Sustainability Report (BRSR)

In compliance with Regulation 34(2)(f) of Listing Regulations, the BRSR is annexed to and forms part of the Annual Report, describing initiatives taken by the Company from the environmental, social and governance perspective.

Internal Control System

The Company has system of internal controls and necessary checks and balances so as to ensure:

- a. that its assets are safeguarded;
- b. that transactions are authorised, recorded and reported properly; and
- c. that the accounting records are properly maintained and its financial statements are reliable.

The Company has appointed external firm of Chartered Accountants to conduct internal audit whose periodic reports are reviewed by the Audit Committee and Management for bringing about desired improvement wherever necessary.

Vigil Mechanism / Whistle Blower Policy

A fraud and corruption free environment as part of work culture of the Company is the objective and with that in view a Vigil Mechanism Policy has been adopted by the Board which is uploaded on the website of the Company at www.itagarh.in. No complaint of this nature has been received by the Audit Committee during the year under review. Internal Complaints Committee

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, further details of which are given in the Corporate Governance Report. No complaint was lodged with the Committee during the financial year 2023-24.

Directors' Responsibility Statement

The Directors state that:

- i. Appropriate Accounting Standards as are applicable to the Annual Statement of Accounts for the financial year ended March 31, 2024 had been followed in preparation of the said accounts and there were no material departures therefrom requiring any explanation;
- ii. The Directors had selected and followed the accounting policies as described in the Notes on Accounts and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period;

- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the Annual Accounts on a going concern basis; and
- v. The Directors had laid down Internal Financial Controls (IFC) to be followed by the Company and that such IFC are adequate and operating effectively.
- vi. 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.

Statutory Auditor & Auditor's Report

The shareholders of the Company at the Twenty Fifth Annual General Meeting held on September 15, 2022, approved the re-appointment of Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants (FRN 304026E/E-300009) as the Statutory Auditors of the Company for a second term of five consecutive years to hold the office till the conclusion of Thirtieth Annual General Meeting to be held in the year 2027.

The shareholders of the Company at the Twenty Sixth Annual General Meeting held on September 29, 2023, approved the appointment of M/s. Salarpuria & Partners, Chartered Accountants (Firm Registration Number 302113E) as Joint Statutory Auditors of the Company for a term of five consecutive years to hold the office till the conclusion of Thirty First Annual General Meeting to be held in the year 2028.

The Auditor's report on standalone financial statements for FY 2023-24 does not contain any qualifications, reservations, or adverse remarks.

Consolidated Financial Statements

In accordance with IND-AS 24 issued by the Institute of Chartered Accountants of India, consolidated financial statements prepared on the basis of financial statements received from subsidiary company as approved by its Board, form part of this Report & Accounts.

The Auditors' Report on the consolidated financial statement for the year ended March 31, 2024 does not contain any qualification, reservation or adverse remark.

Cost Auditors

M R Vyas & Associates, Cost Accountants, (Registration No. 2032) have been re-appointed as Cost Auditors to conduct cost audit of the accounts maintained by the Company in respect of the products manufactured by the Company, for

the Financial Year 2023-24 subject to ratification of their remuneration by the shareholders in accordance with the provisions of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014. The Cost Audit Report for the financial year ended March 31, 2024 would be filed as stipulated by the applicable provisions of law. The Company is making and maintaining the accounts and cost records as specified by the Central Government under the provisions of Section 148(1) of the Act.

Secretarial Auditor

Secretarial Audit has been conducted by Shri Sumantra Sinha, Practicing Company Secretary appointed by the Board and their report is annexed hereto and marked as **Annexure DR-3**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Deposits

The Company did not accept any deposits covered under Chapter V of the Companies Act, 2013 during the financial year ended March 31, 2024.

Particulars of Remuneration of Directors/KMP/Employees

Disclosure pertaining to Remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the Rules) is annexed and marked as **Annexure DR-4**. The information pursuant to Rules 5(2) and 5(3) of the Rules not annexed to this Report, is readily available for inspection by the members at the Company's Registered Office between 10.30 A.M. to 1.00 P.M. on all working days upto the date of ensuing AGM. Should any member be interested in obtaining a copy including through email (investors@itagarh.in), may write to the Company Secretary at the Company's Registered office.

Human Resources

- A. Empowering the employees: The Company considers its organizational structure to be evolving consistently over time while continuing with its efforts to follow good HR practices. Adequate efforts of the staff and management personnel are directed on imparting continuous training to improve the management practices.
- B. Industrial Relations: Industrial relations at all sites of the Company remained cordial.
- C. No. of Employees Manpower employed as at March 31, 2024 was 1060.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

A statement pursuant to Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 on

conservation of energy, technology absorption, foreign exchange earnings and outgo is annexed to and marked as **Annexure DR-5**.

Corporate Social Responsibility

A report on Corporate Social Responsibility (CSR) activities undertaken during the financial year ended March 31, 2024 pursuant to the provisions of Section 135 of the Act and rules made thereunder is annexed to this Board's Report and marked as **Annexure DR-6**.

Apart from the above, the Company makes, inter alia, donations to the charitable institutions directly and through philanthropic organisations engaged in providing medical, education and other reliefs to the economically weaker sections of the society.

Industrial Training Institute (the "ITI") set up on the Company's land at Titagarh plant situated in Barrackpore, North 24 Parganas under Private Public Partnership (PPP) is yet another area. The ITI with access to the requisite infrastructure provided by the Company imparts hands-on training to the local people. A large number of students in various batches have passed and significant number of them are engaged in various jobs in the industry. The ITI has been recognised by the State Government as one of the best in the country and it caters to the requirement of skilled workmen by industrial units.

The National Apprenticeship Promotion Scheme (NAPS) is a flagship scheme of the Government of India, launched in 2016 under the Ministry of Skill Development and Entrepreneurship. The primary objective of the scheme is to promote the apprenticeship training and skill development of youth across the country. As part of the skill development initiative, your Company provides "On the Job" training to unemployed and uneducated youth at its business segments under the Government of India sponsored National Apprenticeship Promotion Scheme. During the year under review through this initiative your Company supported 224 trainees, thus enhancing their skills and making them employable.

Your Company has been engaging apprentices under the Scheme since long. However, it was decided in 2023-24, to bring it under the ambit of its CSR activities by way of supporting a group of apprentices over and above the statutory minimum requirement of 2.5% of the total workforce.

Listing

The Company's Equity Shares are listed at the BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE). The listing fees for the financial year ending on March 31, 2025 have been duly paid. As at March 31, 2024, your Company was at 396 in the list of all listed companies as per Market Capitalisation released by National Stock Exchange of India Ltd. & BSE Ltd.

Compliance with Secretarial Standards

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

Other Disclosures

1. The Auditors of the Company have not reported any instances of fraud committed in the Company by its officers or employees as specified under section 143(12) of the Act, details of which needs to be mentioned in this Report.
2. There are no applications made or any proceeding pending against the Company under Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year.
3. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof - There are no instances of one-time settlement during the financial year under review.

Kolkata
July 30, 2024

Forward Looking Statement

The statements in this report describing the Company's policy, strategy, projections, estimation and expectations may appear forward looking statements within the meaning of applicable securities laws or regulations. These statements are based on certain assumptions and expectations of future events and the actual results could materially differ from those expressly mentioned in this Report or implied for various factors including those mentioned in the paragraph "Risks and Concerns" herein above and subsequent developments, information or events.

Acknowledgement

The Directors place on record their sincere appreciation of the cooperation and support extended by the Government, Banks/Financial Institutions and all other business partners and the services rendered by the employees.

Your involvement as Shareholders is greatly valued. Your Directors look forward to your continuing support.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

For and on behalf of the Board

J P Chowdhary
Executive Chairman

Annexure DR-1

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures Part - A: Subsidiaries

Name of the Subsidiary	Titagarh Singapore Pte. Ltd. ('TSPL')
Date since when subsidiary was acquired	22.08.2008
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of Foreign Subsidiaries	EURO Rs.90.2243
	(Rs. in Lakhs)
Share capital	637.10
Reserves & surplus	26.93
Total assets	664.03
Total Liabilities	-
Investments	-
Turnover	-
Profit before taxation	(229.22)
Provision for taxation	-
Profit after taxation	(229.22)
Proposed Dividend	-
% of shareholding	100.00

Notes:

1. Names of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been liquidated or sold during the year: None
3. The above numbers have been taken from Standalone Financial Statements of the respective subsidiaries (The above does not include any inter Company eliminations).

Part – B: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Rs. in lakhs except no. of shares and % of shareholding)

Sl. No.	Joint Ventures				Associate
	1	2	3	4	5
Name of Associates/ Joint Ventures	Titagarh Mermec Private Limited	Ramkrishna Titagarh Rail Wheels Limited	Titagarh Firema Engineering Services Private Limited	Shivaliks Mercantile Private Limited	Titagarh Firema S.p.A., Italy (TFA)*
1. Latest audited Balance Sheet Date	31/03/2024	31/03/2024	31/03/2024	31/03/2024	31/03/2024
2. Date on which the Associate or Joint Venture was associated or acquired	18/07/2018	09/06/2023	16/09/2023	24/01/2024	09/09/2020
3. Shares of Associates or Joint Ventures held by the Company on the year end:					
- No.	5,000	6,12,48,747	19,60,000	10,00,00,000	1,64,00,000
- Amount of investment in Associates or Joint Ventures (INR)	50,000	61,24,87,470	1,96,00,000	1,00,00,00,000	12,72,63,000
- Extent of Holding (in percentage)	50%	49%	49%	44.63%	25.43%
4. Description of how there is significant influence	50% of the paid up equity capital is held by the Company	49% of the paid up equity capital is held by the Company	49% of the paid up equity capital is held by the Company	44.63% of the paid up equity capital is held by the Company	25.43% of the paid up equity capital is held by the Company
5. Reason why the associate/ joint venture is not consolidated	N.A.	N.A.	N.A.	N.A.	N.A.
6. Net worth attributable to Shareholding as per latest Audited Balance Sheet	(1.67)	12,364.01	428.80	20,826.34	9,819.99
7. Profit (Loss) for the year	9.62	(135.73)	28.71	(466.95)	(7,771.99)
i. Considered in Consolidation	4.81	(66.51)	14.07	(208.40)	(1,976.42)
ii. Not Considered in Consolidation	4.81	(69.22)	14.64	(258.55)	(5,795.57)

* as certified by the Management.

Notes:

- Names of associates or joint ventures which are yet to commence operations: None
- Names of associates or joint ventures which have been liquidated or sold during the year: None

For and on behalf of the Board of Directors of Titagarh Rail Systems Limited

J P Chowdhary
Executive Chairman

Umesh Chowdhary
Vice Chairman and
Managing Director

Atul Joshi
Director

Anil Kumar Agarwal
Deputy Managing
Director & CEO (FRS)

Saurav Singhania
Chief Financial Officer

Dinesh Arya
Company Secretary

Place: Kolkata/ Mumbai
July 30, 2024

Annexure DR-2

Form No. 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

1. Details of contracts or arrangements or transactions not at arm's length basis

Not Applicable.

2. Details of material contracts or arrangement 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	Date(s) of approval by the Board, if any	Amount paid as advances, if any
NIL						

For and on behalf of the Board

Kolkata
July 30, 2024

J P Chowdhary,
Executive Chairman

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Titagarh Rail Systems Limited
(formerly Titagarh Wagons Limited)
Poddar Point, 10th Floor, 113 Park Street,
Kolkata - 700016

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Titagarh Rail Systems Limited**, CIN: L27320WB1997PLC084819 (formerly Titagarh Wagons Limited) having its Registered office at Poddar Point, 10th Floor, 113 Park Street, Kolkata - 700016 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Company's 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 **31.03.2024**, 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.

Auditor's Responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate with the size of the Company, based on these secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers and the agents of the Company during the said audit.

I have followed the audit practices and processes as were appropriate to the best of my understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test

basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion.

I have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny.

I have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required, I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of compliance procedures on test basis.

My report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

I **report that**, I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **31.03.2024** according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) Listing Agreement(s) with the Stock Exchange(s);
- (iv) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (v) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (vi) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

The other laws specifically applicable to the Company, as per the representations made by the Management, are:

- (i) Factories Act, 1948 and The Industrial Disputes Act, 1947 read with respective applicable rules;
- (ii) Relevant statutes prevalent in the State of West Bengal and Rajasthan, where the Registered office/factory(ies) of the Company are situated, amongst others;
- (iii) Water (Prevention & Control of Pollution) Act, 1974 and Water (Prevention & Control of Pollution) Rules, 1975;
- (iv) Air (Prevention & Control of Pollution) Act, 1981 and Rules made thereunder,
- (v) The Environment (Protection) Act, 1986

During the period under review, based on my examination and verification, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

During the period under review, based on my examination and verification of the books, papers, Memorandum and Articles of Association, minutes, forms and returns which were required to be examined by me for this report and

according to the information and explanations provided to me in the course of my audit by the Company, I report that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that:

- (a) The status of the Company during the financial year has been that of a Listed Public Company. The Company has one wholly owned foreign subsidiary as on 31.03.2024;
- (b) During the audit period, the Company has effected the following activities/events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:
 1. Incorporated a new company, namely Ramkrishna Titagarh Rail Wheels Limited in joint venture with Ramkrishna Forgings Ltd. and approved investment of upto Rs. 101 crore in this regard;
 2. Change of the Company's name to Titagarh Rail Systems Ltd. vide fresh Certificate of Incorporation dated 19.05.2023 received from the Registrar of Companies, West Bengal;
 3. Issue of 76,00,000 equity shares on preferential basis aggregating upto Rs. 288,80,00,000/-;
 4. Obtained approval of Shareholders for increasing borrowing powers of the Company from Rs. 3,500 crore to Rs. 5,500 crore;
 5. Appointment of Shri B.P. Rao and Shri Debanjan Mondal as Independent Directors w.e.f. 04.09.2023;
 6. Completion of second term of five years of Shri Manoj Mohanka and Shri Sunilraj Talukdar as Independent Directors at the close of business hours on 31.03.2024;
 7. Appointment of M/s. Salarpuria & Partners, Chartered Accountants (Firm Registration No. 302113E) as Joint Statutory auditors w.e.f. 29.09.2023;
 8. Change of Registered office of the Company w.e.f. 01.10.2023;
 9. Incorporated a new company namely Titagarh Firema Engineering Services Private Limited in joint venture with Titagarh Firema S.p.A., associate company and approved investments of upto Rs. 196 Lakhs in this regard;
 10. Issue of Equity shares aggregating to Rs. 700 crore through Qualified Institutions Placement to Qualified Institutional Buyers;
 11. Changes in Management Structure in respect of designations and responsibilities of certain KMP(s);
 12. Approved investment of upto Rs. 120 crore into the

equity capital of Shivaliks Mercantile Private Ltd.– a Joint Venture/Special Purpose Vehicle;

13. The Board in its meeting held on 21.03.2023 approved the Titagarh Rail Systems Limited - Employees Stock Options Scheme 2023, which was approved by the shareholders by way of postal ballot on 26.04.2023.

(c) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

(d) As informed to me, adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, except in few cases when shorter notices were given following the requisite compliances, 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.

(e) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

(f) There is a system of compliance mechanism established by the Company and on reviewing the same and on the basis of the Compliance Certificate(s) issued by the Key Managerial Personnel including the Company Secretary, as taken on record by the Board of Directors at their meeting(s), I am of the opinion that there are adequate systems and processes in place which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines;

(g) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel.

(CS Sumantra Sinha)
Practising Company Secretary
ACS-11247 / CP-15245
PR: 1421/2021
UDIN: A011247F000828008

Kolkata
30th July, 2024

Annexure DR-4

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Rule	Particulars				
(i)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	a	Shri J P Chowdhary, Executive Chairman	116.98	
		b	Shri Umesh Chowdhary, Vice Chairman & Managing Director	116.98	
		c	Shri Anil Kumar Agarwal, Deputy Managing Director & CEO (Freight Rail Systems)	47.56	
		d	Shri Prithish Chowdhary, Deputy Managing Director	25.28	
		e	Shri Saket Kandoi, Director (Freight Rolling Stock)	32.64	
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	a	Shri J P Chowdhary, Executive Chairman	NIL	
		b	Shri Umesh Chowdhary, Vice Chairman & Managing Director	NIL	
		c	Shri Anil Kumar Agarwal, Deputy Managing Director & CEO (Freight Rail Systems)	82	
		d	Shri Prithish Chowdhary, Deputy Managing Director	NIL	
		e	Shri Saket Kandoi, Director (Freight Rolling Stock)	NIL	
		f	Shri Saurav Singhania, Chief Financial Officer	48	
		g	Shri Dinesh Arya, Company Secretary & Chief Compliance Officer	NIL	
		(iii)	The percentage increase in the median remuneration of employees in the financial year		NIL
		(iv)	The number of permanent employees on the rolls of the Company		1,060
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel for the financial year 2023-24: 7.45%. The increase is an outcome of the Company's performance and standard industry practices aligned with the Remuneration Policy of the Company.				
(vi)	It is hereby affirmed that the remuneration is as per the Remuneration policy of the Company				

For and on behalf of the Board

Kolkata
July 30, 2024

J P Chowdhary
Executive Chairman

Particulars required under Section 134(3) (m) read with Rule 8 of the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

i) Steps taken or impact on conservation of energy:

- a) Energy conservation measure inter alia include-
 1. Solar Power Plant with capacity of 2MW has been implemented as a part of renewable energy/ alternate source of power.
 2. Electric powered vehicles have been introduced for transportation and LED energy efficient lighting system for shop floor illumination used to make more efficient use of energy as well as reduce carbon footprint.
 3. Variable Frequency Drive (VFD) on EOT cranes to conserve energy and reduce consumption by about 10%.
 4. The automation drive continues with upgradation of power source of CNC Plasma Machine to achieve further reduced operation time resulting in corresponding savings in power consumption and old Press Machine and Shearing Machine have been replaced with modernized CNC Press and Shearing yielding significant savings in consumption of electricity.
- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:
 1. Installation and use of 20 inverter based Welding Machines has reduced about 10% electricity consumption as compared to the old machines replaced, conserving energy.
 2. Recycling of e-waste and waste water and reuse these for plant operations has led to improved utilisation of resources and reduced carbon footprint helping the environment positively.
 3. Setting up of RO plants for both industrial and domestic consumption.
 4. Consistent focus on modernization of various sources of power by replacing the old/inefficient drives.

ii) Steps taken by the Company for utilizing alternate sources of energy:

The measures taken as above have resulted in significant savings of non-renewable sources of power and conserve energy from non-renewable sources thereby reducing the carbon footprint.

iii) Capital investment on energy conservation equipment:

Rs. 4,373.33 Lakhs for the year ended March 31, 2024.

B. TECHNOLOGY ABSORPTION

i) Efforts made towards technology absorption:

- a) Upgrading of skillsets of the manpower through training in rolling stock workshops and Robotic centres of the business partners.
- b) Facility upgradation of the third rail systems is under process.

Efforts, in brief, made towards technology absorption, adaptation and innovation:

- a) Manual Shot Blasting Booth to Automatic Recyclable Shot Blasting booth to achieve about 40% savings on the main raw material i.e. Shots.
- b) Saving a considerable amount of Man-hours after making a few innovative process changes during the fabrication of wagons has been attended. As a result, re-work was reduced considerably.

ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

The benefits from the above are expected to be significant, however, the same can only be ascertained in tangible terms in future.

Future plan of action:

The Company is focused on value addition in the manufacture and marketing of Wagons and Coaches and is consistent in its efforts to modernize the facilities to provide the quality products as customized mobility solution to its customers.

iii) In case of Imported Technology (imported during the last three years reckoned from the beginning of the Financial Year): N/A

- a) The details of the technology imported: A large size VMC has been imported to machine co-co bogies in-house.
- b) Year of import: 2009-10
- c) Whether the technology has been fully absorbed: Partially absorbed till date.
- d) If not fully absorbed, areas where this has not taken place, reasons thereof: Step by step absorption is taking place.

iv) Expenditure on R & D:

(Rs. in Lakhs)

	2023-24	2022-23
Capital	Nil	Nil
Recurring	144.36	301.84
Total	144.36	301.84
Total R & D Expenditure as a percentage of total turnover	0.04%	0.11%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) Activities relating to exports, initiatives taken to increase exports, development of new export markets and export plans:
 - i) A Memorandum of Understanding is proposed to be signed with the Government of India's agency RITE International for cooperation in respect of exclusive export market.
 - ii) Efforts are being made to secure an order for limestone carrying wagons for Malaysian railway tracks.
- b) Total foreign exchange earned and used: Inflow Rs. 2.45 crore and outflow Rs. 126.20 crore.

For and on behalf of the Board

Kolkata
July 30, 2024

J P Chowdhary
Executive Chairman

Report on Corporate Social Responsibility Activities for the Financial Year 2023-24

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

Corporate Social Responsibility (CSR) at Titagarh Rail Systems Limited ('Titagarh') has been a part of its existence long before social responsibility became mandatory by law and Titagarh aspires to continue making consistently increasing improvement in the life of beneficiaries of Titagarh's CSR initiatives. The Company actively contributes to the social and economic development of the communities in which it operates and continuously endeavours towards building a better, sustainable way of living for the weaker sections of society and thus participate in raising the country's human development index. It also promotes education, including employment enhancing vocation skills especially among children, women, elderly, and the differently abled; and livelihood enhancement projects and setting up interventions in academic institutions with the objective of assisting economically backward but meritorious students in their studies, eradicating hunger, poverty and malnutrition and also promotes the healthcare including preventive health care and making available safe drinking water. Titagarh also strives to promote gender equality, empowering women, setting up measures for reducing inequalities faced by socially and economically backward groups. Titagarh's CSR initiatives are also aimed at ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.

The Company's CSR policy aims to create a sustainable impact in the community and society. As a policy, the Company's CSR activities focus on specific strategic areas. The CSR activities are undertaken in certain strategic areas namely livelihood enhancement projects, promoting education and health. The Company's CSR activities are guided by the CSR Committee. All the projects are regularly monitored and reviewed by the CSR Committee for their impact on the beneficiaries. The CSR Committee has framed 'Jeevan Niragi'; 'Gyaan Jyoti'; 'Shail Ganga' and 'Parvaah' as CSR themes to undertake CSR activities in partnership with selected eligible implementation partners directly.

Titagarh's CSR initiatives are planned with various monitoring mechanisms and control points to increase their effective delivery. A suitable organizational structure is constituted to steer the CSR Projects/activities of the Company, at the corporate level. Keeping in view the importance of CSR Projects/activities, the Divisional Heads carry out due diligence and also discuss the modalities, monitor the progress of CSR Projects/activities during their periodical interactions. The role/ function of every employee involved in planning, implementing and monitoring of the CSR Projects /programs is monitored to bring the desired clarity and accountability. At the end of every financial year, the CSR Committee is required to submit its Report to the Board.

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.	Smt. Rashmi Chowdhary	Chairperson, Non-Executive Director	2	2
2.	Shri J P Chowdhary	Member, Executive Chairman	2	2
3.	Ms. Nayanantara Palchoudhuri	Member, Independent Director	2	2
4.	Shri Krishan Kumar Jalan	Member, Independent Director	2	2

3. The web-links where Composition of CSR committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

(a) Web-link where CSR policies and projects are disclosed: [https://www.titagarh.in/storage/report/actual/CORPORATE%20SOCIAL%20RESPONSIBILITY%20\(CSR\)%20POLICY.pdf](https://www.titagarh.in/storage/report/actual/CORPORATE%20SOCIAL%20RESPONSIBILITY%20(CSR)%20POLICY.pdf)

(b) Web-link where the composition of CSR Committee is disclosed: https://titagarh.in/storage/report/actual/1618812855_emub3_committeepdf.pdf

4. The executive summary along with web-links of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

5. (a) Average net profit of the Company as per section 135(5): Rs. 6,481.20 Lakhs

(b) Two percent of average net profit of the Company as per section 135(5): Rs. 129.62 Lakhs

(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 for the financial year (5b+5c+5d): Rs. 129.62 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year	Amount Unspent				
	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 fund	Amount	Date of transfer
129.62	NIL	NA	NIL	NIL	NA

(Rs. in Lakhs)

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

Sl. No.	Particular	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	129.62
(ii)	Total amount spent for the Financial Year	129.62
(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	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6)	Balance Amount in Unspent CSR Account under section 135(6)	Amount spent in the Financial Year	Amount transferred to a Fund specified under Schedule VII as per section 135(5), if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of Transfer		
1.	2021-22				Not Applicable			
2.	2022-23				Not Applicable			
3.	2023-24				Not Applicable			

8. Whether any capital assets have been created or acquired through CSR amount spent in the financial year: No

If Yes, enter the number of Capital assets created/acquired – Not Applicable.

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable.

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – Not Applicable.

Kolkata
July 30, 2024

Umesh Chowdhary
Vice Chairman & Managing Director

Rashmi Chowdhary
Chairperson, CSR Committee



MOBILITY IN NAUTICAL TERMS

TRSL doesn't only make rolling stock and wagons for freight rolling stock for railways, but it also makes vessels that master the waterways. From naval vessels to tugboats, from coastal research vessels to passenger vessels, TRSL's portfolio has it all.

1

The largest wagons manufacturer in the country with effective project management and timely execution capabilities

2

Passenger Rail Systems uniquely positioned to capture growth with its Modern day Passenger Rail Systems Technology

3

Attractive opportunities through backward and forward integration in the components and maintenance market with recurring revenue potential

4

Experienced promoters and senior management team committed to strengthen business offerings and drive future growth

5

Industry growth led by higher infrastructure spend and government's policy support (Part of Make in India policy and "AatmaNirbhar Bharat")



Management Discussion and Analysis

Established in 1997, Titagarh Rail Systems Limited is a leading comprehensive rail mobility systems provider in India with over 25 years of experience. The Company is the largest wagon manufacturer with a market share of 18% to 22% in railway procurement in India in terms of total tenders and the largest market share of 25% to 30% in India in terms of total tenders from Fiscal 2020 to 2023. The Company is the only entity in private sector that manufactures both the freight rolling stock and passenger rolling stock.

FY2024 has been an unprecedented year as your Company not only reported outstanding growth in all key performance indicators, but also emerged as the only Company to have reached 1,000 Wagons milestone twice in the year under review during the 3rd and 4th quarter. Considering the highest ever order book position pursuant to the prestigious orders secured by the Company, the growth in revenues and Company's consistent efforts to execute the orders as per schedule, strategic alliances entered into, the past year has been exceptionally satisfying.

a) Overall Review

The overall performance of the Company during the financial year 2023-24 was outstanding as is evident from the increase in all the key performance parameters. The robust order book aggregating Rs. 27,856 Crores as at

March 31, 2024 which consists of orders worth Rs. 14,530 Crores is the Company's share and Rs. 13,326 Crores is the JV's share and focus on participation in various tenders for wagons and metro coaches to secure more orders to further consolidate the Company's position in rolling stock industry underlines its transformation from a wagons manufacturer to leading mobility solution provider.

(b) Segment Review

The Company operates under two segments namely:

- Freight Rail Systems (FRS)** - Consists of manufacturing of Wagons, Loco Shells, Bogies, Couplers and its components. This segment encompasses our "Shipbuilding, Bridges and Defence" (SBD) business, in which we manufacture products including (i) coastal research vessels, naval vessels, passenger ships and cargo ferry vessels, and tugs; (ii) metal canisters, and integrated field shelters for the Indian Air Force; and (iii) Bailey bridges, steel modular bridges and unbridges.
- Passenger Rail Systems (PRS)** - Consists of designing and manufacturing of Metro, Passenger Coaches for semi-high-speed trains, EMUs, Train Sets, Mono Rail, Propulsion equipment, Traction Motors and its components.

under PRS were in the initial stage i.e. design phase. About 11% of the Company's standalone revenue for FY 23-24 has come from PRS. The Company is uniquely positioned to capture growth with its modern-day Passenger Rail Systems Technology and installed capacity of 250 coaches per annum. The capacity of traction motors is 2,400 per annum.

Under the Passenger Rail Systems Segment (PRS), the Pune Metro Project is a very important milestone for the Company. The Company along with its associate: TFA, had signed the first contract for design, development, manufacture and supply of 34 trains of 3 coaches each for Pune Metro (Maharashtra Metro Rail Corporation Limited). The delivery of the Coaches to Pune Metro has already commenced and the trains supplied have been put into passenger service.

The following significant developments took place during the FY 23-24:

- ❖ In consortium with Bharat Heavy Electricals Limited (BHEL), your Company was awarded "Manufacturing cum Maintenance of 80 Vande Bharat Trainsets including Up-gradation of the Government Manufacturing Units & Trainset Depots" and comprehensive maintenance of the same for 35 years in the mega tender of Indian Railways. The BHEL-TRSL consortium was the only AatmaNirbhar consortium that participated in the tender process. A special purpose vehicle (SPV) will be formed between the consortium partners to carry out the maintenance of the trains. It is a matter of great pride for the Company to be a part of the Government's Make in India policy. This marks the Company's entry into high-speed trains segment i.e. the Vande Bharat trains.
- ❖ Your Company in consortium with Ramkrishna Forgings Limited (RKFL) incorporated a Joint Venture Company (JVC) in the name and style of "Ramkrishna Titagarh Rail Wheels Limited" (RTRWL) on 9th June, 2023, for execution of the Project – "Manufacturing and Supply of Forged Wheels" under long term Agreement under AatmaNirbhar Bharat.
- ❖ The fitment trials for the traction motor supplied in November, 2022 were completed successfully in June, 2023 and the clearance for bulk supply has been received in July, 2023. Your Company is now fully equipped to undertake unrestricted supply in developmental category.
- ❖ Among other major achievements, your Company received Letter of Acceptance dated June 27, 2023 from the Gujarat Metro Rail Corporation Limited (GMRL) for "Design, Manufacture, Supply, Testing,

Commissioning and Training of 72 nos. of Standard Gauge Cars for Surat Metro Rail Phase-I Project". The order value is about INR 857 crore and execution would start 76 weeks after signing the contract and is scheduled to be completed in 132 weeks thereafter.

- ❖ Your Company was awarded the contract for Design, Manufacture, Supply, Testing, Commissioning & Training of 30 nos. of Standard Gauge Cars for Ahmedabad Metro Rail Phase-II Project by GMRL valued approx. Rs. 350 Crore.
- ❖ The Company has entered a strategic partnership with ABB to supply propulsion systems for metro rolling stock projects in India. This strategic partnership aims to bring the two companies together to build on their potential and synergy to become an established player in the Indian market and expand its market base to other projects and countries. The partnership covers an agreement for Titagarh to purchase ABB propulsion systems including traction converters, auxiliary converters traction motors and TCMS software. It also includes securing manufacturing rights and production license or traction motors along with the complete transfer of technology of the GoA 4 (Driverless metro) TCMS software from ABB to Titagarh. This partnership is aligned with the Indian government's "Make in India" and "Atmanirbhar Bharat" initiatives and has had an early success by winning orders to design and supply equipment for metro coaches for the state of Gujarat, one of the leading industrialised state in India.
- ❖ Strategic alliance entered with Sidval Refrigeration Private Limited, a wholly owned subsidiary of Amber Enterprises India Limited, by investment in a special purpose vehicle (SPV) to set up new facility in India to manufacture critical railway components & subsystems used in the manufacture of Railway & Metro coaches.

The Company's order book stands at Rs. 27,421 crore as at June 30, 2024, of which Rs. 14,095 crore is the Company's share and Rs. 13,326 crore is the JV's share. The order book is well diversified across the different segments of the Company and going forward the revenue mix of the Company will undergo a substantial change with the increase of share of passenger rail systems.

Metro coaches is one segment in which the Company foresees a huge opportunity as the tier-I and tier-II cities are all going for metro as the most suitable urban rapid transport system.

The Company's performance during FY 2023-24 has been record breaking as it reported its highest ever quarterly

The segment wise performance is as follows:

Particulars	Standalone			Consolidated		
	2023-24	2022-23	Change %	2023-24	2022-23	Change %
(Rs. in Lakhs)						
Segment Revenue (Gross)						
Freight Rail Systems	341,757.39	225,093.47	51.83%	341,757.39	225,093.47	51.83%
Passenger Rail Systems	43,572.65	52,959.43	-17.22%	43,572.65	52,865.57	-17.58%
Total	385,330.04	278,052.90	38.58%	385,330.04	277,959.04	38.63%
Segment Results						
Freight Rail Systems	44,324.07	23,570.92	88.05%	44,324.07	23,570.94	88.05%
Passenger Rail Systems	1,315.09	2,198.14	-40.17%	1,315.09	2,198.13	-40.17%
Total	45,639.16	25,769.06	77.11%	45,639.16	25,769.07	77.11%
Total Profit/ (Loss) before Tax from continuing operations	39,704.68	15,877.21	150.07%	38,857.38	19,009.70	104.41%
Total Profit/ (Loss) after Tax from discontinued operations	-	-	-	(229.22)	(891.70)	74.29%
Total Profit/ (Loss) after Tax	29,690.68	10,336.64	187.24%	28,614.16	12,571.63	-127.61%

During the year under review, the revenue from Freight Rail Systems segment (FRS) is higher by 51.83% and PBDT by 88.05% as compared to the previous financial year. About 88.69% of the Company's standalone revenue has come from this segment. The Company has the largest installed capacity of 12,000 wagons per annum with state of the art facility at its Plant in Titagarh, W.B. and Bharatpur, Rajasthan.

The largest ever order received by FRS valued at over Rs. 7,800 Crore in May, 2022 has been executed to the extent of Rs. 3,203 Crore by the end of March, 2024.

During the year under review, the revenue from Passenger Rail Systems (PRS) is lower by 17.72% and PBDT by 40.17% as compared to the previous financial year, since the Pune metro project reached near completion and the other orders

revenue of Rs. 1,052.41 Crore during 4th quarter of FY 24, which represents a growth of 8% as compared to last quarter of FY 2022-23. During the year under review, the Company has attained major successes through the supply of its first traction motor from the Company's state-of-the-art facility in Uttarpara, paving the way for the potentially a large market which can be used for the manufacture of metro cars.

"Make in India" initiative coupled with launch of Dedicated Freight Corridor (DFC), metro projects across all major Indian cities is expected to boost wagon and electrical train manufacturing industry in the country. The DFC wagons are expected to add to Company's revenues in near future.

The efforts are also on to develop an export market for both the freight wagons and transit train business. International certification and application for accreditation of services have already been completed for wider acceptance of its products globally. Efforts are being made to take the presence of the Company beyond Europe through the Italian associate engaged in transit train manufacturing. The Indian and Italian operations would also be further synergised to cover the global market for both the freight wagons and transit business.

(c) Industry overview of Business Segments

Indian Railways

The Indian railway system is regarded as the foundation and lifeblood of the economy. Indian railways span thousands of kilometres practically covering the entire nation, making it the fourth largest in the world after the US, China, and Russia. The Railway Board, which has a monopoly over the provision of rail services in India, oversees the whole infrastructure and continue to be the most popular means of transportation for most Indians when travelling long distances.

India's railway network is recognised as one of the largest railway systems in the world under single management. The railway network is also ideal for long-distance travel and movement of bulk commodities, apart from being an energy-efficient and economic mode of conveyance and transport. Indian Railways is the preferred carrier of automobiles in the country.

The government of India has focused on investing in railway infrastructure by making investor-friendly policies. It has moved quickly to enable Foreign Direct Investment (FDI) in railways to improve infrastructure for freight and high-speed trains.

Budgetary Support - Under the Interim Budget 2024-25, a capital outlay of Rs. 2.52 lakh crore (US\$ 30.3 billion) has been allocated to the Ministry of Railways,

which is the highest ever outlay and about ten times the outlay made in 2013-14. The government allocated US\$ 29 billion to the Ministry of Railways. The Bairabi-Sairang project aims to create an additional 51.38 km of railway track in northeast India. Indian Railways will be establishing three key railway programs to boost the economy: energy, mineral, and cement transport routes; port connections; and busy traffic routes. There will be conversion of 40,000 conventional rail bogies to 'Vande Bharat' standards.

The Indian Railways completed total revenue of Rs. 2.40 lakh crore (US\$ 28.75 billion) by the end of FY24. Total number of passengers increased by 52 crore to reach 648 crore in FY 2023-24. In FY24, freight loading crossed by 1500 MT against last year's loading of 1512 MT in FY23. In FY24, Indian Railways loaded 1,434.03 MT of freight from April to February, an increase of about 66.51 MT and revenue rose by approximately US\$ 778 million (Rs. 6,468 crore) compared to the same period last year. Since August 2020, the Indian Railways has run 450 Kisan Rail services and was able to transport over 1.45 lakh tonnes of agricultural produce & perishables RailTel, a PSU under the Railway Ministry, which provides fast and free Wi-Fi across the stations. In 2024-25, railways' capital expenditure is targeted at US\$ 30.33 billion (Rs. 2.52 lakh crore).

Indian Railways plans to market semi-high speed 'Vande Bharat' trains by 2025-26, aiming to cover 10-12 lakh kilometres on 75 trains in three years. The Government of India aims in launching 400 Vande Bharat train (16 coaches) in the next 3-4 years and 1,000 mini-Vande Bharat train (8 coaches) in next 3-4 years. Indian Railways will target European, South American, and East Asian markets for exporting 'Made in India' trains.

Freight Rolling Stock

In the financial year 2023-24, 7180 route kilometers of railway tracks were electrified, surpassing the 6,565 route kilometers of tracks electrified last year.

During the financial year 2023-24, the railways recorded 1591 million tonnes (MT) surpassing the previous year's loading of 1512 million tonnes (MT). The total revenue of Indian Railways stands at Rs. 2.40 Lakh crores from Rs. 2.23 Lakh crores last year, reporting an increment of Rs. 17000 crores.

Indian Railways has prepared a National Rail Plan (NRP) for India-2030. This plan aims to create a 'future ready' Railway system by 2030. The NRP aims to formulate strategies based on both operational capacities and commercial policy initiatives to increase modal share of

the Railways in freight to 45%. The objective of the Plan is to create capacity ahead of demand, which would cater to future growth in demand right up to 2050. As part of the National Rail Plan, Vision 2024 has been launched for accelerated implementation of certain critical projects by 2024.

The railway sector in India aims to contribute about 1.5% to the country's GDP by building infrastructure to support 45% of the modal freight share of the economy. In order to aid the freight transportation facilities across the country two Dedicated Freight Corridors (DFC) one on the Western route (Jawaharal Nehru Port to Dadri) and another on the Eastern route (Ludhiana to Dankuni) have been fast tracked.

Indian Railway is striving to achieve a share of 45% from the current 26% through a combination of capacity enhancement works and lowering of cost to customers by FY30. Annual freight target expected to increase from 1,500m tonnes to 3,000m tonnes by FY27 and 3,600m tonnes by FY30. Wagon demand is expected to increase to 5.4 lakh wagons by FY31 from 3 lakh wagons in FY22 (including replacement).

Outlook

The Indian Rail Freight Industry is experiencing significant growth and improvements, with ambitious plans and increased investment aimed at enhancing capacity, efficiency, and sustainability. Annual freight target is expected to increase from 1400m tonnes to 3000m tonnes by 2027 implying an increase in the wagon fleet from current ~336,900 to ~500,000 by 2027. Additionally, plans are underway to develop 100 PM Gati Shakti Cargo terminals for multimodal logistics within the next three years. The wagon industry, which previously faced challenges due to under-utilization of capacities, is expected to witness improvement with substantial orders from Indian Railways and the private sector. With the commissioning of dedicated freight corridors and a goal to increase the share of freight transport through railways, the Indian Railways plans to procure 90,000 wagons by 2025 which is the largest in history and it is nearly 5 times the number of wagons procured by railways in a year.

Passenger Rolling Stock

The Indian Railways' passenger rolling stock is poised for unprecedented growth of INR 4,74,735 crores over the next five years. This remarkable surge is fueled by substantial budget allocation and a series of ambitious infrastructure projects highlighting the industry's growth potential and exponential growth possibilities.

The Indian Railways has also introduced Vande Bharat trains, the Regional Rapid Transit System (RRTS) projects and various metro initiatives across the country which has significantly boosted the market's outlook towards passenger rolling stock. The railway sector is set to grow at a Compound Annual Growth Rate (CAGR) of 45.94%, while metro sector is expected to grow at a CAGR of 38.57%. This forecasted annual growth further highlights the growth potential of India railway's and metro sector and thereby presents a golden opportunity for component suppliers to deliver high quality products essential for these initiatives. The government is also proposing Metro Lite and Metro Neo lines which are suitable for smaller cities with lower peak traffic.

India currently has 750 Km of operational metro lines with over 2,500 metro coaches being deployed. The metro network, including RRTS is proposed, to be expanded to 1,700 Km across 27 cities by 2025 and subsequently to 50 cities. IR is expected to procure 8,000-9,000 incremental passenger coaches between FY22-26. With proper budgetary allocation, the forthcoming metro rail expansion will aim to provide efficient, reliable, and sustainable transit options for millions of urban commuters, ultimately transforming the urban transit landscape and addressing the growing demand for public transportation in densely populated cities. As India continues to invest in and expand its metro network, it is poised to become a global leader in urban transit systems.

Outlook

The concerted efforts towards developing urban mass transit systems and modernizing the Indian Railways have paved the way for improved passenger experiences and increased transportation efficiency across the country. The significant progress in metro services, introduction of Vande Bharat Express and strategic investments in rail infrastructure bodes well for the future development and sustainability of India's transportation networks.

(d) Discussion on Financial Performance with respect to Operational Performance

The Company has initiated a substantial portion of the capex of about Rs. 600 crore on capacity/infrastructure building including development of new metro trains coaches and propulsion configurations and the balance is set to be deployed in the next fiscal. The capex is aimed at streamlining the supply chain and improving the operating margins through appropriate backward integration of components in both the segments. All plants of the Company are ISO 9001: 2015 and ISO 14001:2015 certified. Continuing focus of the management is consistently on undertaking cost rationalization, better

manufacturing processes, improved productivity and optimization of resource for improvement in performance aimed at achieving results better than the trend witnessed in the industries in which the Company operates. Viewed in this backdrop, the Company's performance for the year under review is satisfactory.

Metro Coaches and diversified product portfolio, strategy of adopting innovative ways to cater to its customers and preparedness to seize opportunity in products/projects for Metro and defence establishment of India make the outlook for the current year encouraging. The Company is well positioned to leverage sector growth.

(e) Overall outlook for the current year

In addition to the healthy order book as on date, the Company's focused approach on margins through efficient working capital management, backward integration and supply chain management fixed cost reduction in terms of consolidating the common functions and reducing duplication of manpower, forward integration, consolidating its prominent position in the Rolling Stock business coupled with the access to the technology for

(f) Key Financial Ratios

As stipulated in the Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended, the Company reports as follows:

(i) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios or sector specific ratios, along with detailed explanations therefor:

Sl. No.	Key Financial Ratios	2023-24	2022-23	Difference (%)
1.	Debtors Turnover Ratio (days)	38.44	31.37	22.54%
2.	Inventory Turnover Ratio (days)	60.17	65.67	-8.38%
3.	Interest Coverage Ratio (times)	6.77	3.82	77.43%
4.	Current Ratio (times)	2.71	1.27	113.39%
5.	Debt Equity Ratio	-0.12	0.22	-154.55%
6.	Operating Profit Margin (%)	12.91%	11.09%	16.47%
7.	Net Profit Margin (%)	7.71%	3.72%	107.26%

Notes on significant changes in financial ratios where change is > 25%:

- Interest Coverage Ratio: Variation is attributable to increase in borrowings during the year.
- Current Ratio: Variation is mainly due to increase in current assets on account of increase in Cash and Cash Equivalents as at year end.
- Net Profit Margin: Variation is mainly due to increase in profitability and turnover during the current year.

(ii) Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation therefor:

Key Financial Ratios	2023-24	2022-23	Difference (%)
Return on Net Worth (%)			
- Before considering exceptional item	17.82%	21.29%	-16.32%
- After considering exceptional item	17.82%	16.49%	8.07%

Notes on significant changes in financial ratios where change is > 25%: The increase is primarily due to increase in earnings as compared to the increase in volume of operations.

Corporate Governance Report

Titagarh Rail Systems Limited (TRSL's) Philosophy on Code of Governance

TRSL's corporate culture is imbued with high standards of integrity and transparency by adhering to the sound and pragmatic corporate policies laid down by the Board of Directors based on business needs aimed at sustainability manifested in two important principles of 'team-work' and 'professionalism'. Apart from the commitment to achieving the mission statement including value maximization for the stakeholders forming the core, the Company consistently retains due focus on its environmental, social and good governance responsibilities.

Governance Structure

The Company has implemented a governance structure with well-defined roles and responsibilities of every systemic constituent. The Company's shareholders appoint the Board of Directors, who, in turn govern the affairs of the Company. The Board has constituted various Committees to discharge responsibilities effectively. The Company Secretary acts as the Secretary to all the Committees. The Chairman provides strategic direction and guidance to the Board. The Chief Executive Officer and a group of senior executives are individually empowered for day-to-day operations with corresponding roles and responsibilities assigned by the Board.

Board of Directors

The Board of Directors of the Company (the "Board") has been constituted to achieve an effective Board in accordance with the corporate governance policy of the Company. TRSL's Board as at March 31, 2024 comprised fourteen directors including Executive Chairman, Vice Chairman & Managing Director, Deputy Managing Director & CEO (FRS), Deputy Managing Director and Director (Freight Rolling Stock) being the five Executive Directors, eight Independent Directors (including one Independent Woman Director and cessation of two Independent Directors w.e.f. March 31, 2024 due to completion of tenure) and one Non-Executive Director. The composition of the Board is in compliance with the provisions of the Companies Act, 2013 and Regulation 17(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Managing Director(s), the Whole-time Director(s) and the Non-Executive Director(s) (except Independent Directors) are liable to retire by rotation.

None of the Directors on the Board is a member of more than 10 committees and/or Chairman of more than 5 committees, reckoned in terms of Regulation 26 of the Listing Regulations. The Independent Directors of the Company do not serve in more than the prescribed number of companies as Independent Directors in terms of the requirements of the Listing Regulations.

Board Composition, Attendance at the Board Meetings and the last Annual General Meeting ('AGM'), outside Directorships and other Board Committees:

Sl. No.	Name of Directors & DIN	Designation & Category of the Directors	No. of Board Meetings during the year 2023-24		Attendance at last AGM held on 29.09.23	No. of shares held (face value of Rs. 2 each)	No. of other Directorships held	Chairmanship in other Committee	
			Held	Attended				Chairman	Member
1.	Shri J P Chowdhary DIN: 00313685	Promoter Executive Chairman	15	14	Present	70,700	Nil	Nil	Nil
2.	Shri Umesh Chowdhary DIN: 00313652	Promoter & Vice Chairman and Managing Director	15	14	Present	77,530	2	Nil	Nil
3.	Shri Anil Kumar Agarwal DIN: 01501767	Deputy Managing Director & CEO (FRS)	15	14	Present	100,000	1	Nil	Nil
4.	Shri Prithish Chowdhary DIN: 08509158	Deputy Managing Director	15	14	Present	Nil	2	Nil	Nil
5.	Shri Saket Kandoi DIN: 02308252	Director (Freight Rolling Stock)	15	15	Present	Nil	2	Nil	Nil

Sl. No.	Name of Directors & DIN	Designation & Category of the Directors	No. of Board Meetings during the year 2023-24		Attendance at last AGM held on 29.09.23	No. of shares held (face value of Rs. 2 each)	No. of other Directorships held	Chairmanship in other Committee	
			Held	Attended				Chairman	Member
6.	Smt. Rashmi Chowdhary DIN: 06949401	Non-Independent & Non-Executive	15	14	Present	128,16,105	Nil	Nil	Nil
7.	Shri Atul Joshi DIN: 03557435	Independent & Non-Executive	15	15	Present	Nil	1	Nil	Nil
8.	Shri Krishan Kumar Jalan DIN: 01767702	Independent & Non-Executive	15	15	Present	Nil	1	Nil	Nil
9.	Shri Sushil Kumar Roongta DIN: 00309302	Independent & Non-Executive	15	14	Absent	Nil	8	2	5
10.	Ms. Nayanara Palchoudhuri DIN: 00581440	Independent & Non-Executive	15	15	Present	Nil	8	Nil	7
11.	Shri Bontha Prasada Rao DIN: 01705080	Independent & Non-Executive	15	9	Present	Nil	3	Nil	1
12.	Shri Debanjan Mandal DIN: 00469622	Independent & Non-Executive	15	5	Absent	Nil	9	1	5
13.	Shri Sunirmal Talukdar* DIN: 00920608	Independent & Non-Executive	15	15	Present	Nil	5	3	1
14.	Shri Manoj Mohanka* DIN: 00128593	Independent & Non-Executive	15	15	Present	Nil	5	1	2

* Directorship ceased with effect from the close of business hours on 31st March, 2024.

Notes:

- None of the Directors, except Shri J P Chowdhary, Shri Umesh Chowdhary, Smt. Rashmi Chowdhary and Shri Prithish Chowdhary have any relationship inter-se. Shri Umesh Chowdhary is the son of Shri J P Chowdhary. Smt. Rashmi Chowdhary is the wife of Shri Umesh Chowdhary. Shri Prithish Chowdhary is the son of Shri Umesh Chowdhary and Smt. Rashmi Chowdhary.
- Independent Directors meet the criteria of their independence as mentioned in Regulation 16(1)(b) of the SEBI Listing Regulations.
- Other directorships does not include directorship in Private Limited Companies, Foreign Companies and Section 8 companies.
- Chairmanships/ Memberships of Board Committees include Audit and Stakeholders' Relationship Committees only.

Details of Directorships in other Listed Entities as at 31st March, 2024:

Name and Category of the Director	Details of Directorships of other Listed Entities and Category of Directorship	
Shri J P Chowdhary, Executive Chairman	Nil	N.A.
Shri Umesh Chowdhary, Vice Chairman and Managing Director	Nil	N.A.
Shri Anil Kumar Agarwal, Deputy Managing Director & CEO (FRS)	Nil	N.A.
Shri Prithish Chowdhary, Deputy Managing Director	Nil	N.A.
Shri Saket Kandoi, Director (Freight Rolling Stock)	Nil	N.A.
Smt. Rashmi Chowdhary, Non-Executive Director	Nil	N.A.
Shri Atul Joshi, Independent Director	Nil	N.A.
Shri Krishan Kumar Jalan, Independent Director	PNC Infratech Limited	Independent Director
Shri Sushil Kumar Roongta, Independent Director	J K Paper Limited Jubilant Pharmova Limited Jubilant Ingrevia Limited Adani Power Limited Zuari Industries Limited Shree Cement Limited	Non-Executive Director Independent Director Independent Director Independent Director Independent Director Independent Director
Ms. Nayanara Palchoudhuri, Independent Director	Rossell India Limited Vesuvius India Limited Ludlow Jute & Specialties Limited Niccò Parks & Resorts Limited International Combustion India Limited	Independent Director Independent Director Independent Director Independent Director Independent Director
Shri Bontha Prasada Rao, Independent Director	Havells India Limited Poonawalla Fincorp Limited	Independent Director Independent Director
Shri Debanjan Mandal, Independent Director	Century Plyboards (India) Limited Industrial and Prudential Investment Company Limited CESC Limited Spencer Retail Limited Apeejay Surrendra Park Hotels Limited	Independent Director Independent Director Independent Director Independent Director
Shri Sunirmal Talukdar, Independent Director*	Aditya Birla Fashion and Retail Limited Hubbarch Colorants India Limited India Carbon Limited Sasken Technologies Limited	Independent Director Independent Director Independent Director Independent Director
Shri Manoj Mohanka, Independent Director*	Xpro India Limited India Carbon Limited Celebrity Fashions Limited Ludlow Jute & Specialties Limited	Independent Director Independent Director Independent Director Independent Director

* Directorship ceased with effect from the close of business hours on 31st March, 2024

As at 31st March, 2024, Smt. Rashmi Chowdhary, Non-executive and Non-Independent Director and a member of promoter group held 128,16,105 shares in the Company in individual capacity. No other Non-Executive Director holds any shares in the Company.

Separate Meeting of Independent Director

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 15th March, 2024 to review the performance of

Non-Independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and Committees of the Board which is necessary to effectively and reasonably perform and discharge their duties.

Agenda

All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated at the meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board Committees and Subsidiaries for the information of the Board. Additional agenda items in the form of "Other Business" are included with the permission of the Chairman. Agenda papers are circulated seven days prior to the Board Meeting. In addition, for any business exigencies, the resolutions are passed by circulation and later placed in the ensuing Board Meeting for ratification/approval.

Directors' Induction, Familiarization & Training of Board Members

Pursuant to Regulation 25(7) of the Listing Regulations, the Company is mandatorily required to provide suitable training to the Independent Directors to familiarize them with

Skills/expertise/competence of the Board of Directors

Pursuant to Para C (2) of Schedule V to the Listing Regulations, the Board has identified the following core skills/expertise/competencies required in the context of business of the Company for its effective functioning:

Sl. No.	Core skills/ expertise/ competencies	Whether such Core skills/ expertise/ competencies are available with the Company's Board	Name of the directors as on 31st March, 2024 having the required set of skills/ expertise/ competencies
1.	Expertise in Freight and Passenger Rolling Stock, Shipbuilding, Bridges and Special Projects for Defense including respective value chain and engineering	Yes	Shri J P Chowdhary Shri Umesh Chowdhary Shri Anil Kumar Agarwal Shri Saket Kandoi Shri Prithish Chowdhary Shri B. P. Rao
2.	Experience in strategy formulation, planning and devising corporate policies, corporate governance including risk management, finance, tax and legal compliances	Yes	Shri J P Chowdhary Shri Umesh Chowdhary Shri Anil Kumar Agarwal Shri Atul Joshi Shri Saket Kandoi Shri Manoj Mohanka* Smt. Rashmi Chowdhary Shri Sunirmal Talukdar* Ms. Nayantara Palchoudhuri Shri K.K. Jalan Shri Sushil Kumar Roongta Shri Prithish Chowdhary Shri B. P. Rao Shri Debanjan Mandal

the Company, their role, nature of the industry in which the Company operates, business model of the Company etc. the details of such training imparted are also required to be disclosed in the Annual Report.

The Directors are offered visits to the Company's plants, where plant head makes them aware of the operational and sustainability aspects of the plants to enable them to have full understanding on the activities of the Company and initiatives taken on safety, quality, CSR, Sustainability etc.

At various Board meetings during the year, presentations are made to the Board on safety, health and environment and sustainability issue, risk management, company policies, changes in the regulatory environment applicable to the corporate sector and to the industry in which it operates, with areas of improvement and other relevant issue.

Quarterly presentations on operations made to the Board include information on business performance, operations, market share, financial parameters, working capital management, fund flows, senior management change, major litigation, compliances, subsidiary information, donations, regulatory scenario etc.

The details of such familiarization programs have been placed on the website of the Company under the weblink: <https://www.titagarh.in/storage/report/actual/FAMILIARISATION%20PROGRAMME%20FOR%20INDEPENDENT%20DIRECTORS.pdf>

Sl. No.	Core skills/ expertise/ competencies	Whether such Core skills/ expertise/ competencies are available with the Company's Board	Name of the directors as on 31st March, 2024 having the required set of skills/ expertise/ competencies
3.	Leadership qualities and in depth knowledge and experience in general management of organization	Yes	Shri J P Chowdhary Shri Umesh Chowdhary Shri Anil Kumar Agarwal Shri Atul Joshi Shri Saket Kandoi Shri Manoj Mohanka* Smt. Rashmi Chowdhary Shri Sunirmal Talukdar* Ms. Nayantara Palchoudhuri Shri K.K. Jalan Shri Sushil Kumar Roongta Shri Prithish Chowdhary Shri B. P. Rao Shri Debanjan Mandal
4.	Interpersonal relations, human resources management, communication, corporate social responsibility including environment and sustainability	Yes	Shri J P Chowdhary Shri Umesh Chowdhary Shri Anil Kumar Agarwal Shri Atul Joshi Shri Saket Kandoi Shri Manoj Mohanka* Smt. Rashmi Chowdhary Shri Sunirmal Talukdar* Ms. Nayantara Palchoudhuri Shri K.K. Jalan Shri Sushil Kumar Roongta Shri Prithish Chowdhary Shri B. P. Rao Shri Debanjan Mandal
5.	Expertise in technology including design, research and innovation and digitalization	Yes	Shri J P Chowdhary Shri Umesh Chowdhary Shri Anil Kumar Agarwal Shri Saket Kandoi Shri B. P. Rao
6.	Contribute to organizational mission and vision, stakeholder value creation and culture growth.	Yes	Shri J P Chowdhary Shri Umesh Chowdhary Shri Anil Kumar Agarwal Shri Atul Joshi Shri Manoj Mohanka* Smt. Rashmi Chowdhary Shri Saket Kandoi Shri Sunirmal Talukdar* Ms. Nayantara Palchoudhuri Shri K.K. Jalan Shri Sushil Kumar Roongta Shri Prithish Chowdhary Shri B. P. Rao Shri Debanjan Mandal

*Directorship ceased with effect from the close of business hours on 31st March, 2024

Evaluation of the Board's Performance

The Board had adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the

Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & Committees, experience and competencies, performance of specific duties and obligations, governance issues etc.

A separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest etc. The Board considers the oral assessments provided by the individual Directors during interaction(s) and carries out the evaluation of individual Directors including the Independent Directors, with each Director present in the meeting withdrawing from the meeting at the time of his/her evaluation. Criteria for evaluation of Board is annexed hereto – **Annexure CG – 1**.

Succession Planning

The Company has put in place a structure to identify crucial job skills, knowledge, social relationship and organisational practice and to pass them to prepare next generation of workforce, thereby ensuring seamless movement of talent within the organisation.

Independent Directors

All Independent Directors have confirmed that they meet the “independence” criteria as provided under Regulation 16 of Listing Regulations, 2015 read with Section 149 of the Companies Act, 2013 and have also confirmed compliance with Regulation 25(8) of the Listing Regulation. In the opinion of the Board, the Independent Directors of the Company fulfil the criteria for “independence” and/or “eligibility” as prescribed under the Listing Regulations and Section 149 of the Companies Act, 2013 (‘the Act’) and are independent of the management.

The number of directorships held by the Independent Directors is within the limits prescribed under Regulation 17A and comply with the provisions of Regulation 25 of the Listing Regulations.

The Company has issued formal letter of appointment to the Independent Directors, a specimen of which is placed on the website of the Company.

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors.

Senior Management

During the year under review, Shri Sourav Singhania, Jr. CFO was promoted to Chief Financial Officer (CFO) of the Company w.e.f. 20th December, 2023 and on the same date Shri Anil Kumar Agarwal having been elevated from Director (Finance) & CFO to DMD & CEO (FRS), ceased to be the CFO of the Company. Shri Imdad Ali, Chief Human Resource Officer (CHRO) resigned and 31st March, 2024 was his last working day.

Board Meetings held during the Financial Year ended 31st March, 2024

Fifteen (15) Meetings of the Board of Directors were held

during the financial year ended 31st March, 2024 i.e. on 13th May, 2023, 24th May, 2023, 10th June, 2023, 22nd July, 2023, 4th September, 2023, 7th October, 2023, 18th October, 2023, 8th November, 2023, 7th December, 2023, 20th December, 2023, 1st January, 2024, 24th January, 2024, 2nd February, 2024, 5th March, 2024 and 15th March, 2024.

Appointment/ Re-appointment of Directors

The details of the directors proposed to be appointed/reappointed at the ensuing Annual General Meeting (AGM) are given in the Notice of AGM and the same should be considered as compliance of Regulation 36 of the Listing Regulations.

Board Committees

Audit Committee

The Audit Committee as at 31st March, 2024 comprises Shri Atul Joshi, Shri Manoj Mohanka and Shri Sunirmal Talukdar (all Independent Directors). Shri Atul Joshi, double graduate in Commerce and Economics from Bombay University and a Chartered Accountant is the Chairman of the Audit Committee. The Audit Committee at its meetings exercised the role and duties, which had been defined by the Board of Directors pursuant to provisions of the Companies Act, 2013 read with the Listing Regulations. The Company Secretary acts as Secretary to the Audit Committee.

The role and duties of the Audit Committee is laid down in accordance with the provisions of Section 177 of the Companies Act, 2013 and cover the areas mentioned under Regulation 18 read with Part C of Schedule II of the Listing Regulations.

At least one meeting of the Audit Committee was held in every quarter and the time gap between two consecutive meetings of the Audit Committee did not exceed 120 days during the financial year 2023-24.

Terms of Reference of Audit Committee are broadly as follows

The terms of reference of the Audit Committee are as per the guidelines set out in Regulation 18 of the Listing Regulations read with Section 177 of the Companies Act, 2013. These broadly include (i) overseeing the financial reporting process (ii) review of financial statements (iii) ensuring compliance with the regulatory guidelines (iv) compliance with listing and other legal requirements concerning financial statements (v) scrutiny of inter-corporate loans and investments (vi) review of internal audit reports (vii) recommending appointment and remuneration of auditors to the Board of Directors and (viii) to review adequacy of internal control systems and internal audit function and other matters specified for Audit Committee under the Listing Regulations and Section 177 of the Act. The Audit Committee also reviews the information as per the requirement of Part C of Schedule II of the Listing Regulations.

Attendance of the Directors at the Audit Committee Meetings held:

During the year, 14 (Fourteen) meetings of the Audit Committee of the Company were held i.e. on. 23rd May, 2023, 24th May, 2023, 7th July, 2023, 21st July, 2023, 4th September, 2023, 18th October, 2023, 8th November, 2023, 7th December, 2023, 20th December, 2023, 1st January, 2024, 24th January, 2024, 2nd February, 2024, 21st February, 2024, 15th March, 2024. The attendance of Directors at these meetings was as under:

Sl. No.	Name of Directors	Designation	No. of meetings attended
1.	Shri Atul Joshi	Chairman	14
2.	Shri Manoj Mohanka*	Member	14
3.	Shri Sunirmal Talukdar*	Member	14

*Directorship ceased with effect from the close of business hours on 31st March, 2024

The Chairman of the Audit Committee attended the last AGM held on September 29, 2023.

Stakeholders' Relationship Committee

Stakeholders' Relationship Committee which considers and resolves the grievances of the security holders of the Company is headed by Shri Manoj Mohanka, an Independent Director, with Shri Umesh Chowdhary, Ms. Nayantara Palchoudhuri and Shri Krishan Kumar Jalan being the other members as at 31st March, 2024. The date of Stakeholders' Relationship

Committee meetings held during the year and attendance thereof is depicted in the following table:

Attendance of the Directors at the Stakeholders' Relationship Committee Meetings held:

During the year only one meeting of the Stakeholders' Relationship Committee of the Company was held i.e. on 16th March, 2024.. The attendance of Directors at these meetings is as under:

Sl. No.	Name of the Directors	Designation	No of meetings attended
1.	Shri Manoj Mohanka*	Chairman	1
2.	Shri Umesh Chowdhary	Member	1
3.	Ms. Nayantara Palchoudhuri	Member	1
4.	Shri Krishan Kumar Jalan	Member	1

*Directorship ceased with effect from the close of business hours on 31st March, 2024

The Chairman of the Stakeholders Relationship Committee attended the last AGM held on 29th September, 2023.

Nomination and Remuneration Committee (NRC)

Nomination and Remuneration Committee (NRC) comprised of Shri Manoj Mohanka, Shri Sunirmal Talukdar, Shri Sushil Kumar Roongta, all Independent Directors and Shri J P Chowdhary, Executive Chairman, and is headed by Shri Manoj Mohanka as at 31st March, 2024.

Terms of Reference of NRC are broadly as follows:

The NRC shall act in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations and shall be responsible for:

- Formulating the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors;

- iv) 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.
- vi) Recommend to the Board, all remuneration in whatever form payable to senior management.

Attendance of the Directors at the Nomination & Remuneration Committee Meetings held:

- v) Decide in consultation with the Board of Directors whether to extend or continue the term of appointment of the Independent Directors on the basis of the report of performance evaluation of independent directors.
- During the year 4 meetings of the NRC of the Company were held i.e. on 24th May, 2023, 4th September, 2023, 20th December, 2023, 15th March, 2024.

The attendance of Directors at these meetings is as under

Sl. No.	Name of Director	Designation	No. of meetings attended
1.	Shri Manoj Mohanka*	Chairman	4
2.	Shri J P Chowdhary	Member	4
3.	Shri Sunirmal Talukdar*	Member	4
4.	Shri Sushil Kumar Roongta	Member	4

*Directorship ceased with effect from the close of business hours on 31st March, 2024

Remuneration Policy:

Remuneration policy of the Company is based on the need to attract and retain the best available talent and is in line with the prevailing trends in the industry. The remuneration policy therefore is market led and aimed at leveraging the performance appropriately. The remuneration of Non-Executive Directors is decided by the NRC in accordance with the Remuneration Policy of the Company. The Remuneration Policy is attached hereto - **Annexure CG-2**.

The criteria for making payments to Non-Executive Directors have been placed on the website of the Company under the web link: <https://www.titagarh.in/storage/report/actual/POLICY%20ON%20REMUNERATION%20OF%20DIRECTORS.pdf>

Remuneration of Managing and Whole time Directors for the financial year ended the 31st March, 2024 and their shareholding in the Company:

(Rs. in Lakhs)

Particulars	Shri J P Chowdhary	Shri Umesh Chowdhary	Shri Anil Kumar Agarwal	Shri Saket Kandoi	Shri Prithish Chowdhary
Salary and Perquisites	363.28	363.28	97.05	68.35	57.13
Commission	Nil	Nil	Nil	Nil	Nil
Total	363.28	363.28	97.05	68.35	57.13
Stock Option Granted	Nil	Nil	Nil	Nil	Nil
Period for which appointed by the Board	5 years w.e.f. 08/01/2022 (by Board resolution dated 10/08/2021)	5 years w.e.f. 01/10/2020	3 years w.e.f. 29/05/2024	5 years w.e.f. 17/03/2023	5 years w.e.f. 13/08/2022
Appointment by shareholders on	24th AGM held on 27/09/2021	23rd AGM held on 30/12/2020	To be considered at the ensuing AGM	By way of Postal Ballot (Notice dated 21st March, 2023)	25th AGM held on 15/09/2022
No. of shares	70,700	77,530	1,00,000	Nil	Nil

Remuneration to Non-Executive Directors (in Rs.):

Name of the Directors	Sitting Fees	Salary & Perquisites	Commission	Total
Shri Manoj Mohanka*	15,20,000	NIL	10,00,000	25,20,000
Shri Sunirmal Talukdar*	14,00,000	NIL	10,00,000	24,00,000
Shri Atul Joshi	13,00,000	NIL	10,00,000	23,00,000
Smt. Rashmi Chowdhary	5,60,000	NIL	NIL	5,60,000
Ms. Nayantara Palchoudhuri	6,60,000	NIL	10,00,000	16,60,000
Shri Krishan Kumar Jalan	7,20,000	NIL	10,00,000	17,20,000
Shri Sushil Kumar Roongta	8,00,000	NIL	10,00,000	18,00,000
Shri. Bontha Prasada Rao	4,60,000	NIL	5,00,000	9,60,000
Shri Debanjan Mandal	1,20,000	NIL	5,00,000	6,20,000
Total	75,40,000	NIL	70,00,000	1,45,40,000

*Directorship ceased with effect from the close of business hours on 31st March, 2024

Corporate Social Responsibility Committee

Smt. Rashmi Chowdhary heads the Corporate Social Responsibility (CSR) Committee and Shri J P Chowdhary, Ms. Nayantara Palchoudhuri and Shri Krishan Kumar Jalan are the other members as at 31st March, 2024. CSR policy adopted by the Board is available on the web site of the Company - [https://www.titagarh.in/storage/report/actual/CORPORATE%20SOCIAL%20RESPONSIBILITY%20\(CSR\)%20POLICY.pdf](https://www.titagarh.in/storage/report/actual/CORPORATE%20SOCIAL%20RESPONSIBILITY%20(CSR)%20POLICY.pdf)

During the year, 2 (two) meetings of the CSR Committee of the Company were held i.e. on 24th May, 2023 and 4th September, 2023.

Attendance of the directors at the Corporate Social Responsibility Committee meetings:

Sl. No.	Name of Director	Designation	No. of meetings attended
1.	Smt. Rashmi Chowdhary	Chairperson	2
2.	Shri J P Chowdhary	Member	2
3.	Ms. Nayantara Palchoudhuri	Member	2
4.	Shri Krishan Kumar Jalan	Member	2

Environmental Social and Governance (ESG) Committee

ESG Committee was constituted with Shri Krishan Kumar Jalan, Ms. Nayantara Palchoudhuri and Smt. Rashmi Chowdhary as members on 17th March, 2023. The Committee was merged with CSR Committee w.e.f. 24th May, 2023.

Risk Management Committee

Risk Management Committee comprised of Shri Atul Joshi, Independent Director as Chairman, Shri Sushil Kumar Roongta, Shri Sunirmal Talukdar, Independent Directors and Shri Prithish Chowdhary Executive Director as on 31st March, 2024

The terms of reference of the Committee are as specified in Part D of Schedule II read with Regulation 21 of the Listing Regulations. The role of the Committee is broadly outlined as follows:

- (i) To formulate a detailed risk management policy which shall include:
- A framework for identification of internal and external risks including financial, operational, sectoral, sustainability, information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
- (ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

(iii) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.

(v) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken

(iv) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

During the year, 2 (Two) meetings of the Risk Management Committee of the Company were held i.e. on 4th September, 2023 and 2nd March, 2024.

Attendance of the directors at the Risk Management Committee meetings:

Sl. No.	Name of Director	Designation	No. of meetings attended
1.	Shri Atul Joshi	Chairperson	2
2.	Shri Sunirmal Talukdar*	Member	2
3.	Shri Sushil Kumar Roongta	Member	2
4.	Shri Prithish Chowdhary	Member	1

*Directorship ceased with effect from the close of business hours on 31st March, 2024

Internal Complaints Committee

The Committee has been formed by the Board as per the requirement of Section 4 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Committee was re-constituted during the year with the consent/approval of Shri Umesh Chowdhary, Vice Chairman & Managing Director (pursuant to authority granted to him by the Board at its meeting held on 28th October, 2017) as follows:

IC Role	Name	Role in the Company
Presiding Officer	Ms. Puja Banerjee	Senior Manager – HR, Industrial Relation and Compliance
Members	Mr. Saurav Singhania	Chief Financial Officer (CFO)
	Mr. Mrinal Kanti Das	Representative – Titagarh Rail Systems Limited
	Mrs. Parmjeet Wallia	Deputy General Manager
	Mr. Nasimullah Khan	Representative – BTP Unit
External Member	Ms. Rohini Banerjee	Head of Programme – South Kolkata Hamari Muskan

There was no complaint of any issue which comes under the purview of the Committee during the Financial Year ended 31st March, 2024.

Other Committees

Finance and Project Committee:

Finance and Project Committee comprised of Shri Sunirmal Talukdar, Independent Director as the Chairman and following members: Shri J P Chowdhary, Executive Chairman, Shri Umesh Chowdhary, Vice Chairman and Managing Director, Shri Prithish Chowdhary, Executive Director, Shri Manoj Mohanka and Shri Atul Joshi, Independent Directors. The Committee was merged with Audit Committee w.e.f. 24th May 2023.

Talent and Leadership Pipeline Development Committee (TLPDC):

A Board level Committee in the name of Talent and Leadership Pipeline Development Committee was constituted in the Board Meeting held on 7th October, 2023. The Committee comprised Shri Bontha Prasada Rao, Shri Krishan Kumar

Jalan, Shri Manoj Mohanka, Independent Directors and Shri Umesh Chowdhary, Vice Chairman and Managing Director as members and is headed by Shri Krishan Kumar Jalan as at 31st March, 2024.

Terms and Reference of TLPDC are broadly as follows:

- Review, monitor and make recommendations to the Board of Directors of the Company's human resources strategy and policies that pertain to staffing and related issues of strategic importance that directly affect the Company's ability to recruit, develop and retain the highly-qualified staff needed for it to achieve its mandate.
- To review the remuneration, goals, talent development and, where appropriate, aid succession plans for the Company.
- To identify new talent for key positions in line with requirements of the Company.
- To perform any other function under the guidance of the Board.

During the year 3 meetings of the Talent and Leadership Pipeline Development Committee were held on 7th November, 2023, 8th November, 2023 and 19th December, 2023.

Attendance of the Directors at the Talent and Leadership Pipeline Development Committee meetings held:

Sl. No.	Name of Directors	Designation	No. of meetings attended
1.	Shri Krishan Kumar Jalan	Chairperson	3
2.	Shri Bontha Prasada Rao	Member	3
3.	Shri Manoj Mohanka*	Member	3
4.	Shri Umesh Chowdhary	Member	3

*Directorship ceased with effect from the close of business hours on 31st March, 2024

The Talent and Leadership Pipeline Development Committee (TLPDC) of the Board of Directors was merged with Nomination and Remuneration Committee (NRC) w.e.f. 27th March, 2024.

Qualified Institutions Placement Committee (QIPC):

During the year under review the Company raised funds aggregating Rs. 700,00,00,000/- (Rupees Seven Hundred Crores) through Qualified Institutions Placement ("QIP") in terms of Chapter VI of SEBI ICDR Regulations and other applicable provisions of law for the time being in force. The Board constituted a Committee of the Board in the name of "Qualified Institutions Placement Committee" ("QIP Committee") with Shri Atul Joshi and Shri Manoj Mohanka, Independent Directors and Shri Umesh Chowdhary, Vice Chairman and Managing Director, as Chairman and Shri Anil

Kumar Agarwal, Deputy Managing Director & CEO (FRS) as members. The terms of reference and scope of work of the Committee were as laid down by the Board for successful raising of the funds.

During the year 4 meeting of the Qualified Institutions Placement Committee were held on 27th November, 2023, 7th December, 2023, 12th December, 2023 and 13th December, 2023.

Attendance of the Directors at the Qualified Institutions Placement Committee meetings held:

Sl. No.	Name of Director	Designation	No. of meetings attended
1.	Shri Umesh Chowdhary	Chairperson	4
2.	Shri Atul Joshi	Member	3
3.	Shri Manoj Mohanka*	Member	4
4.	Shri Anil Kumar Agarwal	Member	4

*Directorship ceased with effect from the close of business hours on 31st March, 2024

Compliance Officer:

The Company Secretary is the Compliance Officer and acts as the Secretary to all the Committees of the Board of Directors.

General Body Meetings:

Annual General Meetings (AGM):
Annual General Meetings held during the last three years are as follows:

Year	Annual General Meeting (AGM)	Venue	Date	Time	No. of Special Resolutions passed
2022-23	26 th AGM	756 Anandapur, E.M. Bypass, Kolkata – 700107 through Video Conferencing or other Audio Visual Means ("OAVM")	29.09.2023	11.00 A.M.	Eight
2021-22	25 th AGM	756 Anandapur, E.M. Bypass, Kolkata – 700107 through Video Conferencing or other Audio Visual Means ("OAVM")	15.09.2022	10:30 A.M.	Two
2020-21	24 th AGM	756 Anandapur, E.M. Bypass, Kolkata – 700107 through Video Conferencing or other Audio Visual Means ("OAVM")	27.09.2021	10:30 A.M.	Two

Remote e-voting and e-voting at AGM

To allow the shareholders to vote on the Resolutions proposed to be passed at the AGM, Company provided for remote e-voting facility. The Company engaged the services of NSDL to provide for e-voting facility to all the members. Members whose names appear on the Register of Members as on the cut-off date mentioned in the Notice of AGM shall be eligible

to participate in the e-voting. The facility for e-voting will also be made available during the AGM and the members who have not already cast their vote by remote e-voting will be able to cast their vote at AGM.

Extraordinary General Meeting (EGM):

Extraordinary General Meeting held during the year are as follows:

Year	Venue	Date	Time	Reason for passing Special Resolutions
2023-24	756 Anandapur, E.M. Bypass, Kolkata – 700107 through Video Conferencing or other Audio Visual Means ("OAVM")	04.07.2023	11.00 A.M.	Approval for further issue of Equity Shares of the Company by way of Preferential Issue
2023-24	756 Anandapur, E.M. Bypass, Kolkata – 700107 through Video Conferencing or other Audio Visual Means ("OAVM")	02.12.2023	11.00 A.M.	Approval for further issue of Equity Shares of the Company by way of Qualified Institutions Placement.

Postal Ballot including e-voting:

The Company has sought the Approval of the shareholders by way of Ordinary and Special Resolution respectively through Notice of Postal Ballot dated March 21, 2023 for the following:

- Appointment of Shri Saket Kandoi (DIN: 02308252) as Director (Freight Rolling Stock) for a term of 5 years – Ordinary Resolution
- Change of the name of the Company -- Special Resolution.

3. Employee Stock Option Scheme for the Employees of the Company -- Special Resolution.

All the aforesaid resolutions were duly passed and the results of postal ballot were announced on 28th April 2024.

CS Sushil Goyal (Membership No. FCS-3969) of M/s Sushil Goyal & Co., Practising Company Secretaries, was appointed as the Scrutinizers to scrutinize the postal ballot process by voting through electronic means only (e-voting/ remote e-voting) in a fair and transparent manner. Details of the voting results are provided below:

Resolution passed through postal ballot	Votes in favour of the resolution		Votes against the resolution		Invalid votes	
	Number of valid Votes cast (Shares)	Percentage of total number of valid votes cast	Number of valid Votes cast (Shares)	Percentage of total number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (Shares)
Appointment of Shri Saket Kandoi (DIN: 02308252) as Director (Freight Rolling Stock) for a term of 5 years.	6,50,38,198	98.9494%	6,90,565	1.0506%	1	341
Change of the name of the Company	6,58,02,657	99.9960%	2,624	0.0040%	1	341
Employee Stock Option Scheme for the Employees of the Company	5,76,69,246	87.6398%	81,33,311	12.3602%	1	341

Other Disclosures

(i) Related Party Transactions

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulation during the financial year 2023-24 were in the ordinary course of business and on arm's length

basis. Suitable disclosures as required by applicable Accounting Standard have been made in the Financial Statements which are self-explanatory. The Board has approved a policy for related party transactions which can be accessed at the Company website link: <https://www.titagarh.in/storage/report/actual/POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf>

(ii) Compliance with Accounting Standards:

In the preparation of the financial statements, the Company has followed the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with relevant rules made thereunder. The significant accounting policies which are consistently applied have been set out in the notes to the financial statements.

(iii) Disclosures on materially significant related party transactions that may have potential conflict with the interest of Company at large:

Details of transactions with the related parties as specified in applicable Accounting Standard have been reported in the Financial Statements. There was no transaction of a material nature with any of the related parties which was in conflict with the interest of the Company.

(iv) Certificate on Corporate Governance:

A certificate has been obtained from CS Sumantra Sinha, Practising Company Secretary, confirming that none of the Directors of the Company have been debarred or disqualified by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of the Company and the same is appended to this Report.

(v) Compliance with requirements of Corporate Governance pursuant to the Listing Regulations:

The Company has complied with all the mandatory requirements of Corporate Governance of the Listing Regulations.

The following is the status of compliance with non-mandatory recommendations of Part E of Schedule II as mentioned in Regulation 27(1) of the Listing Regulations:

- Shareholders' Rights:** As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders
- Audit Qualifications:** The Company's financial statements for the financial year 2023-24 do not contain any audit qualification.
- Reporting of Internal Auditor:** The Internal Auditors of the Company directly report to the Audit Committee.

(vi) Fees paid to Statutory Auditor:

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to Price Waterhouse & Co Chartered Accountants LLP and M/s Salarpura & Partners, Chartered Accountants, Statutory Auditors and all entities in the network firm/

network entity of which they are part, are as follows:

Particulars	Amount (in lakhs)
Audit Fee	68.00
Limited Review	25.00
Other Certification Services	18.16
Reimbursement of Expenses	12.49
Total	123.65

(vii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

There were no such instances in the last three years, except the following:

Action taken by: BSE Limited (BSE) & NSE Limited (NSE)

Details of violation: Delay in submission of financial results for the quarter & half year ended 30th September, 2021

Details of action taken E.g. fines, warning letter, debarment, etc.: A fine of Rs. 1,45,000/- plus GST@18% each was levied on the Company by the respective Stock Exchanges

Observations/ remarks of the Company: The Company received email/letter dated 14th December, 2021 from BSE and NSE regarding non-submission of the financial results for the quarter and half year ended 30th September, 2021 ("Results") till the date of such email/letter, which was a non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015, advising the Company to pay the respective applicable fine of Rs. 1,45,000/- plus GST@18% to each Stock Exchange. The Company paid the said fine under protest to BSE and NSE and requested them to waive the fine levied and refund the amount paid on the grounds that, as was already communicated to the respective Stock Exchanges, the delay in submission of the Results was due to reasons beyond the control of the Company. The Company had earlier sought additional time for preparation/ finalization of the results, since its subsidiary, Titagarh Firema S.p.A., Italy, an entirely unavoidable ground, was awaiting the sanction of one-time debt restructuring by its Banker in accordance with the applicable regulations of their local government for a situation having arisen out of the pandemic and had requested for additional time to provide its quarterly and half yearly results which have to be consolidated with the Results of the Company.

Further, the Company received another letter dated 30th December, 2021 from NSE levying the fine of Rs. 190,000/- + GST@18% for delay in submission of the said Results by 38 days from its due date (i.e. Rs. 5000

per day/fine amount). Since the Company had earlier paid the fine levied for 29 days, the differential amount of Rs. 45,000/- + GST@18% was paid by the Company to NSE on 5th January, 2022.

(viii) Whistle-Blower Policy and affirmation that no personnel has been denied access to the Audit Committee:

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulation, the Company has framed a Vigil Mechanism/ Whistle Blower Policy and the same has also been placed on the website of the Company. The Company affirms that no personnel have been denied access to the Audit Committee. Vigil Mechanism Policy is available on the website of the Company at www.itagarh.in. No grievance has been reported to the Audit Committee during the year. The Board has approved a policy for the same which can be accessed at the Company website link: https://www.itagarh.in/storage/report/actual/VIGIL%20MECHANISM_%20WHISTLE%20BLOWER%20POLICY.pdf

(ix) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company is compliant with all the mandatory requirements of the Listed Regulations for 2023-24.

The non-mandatory requirement under Listing Regulations which has been adopted are mentioned below:

- The Internal Auditors of the Company directly make presentation to the Audit Committee on their reports.

(x) Annual Secretarial Compliance Report:

Pursuant to Regulation 24A of Listing Regulation read with SEBI Master Circular no. SEBI/H/CFD/PoD2/CIR/P/2023/120 dated 11th July 2023, the Company has obtained an Annual Secretarial Compliance Report from CS Sumantra Sinha, Practicing Company Secretary, confirming compliance of SEBI Regulations / Circulars / Guidelines issued thereunder and as applicable to the Company. The report is annexed hereto – **Annexure CG-3**.

(xi) Code of Conduct

The Company has received confirmation from the Board and the Senior Management regarding their adherence to the Code of Conduct. A certificate by the Vice Chairman and Managing Director, on compliance declarations as received from the Board and Senior Management forms part of this Report. The Code has been hosted on the Company's website and the link for the same is as follows:

<https://www.itagarh.in/storage/report/actual/CODE%20OF%20CONDUCT%20FOR%20DIRECTORS%20AND%20SENIOR%20MANAGEMENT.pdf>

(xii) Code of Conduct to Regulate, Monitor and Report Trading by Insiders

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 the Board has approved and adopted a code of conduct governing all the directors, senior management, and other employees at all locations of the Company who could have access to the Unpublished Price Sensitive Information.

Your company has also formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. Both the Codes are hosted on the Company's website.

(xiii) Code of Conduct for Independent Directors

The Board has adopted the Code of Conduct for Independent Directors as per Schedule IV of the Companies Act, 2013 and Listing Regulations.

(xiv) 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':

Sl. No.	Name of Party	Amount of Loan	Rate of Interest	Purpose
Not Applicable				

(xv) Means of Communication

Half-yearly report to shareholders, Quarterly Results, Newspapers in which published, Website etc.

The Quarterly, Half-yearly and Annual Results are published by the Company generally in English (Business Standard and/or Financial Express) and Vernacular (Ekin and Aajikal) dailies. Interim Results/reports are not sent to the household of shareholders since the same are posted on the website of the Company and BSE and NSE. The presentation whenever made to institutional investors or analysts is also uploaded on the websites of the Company and the Stock Exchanges. The address of the Company's website is www.itagarh.in

General Shareholder Information

Annual General Meeting	
Day, Date and Time:	Tuesday, 27 th August, 2024
Venue	Online platform of NSDL (Deemed venue: 756 Anandapur, E.M. Bypass, Kolkata – 700107)
Financial Year	2023-2024
Book Closure Date for Final Dividend	21 st August, 2024 to 27 th August, 2024 (both days inclusive)

Dividend Payment Date: Dividend of 40% i.e. INR 8.00 per equity share of face value of Re. 2/- each for the financial year 2023-24 has been recommended by the Board of Directors to the members for their approval. If approved, dividend shall be paid within 30 days from the date of declaration, to such members whose names appear in the register of members of the Company as at Tuesday, 20th August, 2024.

Financial Calendar	Tentative Date
First Quarter Results	July/August, 2024
Second Quarter Results	October/November, 2024
Third Quarter Results	January/February, 2025
Fourth Quarter Results	April/May, 2025

(xvi) Listing on Stock Exchanges and Stock Codes

Shares of the Company are listed at the BSE Limited and the National Stock Exchange of India Limited (NSE) [Script Codes 532966 & TITAGARH respectively]. Listing fees for the year 2024-25 have been paid to both BSE and NSE. ISIN for dematerialization is INE615H01020.

(xvii) Details of unclaimed shares pursuant to Regulation 39(4) read with Schedule VI of the Listing Regulations

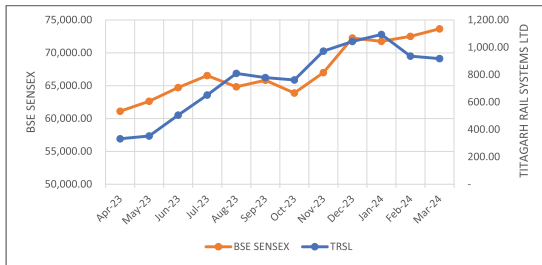
Pursuant to the Scheme of Amalgamation of Cimcco Limited ('Cimcco') with the Company sanctioned by Hon'ble NCLT,

(xviii) Market Price

a. BSE Limited

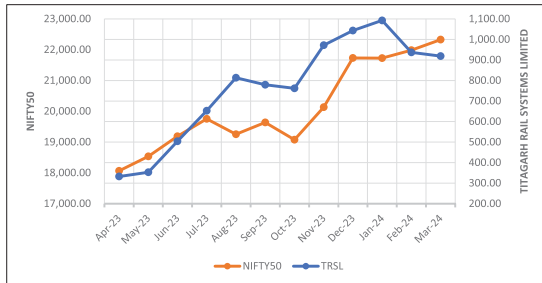
Month	High (Rs.)	Low (Rs.)	Closing Price (Rs.)	Quantity Traded (Shares)	Sensitive Index	
					High	Low
2023						
April	352.90	262.50	332.45	20,66,754	61,209.46	58,793.08
May	365.00	321.00	352.60	16,14,324	63,036.12	61,002.17
June	529.20	353.15	504.55	21,78,134	64,768.58	62,359.14
July	698.90	481.85	651.20	30,11,343	67,619.17	64,836.16
August	827.95	611.95	809.40	22,05,804	66,658.12	64,723.63
September	866.70	681.00	779.35	17,37,612	67,927.23	64,818.37
October	867.00	703.80	761.30	21,92,251	66,592.16	63,092.98
November	1,045.00	752.85	972.20	30,65,706	67,069.89	63,550.46
December	1,090.30	959.30	1,043.15	21,53,911	72,484.34	67,149.07
2024						
January	1249	997.45	1,094.05	22,55,460	73,427.59	70,001.60
February	1,101.85	902.85	935.85	19,18,728	73,413.93	70,809.84
March	968.2	782.1	918.10	11,94,082	74,245.17	71,674.42

Kolkata, by its Order dated 30th September, 2020, the Company had on 7th November, 2020 allotted 45,210 equity shares of Rs. 2/- each of the Company, against the 89,498 equity shares (comprised of 9961 folios) of Cimcco held in Unclaimed Suspense Account maintained with Karvy Stock Broking Limited. The said Account by way of execution of corporate action was debited with 89,498 equity shares of Cimcco and credited with 45,210 equity shares of the Company. Further, the 2,173 equity shares of Rs. 2/- each of the Company allotted on 7th November, 2020 to 25 shareholders of Cimcco which could not be credited to their Demat accounts since rejected at the time of execution of Corporate action on the ground of accounts having been closed or dormant or other procedural issues, and were transferred to the Unclaimed Suspense Account of the Company maintained with Axis Securities Limited. The Company has been from time to time transferring shares from the said Account to the Demat accounts of concerned shareholders as and when claim application from them are received and processed after necessary compliances applicable thereto. As at 31st March, 2024, 1182 equity shares of Rs. 2/- each (comprising 20 shareholders) were held in the said Account with Axis Securities Limited. The voting rights on these shares shall remain frozen till the rightful owner(s) of such shares claim(s) the shares.



b. National Stock Exchange of India Limited

Month	High (Rs.)	Low (Rs.)	Closing Price (Rs.)	Quantity Traded (Shares)	Sensitive Index	
					High	Low
2023						
April	352.90	262.55	332.25	3,01,19,671	18,089.15	17,312.75
May	365.00	321.00	352.70	1,46,11,374	18,662.45	18,042.40
June	528.75	353.00	503.80	2,51,05,970	19,201.70	18,464.55
July	699.00	482.00	652.30	2,50,56,089	19,991.85	19,234.40
August	828.20	610.10	813.35	3,75,43,218	19,795.60	19,223.65
September	867.70	681.00	779.60	3,00,98,578	20,222.45	19,255.70
October	867.00	702.30	761.65	3,46,17,406	19,849.75	18,837.85
November	1,046.50	753.05	972.05	5,09,75,072	20,158.70	18,973.70
December	1,090.95	959.75	1,043.50	3,40,10,934	21,801.45	20,183.70
2024						
January	1,248.90	996.10	1,092.85	3,28,86,973	22,124.15	21,137.20
February	1,100.60	902.10	937.35	2,16,58,531	22,297.50	21,530.20
March	969.85	780.90	919.00	2,21,85,084	22,526.60	21,710.20



(xix) Share Transfer System & Registrars and Transfer Agent ('RTA')

The Company has engaged the services of Maheshwari Datamatics Pvt. Ltd., as the RTA. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders which shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary document. The Company vide its letter dated 28th March, 2024 has intimated to all its shareholders holding shares in physical mode and asked them to submit Forms ISR-1, ISR-2 and ISR-3 or SH 13 or SH 14 as prescribed by SEBI vide

its circular dated November 3, 2021 & December 14, 2021. Pursuant to the provisions of Regulation 40(9) of SEBI Listing Regulations, 2015, a certificate on the compliance of share transfer formalities on yearly basis, and a quarterly certificate for timely dematerialization of the shares as per SEBI (Depositories & Participants) Regulation, 1996 are sent to the stock exchanges where the shares are listed

(xx) Introduction of Online Dispute Resolution Portal ('ODR Portal') by SEBI

SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated 31st July, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated 4th August, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated 31st July, 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>) and the same can also be accessed through the Company's website www.titagarh.in.

(xxi) Categories of Shareholding as on the 31st March, 2024

Category	No. of Shares held	% of Total Shares
• Promoter & Promoter Group	5,71,80,336	42.46
• Indian Public		
Mutual Funds & UTI	1,45,80,486	10.83
Financial Institutions & Banks	38,95,278	2.89
Private Corporate Bodies	28,93,903	2.15
Individuals/Others	3,12,99,926	23.24
• Non-Residents		
Foreign Institutional Investors/ Non-Residents/Foreign National	2,46,02,070	18.27
• Clearing Members	2,21,769	0.16
TOTAL	13,46,73,768	100.00

(xxii) Dematerialization of shares and liquidity:

99.84% of total equity shares of the Company have been dematerialized as on 31st March, 2024.

(xxiii) Distribution of Shareholding as on 31st March, 2024:

Range of Shares	No. of Holders	% To Holders	No. of Shares	% To Equity
1 to 5000	2,97,468	99.738	2,54,98,379	18.9334
5001 to 10000	363	0.1217	26,52,196	1.9694
10001 to 20000	186	0.0624	26,39,442	1.9599
20001 to 30000	66	0.0221	16,67,000	1.2378
30001 to 40000	29	0.0097	10,13,662	0.7527
40001 to 50000	22	0.0073	9,88,880	0.7343
50001 to 100000	44	0.0147	30,77,936	2.2855
100001 & above	71	0.0238	97,136,273	72.1271
TOTAL	2,98,249	100.00	13,46,73,768	100.00

(xxiv) The Equity Shares of the Company have not been suspended from trading by the SEBI and/or Stock Exchanges

(xxv) Policy for determining Material Subsidiary:

In line with the requirements of the Listing Regulations a policy to determine a material subsidiary has been framed and the same may be accessed on the Company's website at the link: <https://www.fitagarh.in/storage/report/actual/POLICY%20FOR%20DETERMINING%20MATERIAL%20SUBSIDIARIES.pdf>

(xxvi) Credit rating:

In September 2023, CRISIL Ratings has revised its outlook on long-term bank facilities of the Company to CRISIL A+/Stable (upgraded from CRISIL A/Stable) while reaffirming the short-term banking facilities rating at 'CRISIL A1'.

(xxvii) Outstanding convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ ADRs/ Warrants or any Convertible Instruments.

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

In December, 2023, the Company has raised around Rs. 699.99 crore through Qualified Institutions Placement (QIP) by allotment of 75,02,679 equity shares of Rs. 2/- each at an issue price of Rs. 933 per equity share to the qualified institutional buyers. Up to 31.03.2024, the Company has utilized Rs. 93.88 crore for repayment and/or prepayment, in full or in part, of certain outstanding borrowings availed by the

Company, working capital requirements and general corporate purposes

Utilisation of funds raised through preferential allotment or qualified institutions placement during the year

During the year under review, the Company has raised funds of Rs. 288 crore in July, 2023 on preferential basis for meeting working capital requirement and general corporate purposes by issuing 76,00,000 equity shares of Rs. 2/- each at an issue price of Rs. 380/- per share (premium of Rs. 378/- each share) aggregating to Rs. 288 Crores. The funds raised were utilised in full during the FY 2023-24.

(xxix) Commodity price risk or foreign exchange risk and hedging activities

Your Company enters into contracts that involve multiple foreign currencies and the Company is exposed to the risk of exchange rate fluctuation on these inflows and outflows of foreign currencies. As forex markets are dynamic and volatile and also since there are possible timing mismatch on the inflows and outflows, your Company is managing the adverse impact of currency fluctuation by entering into forward hedging contracts.

(xxx) The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (l) of sub-regulation (2) of Regulation 46 of Listing Regulations, as applicable, with regard to Corporate Governance. The Company is committed to continuously scale up the Corporate Governance standards by way of practicing good Governance to ensure transparency in the affairs of the Company.

Plant Locations: The Company's plants are located at:

Wagons and Shipbuilding

12/9/1. R.K. Deo Path, PO & PS: Titagarh, 24 Paraganas (N), West Bengal - 700119

Steel Castings Division

1 Abdul Quddus Road, PO & PS: Titagarh, 24 Paraganas (N), West Bengal - 700119

Address for Correspondence:

Registered Office:

Titagarh Rail Systems Limited
Poddar Point, 10th Floor, 113 Park Street,
Kolkata, West Bengal – 700016
Fax: 91 33 4019 0823

Email: investors@titagarh.in

Registrar & Transfer Agent (RTA):

Maheshwari Datamatics Pvt. Ltd.

23, R.N. Mukherjee Road, 5th Floor,
Kolkata, West Bengal – 700001
Telephone: 033 2243 5029/2248 2248

Email For Investors Complaints: mdpldc@yahoo.com

Metro Coaches, Train Electricals & Steel Casting

2, Hindmotor Road, PO: Hindmotor, PS: Uttarpara, Hooghly, West Bengal - 712233

Wagons & Heavy Engineering Division

Mal Godown Road, PO: Bharatpur – 321001, Rajasthan

Corporate Office:

Titagarh Rail Systems Limited
Titagarh Towers, 756 Anandapur, E.M. Bypass,
Kolkata, West Bengal – 700107
Telephone: 91 33 4019 0800

Email: investors@titagarh.in

For and on behalf of the Board

Kolkata
July 30, 2024

J P Chowdhary
Executive Chairman

Declaration Affirming Compliance of Provisions of the Code of Conduct

To the best of my knowledge and belief and on the basis of declarations given to me, I hereby affirm that all the Board members and the senior management personnel have fully complied with the provisions of the Code of Conduct for Directors and Senior Management Personnel during the financial year ended 31st March, 2024.

For Titagarh Rail Systems Limited

Kolkata
July 30, 2024

Umesh Chowdhary
Vice Chairman & Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Titagarh Rail Systems Limited
Poddar Point, 10th Floor, 113 Park Street,
Kolkata- 700016

I have examined the compliance of conditions of Corporate Governance by Titagarh Rail Systems Limited [CIN: L27320WB1997PLC084819] (formerly Titagarh Wagons Limited) for the year ended on 31st March, 2024, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the Stock Exchanges.

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

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has generally complied with the conditions of Corporate Governance, as stipulated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I 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.

CS Sumantra Sinha
Practising Company Secretary
ACS-11247 / CP-15245
UDIN: A011247F000828021

Place: Kolkata
Date: July 30, 2024

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors Titagarh Rail Systems Limited

We have reviewed the financial statements read with cash flow statement of Titagarh Rail Systems Limited for the year ended on the 31st day of March, 2024 and to the best of our knowledge and belief, we state that:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements, that might be misleading;
- 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.
- 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;
- We accept responsibility for establishing and maintaining internal controls and that we have evaluated

the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies;

- We have indicated to the auditors and the Audit Committee:
 - Significant changes in internal control during the year;
 - Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
 - Instances of significant fraud of which they 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.

Kolkata
May 15, 2024

Umesh Chowdhary
Vice Chairman & Managing Director & CEO

Saurav Singhania
CFO

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 of
TITAGARH RAIL SYSTEMS LIMITED
'Poddar Point', 10th Floor,
113 Park Street, Kolkata 700016

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TITAGARH RAIL SYSTEMS LIMITED (formerly Titagarh Wagons Limited) having CIN: L27320WB1997PLC084819 and having registered office at 'Poddar Point', 10th Floor, 113 Park Street, Kolkata 700016 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No.	Name of Director	DIN	Date of appointment in the Company
1	JAGDISH PRASAD CHOWDHARY	00313685	24/09/2009
2	UMESH CHOWDHARY	00313652	03/07/1997
3	ANIL KUMAR AGARWAL	01501767	29/05/2019
4	ATUL RAVISHANKER JOSHI	03557435	24/01/2018
5	BONITHA PRASADA RAO	01705080	04/09/2023
6	DEBANJAN MANDAL	00046922	04/09/2023
7	KRISHAN KUMAR JALAN	01767702	13/08/2020
8	MANOJ MOHANKA	00128593	21/12/2001*
9	NAYANTARA PALCHOUHDURI	00581440	22/06/2020
10	PRITHISH CHOWDHARY	08509158	01/01/2021
11	RASHMI CHOWDHARY	06949401	14/08/2014
12	SAKET KANDOI	02308252	17/03/2023
13	SUNIRMAL TALLUKDAR	00920608	10/12/2019*
14	SUSHIL KUMAR ROONGTA	00309302	01/01/2021

* ceased w.e.f. the close of business hours on 31/03/2024

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.

CS Sumantra Sinha
Practising Company Secretary
ACS-11247 / CP-15245
PR 1421/2021
UDIN: A011247F000370122

Place: Kolkata
Date: May 15, 2024

ANNEXURE CG – 1

Criteria For Performance Evaluation of Board & Independent Directors

An effective Board consciously creating a culture of leadership and transparent corporate governance with a long term vision and requisite strategies to enable the Company to become a responsible entity working for maximization of the stakeholders' value while contributing to society is at the core of its approach. Towards this Titagarh Rail Systems Limited ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.

Titagarh Rail Systems Limited also recognizes the importance of Independent Directors in achieving the effectiveness of the Board and aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board carries out an annual evaluation of its own performance, as well as the evaluation of the working of its Committees and Individual Directors. The performance evaluation of all the Directors was carried out by the Board. The performance evaluation was carried out in accordance

with the Remuneration Policy framed by the Company within the framework of applicable laws.

QUALIFICATION AND CRITERIA OF INDEPENDENCE

- The Board shall review on an annual basis appropriate skills, knowledge and experience required of the Board as a whole and its individual members.
- The Nomination and Remuneration Committee (NRC) shall also assess the independence of the directors at the time of appointment/reappointment and the Board shall assess the same annually.
- The Board shall reassess determinants of independence when any new interest or relationships are disclosed by a Director.
- In evaluating the suitability of the individual members NRC may take into account factors such as, general understanding of the Company's business dynamics, global business and social perspective.

The Board may review and update the criteria from time to time as it may deem appropriate.

ANNEXURE CG – 2

Remuneration Policy

Titagarh Rail Systems Limited recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Remuneration policy is designed to attract, motivate and retain talented employees in a competitive market.

Therefore, the Remuneration Policy has been formulated with the following objectives and features:

- a. Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees, to run the Company successfully.
- b. Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c. Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal.
- d. Aligning the remuneration of Directors, KMPs and Senior Management Personnel with the Company's financial position as well as with trends in the industry to the extent applicable to the Company.

- e. Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance.
- f. Ensuring Board Diversity.
- g. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down.

POLICY RELATING TO REMUNERATION OF DIRECTORS, KMP & SENIOR MANAGEMENT PERSONNEL

- The Board on the recommendation of the Nomination & Remuneration Committee shall review and approve the remuneration payable to the directors/KMP which shall be within the limits approved by the shareholders.
- It is to be ensured that relationship of remuneration to the performance is clear and meets appropriate performance benchmarks which are unambiguously laid down and communicated.

REVIEW

The policy shall be reviewed by the Nomination and Remuneration Committee and the Board, from time to time as may be necessary.

The Remuneration Policy is available on the Company's website under the following web link: <https://www.titagarh.in/storage/report/actual/POLICY%20ON%20REMUNERATION%20OF%20DIRECTORS.pdf>

ANNEXURE CG – 3

Annual Secretarial Compliance Report

SECRETARIAL COMPLIANCE REPORT OF TITAGARH RAIL SYSTEMS LIMITED for the year ended 31st March, 2024

I, CS Sumantra Sinha, Practising Company Secretary, have examined:

- (a) all the documents and records made available to me and explanation provided by Titagarh Rail Systems Limited (L27320W81997PLC084819) ("the listed entity"),
 - (b) the filings/ submissions made by the listed entity to the stock exchanges,
 - (c) website of the listed entity,
 - (d) any other document/ filing, as may be relevant, which has been relied upon to make this Report, for the year ended 31st March, 2024 ("Review Period") in respect of compliance with the provisions of:
 - i) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - ii) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");
- The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-
- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, and circulars/ guidelines issued thereunder;
 - (f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2014;
- During the period under review, provisions of the following regulations/guidelines/standards and circulars/ guidelines issued thereunder were NOT APPLICABLE to the Company:

- (a) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (b) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;

Based on the above examination, I hereby report that, during the Review Period:

- (a) (***) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: NA

Sl. No	Compliance Requirement (Regulations/ circulars/ Guidelines including Specific clause)	Regulation/ Circular No.	Deviations	Action Taken By	Type of Action (Advisory/ Clarification / Fine/ Show Cause Notice/ Warning, etc.)	Details of Violation	Fine Amount	Observations / Remarks of the Practising Company Secretary	Management Response	Remarks
-	-	-	-	-	-	-	-	-	-	-

(b) The listed entity has taken the following actions to comply with the observations made in previous reports: NA

Sl. No	Observations / Remarks of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31.03.2024	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause	Details of violation/ deviations and actions taken/ penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
-	-	-	-	-	-	-

I hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sl. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations/ Remarks by PCS*
1	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICS) as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable	Yes	None
2	Adoption and timely updation of the Policies: 1.All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities 2. All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI	Yes	None
3	Maintenance and disclosures on Website: * The listed entity is maintaining a functional website * Timely dissemination of the documents/ information under a separate section on the website * Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website	Yes	None
4	Disqualification of Director: None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity	Yes	None
5	Details related to Subsidiaries of listed entities have been examined w.r.t.: (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	Yes	(a) The Company does not have any material subsidiary as on 31.03.2024 (b) The Company has one wholly owned foreign subsidiary as on 31.03.2024
6	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015	Yes	None
7	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	None
8	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes NA	None

I hereby report that, during the review period the compliance status of the listed entity with the following requirements (contd.):

Sl. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations/ Remarks by PCS*
9	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder	Yes	None
10	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	None
11	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder (or) The actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges are specified in the last column	Yes NA	None
12	Resignation of statutory auditors from the listed entity or its material subsidiaries: In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	None
13	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	Yes	None

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. My responsibility is to certify based upon examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. I have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the Listing Regulations and is neither an assurance as to the future viability of the listed entity nor of the efficacy and effectiveness with which the management has conducted the affairs of the listed entity.

CS Sumantra Sinha
Practising Company Secretary
ACS-11247 / CP-15245
PR 1421/2021
UDIN: A011247F000370122

Place: Kolkata
Date: May 15, 2024

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Business Responsibility & Sustainability Report

Section A: General Disclosures

I. Details of the listed entity

Sl. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Listed Entity	L27320WB1997PLC084819
2.	Name of the Listed Entity	TITAGARH RAIL SYSTEMS LIMITED (formerly Titagarh Wagons Limited)
3.	Year of incorporation	1997
4.	Registered office address	Poddar Point, 10th Floor, 113 Park Street, Kolkata 700016
5.	Corporate office address	Titagarh Towers 756 Anandapur, E.M Bypass, Kolkata 700107
6.	Email	corp@titagarh.in;
7.	Telephone	033 40190800
8.	Website	www.titagarh.in
9.	Financial year for which reporting is being done	2023-2024
10.	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited 2. National Stock Exchange of India Limited
11.	Paid-up capital (INR)	Rs. 26,93,47,536/-
12.	Name and contact details (telephone, e-mail address) of the person who may be contacted in case of any queries on the BRSR report	Mr Dinesh Arya Company Secretary & Chief Compliance Officer Phone: 9748477504 Email: dinesh.arya@titagarh.in;
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone
14.	Name of assurance provider	N.A
15.	Type of assurance obtained	N.A

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	Percentage of Turnover of the entity
1	Freight Rail Systems	Consists of manufacturing of Wagons, Loco Shells, bogies, couplers, its components, designing and construction of Warships, Passenger Vessels, Tug and specialised equipment for Defence, Bridges Girders etc.	88.69
2	Passenger Rail Systems	Consists of designing and manufacturing of Metro, Passenger Coaches, EMUs, Train Sets, Mono Rail, Propulsion equipment, Traction Motors and its components.	11.31

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

Sl. No.	Product/Service	NIC Code	Percentage of total Turnover contributed
1	Manufacturing of Wagons, Loco Shells, bogies, couplers and construction of Warships, Passenger Vessels, Tug.	3020	88.69
2	Manufacturing of Metro Coaches, Passenger Coaches, EMUs, Train Sets, Mono Rail, Propulsion equipment, Traction Motors	3020	11.31

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	4	6	10
International	0	0	0

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28
International (No. of Countries)	2

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Response: 0

c. A brief on types of customers

Response: Indian Railways, Metro Authorities and Customers in private sector, Ministry of Defence (Indian Navy)

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1	Permanent (D)	723	680	94	43	6
2	Other than Permanent (E)	190	166	87	24	13
3	Total employees (D+E)	913	846	181	67	19
Workers						
4	Permanent (F)	147	147	0	0	0
5	Other than Permanent (G)	1634	1597	98	37	2
6	Total workers (F+G)	1781	1744	98	37	2

b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently abled Employees						
1	Permanent (D)	0	0	0	0	0
2	Other than Permanent (E)	0	0	0	0	0
3	Total differently abled employees (D+E)	0	0	0	0	0

b. Differently abled Employees and workers (Contd):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently abled Workers						
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	0	0	0	0	0
6	Total differently abled workers (F + G)	0	0	0	0	0

21. Participation/ Inclusion/ Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	2	17
Key Management Personnel (other than Managing/ Wholtime Directors)	2	0	0

22. Turnover rate for permanent employees and workers:

	Turnover rate of current FY 2023-24 (%)			Turnover rate of previous FY 2022-23 (%)			Turnover rate of the year prior to the previous FY 2021-22 (%)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	25	36	61	43	2	45	7	2	9
Permanent Workers	3	-	3	-	-	-	-	-	-

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

23. (a) Names of holding/ subsidiary/ associate companies/ joint ventures

Sl. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	Percentage of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Titagarh Firema S.p.A	Associate Company	25.43	No
2	Titagarh Singapore Pte Limited	Subsidiary	100	No
3	Titagarh Mermec Private Limited	Joint Venture	50	No
4	Titagarh Firema Engineering Service Private Limited	Joint Venture	49	No
5	Ramkrishna Titagarh Rail Wheels Limited	Joint Venture	49	No
6	Shivaliks Mercantile Private Limited	Joint Venture	44.63	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

- (ii) Turnover (INR in lakhs): Rs. 3,85,330.04
 (iii) Net worth (INR in lakhs): Rs. 2,22,820.93

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):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If yes, then provide weblink for grievance redress 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 complaint filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. For shareholders: the Company has a dedicated email ID: investors@titagarh.in ;	Nil	Nil	Nil	Nil	Nil	Nil
Investors (Other than shareholders)	Email ID of the Registrar & Share Transfer Agent is: mdpldc@yahoo.com	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	For other stakeholders we have a Vigil Mechanism policy/Whistle Blower Policy and the same has been uploaded on website of the Company.	2	Nil	Nil	5	Nil	Nil
Employees and workers	The email address is: vigil.auditcommittee@titagarh.in .	Nil	Nil	Nil	Nil	Nil	Nil
Customers	Further, all stakeholders can also email to ethics.compliance@titagarh.in .	Nil	Nil	Nil	Nil	Nil	Nil
Value Chain Partners	The Board has approved policies which can be accessed at weblink: https://www.titagarh.in/investors-information	Nil	Nil	Nil	Nil	Nil	Nil
Others (Contract Employees)		Nil	Nil	Nil	Nil	Nil	Nil

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social 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 (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or Negative implications)
1	Economic Performance	Opportunity & Risk	Core purpose of a business organization is to generate economic value for all stakeholders. The sustained profitability and growth of the company directly impact its employees and other stakeholders	Company has strong focus on maintaining cost leadership, optimizing unit cost, enhancing revenue performance, and ensuring healthy liquidity.	Positive/Negative
2	Sustainable Supply Chain	Opportunity	Implementing strong ESG practices throughout the value chain enables the organization to bolster local businesses, minimize its indirect environmental footprint, and foster good governance among partner organizations.	NA	Positive
3	Product Safety and Quality	Opportunity & Risk	Optimizing resource utilization plays a key role in producing high-quality and safe products. This offers us a significant opportunity to meet various requirements, leveraging our diverse product portfolio and innovative approaches. Neglecting to uphold the safety and quality of our products has the potential to harm our brand image. This, in turn, could influence our operational activities, customer contentment, and financial performance.	<ul style="list-style-type: none"> We have Implemented robust quality control processes throughout the manufacturing, assembly, and maintenance phases to ensure that products meet safety and quality standards. All our products undergo a proper testing and certifications from relevant authorities to validate their safety and performance claims. 	Positive/Negative
4	Innovation and R&D	Opportunity	The creation of sustainable products and solutions has the potential to deliver lasting social and environmental advantages, while also generating economic benefits for the company in the long term	NA	Positive

Sl. No.	Material issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or Negative implications)
5	Regulatory Compliance	Opportunity & Risk	Failure to comply with regulatory requirements can lead to legal fines, penalties, and reputational damage for the organization. Adhering to regulations can enhance the company's reputation and foster positive relationships with other business entities.	The Company has established robust mechanisms and a management system to ensure compliance with applicable laws, regulations, standards, and ethical practices within the organization and the industry.	Positive/Negative
6	Corporate Governance and Ethics	Risk	Strong corporate governance and ethical practices are crucial for Investor Confidence, Public Perception, and Industry Reputation. Weak governance can lead to reduced investor confidence and potential impacts on the company's financial performance and reputation.	To ensure transparency, responsibility, compliance, ethics, and trust across business processes, as well as accountability to stakeholders, the company has established policies, a Code of Conduct, and various management systems.	Negative
7	Energy and Emission Management	Risk	Managing energy consumption and reducing emissions are vital steps to address climate change. Embracing low-carbon technologies not only helps the organization contribute to mitigating climate change but also prepares for potential future regulations and taxes related to energy and emissions.	Implemented energy-efficient practices in operations and maintenance to reduce energy consumption and emissions. Renewable Energy Integration into operations.	Negative
8	Water Use and Recycling	Risk	Water is a crucial and limited resource. Climate change has led to unpredictable weather patterns, posing a risk to ensuring a consistent and sufficient water supply for business operations.	Maintained a systematic and strong approach to manage and monitor water conservation efforts. Initiatives are aimed to achieve net water positivity by emphasizing groundwater recharge and rainwater harvesting.	Negative

Sl. No.	Material issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or Negative implications)
9	Waste Management	Opportunity & Risk	Through our extensive efforts in waste management with forthcoming regulatory standards, we can effectively showcase the Company's commitment to sustainability and proactively mitigate potential financial risks such as fines and penalties. Insufficient waste management and re-utilization practices may result in operational inefficiencies and impede product manufacturing.	A portion of the waste is repurposed as raw material for the Foundry division. Hazardous waste produced during operations is appropriately disposed of through authorized vendors.	Positive/Negative
10	Community Development	Opportunity	Engaging in community development activities enables a company to make a positive difference in society through meaningful initiatives that yield significant benefits for various communities.	NA	Positive
11	Employment	Opportunity	By implementing right hiring, retention, and talent development practices to create a diverse, inclusive, and sustainable work environment, organizations can deliver exceptional value to customers and maintain a leadership position in the industry.	NA	Positive
12	Occupational Health and Safety	Risk	Neglecting the health, safety, and wellbeing of our workforce can have a direct impact on productivity, leading to potential disruptions in business operations, reduced customer satisfaction, and overall profitability.	Our team is dedicated to prioritizing Occupational Health and Safety by conducting frequent internal audits, and our plants have obtained certifications under ISO 14001:2015 and ISO 4001:2018. We ensure regular safety trainings are provided to all employees and workers.	Negative

Sl. No.	Material issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or Negative implications)
13	Respect for Human Rights	Risk	Respecting human rights is crucial for safeguarding the well-being of our communities, employees, and stakeholders, while also mitigating regulatory risks and liabilities.	<ul style="list-style-type: none"> We have cultivated an inclusive environment that promotes diversity and embraces employees' various capabilities, eliminating any form of discrimination. The Company's dedication to human rights is evident in its governance practices, procurement processes, and social strategy. 	Negative
14	Industrial Labour Relations	Risk	Implementing robust labour practices enables the organization to prevent regulatory scrutiny, circumvent penalties, and empower its employees and workers	<ul style="list-style-type: none"> The Company is fully compliant with all labour laws and regulations. There is no use of forced, child, or compulsory labour within the Company. Our policy framework is designed to foster a diverse, safe, and empowered workforce. 	Negative

Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Section	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1.a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.titagarh.in/investors-information								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	The policies are based on prescribed principles, conformance to the spirit of international standards like ISO 9000, ISO 14001, ISO 45001, UNGC guidelines, GRI – standards etc. relevant and applicable.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	We have identified key performance indicators (KPIs) for the material issues finalized through the stakeholder engagement and materiality assessment. The goals and targets against these KPIs are currently under development.								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	We have identified key performance indicators (KPIs) for the material issues finalized through the stakeholder engagement and materiality assessment. The goals and targets against these KPIs are currently under development.								
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	TRSL is engaged in providing mobility solutions for both freight and passengers, while remaining conscientious of the environmental, social, and governance responsibilities that come with it. The Company boasts of a diversified Board committed to incorporating the principles of responsible business conduct into its policies, with the aim of enhancing the well-being of the communities it serves. Beyond ethical behavior, as outlined in the Titagarh Code of Conduct, TRSL is dedicated to improving health, safety, and environmental impacts associated with its operations. The company places a particular emphasis on ESG factors, encompassing climate, energy, water, waste management, and resource utilization. This approach ensures that Titagarh's products not only offer desired benefits to customers but also contribute to environmental preservation, address social obligations, and uphold governance standards, including equitable business practices and human rights. To this end, the Company has well-defined policies such as the Titagarh Code of Conduct, Sustainability Policies, and CSR Policy, among others, to which stakeholders are committed to adhering.								

Disclosure Section	P1	P2	P3	P4	P5	P6	P7	P8	P9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Shri J.P. Chowdhary - Executive Chairman; (DIN 00313685) Shri Umesh Chowdhary - Vice Chairman & Managing Director; (DIN 00313652) Shri Prithish Chowdhary- Deputy Managing Director; (DIN 08509158) Shri Anil Kumar Agarwal- Deputy Managing Director & CEO; (DIN 01501767)								
9. Does the entity have a specified Committee of the Board/ Directors responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the ESG Committee was constituted by the Board with the terms of its reference including the BRSR with the then Director (Finance) & CFO nominated as the coordinator. The ESG Committee was subsequently merged into CSR Committee w.e.f. May 24, 2023. The responsibility for the implementation and review of the BRSR Principles in the Company assigned to the ESG Committee has thus been vested in the CSR Committee to which the executive management is required to present a report on such implantation from time to time. CSR Committee updates the Board periodically.								

10. Details of Review of NGRBCs by the Company:

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.	All the policies are reviewed periodically or on a need basis by department heads, business heads, senior management personnel/ respective committees and placed before the BoD as and when required. In the assessment, the efficacy of these policies is also reviewed and necessary changes to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with the extant regulations as applicable. In case of any non-compliances, the Company investigates and rectifies the issues with focus on the system to ensure that the same does not recur																	

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

Response: No

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
1. The entity does not consider the Principles material to its business (Yes/ No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
2. The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/ No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
3. The entity does not have the financial or/ human and technical resources available for the task (Yes/ No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
4. It is planned to be done in the next financial year (Yes/ No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
5. Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

Section C: Principle Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1

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

Essential Indicators:

1. Percentage coverage 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 and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	2	All	100
Key Managerial Personnel	5	Corporate Laws, Compliances, Finances, Taxation, Marketing, Operations and other areas in respective domain.	100
Employees other than BoD and KMPs	7	In their respective domain	100
Workers	5	In their respective domain	100

Note: All the principles laid down in BRSR are covered by TRSL's mandatory training which is availed by Board of Directors, Key Managerial Personnel, and all employees.

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 Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NA	NA	NA	NA	NA
Settlement		Commercial Court, Rajarhat	Rs. 1,14,045/- (Rupees One Lakh Fourteen Thousand Forty-Five only)	Dispute with regard to transportation of materials was settled amicably.	No
Compounding fee		N.A.	N.A.	N.A.	N.A.
Non-monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment			N.A.		
Punishment			N.A.		

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:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
N.A.	N.A.

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.

Response: Yes, our business code of conduct (Titagarh Code of Conduct) covers anti-corruption or anti-bribery related requirements. The Company has a Vigil Mechanism framed under Section 177 of Companies Act, 2013, to deal with any instances of corruption or bribery.

Weblink: https://titagarh.in/storage/report/actual/1679458487_G9qJH_titagarh-code-of-conductpdf.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

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.

Response: NA

8. Number of days of accounts payables (Accounts payable*365)/ Cost of goods/ services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	39	55

9. Open-ness of business

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	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	NA	NA
	b. Number of dealers/ distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	NA	NA
Share of RPT in	a. Purchases (Purchases with related parties/ Total Purchases) (%)	0.96	1.34
	b. Sales (Sales to related parties/ Total Sales)	0.03	0.07
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	NA	NA
	d. Investments (Investments related parties/ Total Investments made) (%)	76.65	NA

Leadership Indicators:

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
6	All principles	90

The awareness programs of TRSL for value chain partners can be broadly classified into safety, ethics, and sustainability. Value chain partners are made aware of the high standards of safety, integrity in their dealings with the Company and adhere to its sustainability policies with emphasis on providing safe and healthy work environment to the people who work for the value chain partners.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Response: Yes. TRSL has formulated a Code of Conduct for the Directors & Senior Management requiring all the directors to act in the interest of the Company and eliminate any scope of conflict. The Code is affirmed by the directors and further annual declaration and disclosure of interest as and when the same arises is made by directors. The members of the Board are made aware of their statutory duties and responsibilities including their fiduciary relationship with the Company and its stakeholders. The directors recuse themselves from the proceedings when an item involving any entity is being transacted where they may even deem to be interested.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators:

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

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	100	100	The R&D expenses is in nature of employee cost incurred towards development of new design for metro coaches having social impacts on the society.
Capex	3.75	1.78	The capital expenditure incurred having positive impacts on both environment and society.

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

Response: Yes

b. If yes, what percentage of inputs were sourced sustainably?

Response: Not Available

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

Response: NA

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

Response: NA

Leadership Indicators:

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Response: NA

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Response: NA

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material (%)	
	FY 2023-24	FY 2022-23
Returns from Foundry	21	20

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format: NA

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packing materials as % of total products sold in respective category
Not Applicable	Not Applicable

PRINCIPLE 3

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

Essential Indicators:

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

Category	Total (A)	Percentage of employees covered by									
		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)
Permanent Employees											
Male	680	680	100	680	100	0	0	680	100	0	0
Female	43	43	100	43	100	43	100	0	0	43	100
Total	723	723	100	723	100	43	100	680	100	43	100
Other than Permanent Employees											
Male	166	166	100	166	100	0	0	166	100	0	0
Female	24	24	100	24	100	24	100	0	0	24	100
Total	190	190	100	190	100	24	100	166	100	24	100

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

Category	Total (A)	Percentage of Workers covered by									
		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)
Permanent Workers											
Male	147	147	100	147	100	0	0	147	100	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	147	147	100	147	100	0	0	147	100	0	0
Other than Permanent Workers											
Male	1597	1597	100	1597	100	0	0	1597	100	0	0
Female	37	37	100	37	100	37	100	0	0	37	100
Total	1634	1634	100	1634	100	37	100	1597	100	37	100

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

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.03	0.02

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

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 percentage of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	87	100	Y
Gratuity	100	100	Y	88	9	Y
ESI (eligible employees/ workers)	100	100	Y	25	100	Y
Others- please specify	NA	NA	NA	NA	NA	NA

Note: Only the permanent employees and workers have been considered while arriving at the % for FY 2022-23

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

Response: Yes. We ensure that the persons with disabilities enjoy the right to equality, life with dignity and respect for his or her integrity equally with others.

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

Response: We don't have any disabled employee in our organization. However, the Titagarh Code of Conduct (accessible at the link given hereinabove) provides equal opportunity to differently abled persons.

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

Gender	Permanent Employees (%)		Permanent Workers (%)	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	100	NA	NA
Female	100	100	NA	NA
Total	100	100	NA	NA

Note: No permanent worker availed parental leave.

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.

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. TRSL has a grievance redressal mechanism available to the employees and workers. The intent of the mechanism is to ensure that the grievance is dealt in a fair and just manner whilst being in compliance with the Company's Policies. The Company's practices encourage fair resolution of the grievances, and the aim is to promote a positive work environment. The Company's Vigil mechanism encourages employees to report unethical business practices at workplace without reprisal.
Other than Permanent Workers	
Permanent Employees	The Employees both at corporate and factory level, can report their grievances to the HR team. In case any grievance is unresolved, the same can be escalated to the CHRO/ Compliance Officer.
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or unions recognised by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees /workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0
Total Permanent Workers						
Male	0	0	0	0	0	0
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)
Employees										
Male	846	450	53	94	11	122	31	25	60	49
Female	67	31	46	14	21	19	4	21	9	47.3
Total	913	481	53	108	12	141	35	24.8	69	48.94
Workers										
Male	1744	921	52	527	30	1219	81	6.6	580	47.5
Female	37	21	57	29	78	64	5	7.8	35	54.6
Total	1781	942	52	556	31	1283	86	6.7	615	47.93

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)
Employees						
Male	846	484	57	478	304	63.5
Female	67	22	33	18	16	88.88
Total	913	506	55	496	320	64.5
Workers*						
Male	147	NA	NA	NA	NA	NA
Female	0	NA	NA	NA	NA	NA
Total	147	NA	NA	NA	NA	NA

Note: The numbers disclosed includes only permanent workers. The performance and career development reviews are not applicable for other than permanent workers.

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 such system?

Response: Yes, we have implemented an occupational health and safety management system that is certifiable to ISO 14001:2015 and ISO 14001:2018. The management system is reviewed internally every year, and it is also externally certified at operating units. The efficacy of the management system is maintained and improved as part of the company-wide risk management and control process, and it is aligned with our safety principle.

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

Response: At TRSL, the process of hazards prevention and control in the workplace involves collecting existing information about hazards, inspecting the workplace for safety and health risks, conducting incident investigations, identifying hazards during emergencies and non-routine tasks, characterizing hazards, defining control measures, and prioritizing hazards based on severity and exposure potential. This systematic approach ensures the identification and mitigation of workplace hazards, maintaining a safe environment, and complying with safety regulations through ongoing monitoring and adaptation. Furthermore, we are compliant with West Bengal Factories Rules, 1958 and accordingly also have a safety manual SOP present.

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

Response: Yes, we have well defined systems and processes for workers to report work-related hazards and remove themselves from such risks. The methods used by different plants include Near miss/unsafe condition reporting, shopfloor safety meeting, safety committee meeting, daily Safety Toolbox Talk, observation reporting system through "Safety Portal", reporting of near miss incident from shop floor workmen, and interaction with workers during daily plant inspection and internal mail and phone communication.

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

Response: Yes, all the employees/workers have access to non-occupational medical and healthcare services. All our plants have either dedicated occupational health centres (OHC) or medical consultants, visiting specialist doctors, and trained paramedic staff to ensure uninterrupted emergency medical services round the clock.

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

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	0.56	0.76
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	69	106
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	13	Nil

* Including the contract workforce

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

Response: At TRSL, we ensure a safe and healthy workplace through multiple measures:

Induction Trainings: New employees and workers receive comprehensive induction training that covers safety protocols and workplace hazards.

PPE: Personal Protective Equipment, including helmets, safety shoes, goggles, etc., is provided to every worker, ensuring their safety in various roles.

Departmental Training: Safety awareness training is conducted department-wise, enhancing employees' role-specific safety understanding.

Health Check-ups: Regular health assessments are conducted to monitor employees' well-being and identify health issues early.

Safety Posters: Awareness posters across the premises reinforce safety messages and promote a vigilant culture.

Equipment Provision: Job-specific safety gear, routine workplace cleaning, proper lighting, and clean water are provided.

External Audits: Periodic safety, electrical, and structural audits by authorized vendors identify and address potential hazards.

Preventive Maintenance: Routine maintenance of movement and lifting tools ensures their reliability and reduces accident risks.

Regulatory Compliance: The entity follows state government provisions like OSEP, toolbox talks, and SOPs for machine operation.

These measures collectively create a secure work environment, ensuring employees' well-being, compliance with regulations, and a culture of safety.

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

	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	0	0	NA	1	0	Resolved immediately
Health & Safety	0	0	NA	Nil	Nil	NA

14. Assessments for the year:

	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

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 and safety practices and working conditions.

Response: The injuries to workers have been minor, mainly while working on welding as part of fabrication. Corrective measures have been taken promptly to improve the safety protocols which include inter alia greater emphasis on adherence to safety gear being mandatorily worn by the workers, monitoring of the same with renewed focus. Safety awareness programmes have been increased and attention of the workers is regularly drawn to the information on safety displayed strategically and prominently in the areas concerned. Safety Officers present at each plant are encouraged to put forth innovative and practical safety measures for avoiding any threat to wellbeing of workers as part of continuous improvement and core approach to preventing future injuries at workplace.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

- (a) **Employees (Y/N):** Yes, Suitable benefit is extended by TRSL on a case to case basis.
 (b) **Workers (Y/N):** Yes, Suitable benefit is extended by TRSL on a case to case basis.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Response: The payment of statutory dues by the value chain partners is verified from the supporting papers required to be provided by them before their payment is made by the Company. Further, the online portals of the authorities concerned are also browsed for random confirmation to the extent possible.

3. Provide the number of employees / workers having suffered high consequence work related injury /ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	0	Nil	0	NA
Workers	13	Nil	13	NA

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Response: Yes

5. Details on assessment of value chain partners:

	Percentage of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100
Working Conditions	100

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners:

Response: Periodic visits are made by the TRSL's personnel to the site of value chain partners to verify the risks/concerns, if any, on health and safety practices and if/where required, corrective actions discussed through such engaging events.

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators:

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

Response: Key stakeholder groups of the entity are identified based on pre-determined criteria including strategic, financial and others and updated from time to time by the senior management.

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

Stakeholder group	Whether identified as Vulnerable and 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
Vendors	No	Email, Meetings and Website	Need based/ any time as per mutual convenience/monthly/quarterly	Efficient and sustainable use of natural resources, improvement in inputs, encourage small enterprises, competency development.
Employees		Email, Town Hall Meetings and Website	Need based/ any time as per mutual convenience/monthly/quarterly	To discuss updated SOP's, Policies, Programmes and events from time to time.

Stakeholder group	Whether identified as Vulnerable and 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 Investors	No	Email, Meetings and Website	Analysts meet -Quarterly One to one investor-as and when requested.	To discuss the performance of the Company and obtain consent/approval of the shareholders as is stipulated by law and ensure smooth operation. Transparent communication/queries of the investors/corporate governance.
Customers		Email, Meetings and Website	Need based/ any time as per mutual convenience/monthly/quarterly	Customer needs, ways to improve services, infrastructure, satisfaction survey, regular updates.

Leadership Indicators:

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Response: The executive management at TRSL has been delegated the task of engaging with stakeholders on economic, environmental, and social topics and feedback is reported to the Board through CSR Committee.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Response: Yes, For environment - expert firm and for CSR - Titagarh Municipality are consulted for identifying the environmental and social aspects respectively. The inputs received from stakeholders are kept in view by the company for appropriate updation in its policies as is deemed fit.

3. Provide details of instances of engagement with, and actions taken to address the concerns of vulnerable/marginalized stakeholder groups.

Response: In addition to the entities named above, Chairperson of CSR Committee engages with the stakeholders concerned for implementing the projects to benefit the marginalized stakeholder groups.

PRINCIPLE 5

Businesses should respect and promote human rights.

Essential Indicators:

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of Employees/Workers covered (B)	% (B/A)	Total (A)	No. of Employees/Workers covered (B)	% (B/A)
Employees						
Permanent	723	680	94	593	474	80
Other than Permanent	190	179	94	49	39	80
Total	913	859	94	642	513	80
Workers						
Permanent	147	137	93	151	121	80
Other than Permanent	1634	1095	67	1600	1286	80
Total	1781	1232	69	1751	1407	80

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
	(B)	(B/A)	(C)	(C/A)	(E)	(E/D)	(F)	(F/D)		
Employees										
Permanent										
Male	680	0	0	680	100	513	0	0	513	100
Female	43	0	0	43	100	21	0	0	21	100
Other than Permanent										
Male	166	0	0	166	100	68	0	0	68	100
Female	24	0	0	24	100	6	0	0	6	100
Workers										
Permanent										
Male	147	0	0	147	100	151	0	0	151	100
Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent										
Male	1597	0	0	1597	100	1600	1600	100	0	0
Female	37	0	0	37	100	30	30	100	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 (In INR)	Number	Median remuneration/salary/ wages of respective category (In INR)
Board of Directors (BoD)	12	24,60,000	2	85,80,000
Key Managerial Personnel	2	6,17,506	0	0
Employees other than BoD and KMP	673	5,11,037	43	4,20,225
Workers	147	2,89,304	0	0

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

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	5.33	2.91

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)

Response: Yes, HR team is authorized to monitor the human rights impact or issues caused or contributed to by the business and report to CSR Committee through CHRO/ Compliance Officer.

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

Response: The Human Resource/Industrial Relation personnel at each facility and Head Office are required to take note of grievance, if any related to human rights issues and resolve them at their level or wherever necessary escalate to the CSR Committee through Compliance Officer.

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

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
Sexual Harassment	Nil	NA	NA	Nil	NA	NA
Discrimination at workplace	Nil	NA	NA	Nil	NA	NA
Child Labour	Nil	NA	NA	Nil	NA	NA
Forced Labour/Involuntary Labour	Nil	NA	NA	Nil	NA	NA
Wages	Nil	NA	NA	Nil	NA	NA
Other human rights related issues	Nil	NA	NA	Nil	NA	NA

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

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment 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.

Response: The Company is committed to create a workplace that is inclusive and free from any type of discrimination or harassment. To achieve this goal, we have drafted a comprehensive ESG Policy that sets the guidelines to ensure that all employees are treated equally and with dignity.

The Company also has a grievance mechanism in place to report cases related to discrimination and harassment and ensure that they are addressed by an appropriate authority. Additionally, the Company regularly conducts internal meetings to educate and sensitize its employees on the prevention of sexual harassment in the workplace. The Company ensures complete protection to a Whistle Blower against any fear of reprisal or retaliation of any kind and ensures protection against victimisation. The Company condemns any kind of discrimination, harassment, victimization, or any other unfair employment practice being adopted against Whistle Blowers.

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

Response: Yes. All contracts bear the affirmation from the awardee about adherence to the Titagarh Code of Conducts wherein the Company's policy on human rights is defined.

10. Assessments for the year:

	Percentage of your plants and offices that were assessed (By entity or statutory authorities or third parties)
Child Labour	100, the Company's operational areas are subject to periodic assessment and process control reviews. The Company's internal team verifies that that policies and procedures are being followed according to defined processes, and ensure that human rights aspects, such as child labour, sexual harassment, and minimum wages, are properly justified and reported.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

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

Response: NA

Leadership Indicators:

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

Response: NA

2. Details of the scope and coverage of any Human rights due diligence conducted.

Response: NA

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Response: Yes.

4. Details on assessment of value chain partners

	Percentage of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	The Company has not conducted any assessment of value chain partners for Human Rights
Discrimination at workplace	
Child Labour	
Forced/involuntary labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

Response: NA

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators:

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameters	FY 2023-24 (GJ)	FY 2022-23 (GJ)
From renewable sources		
Total electricity consumption (A)	4617	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	4617	0
From non-renewable sources		
Total electricity consumption (D)	134079	131485
Total fuel consumption (E)	182335	67138
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable resources (D+E+F)	316414	198623
Total energy consumed (A+B+C+D+E+F)	321031	198623
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations) (GJ/ INR lac)	0.83	0.71
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP) (GJ/ INR lac adjusted for PPP)	18.66	15.84
Energy intensity in terms of physical output	PRS: 701.69 (GJ per coach) FRS: 20.07 (GJ per wagon)	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: For India, PPP conversion factor is 22.4 and 22.17 for the years 2024 and 2023 respectively as per Implied PPP conversion rate available at <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>

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.

Response: NA

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	616
(ii) Groundwater	398732	66446
(iii) Third party water	281237	8604
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	679969	75666
Total volume of water consumption (in kilolitres)	679969	75666
Water intensity per rupee of turnover (Total Water consumption/Revenue from operation) (KL/ INR lac)	1.76	0.27
Water intensity per rupee of turnover adjusted from Purchasing Power Parity (PPP)	39.53	6.03
(Total water consumption/ Revenue from operation adjusted for PPP) (KL/ INR lac)		
Water intensity in terms of physical output	FRS: - FRS: 6.15 (KL per wagon)	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: For India, PPP conversion factor is 22.4 and 22.17 for the years 2024 and 2023 respectively as per Implied PPP conversion rate available at <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>

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:

Parameters	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface Water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater		
- No treatment	398731.75	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA

4. Provide the following details related to water discharged (Contd.):

Parameters	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(iv) Sent to third parties		
- No treatment	281237.20	0
- With treatment – please specify level of treatment	NA	NA
(v) Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	679968.95	NA

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.

Response: NA

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
Nox	Mg/ Nm3	9013.31	10358.45
Sox	Mg/ Nm3	6328.37	4743.90
Particulate Matter (PM)	Mg/ Nm3	24647.72	38650.23
Persistent organic pollutants (POP)	Mg/ Nm3	NA	NA
Volatile organic compounds (VOC)	ppm	NA	NA
Hazardous air pollutants (HAP)	ppm	NA	NA
Others – please specify	NA	NA	NA

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. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:

Parameter	Unit	FY2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	35985	5566
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	30539	24742
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	Metric tonnes of CO ₂ equivalent / INR lac	0.17	0.11
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP)	Metric tonnes of CO ₂ equivalent / INR lac adjusted for PPP	3.87	2.42
Total Scope 1 and Scope 2 emission intensity in terms of physical output		FRS: 25.7 (Metric tonnes per coach)	-
		FRS: 0.60 (Metric tonnes per wagon)	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

2. Please provide details of total Scope 3 emissions and its intensity, in the following format:

Response: Not available

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Response: No significant direct or indirect impact.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative	Outcome of the initiative
1.	APCD (Air Pollution control Device)		As per statutory

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Response: OSEP as per provision u/s 41 B of the Factories Act 1948, carried out by PDCE Group. OSEP defines hazardous & risk points at the plant premise. Action plan during emergency time. Preparation for potential and unexpected incidents at workplace are part thereof. As per report on plant on site crisis would be raise basis of man-made cause, natural cause & extraneous. Classification of emergency L1, L2 & L3 has prepared.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Response: NA

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Response: 90%

PRINCIPLE Z

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators:

1. a. Number of affiliations with trade and industry chambers/ associations.

Response: 4

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

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chamber of Commerce & Industry	National
2	Confederation of Indian Industry	National
3	Indian Chamber of Commerce	National
4	Bharat Chamber of Commerce	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 the case	Corrective action taken
		NA

Leadership Indicators:

1. Details of public policy positions advocated by the entity:

Response: NA

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development.

Essential Indicators:

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

Sl. No.	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
						NA

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. 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)
						NA

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

Response: The personnel at the sites of manufacturing facilities are trained to coordinate with the local community to receive and redress grievances, if any. Furthermore, 4 Schools in and around the manufacturing facilities at Titagarh are being developed/assisted under CSR activities with Titagarh Municipality as the Company's Implementation partner. To address concerns of these programmes also we have designated personnels who are available to address concerns raised to them.

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

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	12.45	85.36
Directly from within India	94.69	99.99

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:

Location	FY 2023-24	FY 2022-23
Rural	482	326
Semi-urban	319	212
Urban	67	78
Metropolitan	45	26

(Location categorised as per RBI classification System – rural/ semi urban/ urban/ metropolitan)

Leadership Indicators:

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Response: NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Response: NA

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No):

Response: Yes. At TRSL, the policy is not to discriminate between the suppliers based on their size and provide equal opportunities to all.

- (b) From which marginalized /vulnerable groups do you procure?

Response: MSMEs, local vendors etc.

- (c) What percentage of total procurement (by value) does it constitute?

Response: Not Available

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Response: NA

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Response: NA

6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1.	South Kolkata Hamari Muskan (SKHM)	230	100
2.	Society for Indian Children Welfare (SICW)	9	100
3.	Annamrita	1000	100
4.	Muskan School	55	100
5.	Titagarh Municipality	1685	100
6.	Apprentices under NAPS	224	73
7.	Noise Pollution Device for PCB	NA	NA

Note: * Noise Pollution Device for PCB facilitated research on noise created by various firecrackers to enable it to formulate/adjust its policy on noise pollution and help improve the environment. Public at large would be the beneficiaries.

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators:

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

Response: On receipt of customer complaints and feedback, the same is shared with the Quality and Warranty Departments. Quality and Warranty Depts. analyses the complaints for check on warranty obligations, warranty limitations in terms of period of warranty. Thereafter, communication with the customer is imparted with necessary visits and obligations are being imparted. On completion a joint note is prepared and the same is closed.

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

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	100
Safe and responsible usage	100
Recycling and/or safe disposal	100

3. Number of consumer complaints in respect of the following:

	FY 2023-24			FY 2022-23		
	Received during the year	Pending Resolution at end of year	Remarks	Received during the year	Pending Resolution at end of year	Remarks
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	NA	Nil	Nil	NA
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Other	Nil	Nil	NA	Nil	Nil	NA

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

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

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

Response: Yes at <https://titagarh.in/policies-and-codes>

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.

Response: Nil

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches: Nil

b. Percentage of data breaches involving personally identifiable information of customers: Nil

c. Impact, if any, of the data breaches: NA

Leadership Indicators:

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Response: www.titagarh.in

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Response: NA

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Response: NA

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Response: NA

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

b. Percentage of data breaches involving personally identifiable information of

Response: NA. No such instance of breach has happened.

FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of Titagarh Rail Systems Limited (formerly known as Titagarh Wagons Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Titagarh Rail Systems Limited (formerly known as Titagarh Wagons Limited) ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of carrying value of Investment in Shivaliks Mercantile Private Limited and Titagarh Firema S.p.A</p> <p>(Refer to Note 4.5 – "Investments in Subsidiaries, Associate and Joint Venture", Refer Note 3 – "Critical Estimates and Judgements – Impairment of Investments in Subsidiaries, Associate and joint ventures" and Note 7 – "Investments (Non current)")</p> <p>The Company has investment in equity shares of Titagarh Firema S.p.A, an associate Company amounting to Rs 1,272.63 Lacs as at March 31, 2024. During the year, the Company has invested an amount of Rs. 10,000.00 Lacs in equity shares of Shivaliks Mercantile Private Limited, a joint venture Company, which in turn has invested Rs. 9,013.10 lacs in Titagarh Firema S.p.A. These investments are carried at cost, net of impairment losses, if any, in accordance with the accounting policies as stated in the notes referred to above.</p> <p>For investments where an indication of impairment exists, the carrying value of investment is assessed for impairment.</p> <p>Impairment assessment is carried out by the Company using discounted cash flow method which involves</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over the assessment of the carrying value of investments. • Checked on a sample basis relevant input data used in the impairment assessment back to the latest budgets and checked the mathematical accuracy of the impairment model. • We used auditors' expert to assess the appropriateness of the methodology used in the impairment model, the underlying assumptions such as discount rate, future growth rates, terminal value and performed sensitivity on key assumptions to assess the reasonableness of the impairment analysis. • Evaluated the adequacy of the disclosures made in the standalone financial statements.

Key audit matter	How our audit addressed the key audit matter
<p>significant judgements and estimates such as future cash flow projections, discount rates, terminal growth rate etc.</p> <p>This has been considered as a key audit matter as the balance of aforesaid investments is significant to the standalone financial statements and the assessment of impairment, if any, in the carrying value of these investments involves significant management judgement and estimates.</p>	<p>Based on the above procedures performed, we noted that the management's assessment in relation to the carrying value of Shivaliks Mercantile Private Limited and Titagarh Firema SpA is reasonable.</p>
<p>Revenue recognition - appropriateness of estimation of contract cost and contract revenue</p> <p>(Refer to Note 4.6 and 5.9 – "Revenue Recognition", Refer Note 3 – "Critical Estimates and Judgements – Accounting for revenue from contracts wherein company satisfies performance obligation and recognises revenue over time" and Note 25 – "Revenue from operations")</p> <p>In respect of certain contracts with customers, the Company recognises revenue over a period of time in accordance with its accounting policy. Recognition of contract revenue involves determination of percentage completion of the project and contract margin to be recognised on the project, which is dependent on the actual cost incurred and total budgeted cost, which is cost incurred till date and estimation of future cost to complete the contract.</p> <p>This estimation involves exercise of significant judgement by the management in making forecasts of future cost to complete the contract considering future activities to be carried out in the contract, and the related assumptions.</p> <p>This has been considered as a key audit matter in view of the significant management judgements and complexities involved in determining future costs to complete with consequential impact on the recognised contract revenue.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding, evaluated the design, and tested the operating effectiveness of key controls around determination of contract revenue and estimation of future costs to complete the contracts. • Inquired with the management the status of the contracts, the basis for estimates of future cost to complete the contracts and other factors such as consideration of any specific identified risks. • Verified on a sample basis the contract revenue with the underlying contracts and other relevant terms and conditions as appropriate. • Tested on a sample basis the actual costs incurred during the year with supporting documents. • Tested on a sample basis the future cost to complete with orders placed with vendors, and other relevant supporting documents, as appropriate. • Recomputed the percentage of completion based on the total budgeted cost and the total actual cost incurred and the revenue recognized based on the percentage of completion. • Evaluated the adequacy of the disclosures made in the standalone financial statements. <p>Based on the above procedures performed, management's estimation of future cost to complete the contracts and consequential impact on recognised contract revenue is considered reasonable.</p>

Other Information

5. 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. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information

is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations

Responsibilities of management and those charged with governance for the standalone financial statements

6. 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, changes in equity and cash flows

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

7. 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

8. 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.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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)(f) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
11. 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.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the

key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

13. 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 8 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone financial statements have been kept so far as it appears from our examination of those books, except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows 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.
 - (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) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) above on reporting under Section 143(3)(b) and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

- (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 18 and 40 to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 18 and 22 to the financial statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in Note 52(vi)(A) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 52(vi)(B) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall,

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 that we 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 dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
 - vi. Based on our examination, which included test checks, the Company has used two accounting software for maintaining its books of account of which one accounting software has a feature of recording audit trail (edit log) facility and that

has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail is not maintained at application level for modification, if any, by certain users with specific access and for direct database changes. In case of the other accounting software which is operated by a third party software service provider and in the absence of SOC report, we are unable to comment whether the audit trail feature of the aforesaid software was enabled and operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit except for the aforesaid instances where we are not able to comment upon, we did not notice any instance of audit trail feature being tampered with.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Pramit Agrawal
Partner
Membership Number: 099903
UDIN: 240999038KEYQG4713
Place: Kolkata
Date: May 15, 2024

For Salarpuria & Partners
Firm Registration Number: 302113E
Chartered Accountants

Anand Prakash
Partner
Membership Number: 056485
UDIN: 24056485BKGYEC8281
Place: Kolkata
Date: May 15, 2024

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Titagarh Rail Systems Limited (formerly known as Titagarh Wagons Limited) on the standalone financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Titagarh Rail Systems Limited (formerly known as Titagarh Wagons 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

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial

controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to 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 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 financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are

subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects,

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Pramit Agrawal

Partner

Membership Number: 099903

UDIN: 24099903BKKEYQG4713

Place: Kolkata

Date: May 15, 2024

an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to 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 ICAI.

For Salarpuria & Partners

Firm Registration Number: 302113E

Chartered Accountants

Anand Prakash

Partner

Membership Number: 056485

UDIN: 24056485BKGYEC8281

Place: Kolkata

Date: May 15, 2024

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Titagarh Rail Systems Limited (formerly Titagarh Wagons Limited) on the standalone financial statements as of and for the year ended March 31, 2024

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by

the Management during the year and no material discrepancies have been noticed on such verification. Certain fixed assets of the Company, representing 368 railway wagons having an aggregate carrying value of Rs. 385.12 lacs as at March 31, 2024 are in the possession of Indian Railways and has not been physically verified by the management during the year and accordingly, we are unable to comment on discrepancies, if any.

(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), as disclosed in Note 6.1, Note 6.3 and Note 6.6 to the standalone financial statements in respect of property, plant and equipment, investment properties and right-of-use assets respectively, are held in the name of the Company (including erstwhile name Titagarh Wagons Limited), except for the following:

Description of property	Gross carrying value (Rs in lacs)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Freehold Land	151.96	Titagarh Shipyards Limited	No	April 1, 2015	Pursuant to order of Hon'ble National Company Law Tribunal Board, Kolkata bench passed on July 12, 2016, erstwhile Titagarh Shipyards Limited got merged with the company with the appointed date as April 1, 2015. The Company is yet to submit an application to the relevant authority for changing the name.
Freehold Land	4,734.83	M/S Birla Brothers Ltd	No	April 1, 2019	Pursuant to order of Hon'ble National Company Law Tribunal Board, Kolkata bench passed on September 30, 2020, erstwhile Cimco Limited (earlier known as M/S Birla Brothers Ltd and subsequently Cimco Birla Limited) got merged with the company with the appointed date as April 1, 2019. The Company has already submitted an application to the relevant authority for changing the name which is pending.
Leasehold Land	16,964.87	Cimco Birla Limited	No	April 1, 2019	

Description of property	Gross carrying value (Rs in lacs)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Freehold Land	3,391.29	Titagarh Steels Limited	No	April 1, 2019	Pursuant to order of Hon'ble High Court Calcutta passed on November 26, 2009, erstwhile Titagarh Steels Limited got merged with the company with the appointed date as April 1, 2019. The Company has already submitted an application to the relevant authority for changing the name which is pending.
Leasehold Land	2,759.22	Cimco Birla Limited	No	April 1, 2019	Pursuant to order of Hon'ble National Company Law Tribunal Board, Kolkata bench passed on September 30, 2020, erstwhile Cimco Limited (earlier known as M/S Birla Brothers Ltd and subsequently Cimco Birla Limited) got merged with the company with the appointed date as April 1, 2019. The Company has physical possession of the said leasehold land, though the leasehold rights is disputed and is being contested by the Company. Also refer Note 6.1 (e) to the standalone financial statements.
Building	117.04	Ms. Savitri Devi Chowdhary	Relative of promoter	March 28, 2001	The Company is yet to initiate the process for transfer of property.
Investment Property	821.24	Cimco Birla Limited	No	April 1, 2019	Pursuant to order of Hon'ble National Company Law Tribunal Board, Kolkata bench passed on September 30, 2020, the erstwhile Cimco Limited (earlier known as M/S Birla Brothers Ltd and subsequently Cimco Birla Limited) got merged with the company with the appointed date as April 1, 2019. The Company has already submitted an application to the relevant authority for changing the name which is pending.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami

property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the standalone financial statements does not arise.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records

were not 10% or more in aggregate for each class of inventory and have been appropriately dealt with in the books of account.

- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account.
- iii. (a) The Company has during the year made investments in three companies. The Company has not granted secured/ unsecured loans/advances in nature of loans or stood guarantee or provided security to any company/ firm / Limited Liability Partnership/ other party during the year.
- (b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.
- (c) The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any company/ firm / Limited Liability Partnership/ other party. Therefore, the reporting under clause 3 (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- iv. In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections

73, 74, 75 and 76 of the Act and the Rules framed there under.

- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax and professional tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including goods and services tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 51 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) There are no statutory dues of provident fund, employees' state insurance, professional tax, service tax, cess and other material statutory dues which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Net Amount (Rs. in lacs)	Amount of Deposit (Rs in lacs)	Period to which the amount relates	Forum where the dispute is pending
The Income-Tax Act, 1961	Income Tax	3,013.15	-	AY 2011-2012, AY 2012-2013, AY 2015-2016, AY 2017-2018, AY 2018-2019	CIT(A)
		79.94	-	AY 2005-2006, AY 2011-2012, AY 2012-2013	Income Tax Appellate Tribunal
The Custom Act, 1962	Custom Duty	807.86	-	2004-2005, 2006-2007	CESTAT
		30.63	-	1992-1993	Additional Commissioner Customs
		58.80	3.20	1986-1987, 1998-1999, 2000-2001	Deputy Director of Enforcement

Name of the statute	Nature of dues	Net Amount (Rs. in lacs)	Amount of Deposit (Rs in lacs)	Period to which the amount relates	Forum where the dispute is pending
The West Bengal Sales Tax Act, 1944	Sales Tax	5.24	-	2004-2005	The West Bengal Taxation Tribunal
The Rajasthan Sales Tax Act	Sales Tax	19.99	-	2015-2016 to 2017-2018	Deputy Commissioner Appeal
		154.74	0.59	2014-2015	Joint Commissioner Appeals
		111.92	-	2013-2014	Rajasthan Tax Board
		391.69	25.53	2017-2018	The Additional Commissioner, Appellate Authority
The Orissa Sales Tax Act	Sales Tax	117.60	-	1999-2001	High Court
The West Bengal Value Added Tax Act, 2003	Value Added Tax	1,499.04	151.00	2012-2013 to 2017-2018	The West Bengal Taxation Tribunal
		17.43	-	2010-2011	Additional Commissioner of Commercial Tax West Bengal
Foreign Trade Development and Regulation Act, 1992	Terminal Excise Duty	693.20	-	2008-2010	Directorate General of Foreign Trade
Orissa Entry Tax Act	Entry Tax	15.82	-	1999-2001	High Court
		7.60	-	2013-2014	Appellate Authority
The Central Excise Act, 1944	Excise Duty	599.61	7.43	1999-2000, 2011-2012, 2015-2016, 2007-2012	Customs, Excise and Service Tax Appellate Tribunal
		393.93	4.93	2011-2015	Additional Commissioner of Central Excise and Service Tax
		74.56	5.35	2009-2011, 2014-2016	Assistant Commissioner of Central Excise and Service Tax
		3,585.31	56.77	1995-1996, 2006-2007 to 2013-2014	Commissioner of Central Excise and Service Tax
		122.94	5.64	2007-2008 to 2013-2014	Commissioner of Central Excise (Appeal)
		36.60	0.76	2014-2017	Commissioner (Appeal)
CGST Act, 2017	Goods and Service Tax	452.43	21.01	2013-2016	Joint Commissioner of Central Excise and Service Tax
		126.27	-	1989-1994	Supreme Court
		201.35	178.09	2017-2018, 2018-2019, 2020-2021	Commissioner of Central Goods and Service Tax (Appeal)
		113.78	18.09	2017-2018, 2022-2023	Commissioner of Goods and Service Tax (Appeal)

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any term loan during the year ended March 31, 2024 and there was no unutilised balance of term loan obtained in earlier years as on April 1, 2023. Accordingly, reporting under clause 3(x)(c) of the order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

Nature of securities viz. Equity share / Preference shares	Purpose for which funds raised	Total Amount Raised (Rs in lacs)	Amount utilized for the other purpose (Rs in lacs)	Un-utilized balance as at Balance sheet date (Rs in lacs)	Remarks
Equity share	Repayment and/or prepayment, in full or in part, of certain outstanding borrowings availed by the company, Working capital requirement and General Corporate Purpose.	69,999.99	Nil	9,387.74	Unutilized amount of Rs. 9,387.74 lacs is lying as fixed deposits with a bank as on March 31, 2024.

Also refer note 15 to the standalone financial statements. Further, the Company has not made any allotment of fully or partially or optionally convertible debentures during the year.

- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was

- (e) On an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has made preferential allotment and private placement of shares during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised except as described below:

- not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xii)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(x)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting

under clause 3(xii) of the Order is not applicable to the Company.

- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xv)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however,

separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xv)(d) of the Order is not applicable to the Company.

- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios (also refer note 53 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone 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 the 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Pramit Agrawal
Partner
Membership Number: 099903
UDIN: 240999038KEYQG4713
Place: Kolkata
Date: May 15, 2024

For Salarpuria & Partners
Firm Registration Number: 302113E
Chartered Accountants

Anand Prakash
Partner
Membership Number: 056485
UDIN: 24056485BKGVEYEC821
Place: Kolkata
Date: May 15, 2024

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Standalone Balance Sheet as at March 31, 2024

	Notes	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
I. ASSETS			
Non-current Assets			
a) Property, Plant and Equipment	6.1	64,767.24	62,001.02
b) Right-of-Use Assets	6.6	9,069.72	10,191.97
c) Capital Work-in-progress	6.4	10,780.38	1,227.91
d) Investment Properties	6.3	821.24	821.24
e) Intangible Assets	6.2	167.49	164.09
f) Intangible Assets Under Development	6.5	6,690.58	-
g) Financial Assets			
i) Investments	7	21,293.27	4,452.93
ii) Other Financial Assets	9	5,285.32	6,060.15
h) Contract Assets	11	97.88	87.38
i) Non-current Tax Asset (Net)	10	3,445.62	2,868.68
ii) Other Non-current Assets	12	2,192.83	4,106.41
Total Non-current Assets		1,26,611.37	91,981.78
Current Assets			
a) Inventories	13	52,372.35	46,137.13
b) Financial Assets			
i) Trade Receivables	8	53,252.29	27,914.49
ii) Cash and Cash Equivalents	14.1	32,688.43	4,079.23
iii) Bank Balances other than (ii) above	14.2	28,011.28	4,457.29
iv) Other Financial Assets	9	1,313.84	634.22
c) Contract Assets	11	10,103.73	4,987.12
d) Other Current Assets	12	20,275.36	22,380.16
Total Current Assets		1,98,017.28	1,10,590.14
Asset held for sale	6.7	-	71.13
TOTAL - ASSETS		3,22,628.85	2,02,643.05
II. EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	15	2,693.48	2,391.42
b) Other Equity	16	2,201,027.45	93,900.81
Total Equity		2,22,820.93	96,292.23
Liabilities			
Non-current Liabilities			
a) Financial Liabilities			
i) Borrowings	1	3,375.75	4,962.50
ii) Lease Liabilities	6.6	9,370.28	9,945.92
b) Contract Liabilities	18	15,278.89	2,826.23
c) Provisions	18	354.09	343.64
d) Deferred Tax Liabilities (Net)	20	1,064.46	1,346.36
Total Non-current Liabilities		26,803.47	19,425.14
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	17	2,889.85	19,969.91
ii) Lease Liabilities	6.6	575.64	447.69
iii) Trade Payables	21	3,800.06	574.92
iv) Total Outstanding Dues of Micro Enterprises and Small Enterprises		28,144.38	31,725.85
b) Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises		2,623.47	751.13
c) Contract Liabilities	23	31,557.42	31,770.33
d) Other Current Liabilities	24	399.87	306.62
e) Provisions	18	1,671.15	773.12
f) Current Tax Liabilities (Net)	19	1,342.61	527.61
Total Current Liabilities		79,004.45	86,846.18
Liabilities held for sale	6.7	-	79.50
TOTAL - LIABILITIES		99,807.92	1,06,350.82
TOTAL - EQUITY AND LIABILITIES		3,22,628.85	2,02,643.05

The above Standalone Balance Sheet should be read in conjunction with the accompanying notes. This is the Standalone Balance Sheet referred to in our Report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 3040246/E-300009

For Salarpuria & Partners
Firm Registration Number: 302113E
(Formerly Titagarh Wagons Limited)
Chartered Accountants

For and on behalf of the Board of Directors of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Pranil Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 15, 2024

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 15, 2024

J P Chowdhary
Executive Chairman
DIN: 00313685
Place: Kolkata
Date: May 15, 2024

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652
Place: Kolkata
Date: May 15, 2024

Anil Ravishanker Joshi
Independent Director
DIN: 03557435
Place: Kolkata
Date: May 15, 2024

Anil Kumar Agarwal
Deputy Managing Director & CEO (FRS)
DIN: 01501767
Place: Kolkata
Date: May 15, 2024

Saurev Singhania
Chief Financial Officer
Place: Kolkata
Date: May 15, 2024

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 15, 2024

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Standalone Statement of Profit and Loss for the year ended March 31, 2024

	Notes	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Income			
Revenue from Operations	25	3,85,330.04	2,78,052.90
Other Income	26	4,567.17	4,398.39
Total Income		3,89,897.21	2,82,451.29
Expenses			
Cost of Raw Materials and Components Consumed	27	2,95,170.47	2,16,541.91
Changes in Inventories of Finished Goods, Work in progress and Saleable Scrap	28	3,637.61	(1,536.56)
Employee Benefits Expense	29	6,629.03	5,652.64
Finance Costs	30	7,345.42	8,027.67
Depreciation and Amortisation Expense	31	2,710.12	2,250.35
Other Expenses	32	34,699.88	30,963.52
Total Expenses		3,50,192.53	2,61,946.53
Profit before exceptional items and tax		39,704.68	20,504.76
Exceptional Items	34	-	4,627.55
Profit Before Tax		39,704.68	15,877.21
Income Tax Expense	33	-	-
Current Tax		10,298.76	5,305.50
Deferred Tax - Charge / (Credit)		(284.76)	235.07
Total Tax Expense		10,014.00	5,540.57
Profit for the Year After Tax		29,690.68	10,336.64
Other Comprehensive Income			
Item that will not be reclassified to Profit or Loss in subsequent periods :			
Remeasurement Gains / (Losses) on Defined Benefit Plans	(11.97)		(2.10)
Income Tax on above	3.01		0.53
Item that will be reclassified to Profit or Loss in subsequent periods :			
Fair Value changes of Cash Flow Hedges	20.93		(1,361.11)
Income Tax on above	(5.83)		342.56
Other Comprehensive Income for the year (Net of taxes)		6.14	(1,020.12)
Total Comprehensive Income for the Year		29,696.82	9,316.52
Earnings per Equity Share (Nominal Value of Share Rs. 2/- (March 31, 2023: Rs. 2/-))			
Basic (In Rs.)	35	23.30	8.64
Diluted (In Rs.)		23.30	8.64

The above Standalone Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Standalone Statement of Profit and Loss referred to in our Report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 3040246/E-300009

For Salarpuria & Partners
Firm Registration Number: 302113E
Chartered Accountants

For and on behalf of the Board of Directors of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Pranil Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 15, 2024

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 15, 2024

J P Chowdhary
Executive Chairman
DIN: 00313685
Place: Kolkata
Date: May 15, 2024

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652
Place: Kolkata
Date: May 15, 2024

Anil Ravishanker Joshi
Independent Director
DIN: 03557435
Place: Kolkata
Date: May 15, 2024

Anil Kumar Agarwal
Deputy Managing Director & CEO (FRS)
DIN: 01501767
Place: Kolkata
Date: May 15, 2024

Saurev Singhania
Chief Financial Officer
Place: Kolkata
Date: May 15, 2024

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 15, 2024

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)
Standalone Statement of Cash Flows for the year ended March 31, 2024

	For the Year Ended	
	March 31, 2024	For the Year Ended March 31, 2023
	Rs. In Lacs	Rs. In Lacs
A. Cash Flows from Operating Activities		
Profit before Tax	39,704.68	15,877.21
Adjustments for:		
Depreciation and Amortisation Expense	2,710.12	2,250.35
Finance Cost	7,345.42	8,074.67
Unrealised Foreign Exchange Fluctuations (Gain)/ Loss (net)	56.40	(1,464.85)
Provision for Doubtful Debts and Advances	792.49	-
Provision for Overage Contract	442.02	-
Irrecoverable Debts/ Advances Written Off (net)	3.17	2,526.81
Net (Gain)/ Loss on Disposal of Property, Plant and Equipment	-	(17.95)
Fair Value Gain on Investment - FVTPL	(519.46)	(184.55)
Dividend Income from subsidiary	(579.40)	-
Unspent Liabilities / Provisions No Longer Required Written Back	(185.42)	(467.07)
Interest Income	(1,934.64)	(730.15)
Other Income from Security Deposit of Leases	(25.99)	(16.55)
Exceptional Items - Non Cash Portion	-	4,972.82
Operating Profit before Changes in Operating Assets and Liabilities	47,789.37	30,820.74
Increase/(Decrease) in Trade Receivables	(1,160.40)	9,220.42
Increase/(Decrease) in Contract Liabilities	(12,854.27)	22,899.76
Increase/(Decrease) in Other Non-current and Current Financial and Non-financial Liabilities and Provisions	1,910.42	400.41
Increase/(Decrease) in Trade Receivables	(26,104.03)	(6,710.31)
Increase/(Decrease) in Inventories	(7,847.83)	(17,277.43)
Increase/(Decrease) in Current Assets	15,418.70	(17,296.90)
Increase/(Decrease) in Other Non-current and Current Financial and Non-financial Assets	11,856.31	(9,564.16)
Cash Generated from (Used in) Operations	19,338.21	12,792.56
Income Taxes Paid (Net of Refunds)	(10,060.70)	(6,595.25)
Net Cash from (Used in) Operating Activities	9,277.51	6,197.31
B. Cash Flows from Investing Activities		
Payments for Acquisition of Property, Plant and Equipment Including Capital Work-in-Progress and Intangible Assets including Intangible Assets under development	(16,352.34)	(3,674.09)
Proceeds from Disposal of Property, Plant and Equipment	-	23.18
Investments in Subsidiaries	-	(1,640.06)
Investments in Joint Ventures	(16,320.88)	(7,125.07)
Fixed Deposits Made	(3,024.60)	(864.83)
Fixed Deposits Matured	8,372.50	4,053.43
Dividend Income from subsidiary	579.40	-
Interest Received	1,649.03	613.88
Net Cash used in Investing Activities	(53,106.89)	(7,746.73)
C. Cash Flows from Financing Activities		
Proceeds from issue of fresh equity shares (net of share issue expenses)	97,462.77	(2,705.03)
Repayment of Long-term Borrowings	(3,307.50)	4,962.50
Proceeds from Long-term Borrowings	-	(2,000.00)
Repayment of Loan to Related Parties	-	(864.83)
Payment of Lease Liabilities	(1,251.54)	(1,078.89)
Short Term Borrowings - Receipts/ (Payments) (net)	(13,032.66)	10,798.89
Finance Costs Paid	(4,699.38)	(5,193.51)
Dividend Paid	(638.11)	(2.28)
Net Cash from Financing Activities	72,438.38	4,993.74
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	28,609.20	3,446.32
Cash and Cash Equivalents - Opening Balance (Refer Note 14.1)	4,079.23	632.91
Cash and Cash Equivalents - Closing Balance (Refer Note 14.1)	32,688.43	4,079.23

The following transactions being non-cash in nature have been excluded from above Statement of Cash Flows for the year ended March 31, 2023:-

- conversion of loan of Rs. 1,608.54 loan to investment in subsidiary
- loss of control in subsidiary resulting in such investment of Rs. 1,272.63 lacs being classified as investment in associate.
- the above Standalone Statement of Cash Flows has been prepared under the "indirect Method" as set out in Ind AS 7, "Statement of Cash Flows".
- Refer Note 48 for Debt Reconciliation.

The above Standalone Statement of Cash Flows should be read in conjunction with the accompanying notes.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

For Solarpuria & Partners
Firm Registration Number: 202113E
Chartered Accountants

For and on behalf of the Board of Directors of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Pramit Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 15, 2024

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 15, 2024

J P Chowdhary
Executive Chairman
DIN: 00313685
Place: Kolkata
Date: May 15, 2024

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652
Place: Kolkata
Date: May 15, 2024

Atul Ravishanker Joshi
Independent Director
DIN: 03557435
Place: Kolkata
Date: May 15, 2024

Anil Kumar Agarwal
Deputy Managing Director & CEO (FRS)
DIN: 01501767
Place: Kolkata
Date: May 15, 2024

Saurav Singhania
Chief Financial Officer
Place: Kolkata
Date: May 15, 2024

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 15, 2024

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)
Standalone Statement of Changes in Equity for the year ended March 31, 2024
A) Equity Share Capital (Refer Note 15)

Particulars	(Rs in Lacs)	
	Number in Lacs	Amount
Balance as at April 1, 2022	1,195.71	2,391.42
Changes in Equity Share Capital	-	-
Balance as at March 31, 2023	1,195.71	2,391.42
Shares Issued during the year on preferential basis	76.00	1,520.00
Shares Issued during the year pursuant to Qualified Institutional Placement	75.03	1,506.06
Balance as at March 31, 2024	1,346.74	2,693.48

B) Other Equity

Particulars	(Rs. in Lacs)					
	Securities Premium Account	General Reserve	Capital Reserve	Hedge Reserve Account	Retained Earnings	Total
Balance as at April 1, 2022	41,064.37	5,411.39	5,691.15	990.20	31,427.18	84,584.29
Profit for the Year	-	-	-	-	10,336.64	10,336.64
Other Comprehensive Income (Net of Tax)	-	-	-	-	(1.57)	(1.57)
- Re-measurement (Gains)/ Losses on Defined Benefit Plans	-	-	-	-	(1.57)	(1.57)
- Fair value change of cash flow hedges	-	-	-	(1,018.55)	-	(1,018.55)
Total Comprehensive Income for the year	-	-	-	(1,018.55)	10,335.07	9,316.52
Balance as at March 31, 2023	41,064.37	5,411.39	5,691.15	(28.35)	41,762.25	93,900.81
Profit for the Year	-	-	-	-	29,690.68	29,690.68
Other Comprehensive Income (Net of Tax)	-	-	-	-	(8.96)	(8.96)
- Re-measurement (Gains)/ Losses on Defined Benefit Plans	-	-	-	-	(8.96)	(8.96)
- Fair value change of cash flow hedges	-	-	-	15.10	-	15.10
Total Comprehensive Income for the year	-	-	-	15.10	29,681.72	29,681.72
Issue of Equity Shares on Preferential basis	28,728.00	-	-	-	-	28,728.00
Issue of Equity Shares Pursuant to Qualified Institutional Placement	69,849.93	-	-	-	-	69,849.93
Dividends	-	-	-	-	(635.86)	(635.86)
Share Issue Expenses	(1,412.25)	-	-	-	-	(1,412.25)
Balance as at March 31, 2024	1,38,230.05	5,411.39	5,691.15	(13.25)	70,808.11	2,20,127.45

The above Standalone Statement of Changes in Equity should be read in conjunction with the accompanying notes.

This is the Standalone Statement of Changes in Equity referred to in our Report of event date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

For Solarpuria & Partners
Firm Registration Number: 202113E
Chartered Accountants

For and on behalf of the Board of Directors of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Pramit Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 15, 2024

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 15, 2024

J P Chowdhary
Executive Chairman
DIN: 00313685
Place: Kolkata
Date: May 15, 2024

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652
Place: Kolkata
Date: May 15, 2024

Atul Ravishanker Joshi
Independent Director
DIN: 03557435
Place: Kolkata
Date: May 15, 2024

Anil Kumar Agarwal
Deputy Managing Director & CEO (FRS)
DIN: 01501767
Place: Kolkata
Date: May 15, 2024

Saurav Singhania
Chief Financial Officer
Place: Kolkata
Date: May 15, 2024

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 15, 2024

1 (a) Corporate Information

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited) (the Company) is a public limited company incorporated and domiciled in India. The registered office of the Company is located at Poddar Point, 113 Park Street, 10th Floor, Kolkata-700016 and its manufacturing facilities are located in West Bengal and Rajasthan. The equity shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited.

The Company is mainly engaged in the manufacturing and selling of Freight Wagons, Passenger Coaches, Metro Trains, Train Electricals, Steel Castings, Specialised Equipments & Bridges, Ships, etc. The Company caters to both domestic and export market.

The functional and presentation currency of the Company is Indian Rupee ("Rs.").

The standalone financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on May 15, 2024.

1 (b) Basis of Preparation
(i) Compliance with Indian Accounting Standards

The standalone financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical Cost Convention

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivative instruments)
- Defined benefits plan- plan assets

(iii) 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.

2 New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain

accounting standards (see below), and are effective April 1, 2023:

- Disclosure of accounting policies - amendments to Ind AS 1
- Definition of accounting estimates amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior and current period and are not expected to significantly affect the future periods. Further, amendment to Ind AS 1, although did not result in any changes in the accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

3 Critical Estimates and Judgements

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed regularly. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

The areas involving critical estimates or judgements are:

- **Accounting for revenue from contracts wherein company satisfies performance obligation and recognises revenue over time- Notes 4.6 and 25**

For contracts wherein performance obligation are satisfied over time, an entity recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation, in order to depict an entity's performance in transferring control of goods or services promised to a customer. This method requires estimates of the final revenue and costs of the contract, as well as measurement of progress achieved to date as a proportion of the total work to be performed.

This involves determination of margin to be recognised on the contract, which are dependent on the total costs to complete contracts, that is, the cost incurred till date and estimation of future cost to complete the contract and price variations etc. This estimation involves exercise of significant judgement by the management in making cost forecasts considering future activities to be carried out in the contract, and the related assumptions etc. Experience, reduces but does not eliminate the risk that estimates may change significantly.

• Employee Benefits (Estimation of Defined Benefit Obligations) — Notes 5.11 and 36

Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

• Estimation of Expected Useful Lives of Property, Plant and Equipment, Right of Use Assets and Intangible Assets— Notes 4.1, 4.2, 6.1, 6.2 and 6.6

Management reviews its estimate of the useful lives of property, plant and equipment and intangible assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment, right of use assets and intangible assets.

• Litigations, Claims and Contingencies — Notes 5.13, 5.14 and 40

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. The Company consults with legal counsel and other experts on matters related to specific litigations where considered necessary. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

• Valuation of Deferred Tax Assets — Notes 5.12 and 20

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned offsetting measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

• Warranties and Liquidated Damages— Notes 5.13 and 18

The Company's product warranty obligations and estimations thereof are determined using historical information of claims received up to the year end and the management's estimate of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims.

Liquidated damages on supply of products are provided based on the contractual obligations or deduction made by the customers considering the current situation and status of the project, the reasons for delays and past experience with the customers.

Changes in estimated frequency and amount of future warranty claims/ liquidated charges, can materially affect warranty / liquidated damage expenses.

• Impairment of Investments in Subsidiaries, Associates and Joint Ventures — Notes 4.5 and 7

Determining whether the investments in subsidiaries, associates and joint ventures are impaired requires an estimate of the value in use of investments. In considering the value in use, the management anticipates the future commodity prices, capacity utilisation of plant, order book position, operating margins, discount rates and other factors of the underlying business / operations of the subsidiaries, associates and joint ventures.

• Fair Value Measurements — Notes 5.5(vii) and 45

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

4 Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of the Financial Statements and have been consistently applied to all periods presented unless otherwise indicated.

4.1 Property, Plant and Equipment

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation Method, Estimated Useful Lives and Residual Values

Depreciation is calculated on pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual

value, over their estimated useful lives. The useful lives have been determined based on technical evaluation done by the management's expert which are different than those specified by Schedule II to Companies Act 2013 in respect of factory buildings / other buildings, plant and equipment and railway sidings, in order to reflect the actual usage of assets. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

The useful lives of the property, plant and equipment as estimated by the management are as follows:

Particulars	Useful Life
Factory Buildings / Other Buildings	30 / 35 / 60 / 65 years
Plant and Equipments	15 / 20 / 30 years
Railway Sidings	15 / 30 years
Furniture and Fixtures	10 years
Office Equipments	5 years
Computers	8 years
Vehicles	8 years

Leasehold land is amortised on straight - line basis over the primary lease period of 99 years or its estimated useful life, whichever is shorter. Leasehold improvement are amortised on straight - line basis over the primary lease period (ranging from 2 to 10 years) or their estimated useful lives, whichever is shorter.

4.2 Intangible Assets

Intangible assets have a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

Computer Software

Computer Software for internal use, which is primarily acquired from third-party vendors is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of computer software includes license fees and cost of implementation/ system integration services, where applicable.

Brand and Design and Drawings

The Company had acquired the brand name of "Sambre et Meuse" along with all the available designs and drawings for manufacturing of bogies.

Amortisation Method and Period

Computer Software, Brand and Design and Drawings are amortised on a pro-rata basis using the straight-line method over its estimated useful life of 5 years. Amortisation method and useful lives are reviewed periodically including at each financial year end.

4.3 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost are assigned to individual items of inventory on weighted average basis. 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.

4.4 Leases
As a Lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payment:-

- Fixed payments (including in substance fixed payments) less any lease incentive receivable.
- Variable lease payment that are based on an index or a rate, initially measured using the index or a rate at the commencement date.
- Amount expected to be paid by the Company as under residual value guarantees.
- Exercise price of a purchase option if the Company is reasonably certain to exercise that option.
- Payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option."

To determine the incremental borrowing rate, the Company:

- Where possible, use recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in the financing conditions since third party financing was received
- use a built up approach that starts with risk free interest rate adjusted for credit risk of leases held by the Company, which does not have recent third party financing."

The incremental borrowing rate considered by the Company is in the range of 9% - 10%

Lease payments are allocated between principal and finance cost. The finance cost is charged to Statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following :-

- the amount of the initial measurement of lease liability
- any lease payment made at or before the commencement date less any lease incentive received
- any initial direct cost and
- restoration costs.

Right of use of assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

Payment associated with short-term leases of equipment and all the leases of low value assets are recognised on a straight line basis as an expense in the statement of profit and loss. Short term leases are leases with a lease term of less than 12 months or less.

4.5 Investments in Subsidiaries, Associate and Joint Ventures

Investments in subsidiaries, associate and joint ventures are carried at cost less provision for impairment, if any. Investment in subsidiaries, associate and joint ventures are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of investments exceeds its recoverable amount.

4.6 Revenue Recognition
Sale of Products

Revenue for sale of products mainly comprises of wagons/ locomotive shells and related items, where revenue is recognised at a point in time, when control of the asset is transferred to the customer, which generally occurs on receipts of dispatch memo / inspection certificate from customer as per terms of contract. On receipt of same, the title of goods passes on to the customer basis the laid down criteria under the standard.

Revenue from sale of specialized products.

Revenue from specialized products mainly consists of defense related products (i.e. Bailey bridge, Shelters etc), Ship building, Metro Trains, Train Electricals, Mainline electric multiple unit and Electric multiple unit in respect of which revenue is recognised over a period of time as performance obligations are satisfied over time as per criteria laid down under the standard and specified above.

Sale of Services

Revenue from service contracts are recognised in the accounting period in which the services are rendered. Where

the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling price and revenue is recognised at point in time on fulfillment of respective performance obligation. In case, the service contracts include one performance obligation revenue is recognised based on the actual service provided to the end of the reporting period as proportion of the total services to be provided. This is determined based on the actual expenditure incurred to the total estimated cost.

Revenue from services rendered is recognised as the services are rendered and is booked based on agreement / arrangements with the concerned parties.

4.7 Hedging activities
Cash flow hedges that qualify for hedge accounting

The effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and in cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, within other gains/(losses).

When forward contracts are used to hedge forecast transactions, the company generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, as follows:

- If the cash flow hedge of a forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss and when they arise. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

5 Other Accounting Policies**5.1 Property, Plant and Equipment**

Cost of item of property, plant and equipment includes purchase price, taxes, non-refundable duties, freight and other costs that are directly attributable to bringing assets to their working condition for their intended use. Borrowing cost incurred during the period of construction is capitalised as a part of qualifying assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when 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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as 'Capital Advances' under 'Other Non-current Assets' and the cost of property, plant and equipment not ready to use are disclosed under 'Capital Work-in-progress'.

5.2 Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably.

5.3 Impairment of Non-financial Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Value in

use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purposes of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

5.4 Inventories

Cost of inventories comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. 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.

Cost of raw materials and components consumed is a derived figure out of opening stock, closing stock and purchases including adjustment if any during the period.

5.5 Investments (other than Investments in Subsidiaries, Associate and Joint Ventures) and Other Financial Assets**(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time

of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Equity Instruments

The Company subsequently measures all equity investments (other than investments in subsidiaries, associate and joint ventures) at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Gain / (Losses)' in the Statement of Profit and Loss.

(iii) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments, if any. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 46(II) details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Modification of Financial Instruments

The Company if renegotiates or otherwise modifies the contractual cash flows of financial instrument, the Company assesses whether or not the new terms are substantially different to the original terms.

If the terms are substantially different, the original financial instrument is derecognised and recognizes a 'new' instrument at fair value and recalculates a new effective interest rate for the instrument. Differences in the carrying amount are also

recognised in profit or loss as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the management recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate.

(v) Derecognition of Financial Assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(vi) Income Recognition**Interest Income**

Interest income on financial assets at amortised cost is accrued on a time proportion basis using the effective interest rate method and is recognised in the statement of profit and loss as part of other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit impaired financial assets the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(vii) Fair Value of Financial Instruments

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

5.6 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

5.7 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of liability for at least 12 months after the reporting period.

5.8 Cash and Cash Equivalents

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held with banks / financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

5.9 Revenue Recognition

The Company has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognise revenue in the financial statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time and over a period of time based on various conditions as included in the contracts with customers.

Revenue is measured at transaction price (net of variable consideration, if any). The transaction price is the consideration received or receivable and is reduced by rebates, allowances and taxes and duties collected on behalf of the government. Revenue also includes adjustments made towards liquidated damages, normal product warranty and price variations wherever applicable.

Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

In respect of contract wherein revenue is recognised over time, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be estimated reliably. When it is probable that the total cost will exceed the total revenue from the contract, the expected loss is recognised immediately. For this purpose, total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc.

The outcome of a construction contract is considered as estimated reliably when (a) all approvals necessary for commencement of the project have been obtained; (b) the stage of completion of the project reaches reasonable level of development. The stage of completion is determined as a proportion that contract costs incurred for work performed up to the closing date bear to the estimated total costs of respective project. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be estimated reliably. When it is probable that the total cost will exceed the total revenue from the contract, the expected loss is recognised immediately. For this purpose total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc. For determining the expected cost to completion of the contracts, cost of steel, labour and other related items are considered at current market price based on fixed cost purchase orders placed or firm commitments received from suppliers / contractors as these purchase orders and future firm commitments are enforceable over the period of the contracts.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probably recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When contract costs incurred to date plus recognised profit less recognised losses exceed progress billing, the surplus is shown as unbilled revenue. For contracts where

progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as liability as advance from customer. Amounts received before the related work is performed are included as a liability as advance from customer. Amounts billed for work performed but not yet paid by customer are included under trade receivables.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liabilities are recognised when there is billing in excess of revenue and advance received from customers.

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods or services to the customer and when the customer pays for that goods or services will be one year or less. The Company adjusts the promised amount of consideration if the contract contains significant financing component.

5.10 Foreign Currency Transactions and Translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

5.11 Employee Benefits

(i) Short-term Employee Benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are

recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-employment Benefits

Defined Benefit Plans

The liability recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

Defined Contribution Plans

Contributions under defined contribution plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

(iii) Other Long-term Employee Benefits

Long-term compensated absences are provided for based on actuarial valuation, as per projected unit credit method, done at the end of each financial year. Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(iv) Termination Benefits

Termination benefits, in the nature of voluntary retirement benefits, are recognised as expense in the Statement of Profit and Loss if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

5.15 Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

5.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expenses relating to a provision is recognised in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranties

Provisions for warranty related costs are recognised when the product is sold. Initial recognition is based on historical experience i.e. claims received up to the year end and the management's estimate of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims. The initial estimate of warranty related costs is revised annually.

Liquidated Damages

Liquidated damages on supply of materials are provided based on the contractual obligations, deduction made by the customers, as the case may be based on management's best estimate of the expenditure required to settle the obligations.

Litigations, Claims and Contingencies

The management estimates the provisions for pending litigations, claims and demands based on its assessment

of probability for these demands crystallising against the Company in due course. Also refer Note 5.14.

Onerous Contract

Provision is recognised for the contract, where unavoidable cost of meeting the obligation under the contract exceeds the economic benefits expected to be received. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

5.14 Contingencies

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

5.15 (a) Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

(b) Derivative Instruments

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period, with changes included in 'Other Income' / 'Other Expenses'.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

6.1 Property, Plant and Equipment

	Freehold Land (Refer to below)	Leasehold Land (Refer to below)	Leasehold Improvement	Buildings (Refer to below)	Plant and Equipments	Railway Wagons #	Railway Sidings	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Total
Gross Carrying Amount												
As at March 31, 2022	23,420.99	20,039.70	70.94	10,623.90	12,241.13	457.90	514.52	396.76	220.72	419.08	302.36	69,011.00
Additions	3.19	814.08	-	1,06.13	1,264.67	-	257.90	5.91	22.34	97.12	96.22	2,664.37
Disposals	-	-	-	-	-	51.91	-	-	-	-	10.82	65.92
As at March 31, 2023	23,417.80	20,873.78	70.94	10,730.03	13,788.80	405.99	772.42	402.67	243.06	516.20	387.76	71,609.45
Additions	-	-	-	750.80	2,952.44	-	-	1,451.12	1,69.69	113.52	1,297.6	4,261.33
Disposals	3.71	-	-	-	-	-	-	-	-	12.13	-	15.84
As at March 31, 2024	23,414.09	20,873.78	70.94	11,480.83	16,741.24	405.99	772.42	547.79	412.75	617.59	517.52	75,854.94
Accumulated Depreciation												
As at March 31, 2022	-	1,165.43	70.61	1,401.62	4,472.38	27.43	152.43	245.83	132.28	324.86	156.51	8,149.38
Charge for the year	-	172.76	-	301.26	711.95	-	21.67	38.58	24.68	57.85	38.29	1,367.04
Disposals	-	-	-	-	-	6.56	-	-	-	-	8.79	15.35
As at March 31, 2023	-	1,338.19	70.61	1,702.88	5,184.33	20.87	174.10	284.41	156.96	382.71	186.01	9,501.07
Charge for the year	-	175.86	-	294.81	783.01	-	37.49	40.98	32.02	70.35	44.75	1,479.27
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	1,514.05	70.61	1,997.69	5,967.34	20.87	211.59	325.39	188.98	453.06	230.76	10,980.34
Impairment												
As at March 31, 2022	-	-	-	-	107.36	-	-	-	-	-	-	107.36
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	-	-	-	-	107.36	-	-	-	-	-	-	107.36
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	-	-	-	107.36	-	-	-	-	-	-	107.36
Net Carrying Amount												
As at March 31, 2023	23,417.80	19,535.59	0.33	9,027.15	8,497.11	385.12	598.32	118.26	86.10	133.49	201.75	62,001.02
As at March 31, 2024	23,414.09	19,359.73	0.33	9,483.14	10,666.54	385.12	560.83	222.40	223.77	164.53	286.76	64,767.24

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

a). The title deeds of immovable properties, as disclosed above are held in the name of the Company (including erstwhile name Titagarh Wagons Limited), except for the following:

Particulars	Gross Carrying Amount (Rs. in Lacs) As at March 31, 2024	Title deeds held in the name of	Whether the title deed holder is a promoter, director or relative of promoter/ director/ employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Freehold Land	4,734.83	Original copy of file deeds not available with the Company. Photocopy available in the name of M/S Birla Brothers Ltd	No	April 1, 2019	Pursuant to order of Honble National Company Law Tribunal Board, Kolkata bench passed on September 30, 2020, erstwhile Cimco Limited (earlier known as M/S Birla Brothers Ltd and subsequently Cimco Birla Limited) got merged with the company with the appointed date as April 1, 2019. The Company has already submitted an application to the relevant authority for changing the name which is pending.
Freehold Land	3,391.29	In the name of erstwhile Titagarh Steels Limited, which got merged with the Company	No	April 1, 2019	Pursuant to order of Honble High Court Calcutta passed on November 26, 2009, erstwhile Titagarh Steels Limited got merged with the company with the appointed date as April 1, 2019. The Company has already submitted an application to the relevant authority for changing the name which is pending.
Freehold Land	1,51.96	In the name of erstwhile Titagarh Shipyard Limited, which got merged with the Company	No	April 1, 2015	Pursuant to order of Honble National Company Law Tribunal Board, Kolkata bench passed on July 12, 2016, erstwhile Titagarh Shipyard Limited got merged with the company with the appointed date as April 1, 2015. The Company is yet to submit an application to the relevant authority for changing the name.
Leasehold Land (Refer note d below)	16,964.87	In the name of erstwhile Cimco Birla Limited, which got merged with the Company	No	April 1, 2019	Pursuant to order of Honble National Company Law Tribunal Board, Kolkata bench passed on September 30, 2020, erstwhile Cimco Limited (earlier known as M/S Birla Brothers Ltd and subsequently Cimco Birla Limited) got merged with the company with the appointed date as April 1, 2019. The Company has already submitted an application to the relevant authority for changing the name which is pending.
Leasehold Land	2,759.22	In the name of erstwhile Cimco Birla Limited, which got merged with the Company	No	April 1, 2019	Pursuant to order of Honble National Company Law Tribunal Board, Kolkata bench passed on September 30, 2020, erstwhile Cimco Limited (earlier known as M/S Birla Brothers Ltd and subsequently Cimco Birla Limited) got merged with the company with the appointed date as April 1, 2019. The Company has already submitted an application to the relevant authority for changing the name which is pending.
Building	117.04	Mrs. Smiti Devi Chowdhary	Relative of Promoter	March 28, 2001	The Company is yet to initiate the process for transfer of property

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

- b) Refer Note 39 for disclosure of contractual commitments for acquisition of Property, Plant and Equipment.
- c) Refer Note 17 for information on Property, Plant and Equipment pledged as security by the Company.
- d) Assets pledged as security for term loans availed by an associate company.

The Company has provided pari passu security of its land at Bharatpur (Gross book value of Rs. 16,964.87 Lacs) against a term loan of Euro. 50 million and overdraft facility of Euro 30 million sanctioned by Bank of Baroda to Titagarh Firema S.p.A, an associate of the Company.

- e) The Company was vested with leasehold land having gross and net carrying value as at March 31, 2024 of Rs 2,759.22 lacs and Rs. 2,388.58 lacs respectively, through erstwhile Cimco Birla Limited (subsequently Cimco Limited), since merged with the Company pursuant to order dated September 30, 2020 of Hon'ble National Company Law Tribunal Board with the appointed date as April 1, 2019. The land was allotted on lease for a period of 99 years in 1963. In the year 1998, the said land was erroneously recorded by the revenue department as land belonging to the State, a parcel of which was subsequently allotted to another party. The Company filed a writ petitions before Hon'ble High Court, Madhya Pradesh against the said erroneous allotment of parcel of the land which was set aside. The aggrieved party filed an appeal before Hon'ble Supreme Court which was dismissed in 2018. The Company had submitted an application to the relevant authority for changing the name which was not allowed and an appeal against the same was preferred before SDO. Further, the Company has approached the Hon'ble High Court, Gwalior

for restoration of the Company's name in the record of rights and complete the mutation proceedings in a time bound manner, since its appeal for the aforesaid was pending for long time with concerned authority. The Hon'ble High Court, Gwalior vide its Order dated May 2, 2023 directed the concerned authority to decide on the Company's representation within a period of four weeks. Pending action on the aforesaid Order, the Company received a notice issued by District Industry Centre (DIC), Gwalior cancelling the said lease. Subsequently, the Company filed an appeal before the Commissioner Industries, MSME, Bhopal, who dismissed the said appeal on October 9, 2023. The Company had preferred an appeal against the same on November 3, 2023 before Principal Secretary, Bhopal which was withdrawn later and a review application was filed in February 2024 with Commissioner Industries, which is pending as on date. In the matter of restoration of name in the record of rights, the concerned authority dismissed the appeal by an order dated May 9, 2023 against which an appeal was filed before Divisional Commissioner. However, the same was dismissed by an order dated December 15, 2023. No suit of recovery has been filed till date by the State and the Company continues to have physical possession of said leasehold land. The Company has also obtained legal opinion which supports its view that the Company continues to enjoy substantial subsisting right of said land which is not yet extinguished.

- # Represents 368 Railway Wagons sub leased to Indian Railways. As per Arbitration Award dated July 3, 2019, use of said wagons have been restricted by Indian Railway and Indian Railway has been instructed to give the possession back to the Company, being the sole and beneficial owner of said wagons. The realisable value of 368 wagons as per management estimate is more than the book value of Rs. 385.12 Lacs.

6.2 Intangible Assets

	(Rs in Lacs)				
	Intangible Assets				
	Computer Software	Brand	Design and Drawings	Prototype	Total
Gross Carrying Amount					
As at March 31, 2022	704.98	227.79	1,556.46	880.39	3,369.62
Additions	24.52	-	31.19	-	55.71
Disposals	-	-	-	-	-
As at March 31, 2023	729.50	227.79	1,587.65	880.39	3,425.33
Additions	1.62	-	110.38	-	112.00
Disposals	-	-	-	-	-
As at March 31, 2024	731.12	227.79	1,698.03	880.39	3,537.33
Accumulated Amortisation					
As at March 31, 2022	494.26	227.79	1,492.43	396.17	2,610.65
Charge for the year	91.32	-	52.51	-	143.83

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

6.2 Intangible Assets (Contd.)

	(Rs in Lacs)				
	Intangible Assets				
	Computer Software	Brand	Design and Drawings	Prototype	Total
Disposals	-	-	-	-	-
As at March 31, 2023	585.58	227.79	1,544.94	396.17	2,754.48
Charge for the year	86.73	-	21.87	-	108.60
Disposals	-	-	-	-	-
As at March 31, 2024	672.31	227.79	1,566.81	396.17	2,863.08
Impairment					
As at March 31, 2022	22.54	-	-	484.22	506.76
Charge for the year	-	-	-	-	-
As at March 31, 2023	22.54	-	-	484.22	506.76
Charge for the year	-	-	-	-	-
As at March 31, 2024	22.54	-	-	484.22	506.76
Net Carrying Amount					
As at March 31, 2023	121.38	-	42.71	-	164.09
As at March 31, 2024	36.27	-	131.22	-	167.49

6.3 Investment Properties

		(Rs in Lacs)
		Freehold Land
Carrying Amount as at March 31, 2022		821.24
Additions/(Deletion)		-
Carrying Amount as at March 31, 2023		821.24
Additions/(Deletion)		-
Carrying Amount as at March 31, 2024		821.24

Particulars	Gross Carrying Amount (Rs. in Lacs)		Title deeds held in the name of	Whether the title deed holder is a promoter, director or relative of promoter/ director of employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
	As at March 31, 2024	As at March 31, 2023				
Investment Properties	821.24	821.24	Original copy of title deeds not available with the Company. Photocopy available in the name of erstwhile Cimco Birla Limited, which got merged with the Company.	No	April 1, 2019	Pursuant to order of Hon'ble National Company Law Tribunal Board, Kolkata bench passed on September 30, 2020, The erstwhile Cimco Limited (earlier known as M/S Birla Brothers Ltd and subsequently Cimco Birla Limited) got merged with the company with the appointed date as April 1, 2019. The Company has already submitted an application to the relevant authority for changing the name which is pending.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Information regarding Investment Properties

The Company's Investment Properties consists of two parcels of land situated at Bharatpur and Malanpur respectively. As at March 31, 2024, fair valuation of the two properties is estimated to be Rs. 1,241.64 Lacs (March 31, 2023: Rs. 1,139.54 Lacs). These valuations are based on valuations performed by an independent valuer who holds recognised and relevant professional qualifications. The fair value was derived using the market comparable approach based on recent market prices and the fair value measurement is categorised within Level-3.

The Company has no restrictions on the realisability of its

Investment Properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements. There is no income earned or expenditure incurred by the Company in relation to these Investment Properties.

Significant Increase/(Decrease) in circle rate of land will result in significant higher/(lower) fair valuation of properties. The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2024 and March 31, 2023 are as shown below:

Significant unobservable inputs	Sensitivity of the input to Fair Value
For 5% change in Market Rate for Land	5% Increase (Decrease) in the Market Rate would result in Increase (Decrease) in fair value by Rs 62.08 Lacs (March 31, 2023: Rs 57.01 Lacs)

6.4 Capital work in progress

(i) Movement in Capital work in progress

	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1,227.91	-
Additions during the year	13,100.71	2,589.97
Capitalised during the year	(3,548.24)	(1,362.06)
Balance at the end of the year	10,780.38	1,227.91

Capital work in progress primarily includes ongoing installation of new machines in the factories located in West Bengal.

(ii) Age analysis of Capital work in progress

As on March 31, 2024

	Amounts in Capital work-in-progress for				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	10,576.65	203.73	-	-	10,780.38
Total	10,576.65	203.73	-	-	10,780.38

(a) There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

As on March 31, 2023

	Amounts in Capital work-in-progress for				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	1,227.91	-	-	-	1,227.91
Total	1,227.91	-	-	-	1,227.91

(a) There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

6.5 Intangible Assets Under Development

(i) Movement in Intangible Assets Under Development

	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	-	-
Additions during the year	6,690.58	-
Capitalised during the year	-	-
Balance at the end of the year	6,690.58	-

(ii) Age analysis of Intangible Assets Under Development

As on March 31, 2024

	Amounts in Intangible Assets Under Development for				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	6,690.58	-	-	-	6,690.58
Total	6,690.58	-	-	-	6,690.58

(a) There are no intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan.

As on March 31, 2023

	Amounts in Intangible Assets Under Development for				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

(a) There were no intangible assets under development in the previous year.

6.6 Right-of-use Assets and Leases

The Company's leasing arrangement includes land having a fixed lease term of 10 years. During the year, office space taken on lease and disclosed under Assets Held for Sale in earlier years has been disposed off. Refer Note 6.7.

(i) Amounts recognised in balance sheet

	Land	Building	Total
Gross Carrying Amount			
As at March 31, 2022	6,136.05	162.14	6,298.19
Additions	5,010.77	-	5,010.77
Assets included in a disposal group classified as held for sale	-	162.14	162.14
As at March 31, 2023	11,146.82	-	11,146.82
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2024	11,146.82	-	11,146.82

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

	Land	Building	Total
Accumulated Depreciation			
As at March 31, 2022	255.88	50.50	306.38
Charge for the year	698.97	40.51	739.48
Assets included in a disposal group classified as held for sale	-	91.01	91.01
As at March 31, 2023	954.85	-	954.85
Charge for the year	1,122.25	-	1,122.25
Disposals	-	-	-
As at March 31, 2024	2,077.10	-	2,077.10
Net Carrying Amount			
As at March 31, 2023	10,191.97	-	10,191.97
As at March 31, 2024	9,069.72	-	9,069.72
Lease liabilities	Non-current	Current	Total
As at March 31, 2023	9,945.92	447.69	10,393.61
As at March 31, 2024	9,370.28	575.64	9,945.92

(ii) Amounts recognised in the statement of Profit and Loss

The statement of profit and loss shows the following amounts relating to leases:

	As at March 31, 2024	As at March 31, 2023
Depreciation charge of right of use assets (Refer Note no 31)	1,122.25	739.48
Interest expense (included in finance costs) (Refer note no 30)	903.85	575.14
Expenses relating to short term leases (included in other expenses, Refer Note 32)	223.30	102.57
Total	2,249.40	1,417.19

(iii) The total cash outflow for leases for the year was Rs. 1,351.54 Lacs (March 31, 2023 Rs. 864.83 Lacs)

(iv) Extension and Termination options :

Extension and termination options are included in the Company's lease contract. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The extension and termination options held are exercisable by mutual consent of both the lessor and the lessee.

6.7 Asset held for sale	As at March 31, 2024	As at March 31, 2023
Office space at Hyderabad	-	71.13
Total	-	71.13

Liabilities held for sale	As at March 31, 2024	As at March 31, 2023
Office space at Hyderabad	-	79.50
Total	-	79.50

Note : A Joint Venture named Titagarh Firema Engineering Services Private Limited ("TFESPL") has been incorporated on September 16, 2023 having Titagarh Rail Systems Limited ("TRSL") and Titagarh Firema SPA ("Firema") as Joint Venturers. TFESPL effective October 1, 2023 has acquired the Company's design centre (Classified as held for sale) in Hyderabad and is carrying on the business of research, engineering and design related services to support passenger rail segment business.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

7 Investments (Non-current)

	No of Shares/Units As at March 31,		Face value per share/ unit (Rs.)	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
	2024	2023			
Investment in Equity Shares					
In Subsidiary Companies (Unquoted) (at Cost)					
Titagarh Wagons AFR (a)	70,00,500	70,00,500	EURO 1	-	-
[Net of impairment of Rs. 4,883.89 Lacs (March 31, 2023: Rs. 4,883.89 Lacs)]					
Titagarh Singapore Pte Limited (*) (a)	10,00,000	10,00,000	USD 1	-	-
[Net of impairment of Rs. 12,743.65 Lacs (March 31, 2023: Rs. 12,743.65 Lacs)]					
In Associate Companies (Unquoted) (at Cost)					
Titagarh Firema S.p.A (***) and (***) (a)	1,64,00,000	1,64,00,000	EURO 1	1,272.63	1,272.63
In Joint Ventures (Unquoted) (at Cost)					
Titagarh Mermec Private Limited	5,000	5,000	10.00	0.50	0.50
Titagarh Firema Engineering Services Private Limited (d)	19,60,000	-	10.00	196.00	-
Ramkrishna Titagarh Rail Wheels Limited (e)	6,12,48,750	-	10.00	6,124.88	-
Shivnilkis Mercantile Private Limited (f)	10,00,00,000	-	10.00	10,000.00	-
In Others (Quoted) (at FVTPL) (b)					
Orissa Sponge Iron & Steel Limited (#)	550	550	10.00	0.05	0.05
In Others (Unquoted) (at FVTPL) (b) (^^)					
Titagarh Enterprises Limited	49,32,960	49,32,960	1.00	3,657.62	3,140.55
Titagarh Industries Limited	56,850	56,850	10.00	41.39	39.00
				21,293.07	4,452.73
National Savings Certificate (at Amortised Cost) (Unquoted) @				0.20	0.20
				21,293.27	4,452.93
Total - Non Current Investments					
Aggregate book value of quoted investments				0.05	0.05
Aggregate book value of unquoted investments				21,293.22	4,452.88
Market value of quoted investments				0.05	0.05
Aggregate amount of impairment in the value of Investments				17,627.54	17,627.54

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

* The voluntary winding up of Titagarh Singapore Pte Limited at Singapore has already been initiated in the previous year in accordance with local laws and the same is expected to be completed in the next year. Accordingly, the financial statements of TSPL has been prepared on liquidation basis (fair value).

** Purchased 1,233,000 shares for Rs. 432.57 Lacs; acquired 1,500,000 shares for Rs. 1,207.49 Lacs;

1,900,000 shares received on loan conversion to equity of Rs. 1,608.54 Lacs in the previous year.

^ Includes 3 million equity shares pledged by the company for the loan taken by TFA from Bank of Baroda UK branch.

Quotation not available, since suspended due to penal reason.

^^ Represents following shares pledged with the banks for the cash credit and working capital facility availed by the company (Also refer note 17(c)) :

Name of Investments	No. of Shares/Units As at March 31,		Face value per share/ unit (Rs.)	Amount Pledged March 31, 2024		Amount Pledged March 31, 2023	
	2024	2023		Rs. In Lacs	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs
Titagarh Enterprises Limited	49,32,960	49,32,960	1	49.32	49.33		
Titagarh Industries Limited	56,850	56,850	10	5.69	5.69		
				55.01	55.01		

@ Pledged with the Commercial Tax Officer, Bharatpur as Security Deposit

(a) Valued at exchange rate prevailing on the date of transaction.

(b) Refer Note 45 for determination of fair values.

(c) Refer Note 46 for credit risk and market risk on investments.

(d) On September 16, 2023 the Company and Titagarh Firema SPA ("Firema") formed Titagarh Firema Engineering Services Private Limited to carry on the business of research, engineering and design related services to support passenger rail segment business. The Company has invested Rs. 196.00 lacs in TFE SPL till March 31, 2024.

(e) On June 09, 2023, the Company and Ramkrishna Forgings Limited ("RFKL") formed a JV, Ramkrishna Titagarh Rail Wheels Limited for manufacturing and supply of forged wheels under long term agreement under Acuma Nirbhar Bharat. The Company has invested Rs. 6,124.88 lacs in RTRWL till March 31, 2024.

(f) On January 24, 2024, the Company and Sidval Refrigeration Private Limited, a wholly owned subsidiary of Amber Enterprises India Ltd, entered into a strategic alliance pursuant where they have invested Rs.10,000.00 lacs each in the equity capital of Shivalkis Mercantile Private Limited (SMPL), a joint venture-special purpose vehicle company (Shivaliks/SPV) for making fresh investments into Titagarh Firema SPA (alongwith fresh investment by Invitalia, an investment arm of Government of Italy) and to carry on the business of railway components and subsystems for Rolling Stock. SMPL holds 55.12% of the equity share capital of Titagarh Firema SPA as at March 31, 2024. Further, post such infusion, the Company holds 25.43% equity shares in Titagarh Firema S.p.A. In accordance with IND AS-28 "Investment in associates and Joint venture", considering the terms of "Share Subscription Agreement" like representation in the board of directors, voting rights

etc the SMPL becomes a joint venture of the Company with effect from February 13, 2024, the date on which final subscription money was paid by the Company.

(g) (i) Impairment assessment in respect of Titagarh Firema S.p.A and Shivalkis Mercantile Private Limited-

During the year ended March 31, 2024, the Company considered indicators of impairment such as operational performance, changes in outlook of future profitability among other potential indicators for investments held in Shivalk Mercantile Private Limited (SMPL) and Titagarh Firema S.p.A (TFA). The recoverable value of investments held in SMPL, a joint venture of the Company is dependent on the operational and financial performance of TFA, an associate of the Company. The recoverable amount of TFA is based on fair value less cost to sell. The fair value computation uses cash flow forecasts based on most recently approved financial budgets, strategic forecasts and future projections taking the analysis out into perpetuity based on a steady state, sustainable cash flow reflecting average industry conditions. Key assumptions for the computations are those regarding the discount rates, exchange rates, improvement in margin on account of rise in economies and cost optimisation etc. The Company estimates discount rates using post-tax rates that reflect the current market rates. The weighted average post-tax discount rates used for discounting the cash flows projections is 11.10% (March 31, 2023: 11.14% and 13.83% as a subsidiary and as an associate respectively). Beyond the specifically forecasted period, a growth rate of 1% (March 31, 2023: 1%) is used to extrapolate the cash flow projections. The outcome of the impairment assessment resulted in no such impairment loss as at year-end.

The Company has also conducted sensitivity analysis on the impairment tests at year end including sensitivity in respect of discount rates. The management believes that no reasonably possible change in any of the key assumptions

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

used in the assessment would cause the carrying value of investments to exceed its recoverable value.

(ii) Impairment assessment in respect of Titagarh Singapore Pte Limited:-

During the previous year, the Board of Directors of the Company in their meeting had approved the liquidation

of TSPL, a wholly owned subsidiary Company, considering that no operations were being carried on in the subsidiary. The process for winding up of the subsidiary in compliance with the local rules and regulations at Singapore is in progress. Accordingly, the financial statements of TSPL has been prepared on liquidation basis (fair value) for the year ended March 31, 2024.

8 Trade Receivables (At Amortised Cost)

	Non-Current		Current	
	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs
Trade Receivables				
Trade receivables from contract with customers	-	-	53,835.02	26,866.86
Trade receivables from contract with customers – related parties (Refer Note 44)	-	-	97.54	1,310.58
Less: Loss allowance [Refer Note 46(II) (c)]	-	-	680.27	102.22
Less: Liquidated Damages [Refer note 46(II) (c)]	-	-	-	160.73
Total receivables	-	-	53,252.29	27,914.49
Break-up of security details				
Trade receivables considered good – secured	-	-	-	-
Trade receivables considered good – unsecured	-	-	53,932.56	28,177.44
Trade receivables which have significant increase in credit risk	-	-	-	-
Trade receivables – credit impaired	-	-	-	-
Total	-	-	53,932.56	28,177.44
Loss Allowances [Refer Note 46(II) (c)]	-	-	680.27	102.22
Liquidated Damages [Refer note 46(II) (c)]	-	-	-	160.73
Total trade receivables	-	-	53,252.29	27,914.49

Trade Receivable Ageing Schedule

	Outstanding as at March 31, 2024					
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Receivables						
Considered Good	33,604.08	1,464.76	3,227.64	501.18	25.17	38,822.83
Disputed Trade Receivables						
Considered Good	-	-	-	-	625.28	625.28
Total	33,604.08	1,464.76	3,227.64	501.18	650.45	39,448.11
Not Due						
Unbilled						14,484.45
Total						53,932.56
Loss Allowances						680.27
Liquidated Damages						-
						53,252.29

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

	Outstanding as at March 31, 2023					
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Receivables						
Considered Good	23,650.13	671.50	2,342.38	70.43	-	26,734.44
Disputed Trade Receivables						
Considered Good	-	-	-	-	729.00	729.00
Total	23,650.13	671.50	2,342.38	70.43	729.00	27,463.44
Not Due						-
Unbilled						714.00
Total						28,177.44
Loss Allowances						102.22
Liquidated Damages						160.73
Total						27,914.49

- a) Liquidated damages has been adjusted with trade receivable in accordance with the requirement of IND AS 115.
- b) Refer Note 17 for information on trade receivables pledged as security by the Company and Note 46 for information about credit risk and market risk on trade receivables.
- c) There are no outstanding receivables due from directors or other officers of the Company.

9 Other Financial Assets

(Unsecured, Considered Good unless stated otherwise (Measured at Amortised Cost))	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Security Deposits*	437.90	363.37	190.90	164.86
Bank Deposits with Remaining Maturity of More than Twelve Months @	4,479.62	5,373.26	-	-
Claims Receivables [Refer (a) below]	-	-	-	76.16
Receivable from Related Parties (Refer Note 44)				
Considered Good	-	-	-	-
Considered Doubtful	-	-	235.93	235.93
	-	-	235.93	235.93
Less: Provision for Doubtful Recoverable from Related Parties	-	-	235.93	235.93
	-	-	-	-
Interest Accrued on				
Fixed Deposits with Banks	367.80	323.52	520.68	259.35
Loans to Subsidiaries (Refer Note 44)				
Considered Good	-	-	-	-
Considered Doubtful	-	-	139.97	139.97
	-	-	139.97	139.97
Less: Provision for Doubtful Interest Accrued on Loan to Subsidiaries	-	-	139.97	139.97
	-	-	-	-

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

9 Other Financial Assets (Contd.)

(Unsecured, Considered Good unless stated otherwise (Measured at Amortised Cost))	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Charges Recoverable (Refer (b) below)				
Considered Good	-	-	602.26	133.85
Considered Doubtful	-	-	121.35	-
	-	-	723.61	133.85
Less: Provision for Doubtful Charges Recoverable	-	-	121.35	-
	-	-	602.26	133.85
Total	5,285.32	6,060.15	1,313.84	634.22

* Includes security deposit given to related parties Rs. 307.91 Lacs (March 31, 2023: Rs. 281.92 Lacs) (Refer Note 44)

@ Includes deposits held as Margin money whose receipts are lying with banks as security against loans, guarantees/letters of credits issued by them.

(a) Claim Receivables for the previous year represents amount receivable for Insurance claims.

(b) Includes Rs. 24.73 Lacs (March 31, 2023: Rs. Nil lacs) charges recoverable from joint ventures. Also Refer Note 44.

10 Tax Assets (Net)

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Advance Tax (Including Tax Deducted at Source) (Net of provision for tax Rs. 28,847.13 Lacs ; March 31, 2023 Rs. 23,541.63 Lacs)	3,445.62	2,868.68	-	-
	3,445.62	2,868.68	-	-

11 Contract Assets

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Retention money held by customers	97.88	87.38	535.98	-
Contract assets relating to unbilled revenue	-	-	9,567.75	4,987.12
	97.88	87.38	10,103.73	4,987.12

12 Other Assets

(Unsecured, considered good unless stated otherwise)

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Capital Advances	1,091.61	3,362.86	-	-
Security Deposits	479.95	545.62	-	-

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

12 Other Assets (Contd.)

(Unsecured, considered good unless stated otherwise)

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Capital Advances	1,091.61	3,362.86	-	-
Security Deposits	479.95	545.62	-	-
Advances Recoverable in Cash or in Kind				
Considered Good - Related Parties (Refer (a) below)	-	-	30.00	196.63
Considered Good - Others	-	-	13,435.15	10,813.19
Considered Doubtful - Others	-	-	325.11	232.04
	-	-	13,790.26	11,241.86
Less: Provision for doubtful advances - Others	-	-	325.11	232.04
	-	-	13,465.15	11,009.82
Balance with Government Authorities	-	-	5,494.24	10,527.81
Prepaid expenses	621.27	197.93	1,315.97	842.53
Total	2,192.83	4,106.41	20,275.36	22,380.16

a) Represents Rs. Nil Lacs (March 31, 2023: Rs. 166.63 lacs) recoverable from associate company and Rs. 30 Lacs (March 31, 2023: Rs. 30.00 Lacs) recoverable from Directors of the Company. Also Refer Note 44.

13 Inventories

(Valued at lower of cost and net realisable value)

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Raw materials and components [Includes Goods in transit Rs. 1,697.05 Lacs (March 31, 2023: Rs 2,301.05 Lacs)]	46,079.32	36,488.73
Work in progress	3,654.89	6,996.43
Saleable scrap	771.05	1,067.12
Stores and spares	1,867.09	1,584.85
Total	52,372.35	46,137.13

a) Refer Note 17 for information on inventories pledged as security by the Company

b) Work in progress includes project work in progress of Rs. 433.50 Lacs (March 31, 2023: Rs. 2,842.71 Lacs)

c) Value of inventories of raw materials and stores and spares is stated after provisions (net of reversal) of Rs. 599.47 Lacs (March 31, 2023: Rs. 641.65 Lacs) for write-down to net realisable value which resulted in net reversal of provision in Statement of Profit and Loss of Rs. 42.18 Lacs during the year (March 31, 2023: net reversal of Rs. 64.79 Lacs).

14 Cash and Bank Balances

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
14.1 Cash and cash equivalents		
Balances with banks:		

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

14 Cash and Bank Balances (Contd.)

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
On current accounts	3,580.08	4,060.29
Deposits with original maturity of less than three months #	29,030.00	-
Cheques in hand	62.56	-
Cash on hand	15.79	18.94
	32,688.43	4,079.23
14.2 Other Bank Balances		
Balances with Banks:		
On Unpaid Dividend Accounts	9.92	12.17
On Unpaid Fractional Share Entitlement Accounts	8.59	8.59
Bank deposits with maturity of more than three months but less than twelve months #	27,992.77	4,437.03
	28,011.28	4,457.79
Total	60,699.71	8,537.02

Includes deposits held as Margin money whose receipts are lying with banks as security against loans, guarantees/letters of credits issued by them.

15 Equity Share Capital

	As At March 31, 2024		As At March 31, 2023	
	No. of shares in lacs	Rs. In Lacs	No. of shares in lacs	Rs. In Lacs
Authorised Shares				
Equity Shares of Rs. 2/- each (March 31, 2023: Rs. 2/- each)	12,905.00	25,810.00	12,905.00	25,810.00
Preference Shares of Rs. 10/- each (March 31, 2023: Rs.10/- each)	1,270.00	12,700.00	1,270.00	12,700.00
		38,510.00		38,510.00
Issued, Subscribed and Paid-up Shares				
Equity Shares of Rs. 2/- (March 31, 2023 Rs. 2/-) each, fully paid-up	1,346.74	2,693.48	1,195.71	2,391.42
	1,346.74	2,693.48	1,195.71	2,391.42

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	2023-24		2022-23	
	No. of shares in lacs	Rs. In Lacs	No. of shares in lacs	Rs. In Lacs
Equity Shares				
Outstanding at the beginning of the year	1,195.71	2,391.42	1,195.71	2,391.42
Shares Issued during the year on preferential basis @	76.00	152.00	-	-
Shares Issued during the year pursuant to Qualified Institutional Placement @	75.03	150.06	-	-
Outstanding at the end of the year	1,346.74	2,693.48	1,195.71	2,391.42

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

- ② During the year following new equity shares were issued: 2) Pursuant to approval of the Board of Directors and the shareholders of the Company on November 08, 2023 and December 02, 2023 respectively, and approval of Bombay Stock Exchange (BSE) and National Stock Exchange (NSE), the Qualified Institutions Placement Committee as authorised by the Board of Directors, allotted 75,02,679 equity shares by way of Qualified Institutional Placement (QIP) at a price of Rs. 933 per share (Face Value: Rs. 2 each fully paid up) including premium of Rs. 931 per share. The Company received listing and trading approval from BSE and NSE on December 13, 2023 and December 14, 2023 respectively.
- In accordance with IIND AS 32, the costs that are directly attributable to the above transactions, have been adjusted in equity.
- Proceeds from issue of equity shares made during the year have been used utilised in the following manner:
- 1) Pursuant to approval by the Board of Directors and the Shareholders of the Company in their meetings held on June 10, 2023 and July 04, 2023 respectively, and approval of Bombay Stock Exchange (BSE) and National Stock Exchange (NSE), the Audit Committee as authorised by the Board of Directors, allotted 76,00,000 Equity Shares on Preferential basis to Smallcap World Fund Inc, a SEBI Registered FPI, at a price of Rs. 380 per share (Face Value: Rs. 2 each fully paid up) including premium of Rs.378 per share. The Company received listing approval from BSE and NSE on July 19, 2023 and July 20, 2023 respectively and trading approval on July 25, 2023. These allotted equity shares were under lock-in for six months from the date of trading approval as per existing regulations.

i) Shares issued on Preferential basis

Particulars	Proposed to be utilised	Utilised during FY 2023-24	To be Utilised during FY 2024-25
Share issue expenses	67.00	67.00	-
General corporate purpose	6,400.00	6,400.00	-
Working Capital for Business purpose	22,413.00	22,413.00	-
Total	28,880.00	28,880.00	-

ii) Shares issued through Qualified Institutional Placement (QIP)

Particulars	Proposed to be utilised	Utilised during FY 2023-24	To be Utilised during FY 2024-25
Repayment / Prepayment of Loan	20,000.00	20,000.00	-
Share issue expenses	1,345.25	1,345.25	-
General corporate purpose *	16,925.00	15,452.00	1,473.00
Working Capital for Business purpose	31,729.74	23,815.00	7,914.74
Total	69,999.99	60,612.25	9,387.74

* Includes investments made in Joint Ventures of Rs. 11,414.88 Lacs.

b) Terms and Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 2/- (March 31, 2023: Rs. 2/-) per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

c) Details of Shareholders holding more than 5% shares in the Company

Name of the Shareholder	As At March 31, 2024		As At March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs 2/- (March 31, 2023: Rs. 2/-) each fully paid				
Titagarh Capital Management Services Private Limited	2,40,71,588	17.87%	2,40,71,588	20.13%
Jagdish Prasad Chowdhary (Trustee of Chowdhary Foundation)	1,82,01,875	13.52%	1,82,01,875	15.22%
Rashmi Chowdhary	1,28,16,105	9.52%	1,28,16,105	10.72%
Smallcap World Fund Inc	75,60,365	5.61%	-	-
HDFC Large and Midcap Fund	62,17,978	4.62%	73,44,149	6.14%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownership of shares.

d) Details of Shareholding of Promoters

Promoter Name	As at March 31, 2024			As at March 31, 2023		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Titagarh Capital Management Services Private Limited	2,40,71,588	17.87%	-2.26%	2,40,71,588	20.13%	0.00%
Jagdish Prasad Chowdhary (Trustee of Chowdhary Foundation)	1,82,01,875	13.52%	-1.70%	1,82,01,875	15.22%	0.00%
Jagdish Prasad Chowdhary	70,700	0.05%	-0.01%	70,700	0.06%	0.00%
Umesh Chowdhary	77,530	0.06%	0.00%	77,530	0.06%	0.00%
Rashmi Chowdhary	1,28,16,105	9.52%	-1.20%	1,28,16,105	10.72%	0.00%
Sumita Kandoi	-	0.00%	0.00%	5,751	0.00%	0.00%
Vinita Bajoria	32,051	0.02%	0.00%	28,351	0.02%	0.01%
Bimla Devi Kajarla	2,000	0.00%	0.00%	4,500	0.00%	-0.01%
Titagarh Logistics Infrastructures Pvt. Ltd.	19,08,487	1.42%	-0.18%	19,08,487	1.60%	0.57%

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

16 Other Equity

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
a. Securities Premium Account		
Balance at the beginning of the year	41,064.37	41,064.37
Issue of Equity Shares on Preferential basis [Refer Note 15(a)(@)]	28,728.00	-
Issue of Equity Shares Pursuant to Qualified Institutions Placement [Refer Note 15(a)(@)]	69,849.93	-
Share Issue Expenses	(1,412.25)	-
Transfer from ESOPs Outstanding Account on Exercise and Lapse	-	-
Balance at the end of the year	1,38,230.05	41,064.37
b. General Reserve (Refer Note 16.2)		
Balance at the beginning of the year	5,411.39	5,411.39
Movement during the year	-	-
Balance at the end of the year	5,411.39	5,411.39
c. Capital Reserve		
Balance at the beginning of the year	5,691.15	5,691.15
Movement during the year	-	-
Balance at the end of the year	5,691.15	5,691.15
d. Retained Earnings		
Balance at the beginning of the year	41,762.25	31,427.18
Profit for the Year	29,690.68	10,336.64
Add: Appropriations		
Item of Other Comprehensive Income recognised directly in Retained Earnings		
- Remeasurements Gains on Defined Benefit Plan (Net of Tax)	(8.96)	(1.57)
Dividends	(635.86)	-
Net surplus in the statement of profit and loss	70,808.11	41,762.25
e. Cash Flow Hedge Reserve Account (Refer Note No. 16.4 and 16.5)		
Balance as per the Last Financial Statements	(28.35)	990.20
Changes in fair value recognised during the year	20.93	(1,361.11)
Tax impact on above	(5.83)	342.56
	(13.25)	(28.35)
Total Other Equity	2,20,127.45	93,900.81

16.1 Securities Premium Account:- Premium received on Equity Shares issued are recognised in the Securities Premium Account. This reserve may be utilised in accordance with the provisions of Section 52 of the Act.

16.2 General Reserves:- Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Subsequent to introduction of Companies Act, 2013,

the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

16.3 Retained Earnings:- Retained earnings are the profits / (loss) that the Company has earned / incurred till

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes Remeasurements (Gain) / Loss on defined benefits plan, net of taxes that will not be reclassified to Statement of Profit and Loss.

16.4 Cash Flow Hedge Reserve:- The Company has designated certain foreign currency forward contracts as cash flow hedges in respect of foreign exchange risks. The cumulative effective portion of gains or losses arising from changes in fair value of hedging instruments designated as cash flow hedges are recognised in cash flow hedge reserve. Such changes recognised are reclassified to the statement of profit and loss when the hedged item affects the profit or loss or are included

as an adjustment to the cost of the related non-financial hedged item.

16.5 During the year, ineffective portion of cash flow hedges recognised in the statement of profit and loss amounted to Rs. Nil (March 31, 2023: Rs. Nil).

The amount recognised in cash flow hedge reserve (net of tax) is expected to impact the statement of profit and loss as below:

- within the next one year: gain Rs.(13.25) Lacs (March 31, 2023: Rs. (28.35) Lacs)
- later than one year: gain Rs. Nil Lacs (March 31, 2023: Rs. Nil Lacs)

17 Borrowings

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Secured				
Indian Rupee Loan from banks	3,735.75	4,962.50	1,238.73	3,286.13
Cash Credits and Working Capital Demand Loans	-	-	-	14,639.27
Buyers Credit	-	-	1,651.12	2,044.51
	3,735.75	4,962.50	2,889.85	19,969.91

Notes:

- (a) Term Loan of Rs. 4,974.48 Lacs (March 31, 2023: Rs. 4,962.50) carrying interest @ 9.05 % p.a. (March 31, 2023: 9.05 % p.a.) linked to 1 year MCLR has been availed during the previous year and is repayable in 16 equal quarterly installments from April 2024 to January 2028. Above term loan was secured by way of first charge over land at Gwalior district, Madhya Pradesh owned by the Company. Charge is yet to be created over such land.
- (b) Term Loan of Rs. Nil lacs (March 31, 2023: Rs. 3,286.13 Lacs) carried interest @ 8.92% to 9.16% p.a (March 31, 2023: 7% to 10.23% p.a.) linked to 1 year MCLR and was repayable in 7 quarterly installments starting from June 2022 to December 2023. Above term loan has been repaid in full during the year. It was secured by a first pari-passu charge by way of mortgage upon all fixed assets including land and building, plant and machinery and other movable/immovable assets at Company's Bharatpur Plant. The loan was further secured by the second charge on the Company's current assets relating to Bharatpur Plant.
- (c) Cash Credits and Working Capital Demand Loans of Rs. Nil lacs (March 31, 2023: Rs. 14,639.27 lacs) were

secured by first charge on the company's current assets, movable fixed asset both present and future and further charge was created on immovable properties of the company by deposit of title deed except immovable properties at Bharatpur, Rajasthan, Gwalior and Bhind District, Madhya Pradesh, Falta and Kulpi, West Bengal. Further in the consortium meeting held on February 16, 2024, it was decided and agreed to create first charge over current assets and second charge over fixed assets except immovable properties held at Bharatpur, Rajasthan, Gwalior and Bhind District, Madhya Pradesh, Falta and Kulpi, West Bengal, which is currently being implemented with consortium bankers. The above facilities have also been secured by way of pledge of investment in equity shares of Titagarh Enterprises Limited and Titagarh Industries Limited. All the mortgages and charges created in favour of the above lenders rank Pari passu with consortium member banks.

- (d) Cash Credits is repayable on demand and carry an interest rate ranging between 8.45% to 11.50% p.a. (March 31, 2023: 8.70% to 13.60%) linked with MCLR.
- (e) Working Capital Demand Loans carry interest ranging from 5.75% to 11.50% p.a. (March 31, 2023: 5% to 13% p.a.) and are repayable on demand.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

- (f) Buyers Credit carry an interest rate of 6.78% p.a. (March 31, 2023: 5.20 % p.a.) and is linked to Secured Overnight Financing Rate (SOFR). The same is repayable by April 19, 2024.
- (g) As at March 31, 2024, the register of charges of the Company as available in records of the Ministry of Corporate Affairs (MCA) includes charges that were created/modified for entities which got amalgamated into the Company pursuant to National Company Law Tribunal Orders in earlier years. There are certain charges which are historic in nature and it involves practical challenges in obtaining no-objection certificates (NOCs) from the charge holders of such charges, despite repayment of the underlying loans. Further, certain

charges wherein the outstanding loans have been repaid and the Company has also filed the related Form 17 for satisfaction of Charge in respect thereof in earlier years, but the same has not been updated in the MCA records. The Company is following up these matters and is in the continuous process of filing the charge satisfaction e-form with MCA, within the timelines, as and when it receives NOCs from the respective charge holders. Further in case of new term loan obtained during the previous year, the Company is yet to file charges with MCA.

- (h) Term Loans obtained in earlier years have been applied for the purpose for which it has been obtained.
- (i) Refer Note 46 for information about market risk and liquidity risk on borrowings.

18 Provisions

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Provisions for Employee Benefits :				
Gratuity [Refer Note 36 (i)]	354.09	343.64	153.89	125.43
Leave Benefits [Refer Note 36 (iii)]	-	-	190.39	136.09
	354.09	343.64	344.28	261.52
Other Provisions:				
Warranties [Refer (a) below for movement]	-	-	653.17	283.40
Loss on Onerous Contract	-	-	442.02	-
Litigations, Claims and Contingencies [Refer (a) below for movement] & 40(i)]	-	-	231.68	227.20
	-	-	1,326.87	510.60
Total	354.09	343.64	1,671.15	772.12

- a) Movement of provisions for warranty, loss on onerous contracts and litigation, claims and contingencies are as follows:

	Warranties		Loss on Onerous Contract		Litigations, Claims and Contingencies	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs
At the beginning of the year	283.40	275.19	-	-	227.20	351.36
Made during the year	811.72	65.65	442.02	-	4.48	-
Unused amounts reversed during the year	(103.83)	(49.60)	-	-	-	-
Unused amounts utilized during the year	(338.12)	(7.84)	-	-	-	(124.16)
At the end of the year	653.17	283.40	442.02	-	231.68	227.20

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Information about individual provisions and significant estimates
(i) Warranties

Provision is made for estimated warranty Claims in respect of products sold which are under warranty at the end of the reporting period. The warranty period ranges between 2 to 3 years. Management estimates the provision based on contractual terms, historical warranty claims information and any recent trends that may suggest future claims could differ from historical amounts.

(ii) Loss on Onerous Contract

Provision is made for contracts in which the unavoidable

costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Management estimates the provision based on contractual terms and the present obligation under the contract is recognised and measured as a provision.

(iii) Litigation, claims and contingencies

The amounts represent best possible estimates of pending litigations / claims filed by vendors, customers, labours etc and probable claims arising out of certain tax matters. The timing and probability of outflow and expected reimbursements, if any, with regard to these matters depends on the ultimate outcome of the legal process or settlement / conclusion of the matter with the relevant authorities / customers / vendors etc.

19 Current Tax Liabilities

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Provision for Income Tax (Net of Advance Tax and TDS Rs. 8,979.05 Lacs; March 31, 2023 Rs. 4,800.78 Lacs)	1,342.61	527.61
Total	1,342.61	527.61

20 Deferred Tax Liabilities (Net)

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Deferred tax liabilities		
Arising out of temporary difference in depreciable and non-depreciable assets	6,209.17	6,347.61
Arising out of temporary difference in respect of right-of-use assets	2,360.16	2,658.67
Unrealised gain on FVTPL equity securities	507.22	404.91
Gross Deferred tax liabilities	9,076.55	9,411.19
Deferred tax assets		
Provision for fall in value of Investment	4,750.34	4,967.00
Provision for Doubtful Debts and Advances	337.50	170.85
Provision for Liquidated Damages	-	40.45
Provision for Litigations, Claims and Contingencies	58.31	57.18
Provision for Employee Benefits	197.12	183.95
Provision for Onerous Contract	111.25	-
Fair valuation of derivative assets	4.26	9.53
Lease Liabilities	2,503.19	2,635.87
Disallowance under section 43B(h) of the Income Tax Act, 1961	50.12	-
Gross Deferred tax assets	8,012.09	8,064.83
Net Deferred Tax Liabilities	1,064.46	1,346.36

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

The movement in deferred tax assets and liabilities during the year ended March 31, 2024 and March 31, 2023:

	As at April 1, 2022 Deferred tax asset / (Liability)	Credit / (Charge) in Statement of Profit and Loss #	As at March 31, 2023 Deferred tax asset / (Liability)	Credit / (Charge) in Statement of Profit and Loss #	As at March 31, 2024 Deferred tax asset / (Liability)
Arising out of temporary difference in depreciable and non-depreciable assets	(6,416.69)	69.08	(6,347.61)	138.44	(6,209.17)
Arising out of temporary difference in respect of right-of-use assets	(1,508.02)	(1,150.65)	(2,658.67)	298.51	(2,360.16)
Unrealised gain on FVTPL equity securities	(366.75)	(38.16)	(404.91)	(102.31)	(507.22)
Fair valuation of derivative assets	(333.03)	333.03	-	-	-
Total Deferred Tax Liabilities	(8,624.49)	(786.70)	(9,411.19)	334.64	(9,076.55)
Provision for fall in value of Investment	5,190.07	(223.07)	4,967.00	(216.66)	4,750.34
Provision for Doubtful Debts and Advances	147.46	23.39	170.85	166.65	337.50
Provision for Liquidated Damages	67.27	(26.82)	40.45	(40.45)	-
Provision for Litigations, Claims and Contingencies	108.62	(51.44)	57.18	1.13	58.31
Provision for Employee Benefits	165.14	18.81	183.95	13.17	197.12
Provision for Onerous Contract	-	-	-	111.25	111.25
Fair valuation of derivative assets	-	9.53	9.53	(5.27)	4.26
Lease Liabilities	1,491.55	1,144.32	2,635.87	(132.68)	2,503.19
Disallowance under section 43B(h) of the Income Tax Act, 1961	-	-	-	50.12	50.12
Total Deferred Tax Assets	7,170.11	894.72	8,064.83	(52.74)	8,012.09
Net Deferred Tax Assets / (Liabilities)	(1,454.38)	108.02	(1,346.36)	281.90	(1,064.46)

Includes income tax impact on remeasurement gains/(losses) on defined benefit plan amounting to Rs. 3.01 Lacs [March 31, 2023 Rs. 0.53 Lacs] and income tax impact on Fair value change of cash flow hedges amounting to Rs. (5.83) Lacs [March 31, 2023 Rs. 342.56 Lacs] included in Other Comprehensive Income.

Deferred tax asset against capital loss for provision for fall in value of Investment has been recognised to the extent of identifiable capital gains against which corresponding deferred tax liability is recognised.

21 Trade Payables

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Trade Payables		
Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 41)	3,800.06	574.92
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	28,144.38	31,725.85
	31,944.44	32,300.77

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Trade Payables Ageing Schedule

Particulars	Outstanding as at March 31, 2024				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Payables					
Micro enterprises and small enterprises	3,136.71	1.72	-	-	3,138.43
Others	18,081.21	80.01	13.55	-	18,174.77
Disputed Trade Payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	21,217.92	81.73	13.55	-	21,313.20
Not Due					
Micro enterprises and small enterprises					661.63
Others					4,226.23
Unbilled					
Micro enterprises and small enterprises					-
Others					5,743.38
Total	-	-	-	-	31,944.44

Particulars	Outstanding as at March 31, 2023				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Payables					
Micro enterprises and small enterprises	286.10	-	-	-	286.10
Others	18,423.15	113.52	-	-	18,536.67
Disputed Trade Payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	18,709.25	113.52	-	-	18,822.77
Not Due					
Micro enterprises and small enterprises					288.82
Others					10,070.56
Unbilled					
Micro enterprises and small enterprises					-
Others					3,118.62
Total	-	-	-	-	32,300.77

(a) Trade Payables include dues to related parties of Rs. 45.85 Lacs (March 31, 2023: Rs.409.74 Lacs). Refer Note 44 for details.

(b) Refer Note 46 for information about market risk and liquidity risk on trade payables.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

22 Other Financial Liabilities:

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Measured at amortised cost		
Interest accrued and not due on borrowings	130.81	34.57
Investor education and protection fund will be credited by following amounts (as and when due)		
Unpaid dividends	9.92	12.17
Unpaid fractional share	8.59	8.59
Measured at Fair Value through OCI		
Derivative Liabilities #	16.94	37.87
Others (Measured at amortised cost)		
Employee Related Liabilities	359.82	498.15
Payable for Purchase of Property, Plant and Equipment :		
Dues to Micro enterprises and Small enterprises	37.74	-
Dues to Others	559.65	159.78
Other Liabilities [Refer (a) below]	1,500.00	-
Total	2,623.47	751.13

Derivative instruments used by the Company is in nature of forward exchange contracts. These financial instruments are utilised to hedge future transactions and cash flows and are subject to hedge accounting under Ind AS 109 "Financial Instruments" wherever possible. The Company does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities. All the instruments are hedge effective as at year end.

(a) Arbitration was invoked following the dispute between Cimco Limited (since merged into the Company) and Texmaco Rail Engineering Limited (Texmaco) in respect

of breach of the agreement authorising Texmaco to use the designs for main body work and integral frame of non-pressurised bulk powder cement wagons (BCCW Wagons) for a fixed term. The arbitration result was awarded in favour of the Company dated June 20, 2022. Texmaco filed a petition for stay, challenging the said award before the High Court at Calcutta. An order of interim stay of execution of the award has been made, upon Texmaco depositing a sum of Rs. 1,500.00 lacs with the Registrar. The Company filed an application for withdrawing the said sum deposited by Texmaco in lieu of bank guarantee furnished by it and received the amount of Rs. 1,500.00 lacs on June 15, 2023.

23 Contract Liabilities

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Advance from customers	12,278.89	2,826.72	31,557.42	31,487.77
Revenue in excess of billing	-	-	-	282.56
	12,278.89	2,826.72	31,557.42	31,770.33

24 Other Liabilities

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Statutory Dues	-	-	399.87	306.62
	-	-	399.87	306.62

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

25 Revenue from Operations

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Revenue from Contract with Customers:-		
Sale of products		
Finished Goods	3,76,816.78	2,62,296.62
Raw Materials and Components	3,713.81	13,246.11
Other operating revenues		
Scrap sales	4,435.13	2,171.09
Others	364.43	339.08
Total	3,85,330.04	2,78,052.90

Revenue from operation includes revenue from contract with customers under IND AS 115 amounting to Rs. 380,530.59 Lacs (March 31, 2023: Rs. 275,542.73 Lacs). The details of which are given below:-

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Revenue recognised at a point in time	3,28,881.55	2,15,552.95
Revenue recognised over time	51,649.04	59,989.78
Total	3,80,530.59	2,75,542.73

Reconciliation of revenue recognised with contract price:

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Contract price	3,72,695.81	2,65,579.55
Adjustment for:		
Liquidated Damages	(3,701.50)	(1,011.00)
Escalation	11,536.28	10,974.18
Revenue from operations	3,80,530.59	2,75,542.73

26 Other Income

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
26.1 Interest Income		
From Financial Assets at Amortised Cost		
Bank Deposits	1,765.14	564.49
Loans to Subsidiaries	-	7.29
Interest unwinding in respect of Security Deposit for Leases	25.99	16.55
Others #	189.50	178.37
	1,980.63	766.70

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

26 Other Income (Contd.)

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
26.2 Others		
Net Foreign Exchange Fluctuations and Fair Value (Gain)/ Loss on Derivatives Not Designated as Hedges ##	957.73	2,697.05
Unspent Liabilities / Provisions No Longer Required Written Back	185.42	467.07
Dividend Income on non current investments	579.40	-
Net Gain on Disposal of Property, Plant and Equipment	-	17.95
Irrecoverable debts written off in earlier years, now recovered	191.29	-
Insurance Claim	21.09	76.99
Other Non-operating Income *	132.15	208.08
	2,067.08	3,467.14
26.3 Other Gains / (Losses)		
Fair Value Gain on Investment FVTPL	519.46	164.55
	519.46	164.55
Total	4,567.17	4,398.39

Interest income - Others mainly represent interest income from supplier for early payment of related outstandings.

Foreign Exchange Fluctuations includes Rs. 464.80 Lacs (March 31, 2023: Rs. 1,343.87) on account of cancellation of forward contracts during the year.

* Mainly comprises of Rs. 128.98 lacs (March 31, 2023: Rs. 123.03 lacs) recovery against dues charged off in earlier periods and Rs. Nil lacs (March 31, 2023: Rs. 40.00 lacs) recovery against settlement of an old case.

27 Cost of Raw Materials and Components Consumed

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Inventories at the beginning of the year	36,488.73	23,250.46
Add: Purchases	3,04,761.06	2,29,780.18
	3,41,249.79	2,53,030.64
Less: Inventories at the end of the year	46,079.32	36,488.73
Cost of raw materials and components consumed	2,95,170.47	2,16,541.91

28 Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Inventories at the beginning of the year		
Finished Goods	-	-
Work-in-Progress	6,996.43	5,765.44
Saleable Scrap	1,067.12	761.55
	(A)	6,526.99

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

28 Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap (Contd.)

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Inventories at the end of the year		
Finished Goods	-	-
Work-in-Progress	3,654.89	6,996.43
Saleable Scrap	771.05	1,067.12
	(B)	8,063.55
(Increase) / Decrease	(A-B)	(1,536.56)

29 Employee Benefits Expense

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Salaries, Wages and Bonus	5,904.54	5,063.45
Contribution to Provident and Other Funds [Refer Note 36 (ii) and 51]	307.19	275.55
Gratuity Expense [Refer Note 36 (i)]	85.92	76.92
Staff Welfare Expenses	331.38	236.72
Total	6,629.03	5,652.64

30 Finance Costs

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Interest Expenses on Financial Liabilities Carried at Amortised Cost - Borrowings, etc. (Refer (a) below)	4,642.84	5,893.32
Interest & Finance Charges on Lease Liabilities	903.85	575.14
Bank charges, Other Borrowing Costs etc.	1,798.73	1,606.21
Total	7,345.42	8,074.67

a) Interest Expenses on Financial Liabilities Carried at Amortised Cost - Borrowings, etc includes Rs. 1,612.61 lacs (March 31, 2023 Rs. 2,364.79 lacs) representing cost of financing component @ 9% against long term advance from customer.

31 Depreciation and Amortisation

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Depreciation of Property, Plant & Equipments (refer note 6.1)	1,479.27	1,367.04
Depreciation of Right of Use Assets (refer note 6.6)	1,122.25	739.48
Amortisation of Intangible Assets (refer note 6.2)	108.60	143.83
Total	2,710.12	2,250.35

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

32 Other Expenses

	For the year ended March 31, 2024 Rs. In Lacs		For the year ended March 31, 2023 Rs. In Lacs	
Consumption of stores and spares		10,853.85		8,717.23
Job Processing and other machining charges (including contract labour charges)		10,115.26		9,454.35
Power and Fuel		5,045.68		4,370.01
Design and development expenses		78.30		46.69
Repairs :-				
Plant and machinery		212.55		279.07
Buildings		206.31		236.42
Others		62.04		165.49
Rent and Hire charges		223.30		102.57
Rates and Taxes		284.34		226.45
Insurance		250.95		232.27
Security Services		348.99		169.91
Advertising and sales promotion		160.36		170.45
Brokerage and commission		170.25		138.50
Travelling and conveyance		944.50		937.41
Legal and professional fees		1,099.71		890.83
Commission to non-whole time directors		70.00		25.00
Directors sitting fees		75.40		55.40
Payment to Statutory Auditors				
As auditors #				
Audit fee		68.00		59.00
Limited review		25.00		21.00
Tax Audit fee		5.00		-
Other Certification services		18.16		7.75
Reimbursement of expenses		12.49	128.65	6.35
Warranty Claims (net)		1,046.01		23.89
Less: Adjusted with provision		338.12	707.89	7.84
Irrecoverable debts/ advances/ other receivables written off		3.17		2,536.08
Less: Adjusted with provision		-	3.17	9.27
Provision for doubtful debts and advances		792.47		102.22
Corporate Social Responsibility expenses (Refer Note 32.1)		129.62		45.37
Donation (Refer Note 32.2)		465.77		-
Provision for Onerous Contracts		442.02		-
Miscellaneous expenses		1,828.50		1,960.92
Total		34,699.88		30,963.52

Payment to Statutory auditors of Rs 177.70 lacs in respect of work relating to qualified institutional placement is included under share issue expenses which has been adjusted against securities premium account.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

32.1 Corporate Social Responsibility Expenses

	For the year ended March 31, 2024 Rs. In Lacs		For the year ended March 31, 2023 Rs. In Lacs	
(a) Amount required to be spent during the year		129.62		-
(b) Amount spent during the year on				
(i) Construction/acquisition of an asset		-		-
(ii) On purposes other than (i) above (fully paid)		129.62		45.37
Total		129.62		45.37

32.2 Donation includes Rs. 450.00 lacs (March 31, 2023: Rs. Nil) towards contribution to Prudent Electoral Trust, an approved electoral trust as approved by the board of directors in compliance with the requirements of section 198 of the Companies Act 2013.

33 Income Tax Expense / (Benefit)

	For the year ended March 31, 2024 Rs. In Lacs		For the year ended March 31, 2023 Rs. In Lacs	
(A) Amount recognised in the Statement of Profit and Loss				
Current Tax		10,298.76		5,305.50
Deferred Tax		(284.76)		235.07
Total Income Tax Expense Recognised in Profit and Loss		10,014.00		5,540.57

	For the year ended March 31, 2024 Rs. In Lacs		For the year ended March 31, 2023 Rs. In Lacs	
(B) Numerical Reconciliation of Income Tax Expense to Tax Payable				
Accounting Profit / (Loss) before Tax		39,704.68		15,877.21
At India's Statutory Income Tax Rate of 25.168% (March 31, 2023: 25.168%)		9,992.87		3,995.98
Adjustments:				
Expenses not allowed as deductions		182.17		58.83
Deferred tax not recognised on capital losses #		-		1,360.87
Impact of lower tax rate (Capital Gains tax rate) on the fair valuation of land and investment in equity shares through FVTPL		-		136.09
Dividend from subsidiary		(145.82)		-
Others		(15.22)		(11.20)
		10,014.00		5,540.57

Refer Note 20

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

34 Exceptional Item

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Impairment of Investments in Titagarh Firema S.p.A (TFA) (Refer Note (a))	-	4,972.82
Claims Recovered pertaining to Titagarh Wagon AFR (Refer Note (b))	-	(345.27)
	-	4,627.55

Note:

- a. Represents impairment loss of investment in Titagarh Firema S.p.A as subsidiary (Refer note 7(g)).
 b. Represents claim received based on award in favour of the Company by the Commercial Court of Paris with respect to its claim relating to its erstwhile subsidiary Titagarh Wagons AFR, France (under liquidation).

35 Earnings Per Equity Share

	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) Basic		
(i) Number of Equity Shares at the Beginning of the Year	11,95,71,089	11,95,71,089
(ii) Number of Equity Shares at the End of the Year	13,46,73,768	11,95,71,089
(iii) Weighted Average Number of Equity Shares Outstanding during the year	12,74,11,785	11,95,71,089
(iv) Face Value of Each Equity Share (Rs)	2.00	2.00
(v) Profit after Tax Available for Equity Shareholders	29,690.68	10,336.64
(vi) Basic Earnings per Equity Share (Rs.) [(v)/(iii)]	23.30	8.64
(B) Diluted #		
(i) Weighted Average Number of Equity Shares Outstanding during the year for Diluted Earnings per Equity Share	12,74,11,785	11,95,71,089
(ii) Diluted Earnings per Equity Share (Rs) [A(v)/B(i)]	23.30	8.64

There are no potentially dilutive equity shares

36 Employee Benefits:
(i) Post-employment Defined Benefit Plans:
Gratuity

The Company has a defined benefit gratuity plan which is unfunded (except for one unit where it is administered through a trust and funded with a bank through its special deposit scheme with State Bank of India). Every employee who has completed five years or more of service is entitled to gratuity on terms not less favorable than the provisions of the Payment of Gratuity Act, 1972.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

The following tables sets forth the particulars in respect of the gratuity plan.

(Rs.in Lacs)

	Gratuity (Funded)		Gratuity (Unfunded)	
	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Statement of Profit and Loss				
Net Employee Benefits Expense recognised in the Employee Cost				
Current Service Cost	3.19	7.57	48.65	42.41
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	4.74	4.58	29.34	22.36
Total	7.93	12.15	77.99	64.77
Expenses Recognised in Other Comprehensive Income (OCI)				
Remeasurements (Gains) / Losses	(68.42)	(3.76)	80.39	5.86
Total	(68.42)	(3.76)	80.39	5.86
Net Liability Recognised in Balance Sheet				
Benefit liability				
Present value of Defined Benefit Obligation	44.16	111.92	498.70	403.81
Fair value of Plan Assets	34.88	46.66	-	-
Net Liability	9.28	65.26	498.70	403.81
Bifurcation of Net Liability at the end of the year as per revised Schedule III of the Companies Act, 2013				
Current Liability (Short term)	-	-	153.89	125.43
Non-Current Liability (Long term)	9.28	65.26	344.81	278.38
	9.28	65.26	498.70	403.81
Changes in the Present Value of the Defined Benefit Obligation are as follows:				
Opening Defined Benefit Obligation	111.92	123.07	403.81	366.89
Current Service Cost	3.19	7.57	48.65	42.41
Interest Cost	8.13	7.38	29.34	22.36
Benefits Paid	(9.57)	(19.54)	(63.49)	(33.71)
Remeasurement (Gains)/ Losses				
Financial Assumptions Changes	0.13	(4.48)	1.74	(17.24)
Demographic Assumptions	-	-	-	-
Experience Variance	(69.64)	(2.08)	78.65	23.10
Closing Defined Benefit Obligation	44.16	111.92	498.70	403.81
Changes in the Fair Value of Plan Assets are as follows:				
Fair value of plan assets at the beginning of the year	46.66	46.66		
Return on Plan Assets	(1.09)	(2.80)		
Investment Income	3.39	2.80		
Benefits Paid	(14.08)	-		
Fair Value of Plan Assets at the end of the year	34.88	46.66		

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

	(Rs.in Lacs)			
	Gratuity (Funded)		Gratuity (Unfunded)	
	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
The major categories of Plan Assets as a percentage of the Fair Value of Total Plan Assets are as follows:				
Special Deposit Scheme with State Bank of India	100%	100%		
Maturity Profile of the Defined Benefit Obligation				
Weighted Average Duration of the Defined Benefit Obligation	3 years	3 years	3 years	3 years
Expected Benefit Payments for the year ending				
Not later than 1 year	14.57	30.49	153.89	125.43
Later than 1 year and not later than 5 years	27.34	80.08	300.56	243.44
Later than 5 year and not later than 10 years	11.20	26.46	152.47	123.98
More than 10 years	2.89	5.88	51.28	45.99
The principal assumptions used in determining gratuity obligation are shown below:				
Discount Rate	7.15%	7.25%	7.15%	7.25%
Rate of increase in Salary	6.50%	6.50%	5.00%	5.00%

Assumptions regarding future mortality experience are based on mortality tables of Indian Assured Lives Mortality (2012-2014) published by the Institute of Actuaries of India.

The estimate of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The Company expects to contribute Rs. 12.82 Lacs (March 31, 2023: Rs. 71.76 Lacs) to the funded gratuity plans during the next financial year.

A quantitative sensitivity analysis of impact on defined benefit obligations for significant assumption on the gratuity plan is as shown below:

Sensitivity level	Gratuity (Funded)				Gratuity (Unfunded)			
	As at March 31, 2024		As at March 31, 2023		As at March 31, 2024		As at March 31, 2023	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%)	45.54	42.85	115.44	108.59	516.68	481.92	418.68	389.95
Salary Growth Rate (-/+1%)	42.83	45.55	108.53	115.43	483.39	514.72	390.95	417.28

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation recognised in the Balance Sheet.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(ii) Post-employment Defined Contribution Plans:
Provident Fund and Employee State Insurance Scheme (ESI)

Certain categories of employees of the Company receive benefits from a provident fund and ESI, a defined contribution plan. Both the employee and employer make monthly contributions to a government administered fund at specified percentage of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions.

The amounts paid to Defined Contribution Plans are as follows:	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Provident Fund (Refer Note 51)	273.08	247.85
ESI	34.11	27.70
Total	307.19	275.55

(iii) Leave Benefits

The Company provides for accumulation of leave by its employees. The employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a provision for leave benefits in the period in which the employee renders the services that increases this entitlement. This is an unfunded plan.

The total provision recorded by the Company towards these benefits as at year end was Rs. 101.54 Lacs (March 31, 2023: Rs. 136.09 lacs). The amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these benefits. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Leave provision not expected to be settled within the next 12 months	121.87	91.86

(iv) Risk Exposure

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

(a) Discount Rate Risk

The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.

(b) Salary Growth Risks

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

(c) Demographic Risk

In the valuation of the liability, certain demographic (mortality and attrition rates) assumptions are made. The Company are exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

37 The Board of Directors of the Company at its meeting held on March 21, 2023 approved the Employee Stock Option Scheme titled "Titagarh Rail Systems Limited Employees Stock Options Scheme, 2023" for the employees of the Company and its subsidiary and associate. Subsequently, on April 26, 2023, the shareholders, by way of postal ballot approved the said Scheme. No employee stock options have been granted to employees under the Scheme as at March 31, 2024.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

38 Disclosures Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Loans to Subsidiaries :	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
i) Titagarh Firema S.p.A.		
Balance as at year end	-	-
Maximum amount outstanding at any time during the year	-	1,608.54
[Titagarh Firema S.p.A has utilised the loan for meeting working capital requirements with an average rate of interest NIL% [March 31, 2023 : 3 %]		

39 Commitments

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
a) Estimated amount of contracts remaining to be executed on capital accounts and not provided for [net of advances Rs. Nil lacs (March 31, 2023: Rs. Nil lacs)]	13,714.92	9,149.45
As at March 31, 2024, commitments for leases not yet commenced was Nil (March 31, 2023: Nil).		

40 Contingent Liabilities

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
(i) Claims against the Company not acknowledged as debt		
Disputed claims contested by the Company and pending at various courts/arbitration*	5,012.35	3,200.30
Matters under appeal with:		
Sales tax authorities	2,510.17	2,520.09
Income tax authorities	4,463.28	4,950.99
Customs and Excise Authorities	5,127.51	13,849.99
Goods and service tax Authorities	509.24	168.88
Custom Duty on import of equipments and spare parts under EPCG scheme	775.69	1,190.54
	18,398.24	25,880.79

* Includes Rs 1,360.45 Lacs (March 31, 2023: Rs. 1,360.45 Lacs) which in terms of BIFR order, even if decided against the Company, would stand at Rs 136.04 Lacs (March 31, 2023 : Rs 136.04 Lacs) only.

In respect of above cases based on favorable decisions in similar cases/legal opinions taken by the Company/discussions with the solicitors etc., the management is of the opinion that it is possible, but not probable, that the action will succeed and accordingly no provision for any liability has

been made in the financial statements.

In respect of above contingent liabilities, it is not practicable for the Company to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above.

(ii) Further:

(a) Erstwhile Cimcco Limited (Since merged with the

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Company) had prior to year 2000, obtained certain advance licenses for making duty free import of inputs subject to fulfillment of export obligation (EO) within the specified time limit/extended time limit (as extended pursuant to sanctioned scheme of BIFR) from the date of issuance of such licenses. However, in absence of complete list of licenses along with the imports made against each license, the amount of contingent liability towards custom duty saved on unfulfilled export obligations and penal interest if any, is presently unascertainable.

(b) SBI Caps has raised a claim of Rs. 1,128.95 lacs on erstwhile Cimcco Limited (since merged with the Company) on account of disallowance of depreciation by the income tax authorities on the wagons leased by SBI Caps to erstwhile Cimcco Limited (since merged with the Company)

which in turn has been sub leased to Indian Railways. The same pertains to the assessment year 1998-99 to 2004-05 (period prior to change of management in terms of the BIFR order) and the matter is pending with ITAT Mumbai. As per the separate lease agreements entered between SBI CAPS, erstwhile Cimcco Limited (since merged with the Company) and Indian Railways, any claims, charges, duties taxes and penalties as may be levied by the Government or any other authority pertaining to leased wagons shall be borne by the Indian Railways. Considering the above terms contained in the above agreements and also favorable ITAT judgments regarding the admissibility of the depreciation on the leased assets, the Company believes that there would not be any liability that would crystallise on account of the above.

41 Information relating to Micro and Small Enterprises (MSEs):

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
a. Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end *	3,719.82	525.74
b. Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	12.24	1.55
c. Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	3,027.02	2,064.15
d. Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
e. Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
f. Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	56.56	42.74
g. Interest accrued and remaining unpaid at the end of the accounting year	117.98	49.18
h. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

The above particulars, as applicable, have been given in respect of MSEs to the extent they could be identified on the basis of the information available with the Company.

* Includes dues of micro and small enterprises (MSE) included within other financial liabilities.

42 List of Subsidiaries, Associate and Joint Ventures of the Company

The Company has following Subsidiaries, Associate and Joint Ventures for which the Company prepares Consolidated Financial Statements as per Ind AS 110 "Consolidated Financial Statements". Investment in these subsidiaries, associate and joint ventures has been recognised at cost.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Name of the Subsidiary	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest	
		March 31, 2024	March 31, 2023
Titagarh Singapore Pte. Limited (TSPL)*	Singapore	100.00%	100.00%
Titagarh Wagons AFR (TWA) **	France	100.00%	100.00%

* The voluntary winding up of Titagarh Singapore Pte Limited at Singapore has already been initiated in the previous year in accordance with local laws and the same is expected to be completed in the next year. Accordingly, the financial statements of TSPL has been prepared on liquidation basis (fair value).

** The Company holds 100% equity in TWA together with a wholly owned subsidiary company, TSPL. However, since TWA is

under liquidation, the Company is no longer in control of TWA. On June 4, 2019 the Commercial Court of Paris approved the start of Rehabilitation Procedure and from said date, Parent company was no longer in control of TWA, under French Law. The Commercial Court of Paris vide its judgement dated August 13, 2019 approved a plan for transfer of business and assets of TWA to another bidder and ordered for liquidation of TWA. Currently TWA is under liquidation.

Name of the Associate	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest	
		March 31, 2024	March 31, 2023
Titagarh Firema S.p.A (TFA)	Italy	25.43%	49.70%

Name of the Joint Venture	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest	
		March 31, 2024	March 31, 2023
Titagarh Mermec Private Limited	India	50.00%	50.00%
Ramkrishna Titagarh Rail Wheels Limited [Refer Note 7(e)] *	India	49.00%	-
Titagarh Firema Engineering Services Private Limited [Refer Note 7(d)] *	India	49.00%	-
Shivaliks Mercantile Private Limited [Refer note 7(f)] *	India	44.63%	-

* Considering the terms of arrangement of these investments like unanimous consent of both Shareholders or there nominee directors for certain decisions including distribution of dividend, appointment and removal of Key managerial persons etc, the Company has assessed that these entities are joint ventures in terms of IND AS-28.

43. SEGMENT INFORMATION

The operating segments based on the Company's products has been identified by the chief operating decision maker, being the Board of Directors, as "Freight Rail Systems" and "Passenger Rail Systems"

- a) Freight Rail Systems - Consists of manufacturing of Wagons, Loco Shells, bogies, couplers, its components, designing and construction of Warships, Passenger Vessels, Tug and specialised equipment's for Defence, Bridge Girders etc.
- b) Passenger Rail Systems - Consists of designing and manufacturing of Metro, Passenger Coaches, EMUs, Train Sets, Mono Rail, Propulsion equipment, Traction Motors and its components.

Segment performance is evaluated based on profit or loss and is measured consistently with Profit or Loss in the Standalone Financial Statements . Also, the Company's borrowings (include finance costs) , income taxes, investments and derivative instruments are managed at head office and are not allocated to operating segments.

Segment Revenue is measured in the same way as in the Statement of Profit and Loss.

Segment Assets and Liabilities are measured in the same way as in the standalone financial statements.

These asset and liabilities are allocated based on the operations of the segment and physical location of assets.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Information about operating segments

For the year ended and as at March 31, 2024

(Rs. in Lacs)

	Freight Rail Systems	Passenger Rail Systems	Total
Revenue from operations			
Segment revenue (external)	3,41,757.39	43,572.65	3,85,330.04
Segment profit	44,324.07	1,315.09	45,639.16
Unallocated (income) / expenses			
Finance Costs			4,625.82
Interest Income			(1,779.95)
Interest Expense / (Income) - Net			2,845.87
Depreciation and Amortisation Expense			274.24
Other Corporate Income			(1,929.08)
Other Corporate Expenses			4,743.48
Unallocable expenditure net of income			3,088.61
Exceptional Item			-
Profit / (Loss) before taxes			39,704.68
Tax expenses / (Credit)			10,014.00
Profit / (Loss) for the year			29,690.68
Material Non-cash (Income) / Expenses:			
Depreciation and Amortisation Expense	2,048.25	387.63	2,435.88
Unspent liabilities / provisions no longer required written back	162.33	-	162.33
Provision for Doubtful Debts and Advances	762.69	18.52	781.21
Provision for Onerous Contract	442.02	-	442.02
Irrecoverable Debts/ Advances Written Off (net)	0.10	0.00	0.10
Segment assets	1,55,162.08	59,257.93	2,14,420.01
Unallocated assets			
Investments			21,293.27
Cash and cash equivalents			32,688.43
Other bank balances			28,011.28
Tax Assets (Net)			3,445.62
Other unallocated assets			22,770.24
Total assets			3,22,628.85
Segment liabilities	66,994.22	20,187.49	87,181.71
Unallocated liabilities			
Deferred Tax Liabilities (Net)			1,064.46
Borrowings			6,625.60
Tax Liabilities			1,342.61
Other unallocated liabilities			3,593.54
Total liabilities			99,807.92

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Information about operating segments

For the year ended and as at March 31, 2023

(Rs. in Lacs)

	Freight Rail Systems	Passenger Rail Systems	Total
Revenue from Operations			
Segment Revenue (External)	2,25,093.47	52,959.43	2,78,052.90
Segment Profit	23,570.92	2,198.14	25,769.06
Unallocated (Income) / Expenses			
Finance Costs			5,144.25
Interest Income			(571.84)
Interest Expense / (Income) - Net			4,572.41
Depreciation and Amortisation Expense			272.94
Other Corporate Income			(3,056.80)
Other Corporate Expenses			3,475.75
Unallocable expenditure net of income			691.89
Exceptional Item			4,627.55
Profit / (Loss) before Taxes			15,877.21
Tax Expenses / (Credit)			5,540.57
Profit / (Loss) for the Year			10,336.64
Material Non-cash (Income) / Expenses:			
Depreciation and Amortisation Expense	1,578.41	398.99	1,977.40
Unspent liabilities / provisions no longer required written back	(319.30)	-	(319.30)
Segment Assets	1,16,299.65	41,360.22	1,57,659.87
Unallocated Assets			
Investments			4,452.93
Cash and Cash Equivalents			4,079.23
Other Bank Balances			4,457.79
Tax Assets (Net)			2,868.68
Other Unallocated Assets			29,124.55
Total Assets			2,02,643.05
Segment Liabilities	61,623.92	15,960.40	77,584.32
Unallocated Liabilities			
Deferred Tax Liabilities (Net)			1,346.36
Borrowings			24,932.41
Current Tax Liabilities			527.61
Other Unallocated Liabilities			1,960.12
Total Liabilities			1,06,350.82

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Geographic Wise Disclosures:-

- (a) The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown below:-

The following table shows the distribution of the Company's sales by geographical market:

	For the Year Ended March 31, 2024 Rs. In Lacs	For the Year Ended March 31, 2023 Rs. In Lacs
India	3,85,084.89	2,77,749.57
Rest of the World	245.15	303.33
Total	3,85,330.04	2,78,052.90

Non-current operating assets

- (b) All non-current assets (excluding Financial Assets) of the Company are located in India.
- (c) Total revenue from external customers includes sales to Indian Railways of Rs 171,030.68 Lacs (March 31, 2023: Rs 172,441.14 Lacs), Rungta Sons Pvt Ltd of Rs. 66,517.21 Lacs (March 31, 2023: 12,093.13 Lacs) and Maharashtra Metro Railway Corporation Rs 41,775.41 Lacs (March 31, 2023: Rs 52,462.98 Lacs) which represents more than 10% of the total revenue from external customers of the Company.

44. RELATED PARTY DISCLOSURES
Names of related parties and related party relationship
Related parties where control exists:

Subsidiary Companies:	Titagarh Firema S.p.A, Italy (erstwhile Titagarh Firema Adler S.p.A) (upto September 8, 2022)
	Titagarh Singapore Pte. Limited (Refer note 42)
	Titagarh Wagons AFR (Refer note 42)
Joint Venture Companies:	Titagarh Mermec Private Limited
	Titagarh Firema Engineering Services Private Limited (w.e.f September 16, 2023)
	Ramkrishna Titagarh Rail Wheels Limited (w.e.f June 09, 2023)
	Shivaliks Mercantile Private Limited (w.e.f February 13, 2024)
Other related parties with whom transactions have taken place during the period:	
Associate Company:	Titagarh Firema S.p.A, Italy (erstwhile Titagarh Firema Adler S.p.A) (w.e.f September 9, 2022)
Key Management Personnel (KMPs):	Mr. J P Chowdhary – Executive Chairman
	Mr. Umesh Chowdhary – Vice Chairman & Managing Director
	Mr. Anil Kumar Agarwal - Director (Finance), Chief Business & Risk Officer and Chief Financial Officer (upto December 19, 2023)
	Mr. Anil Kumar Agarwal - Deputy Managing Director & Deputy CEO (FTRS) (w.e.f December 20, 2023)
	Mr. Saurav Singhania- Joint Chief Financial Officer & Group Finance Controller (upto December 19, 2023)
	Mr. Saurav Singhania- Chief Financial Officer (w.e.f December 20, 2023)
	Mr. Sudipta Mukherjee - Director (Whole-Time Director) (upto March 17, 2023)
	Mr. Saket Kandal - Director (Whole-Time Director) (w.e.f March 17, 2023)

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

	Mrs. Rashmi Chowdhary - Non-Executive Director
	Mr. Prithish Chowdhary - Director (Marketing & Business Development) (upto December 19, 2023)
	Mr. Prithish Chowdhary - Director (Marketing & Business Development) and Deputy CEO (PRS) (w.e.f December 20, 2023)
	Mr. Manoj Mohanka - Independent Director (upto March 31, 2024)
	Mr. Atul Ravishanker Joshi - Independent Director
	Mr. Sunirmal Talukdar - Independent Director (upto March 31, 2024)
	Mr. Sushil Kumar Roongta - Independent Director
	Mr. Krishan Kumar Jalan - Independent Director
	Ms. Nayantara Palchoudhuri - Independent Director
	Mr. Bontha Prasada Rao - Independent Director (w.e.f September 4, 2023)
	Mr. Debanjan Mandal- Independent Director (w.e.f September 4, 2023)
	Mr. Dinesh Arya - Company Secretary and Chief Compliance Officer (w.e.f March 18, 2023)
	Mr. Ravi Mundhra - Company Secretary (upto March 17, 2023)
	Mr. Sumit Jaiswal - Company Secretary (upto August 12, 2022)
Close member of the family of KMPs:	Ms. Savitri Devi Chowdhary, Wife of Mr. J P Chowdhary
	Ms. Vinita Bajoria, Daughter of Mr. J P Chowdhary
	Ms. Sumita Kandoi, Daughter of Mr. J P Chowdhary
	Ms. Bimla Devi Kajaria, Mother of Mrs. Rashmi Chowdhary
Enterprises over which KMP/ Shareholders/Close family members have significant influence:	Titagarh Capital Management Services Private Limited
	Titagarh Enterprises Limited
	Titagarh Industries Limited
	Titagarh Logistics Infrastructures Private Limited
	Chowdhary Foundation
	Nicco Eastern Private Limited

Details of transactions between the Company and related parties and outstanding balances as at the year end are given below:

Rs. in Lacs

Nature of transactions	Year	Subsidiary Companies	Joint ventures	Associate	Enterprise over which KMP/ shareholders/ relatives have significant influence	KMP	Relatives of KMP	Total
In relation to the Statement of Profit and Loss								
Sale of Products								
Titagarh Firema Sp.A	2023-24	-	-	100.60	-	-	-	100.60
	2022-23	11.28	-	209.47	-	-	-	220.75
Management Fees								

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Nature of transactions	Year	Subsidiary Companies	Joint ventures	Associate	Enterprise over which KMP/ shareholders/ relatives have significant influence	KMP	Relatives of KMP	Total
Titagarh Firema Sp.A	2023-24	-	-	-	-	-	-	-
	2022-23	82.58	-	-	-	-	-	82.58
Interest Income on Loans to Subsidiaries								
Titagarh Firema Sp.A	2023-24	-	-	-	-	-	-	-
	2022-23	7.29	-	-	-	-	-	7.29
Unspent Liabilities No Longer Required Written Back								
Titagarh Singapore Pte Limited	2023-24	-	-	-	-	-	-	-
	2022-23	131.09	-	-	-	-	-	131.09
Titagarh Firema Sp.A	2023-24	-	-	33.56	-	-	-	33.56
	2022-23	-	-	-	-	-	-	-
Purchase of Raw Materials and Components								
Titagarh Firema Sp.A	2023-24	-	-	2,430.48	-	-	-	2,430.48
	2022-23	783.51	-	2,807.86	-	-	-	3,591.37
Nicco Eastern Private Limited	2023-24	-	-	-	423.93	-	-	423.93
	2022-23	-	-	-	104.05	-	-	104.05
Design and development expenses								
Titagarh Firema Engineering Services Private Limited	2023-24	-	300.53	-	-	-	-	300.53
	2022-23	-	-	-	-	-	-	-
Reimbursement of Expenses received								
Titagarh Enterprises Limited	2023-24	-	-	-	35.78	-	-	35.78
	2022-23	-	-	-	30.57	-	-	30.57
Titagarh Firema Engineering Services Private Limited	2023-24	-	9.90	-	-	-	-	9.90
	2022-23	-	-	-	-	-	-	-
Reimbursement of Expenses Paid								
Titagarh Firema Sp.A	2023-24	-	-	-	-	-	-	-
	2022-23	240.25	-	-	-	-	-	240.25
Ramkrishna Titagarh Rail Wheels Limited	2023-24	-	14.86	-	-	-	-	14.86
	2022-23	-	-	-	-	-	-	-
Shivaliks Mercantile Private Limited	2023-24	-	9.87	-	-	-	-	9.87
	2022-23	-	-	-	-	-	-	-
Titagarh Firema Engineering Services Private Limited	2023-24	-	254.30	-	-	-	-	254.30
	2022-23	-	-	-	-	-	-	-
Payment for Lease Rental (Refer Note 6.6)								
Titagarh Enterprises Limited	2023-24	-	-	-	1,351.54	-	-	1,351.54
	2022-23	-	-	-	864.83	-	-	864.83

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Nature of transactions	Year	Subsidiary Companies	Joint ventures	Associate	Enterprise over which KMP/ shareholders/ relatives have significant influence	KMP	Relatives of KMP	Total
Interest Expense on Loan								
Titagarh Enterprises Limited	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	-	128.32	-	-	128.32
Remuneration (Excluding Employee Stock Option Expense) [Refer (b) below]								
Mr. J P Chowdhary	2023-24	-	-	-	-	363.28	-	363.28
	2022-23	-	-	-	-	257.28	-	257.28
Mr. Umesh Chowdhary	2023-24	-	-	-	-	363.28	-	363.28
	2022-23	-	-	-	-	257.28	-	257.28
Mr. Prithish Chowdhary	2023-24	-	-	-	-	57.13	-	57.13
	2022-23	-	-	-	-	32.83	-	32.83
Mr. Anil Kumar Agarwal	2023-24	-	-	-	-	97.05	-	97.05
	2022-23	-	-	-	-	104.98	-	104.98
Mr. Sudipta Mukherjee	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	-	-	58.96	-	58.96
Mr. Saket Kandal	2023-24	-	-	-	-	68.35	-	68.35
	2022-23	-	-	-	-	1.95	-	1.95
Mr. Saurav Singhania	2023-24	-	-	-	-	68.84	-	68.84
	2022-23	-	-	-	-	26.54	-	26.54
Mr. Sumit Jaiswal	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	-	-	3.13	-	3.13
Mr. Ravi Mundhra	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	-	-	19.14	-	19.14
Mr. Dinesh Arya	2023-24	-	-	-	-	4.30	-	4.30
	2022-23	-	-	-	-	2.95	-	2.95
Sitting Fees to Directors								
Mr. Manoj Mahanka	2023-24	-	-	-	-	15.20	-	15.20
	2022-23	-	-	-	-	11.80	-	11.80
	2023-24	-	-	-	-	13.00	-	13.00
Mr. Atul Ravishanker Joshi	2023-24	-	-	-	-	5.60	-	5.60
	2022-23	-	-	-	-	3.20	-	3.20
Mrs. Rashmi Chowdhary	2023-24	-	-	-	-	14.00	-	14.00
	2022-23	-	-	-	-	12.00	-	12.00
Mr. Sunimal Talukdar	2023-24	-	-	-	-	8.00	-	8.00
	2022-23	-	-	-	-	7.00	-	7.00

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Nature of transactions	Year	Subsidiary Companies	Joint ventures	Associate	Enterprise over which KMP/ shareholders/ relatives have significant influence	KMP	Relatives of KMP	Total
Mr. Krishan Kumar Jalan	2023-24	-	-	-	-	7.20	-	7.20
	2022-23	-	-	-	-	5.00	-	5.00
Mr. Prithish Chowdhary	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	-	-	1.40	-	1.40
Ms. Nayanantara Palchoudhri	2023-24	-	-	-	-	6.60	-	6.60
	2022-23	-	-	-	-	5.00	-	5.00
Mr. Bontha Prasada Rao	2023-24	-	-	-	-	4.60	-	4.60
	2022-23	-	-	-	-	-	-	-
Mr. Debanjan Mandal	2023-24	-	-	-	-	1.20	-	1.20
	2022-23	-	-	-	-	-	-	-
Commission to non - whole time directors								
Mr. Atul Ravishanker Joshi	2023-24	-	-	-	-	10.00	-	10.00
	2022-23	-	-	-	-	4.17	-	4.17
Mr. Sunimal Talukdar	2023-24	-	-	-	-	10.00	-	10.00
	2022-23	-	-	-	-	4.17	-	4.17
Mr. Sushil Kumar Roongta	2023-24	-	-	-	-	10.00	-	10.00
	2022-23	-	-	-	-	4.17	-	4.17
Mr. Krishan Kumar Jalan	2023-24	-	-	-	-	10.00	-	10.00
	2022-23	-	-	-	-	4.17	-	4.17
Ms. Nayanantara Palchoudhri	2023-24	-	-	-	-	10.00	-	10.00
	2022-23	-	-	-	-	4.16	-	4.16
Mr. Manoj Mahanka	2023-24	-	-	-	-	10.00	-	10.00
	2022-23	-	-	-	-	4.16	-	4.16
Mr. Bontha Prasada Rao	2023-24	-	-	-	-	5.00	-	5.00
	2022-23	-	-	-	-	-	-	-
Mr. Debanjan Mandal	2023-24	-	-	-	-	5.00	-	5.00
	2022-23	-	-	-	-	-	-	-
Payment of Dividend								
Mr. J P Chowdhary	2023-24	-	-	-	-	0.35	-	0.35
	2022-23	-	-	-	-	-	-	-
Mr. Umesh Chowdhary	2023-24	-	-	-	-	0.39	-	0.39
	2022-23	-	-	-	-	-	-	-
Mrs. Rashmi Chowdhary	2023-24	-	-	-	-	64.08	-	64.08
	2022-23	-	-	-	-	-	-	-
Mr. Anil Kumar Agarwal	2023-24	-	-	-	-	0.50	-	0.50
	2022-23	-	-	-	-	-	-	-

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Nature of transactions	Year	Subsidiary Companies	Joint ventures	Associate	Enterprise over which KMP/ shareholders/ relatives have significant influence	KMP	Relatives of KMP	Total
Mr. Saket Kandoi	2023-24	-	-	-	-	0.35	-	0.35
	2022-23	-	-	-	-	-	-	-
Mr. Saurav Singhania	2023-24	-	-	-	-	0.20	-	0.20
	2022-23	-	-	-	-	-	-	-
Mr. Dinesh Arya	2023-24	-	-	-	-	0.22	-	0.22
	2022-23	-	-	-	-	-	-	-
Ms. Binla Devi Kajoria	2023-24	-	-	-	-	-	0.01	0.01
	2022-23	-	-	-	-	-	-	-
Ms. Sumita Kandoi	2023-24	-	-	-	-	-	0.03	0.03
	2022-23	-	-	-	-	-	-	-
Ms. Vinita Bajoria	2023-24	-	-	-	-	-	0.16	0.16
	2022-23	-	-	-	-	-	-	-
Titagarh Capital Management Services Private Limited	2023-24	-	-	-	120.36	-	-	120.36
	2022-23	-	-	-	-	-	-	-
Titagarh Logistics Infrastructures Private Limited	2023-24	-	-	-	9.54	-	-	9.54
	2022-23	-	-	-	-	-	-	-
Chowdhary Foundation	2023-24	-	-	-	91.01	-	-	91.01
	2022-23	-	-	-	-	-	-	-
Impairment of Investments								
Titagarh Firema S.p.A	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	4,972.82	-	-	-	4,972.82
In relation to Balance Sheet Item								
Investments made								
Titagarh Firema S.p.A	2023-24	-	-	-	-	-	-	-
	2022-23	3,248.60	-	-	-	-	-	3,248.60
Ramkrishna Titagarh Rail Wheels Limited	2023-24	-	6,124.88	-	-	-	-	6,124.88
	2022-23	-	-	-	-	-	-	-
Titagarh Firema Engineering Services Private Limited	2023-24	-	196.00	-	-	-	-	196.00
	2022-23	-	-	-	-	-	-	-
Shivaliks Mercantile Private Limited	2023-24	-	10,000.00	-	-	-	-	10,000.00
	2022-23	-	-	-	-	-	-	-
Repayment of Loan								
Titagarh Enterprises Limited	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	-	2,000.00	-	-	2,000.00
Security deposit paid								
Titagarh Enterprises Limited	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	-	293.98	-	-	293.98

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Nature of transactions	Year	Subsidiary Companies	Joint ventures	Associate	Enterprise over which KMP/ shareholders/ relatives have significant influence	KMP	Relatives of KMP	Total
Balances outstanding as at the year end								
Trade Receivables								
Titagarh Firema S.p.A	2023-24	-	-	97.54	-	-	-	97.54
	2022-23	-	-	1,274.51	-	-	-	1,274.51
Titagarh Enterprises Limited	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	-	36.07	-	-	36.07
Trade Payables								
Titagarh Enterprises Limited	2023-24	-	-	-	0.03	-	-	0.03
	2022-23	-	-	-	399.81	-	-	399.81
Nico Eastern Private Limited	2023-24	-	-	-	45.82	-	-	45.82
	2022-23	-	-	-	9.93	-	-	9.93
Capital Advance								
Titagarh Firema S.p.A	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	2,387.31	-	-	-	2,387.31
Charges Recoverable								
Ramkrishna Titagarh Rail Wheels Limited	2023-24	-	14.86	-	-	-	-	14.86
	2022-23	-	-	-	-	-	-	-
Shivaliks Mercantile Private Limited	2023-24	-	9.87	-	-	-	-	9.87
	2022-23	-	-	-	-	-	-	-
Investment In Equity shares								
Titagarh Firema S.p.A	2023-24	-	-	1,272.63	-	-	-	1,272.63
	2022-23	-	-	1,272.63	-	-	-	1,272.63
Receivable from Related Parties								
Titagarh Wagons AFR [Net of Rs. 235.93 lacs being provision for doubtful receivables (March 31, 2023: Rs. 235.93 lacs)]	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	-	-	-	-	-
Interest Accrued on Loans								
Titagarh Wagons AFR [Net of Rs. 139.97 lacs being provision for doubtful interest accrued on loans (March 31, 2023: Rs. 139.97 lacs)]	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	-	-	-	-	-
Advances Recoverable in Cash or Kind								
Mr. Anil Kumar Agarwal	2023-24	-	-	-	-	30.00	-	30.00
	2022-23	-	-	-	-	30.00	-	30.00
Titagarh Firema S.p.A	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	166.63	-	-	-	166.63

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Nature of transactions	Year	Subsidiary Companies	Joint ventures	Associate	Enterprise over which KMP/ shareholders/ relatives have significant influence	KMP	Relatives of KMP	Total
Commission payable to non whole time directors								
Mr. Atul Ravishanker Joshi	2023-24	-	-	-	-	10.00	-	10.00
	2022-23	-	-	-	-	4.17	-	4.17
Mr. Sunirmal Talukdar	2023-24	-	-	-	-	10.00	-	10.00
	2022-23	-	-	-	-	4.17	-	4.17
Mr. Sushil Kumar Roongta	2023-24	-	-	-	-	10.00	-	10.00
	2022-23	-	-	-	-	4.17	-	4.17
Mr. Krishan Kumar Jalan	2023-24	-	-	-	-	10.00	-	10.00
	2022-23	-	-	-	-	4.17	-	4.17
Ms. Nayantara Palchoudhri	2023-24	-	-	-	-	10.00	-	10.00
	2022-23	-	-	-	-	4.16	-	4.16
Mr. Manoj Mahanka	2023-24	-	-	-	-	10.00	-	10.00
	2022-23	-	-	-	-	4.16	-	4.16
Mr. Bontha Prasada Rao	2023-24	-	-	-	-	5.00	-	5.00
	2022-23	-	-	-	-	-	-	-
Mr. Debanjan Mandal	2023-24	-	-	-	-	5.00	-	5.00
	2022-23	-	-	-	-	-	-	-
Security Deposit								
Titagarh Enterprises Limited	2023-24	-	-	-	-	307.91	-	307.91
	2022-23	-	-	-	-	281.92	-	281.92
Investments								
Titagarh Wagons AFR [Net of Rs. 4,883.89 Lacs impairment (March 31, 2023: Rs. 4,883.89 Lacs)]	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	-	-	-	-	-
Titagarh Singapore Pte Limited [Net of Rs. 12,743.65 Lacs impairment (March 31, 2023: Rs.12,743.65 Lacs)]	2023-24	-	-	-	-	-	-	-
	2022-23	-	-	-	-	-	-	-
Titagarh Firema S.p.A	2023-24	-	-	1,272.63	-	-	-	1,272.63
	2022-23	-	-	1,272.63	-	-	-	1,272.63
Titagarh Enterprises Limited	2023-24	-	-	-	3,657.62	-	-	3,657.62
	2022-23	-	-	-	3,140.55	-	-	3,140.55
Titagarh Mermec Private Limited	2023-24	-	0.50	-	-	-	-	0.50
	2022-23	-	0.50	-	-	-	-	0.50
Titagarh Industries Limited	2023-24	-	-	-	41.39	-	-	41.39
	2022-23	-	-	-	39.00	-	-	39.00
Titagarh Firema Engineering Services Private Limited	2023-24	-	196.00	-	-	-	-	196.00
	2022-23	-	-	-	-	-	-	-

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Nature of transactions	Year	Subsidiary Companies	Joint ventures	Associate	Enterprise over which KMP/ shareholders/ relatives have significant influence	KMP	Relatives of KMP	Total
Ramkrishna Titagarh Rail Wheels Limited	2023-24	-	6,124.88	-	-	-	-	6,124.88
	2022-23	-	-	-	-	-	-	-
Shivaliks Mercantile Private Limited	2023-24	-	10,000.00	-	-	-	-	10,000.00
	2022-23	-	-	-	-	-	-	-

Notes
a) Terms and conditions of transactions with related parties

Transactions relating to dividend were on the same terms and conditions that applied to other shareholders. The sales / services to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest-free and settlement occurs in cash.

b) Compensation of Key Managerial Personnel

	For the Year Ended March 31, 2024 Rs. In Lacs	For the Year Ended March 31, 2023 Rs. In Lacs
Short-term employee benefits	972.83	718.15
Contribution to provident and other funds	49.40	46.89
	1,022.23	765.04

The remuneration to key managerial personnel does not include provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Company as a whole.

c) The Company has provided letter of Financial support to one of its joint venture namely Titagarh Mermec Private Limited.

d) Also refer Note 6.1 (d) to the standalone financial statements.

4.5. Fair Values
(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-

the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 fair value measurements during the year ended March 31, 2024 and March 31, 2023.

The following table provides the fair value measurement hierarchy of the Company's assets:

(Rs. in Lacs)

Quantitative disclosures fair value measurement hierarchy:	Date of Valuation	Level 1	Level 2	Level 3	Total
Assets measured at Fair Value:					
Investments	March 31, 2024	-	-	3,699.06	3,699.06
	March 31, 2023	-	-	3,179.60	3,179.60
Total Financial Assets	March 31, 2024	-	-	3,699.06	3,699.06
	March 31, 2023	-	-	3,179.60	3,179.60
Derivative Financial Liabilities	March 31, 2024	-	16.94	-	16.94
	March 31, 2023	-	37.87	-	37.87
Total Financial Liabilities	March 31, 2024	-	16.94	-	16.94
	March 31, 2023	-	37.87	-	37.87

(ii) Fair value measurements using significant unobservable inputs (Level 3)

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy (FVTPL assets in unquoted equity shares/units valued using Discounted Cash Flow method) together with a quantitative sensitivity analysis as at March 31, 2024 and March 31, 2023 are as shown below:

(Rs. in Lacs)

Significant Unobservable Input - Weighted Average Cost of Capital / Discounting Rate *	March 31, 2024	March 31, 2023
Impact of 1% Increase	(353.50)	(319.00)
Impact of 1% Decrease	482.27	434.68

Significant Unobservable Input - Circle Rate for land owned by the respective Investee Company #	March 31, 2024	March 31, 2023
Impact of 5% Increase	50.19	57.86
Impact of 5% Decrease	(50.23)	(57.86)

* For FVTPL assets in unquoted equity shares

For FVTPL assets in unquoted equity shares

(iii) Reconciliation of fair value measurement of financial instruments classified as FVTPL assets:

(Rs in Lacs)

Particulars	Investment in unquoted equity shares
Closing Balance as on March 31, 2022	3,015.06
Re-measurement recognised in Statement of Profit and Loss	164.54
Closing Balance as on March 31, 2023	3,179.60
Re-measurement recognised in Statement of Profit and Loss	519.46
Closing Balance as on March 31, 2024	3,699.06

(iv) Fair value of financial assets and liabilities

The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in orderly transaction

between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2023.

The methods and assumptions were used to estimate the fair values:

- The fair value of foreign exchange forward contracts is determined using forward exchange rates at the Balance Sheet date.
- The management assessed that the fair values of remaining financial assets and liabilities at amortised cost approximate to their carrying amounts largely due to the short-term maturities of these instruments.
- For financial assets / liabilities carried at fair value, the carrying amounts are equal to their fair values.
- Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimate technique. Therefore, for substantially all financial instruments, the fair value estimates are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

46. Financial Risk Management Objectives and Policies

The Company's financial liabilities comprise borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents, investments and other financial assets.

The Company's Board of Directors ensures that risks are identified, measured and managed in accordance with Risk Management Policy of the Company and also reviews these risks and related risk management policy, which are summarised below.

i) Market Risks

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: foreign currency risk and other price risk, such as equity price risk and interest rate risk. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, borrowings, other receivables etc.

(i) 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 Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities and borrowings. Such foreign currency exposures are primarily hedged by the Company through use of foreign exchange forward contracts. The Company has a treasury team which continuously monitors the foreign exchange fluctuations on a continuous basis and advises the management of any material adverse effect on the Company, and any additional remedial measures to be taken.

The Company's foreign currency exposure at the end of the reporting period are as follows:

(Rs. in Lacs)

PARTICULARS	March 31, 2024					March 31, 2023			
	JPY	NPR	USD	EURO	CNY	JPY	NPR	USD	EURO
Financial Assets									
Trade Receivables	2,612.22	221.80	625.28	4,771.82	-	2,249.51	221.80	616.60	2,892.99
Cash and Cash Equivalents	-	214.31	-	-	-	-	253.41	-	-
Other Financial Assets	-	-	-	375.90	-	-	-	-	375.90
Derivative Assets									
Foreign Exchange Forward Contracts	-	-	-	-	-	(2,336.04)	-	-	(3,170.19)
Net exposure to Foreign Currency Risk (Assets)	2,612.22	436.11	625.28	5,147.72	-	(86.53)	475.21	616.60	98.70

PARTICULARS	March 31, 2024				March 31, 2023				
	JPY	NPR	USD	EURO	CNY	JPY	NPR	USD	EURO
Financial Liabilities									
Trade Payables	1,950.12	-	7,437.38	1,332.51	243.71	989.85	7.32	41.10	1,852.20
Other Financial Liabilities	-	-	41.70	-	-	-	-	17.13	-
Borrowings	-	-	1,651.12	-	-	-	-	2,044.51	-
Derivative Liabilities									
Foreign Exchange Forward Contracts	-	-	(3,855.23)	-	-	-	-	(5,290.36)	-
Net Exposure to Foreign Currency Risk (Liabilities)	1,950.12	-	5,274.97	1,332.51	243.71	989.85	7.32	(3,187.61)	1,852.20
Net Exposure to Foreign Currency Risk (Assets less Liabilities)	662.10	436.11	(4,649.69)	3,815.21	(243.71)	(1,076.38)	467.89	3,804.21	(1,753.50)

(Rs. in Lacs)

Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD, Euro, JPY, NPR and CNY exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

	Changes in JPY rate	Foreign currency (Payable) / Receivable (net)	Effect on Profit before Tax	Changes in NPR rate	Foreign currency (Payable) / Receivable (net)	Effect on Profit before Tax	Changes in USD rate	Foreign currency (Payable) / Receivable (net)	Effect on Profit before Tax
		Rs in Lacs	Rs in Lacs		%	Rs in Lacs		Rs in Lacs	Rs in Lacs
March 31, 2024	5%	662.10	33.11	5%	436.11	21.81	5%	(4,649.69)	(232.48)
	-5%		(33.11)	-5%		(21.81)	-5%		232.48
March 31, 2023	5%	(1,076.38)	(53.82)	5%	467.89	23.39	5%	3,804.21	190.21
	-5%		53.82	-5%		(23.39)	-5%		(190.21)

	Changes in EURO rate	Foreign currency (Payable) / Receivable (net)	Effect on Profit before Tax	Changes in CNY rate	Foreign currency (Payable) / Receivable (net)	Effect on Profit before Tax
	Rs in Lacs	Rs in Lacs	%		Rs in Lacs	Rs in Lacs
March 31, 2024	5%	3,815.21	190.76	5%	(243.71)	(12.19)
	-5%		(190.76)	-5%		12.19
March 31, 2023	5%	(1,753.50)	(87.68)	5%	-	-
	-5%		87.68	-5%		-

(ii) Equity price risks

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in equity prices (other than those arising from interest rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market.

The Company only invests in the equity shares of the subsidiaries, associate, joint ventures and some of the group companies as part of the Company's overall business strategy and policy. The Company manages the equity price risk through placing limits on individual and total equity investment in each of the subsidiaries, associate, joint ventures and group companies based on the respective business plan of each of the companies. Reports on the investment portfolio along with the financial performance of the subsidiaries, associates, joint ventures and group companies are submitted to the Company's management on a regular basis. The Company's Board of Directors reviews and approves all

investment decisions.

The Company's investment in quoted equity instruments (other than subsidiaries) is not material. For sensitivity analysis of Company's investments in equity instruments, Refer Note 45(ii).

(iii) Interest rate risks

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rates relates primarily to the Company's debt interest obligation. Further the Company engages in financing activities at market linked rates, any changes in the interest rate environment may impact future rates of borrowings. The Company continuously monitor the situation and takes remedial actions if required. The Company's investments in term deposits with bank are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Interest rate risk exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	(Rs. in Lacs)	
	As at March 31, 2024	As at March 31, 2023
Variable Rate Borrowings	6,625.60	24,932.41
Total Borrowings	6,625.60	24,932.41

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on Profit before Tax	
	March 31, 2024	March 31, 2023
Interest Rates - Increase by 100 basis points *	(66.26)	(249.32)
Interest Rates - Decrease by 100 basis points*	66.26	249.32

* Holding all other variables constant and on the assumption that amount outstanding as at reporting dates were utilised for full financial year.

II) Credit Risks

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 loans / deposits) and from its investing activities (primarily deposits with

banks). The Company's maximum exposure to credit risk for the components of the Balance Sheet as at March 31, 2024 and March 31, 2023 is their carrying amounts except for the financial guarantees.

(a) Trade receivables and contract assets

Customer credit risk is managed by the Company through established policy and procedures and

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

controls relating to customer credit risk management. The Company applies the simplified approach to determine the expected credit loss (ECL) for trade and other receivables by considering historical credit loss experience further adjusted for forward looking information. In addition Company also considers allowance for credit loss for trade and other receivable based on specific identification method on a case to case basis with reference to the customer's credit quality,

prevailing market conditions etc. To calculate expected credit loss, the Company groups its trade receivables by category of customers i.e. passenger rolling stock, freight rolling stock, shipbuilding, bridges and defence and related parties. The Company has evaluated that the historical loss rate for passenger rolling stock, freight rolling stock and related party receivables is Nil. In respect of receivables from shipbuilding, bridges and defence, the historical loss rate is given below:

March 31, 2024								
Particulars	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross Debtors	-	-	88.80	-	1,958.91	313.59	665.45	3,026.75
Contract Assets	2,458.09	136.72	-	-	-	-	-	2,594.81
Historical Loss Rates	0.01%	0.00%	0.02%	0.00%	0.13%	3.81%	100.00%	
Loss Allowance	0.22	-	0.02	-	2.63	11.95	665.45	680.27
March 31, 2023								
Particulars	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross Debtors	-	-	3,280.49	78.61	454.22	659.22	97.83	4,570.37
Contract Assets	2,709.44	87.38	-	-	-	-	-	2,796.82
Historical Loss Rates	0.01%	0.00%	0.01%	0.04%	0.09%	0.51%	100.00%	
Loss Allowance	0.15	-	0.48	0.03	0.39	3.34	97.83	102.22

(b) Other Financial Assets and Deposits

Credit Risk from Balances with Banks, deposits, etc is managed by the Company's finance department. Investments of Surplus funds are made only with approved counterparties which have high credit worthiness in accordance with the Company's policy and hence the credit risk is limited

(c) Reconciliation of loss allowance of trade receivables, contract assets and other financial assets:

(Rs. in Lacs)

Particulars	Trade Receivables	Other Financial Assets
Opening Balance as at March 31, 2022	-	375.90
Provision made during the year ended March 31, 2023	102.22	-
Provision adjusted with corresponding receivable balance during the year ended March 31, 2023	-	-
Closing Balance as at March 31, 2023	102.22	375.90
Provision made during the year ended March 31, 2024	661.08	-
Provision adjusted with corresponding receivable balance during the year ended March 31, 2024	-	-
Provision written back during the year ended March 31, 2024	(83.03)	-
Closing Balance as at March 31, 2024	680.27	375.90

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

The impairment provision as disclosed above are based on assumptions about risk of default and expected credit loss rates. The Company uses judgement in making these assumptions based on the Company's past history, counter party's ability to pay, existing market conditions

as well as forward looking estimates at the end of each reporting period.

The Company has recorded bad debts of Rs. Nil lacs (March 31, 2023: Rs. 165.81 lacs), being not realisable from customers.

Movement of Liquidated Damages:

Particulars	(Rs. in Lacs)
Opening Balance as at March 31, 2022	267.29
Provision made during the year ended March 31, 2023	1,011.00
Provision utilised / reversed during the year ended March 31, 2023	(1,117.56)
Closing Balance as at March 31, 2023	160.73
Provision made during the year ended March 31, 2024	3,701.50
Provision utilised / reversed during the year ended March 31, 2024	(3,862.23)
Closing Balance as at March 31, 2024	-

III) Liquidity Risks

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposits, which carry no market risk. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits, bank loans among others.

Maturity profile of Financial Liabilities

Maturity profile of all financial liabilities is as under:

(Rs. in Lacs)

Particulars	March 31, 2024					March 31, 2023				
	Carrying Amount	Contractual Cash flows	Upto 1 Year	1-3 years	More than 3 years	Carrying Amount	Contractual Cash flows	Upto 1 Year	1-3 years	More than 3 years
Non-derivative Financial Liabilities										
Borrowings (including interest accrued and not due on borrowings) *	6,756.41	7,684.17	3,434.43	2,946.44	1,303.30	24,966.98	26,502.63	20,628.41	3,188.62	2,685.60
Trade Payables	31,944.44	31,944.44	31,944.44	-	-	32,300.77	32,300.77	32,300.77	-	-
Lease Liabilities	9,945.92	14,395.67	1,432.63	3,128.30	9,834.74	10,393.61	10,473.11	490.71	1,330.07	8,652.33

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

Particulars	March 31, 2024					March 31, 2023				
	Carrying Amount	Contractual Cash flows	Upto 1 Year	1-3 years	More than 3 years	Carrying Amount	Contractual Cash flows	Upto 1 Year	1-3 years	More than 3 years
	Other Financial Liabilities	2,492.66	2,492.66	2,492.66	-	-	716.56	716.56	716.56	-
Total Financial Liabilities	51,139.43	56,516.94	39,304.16	6,074.74	11,138.04	68,377.92	69,993.07	54,136.45	4,518.69	11,337.93

* Includes transaction cost adjustment on borrowings and contractual interest payment based on interest rate prevailing at the end of the reporting period.

46.1 The Company does not have any material foreseeable losses on long term contracts. Further the net losses on derivative contracts during the year have been recognised in the financial statements in keeping with Company's accounting policy.

47. Capital Management
(a) Risk Management

The Company's objective when managing capital (defined as net debt and equity) is to safeguard the Company's ability to continue as a going concern in

order to provide returns to shareholders and benefits for other stakeholders, while protecting and strengthening the balance sheet through the appropriate balance of debt and equity funding. The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the Company.

The Company monitors capital on the basis of the net debt to equity ratio. Net debt are borrowings as reduced by cash and cash equivalents. The Company is not subject to any externally imposed capital requirements.

The following table summarises the capital of the Company:

	As at March 31, 2024 (Rs. in Lacs)	As at March 31, 2023 (Rs. in Lacs)
Total Borrowings	6,625.60	24,932.41
Less: Cash and Cash Equivalents	32,688.43	4,079.23
Net Debt	(26,062.83)	20,853.18
Equity	2,22,820.93	96,292.23
Total Capital (Equity + Net Debt)	1,96,758.10	1,17,145.41
Net Debt to Equity Ratio	-11.70%	21.66%

(b) Dividends on Equity Shares

	For the year ended March 31, 2024 (Rs. in Lacs)	For the year ended March 31, 2023 (Rs. in Lacs)
Dividend Declared and Paid during the year		
Final Dividend for the year ended March 31, 2023 paid of Rs. 0.50 (March 31, 2022 - Nil) per fully paid share	635.86	-
Dividend Distribution Tax on above	-	-

Proposed Dividend

The Board of Directors of the Company recommended a dividend of Rs. 0.80/- per Ordinary (Equity) Share of Rs. 2/- each (40%) to the shareholders of the Company for the financial year 2023-24. The dividend recommended by the Board of Directors of the Company is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM) of the Company. The dividend, if approved by the shareholders at the AGM, will be paid, subject to deduction of tax at source.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2024

48. Debt Reconciliation

This section sets out an analysis of debt and the movement in debt during the year.

(Rs. in Lacs)

Particulars	March 31, 2024	March 31, 2023
Non-current Borrowings	3,735.75	4,962.50
Current Maturities of Long-term Debt	1,238.73	3,286.13
Current Borrowings	1,651.12	16,683.78
Interest Accrued and but not due on borrowings	130.81	34.57
Lease Liabilities	9,945.92	10,393.61
Total	16,702.33	35,360.59

(Rs. in Lacs)

Particulars	Non-current Borrowings	Current Borrowings	Lease Liabilities	Total
Debt as at March 31, 2022	7,991.15	5,978.22	5,926.37	19,895.74
New Leases	-	-	4,836.43	4,836.43
Finance Costs	2,979.13	4,520.40	575.14	8,074.67
Finance cost Capitalised in Inventory	(2,364.78)	-	-	(2,364.78)
Liabilities held for sale	-	-	(79.50)	(79.50)
Cash Flows				
Principal Repayment of Leases	-	-	(864.83)	(864.83)
Proceeds from Long-term Borrowings from Banks	4,962.50	-	-	4,962.50
Repayment of Loan from Related Party	(2,000.00)	-	-	(2,000.00)
Repayment of Long-term Borrowings from Banks	(2,705.03)	-	-	(2,705.03)
Short-term Borrowings - Receipts/ (Payments)	-	10,798.89	-	10,798.89
Finance Costs Paid	(614.34)	(4,579.16)	-	(5,193.50)
Debt as at March 31, 2023	8,248.63	16,718.35	10,393.61	35,360.59
Finance Costs	2,238.10	4,203.47	903.85	7,345.42
Finance cost Capitalised in Inventory	(1,612.61)	-	-	(1,612.61)
Cash Flows				
Principal Repayment of Leases	-	-	(1,351.54)	(1,351.54)
Repayment of Long-term Borrowings from Banks	(3,307.50)	-	-	(3,307.50)
Short-term Borrowings - Receipts/ (Payments)	-	(15,032.66)	-	(15,032.66)
Finance Costs Paid	(592.14)	(4,107.23)	-	(4,699.37)
Debt as at March 31, 2024	4,974.48	1,781.93	9,945.92	16,702.33

49. Revenue recognised in relation to contract liability

	As at March 31, 2024 (Rs. in Lacs)	As at March 31, 2023 (Rs. in Lacs)
Revenue recognised that was included in the contract liability balance at the beginning of the period	22,793.47	8,370.84

49.1 The aggregate amount of the transaction price allocated to the remaining performance obligation, which are partially or fully unsatisfied as at year end is Rs. 659,865.85 lacs (March 31, 2023 : Rs. 93,230.84 lacs) and the entity will recognize this revenue as the contract is completed and / or executed, which is expected to occur over the next 12–68 months.

Trade receivables in respect of contract with customers has been included in Note 11

50. Scheme of Amalgamation

The Board of Directors of the Company at its meeting held on January 10, 2022 approved the Scheme for amalgamation ("the Scheme") of Titagarh Bridges and International Private Limited (TBIP) - a wholly owned subsidiary with the Company, pursuant to Sections 230 to 232 of the Companies Act, 2013 with April 01, 2021 as the Appointed Date. The Hon'ble National Company Law Tribunal (NCLT), Kolkata vide its order dated October 26, 2022 approved the Scheme. In terms of the Scheme, no consideration has been paid and the equity shares and optionally fully convertible debentures held by the Company in TBIP stands converted.

In the previous year, the Company accounted for the above merger in accordance with Appendix C - (Business combinations of entities under common control) of Indian Accounting Standard (Ind AS) 103, Business Combinations, other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 as notified under section 133 of Companies Act, 2013 and relevant clarifications issued by the Institute of Chartered Accountants of India with effect from April 1, 2021 and as also approved in the scheme by NCLT.

51. The Company has evaluated the impact of the Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and in the assessment of the management, the exposure is not material.

52. (i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(v) Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year, other than as disclosed in Note 50

(vi) Utilisation of borrowed funds and share premium-

(A) 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 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 to or on behalf of the ultimate beneficiaries other than funds aggregating to Rs.10,000.00 lacs invested by the Company in Shivalkis Mercantile Private Limited (SMPL) for onward investments in Titagarh Firema S.p.A. (TFA) of which Rs. 9,013.10 lacs had been invested by SMPL in TFA by year ended March 31, 2024. This arrangement is in accordance Share Subscription agreement dated January 24, 2024 between Sidwal Refrigeration Industries Private Limited, Titagarh Rail Systems Limited, Shivalkis Mercantile Private Limited and Shri. Umesh Chowdhary.

(B) 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:

- 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.

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of PPE, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) The Company does not have any Core investment companies as a part of the group.

53. RATIOS

	March 31, 2024	March 31, 2023	Change %	Remarks
Current Ratio (times)	2.71	1.27		Variation is mainly due to increase in current assets on account of increase in Cash and Cash Equivalents as at year end.
(Current Assets/Current Liabilities)			113.00%	
Current Assets	1,98,017.28	1,10,590.14		
Current Liabilities	73,004.45	86,846.18		
Net Debt-Equity Ratio (times)	(0.12)	0.22		Variation is mainly due to repayment of debt and issue of shares during the current year.
(Total Debt/Equity)			-154.01%	
Net Debt	(26,062.83)	20,853.18		
[Net Debt = Total Debts - Cash & Cash Equivalents]				
Equity	2,22,820.93	96,292.23		
Debt service coverage ratio (times)	1.65	1.94		Variation is mainly due to increase in profitability during the current year.
(Earnings available for debt service/Debt service)			-14.63%	
Earnings available for debt service	40,309.41	20,836.81		
[Earning for Debt Service = Net Profit after taxes + Depreciation and Amortization Expense+ Non Cash Items + Finance Costs]				
Debt service	24,391.09	10,763.37		
[Debt service = Finance Costs + Scheduled Principal Repayments including Lease payments]				
Return on equity ratio (%)	18.61%	11.28%		Variation is mainly due to increase in profitability and equity shares issued during the current year.
(Net profit after tax/Shareholders equity)			64.96%	
Net profit after tax	29,690.68	10,336.64		
Average Shareholders equity	1,59,556.58	91,633.97		
Inventory turnover ratio (in no. of days)	60.17	65.67		-8.38%
(COGS/Average Inventory)				
COGS	2,98,808.08	2,15,005.35		
Average Inventory	49,254.74	38,680.81		
Trade receivables turnover ratio (in no. of days)	38.44	31.37		Variation is mainly due to increase in revenue from operations during the current year.
(Revenue from Operations/Average Trade Receivables)			22.56%	
Revenue from Operations	3,85,330.04	2,78,052.90		
Average Trade Receivables	40,583.39	23,893.73		

Trade payables turnover ratio (in no. of days)		34.71		39.04			
(Purchase/Average Trade Payables)							
Purchase	3,37,797.63		2,58,338.65				
[Purchase = Purchase of raw materials + Purchase of stores and spares + Other Expenses]							
Average Trade Payables	32,122.61		27,630.34				
Net capital turnover ratio (in no. of days)		118.42		31.17			
(Revenue from Operations/Working Capital)							
Revenue from Operations	3,85,330.04		2,78,052.90				
Working Capital	1,25,012.83		23,743.96				
[Working Capital = Current Assets - Current Liabilities]							
Net profit ratio (%)		7.71%		3.72%			
(Profit After Tax/Revenue from Operations)							
Profit After Tax	29,690.68		10,336.64				
Revenue from Operations	3,85,330.04		2,78,052.90				
Return on capital employed (%)		20.41%		19.54%			
(EBIT/Capital Employed)							
EBIT	47,050.10		23,951.88				
[EBIT = Profit before taxes + Finance Costs]							
Capital Employed	2,30,510.99		1,22,571.00				
[Capital Employed = Total Equity + Non Current Borrowings + Current Borrowings + Deferred Tax Liability]							
Return on Investment (%)		17.91%		12.91%			
(EBIT/Average Total Assets)							
EBIT	47,050.10		23,951.88				
[EBIT = Profit before taxes + Finance Costs]							
Average Assets	2,62,635.95		1,85,571.27				

-11.09%
Variation is mainly due to increase in purchase on account of increase in operations of Company during the current year.

279.92%
Variation is mainly due to increase in revenue from operations during the current year and overall increase in current assets due to increase in Cash and Cash Equivalents as at year end.

107.27%
Variation is mainly due to increase in profitability and turnover during the current year.

4.45%

38.80%
Variation is mainly due to increase in profitability and reduction in finance cost during the current year.

54. Research and Development expenditure of revenue nature recognised in Profit and Loss during the year amounts to Rs. 144.36 lacs (March 31, 2023 : 301.84 lacs).
55. The board at its meeting held on March 17, 2023 approved change of name of the company to Titagarh Rail Systems Limited to better reflect the current business activities and after shareholders approval obtained on April 27, 2023 the necessary forms were filed with MCA. The approval for the same was received and the name change was effective from May 19, 2023.
56. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No: 3040226/E-300009

Pranil Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 15, 2024

For Sarulpuria & Partners
Firm Registration Number: 202113E
Chartered Accountants

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 15, 2024

For and on behalf of the Board of Directors of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

J P Chowdhary
Executive Chairman
DIN: 00313685
Place: Kolkata
Date: May 15, 2024

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652
Place: Kolkata
Date: May 15, 2024

Atul Ravishanker Joshi
Independent Director
DIN: 03557435
Place: Kolkata
Date: May 15, 2024

Anil Kumar Agarwal
Deputy Managing Director & CEO (FRS)
DIN: 01501767
Place: Kolkata
Date: May 15, 2024

Saurav Singhania
Chief Financial Officer
Place: Kolkata
Date: May 15, 2024

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 15, 2024

Independent Auditor's Report

To the Members of Titagarh Rail Systems Limited (formerly known as Titagarh Wagons Limited)
Report on the Audit of the Consolidated Financial Statements

Opinion

- We have audited the accompanying consolidated financial statements of Titagarh Rail Systems Limited (formerly known as Titagarh Wagons Limited) (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), its associate company and joint ventures (refer Note 1(a) to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2024, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, material accounting policy information 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, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate company and joint ventures as at March 31, 2024, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

- We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group, its associate company and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 14 of the Other Matters section below, other than the unaudited financial information as certified by the management and referred to in sub-paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

- Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of carrying value of Investment in Shivaliks Mercantile Private Limited</p> <p>(Refer to Note 5.2 – "Equity Accounted Investments", Refer Note 2.3 – "Critical Estimates and Judgements – Impairment of Investments in Associate and joint ventures")</p> <p>During the year, the Holding Company has invested an amount of Rs. 10,000.00 Lacs in equity shares of Shivaliks Mercantile Private Limited, a joint venture Company, which in turn has invested Rs. 9,013.10 lacs in Titagarh Firema S.p.A. This investment is carried at cost, net of impairment losses, if any, in accordance with the accounting policies as stated in the notes referred to above.</p>	<p>Our audit procedures included the following in respect of the Holding Company:</p> <ul style="list-style-type: none"> Obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over the assessment of the carrying value of investment. Checked on a sample basis relevant input data used in the impairment assessment back to the latest budgets and checked the mathematical accuracy of the impairment model.

Key audit matter	How our audit addressed the key audit matter
<p>For investments where an indication of impairment exists, the carrying value of investment is assessed for impairment.</p> <p>Impairment assessment is carried out by the Holding Company using discounted cash flow method which involves significant judgements and estimates such as future cash flow projections, discount rates, terminal growth rate etc.</p> <p>This has been considered as a key audit matter as the balance of aforesaid investment is significant to the consolidated financial statements and the assessment of impairment, if any, in the carrying value of this investment involves significant management judgement and estimates.</p>	<ul style="list-style-type: none"> We used auditors' expert to assess the appropriateness of the methodology used in the impairment model, the underlying assumptions such as discount rate, future growth rates, terminal value and performed sensitivity on key assumptions to assess the reasonableness of the impairment analysis. Evaluated the adequacy of the disclosures made in the consolidated financial statements. <p>Based on the above procedures performed, we noted that the Holding Company's management assessment in relation to the carrying value of Shivaliks Mercantile Private Limited is reasonable.</p>
<p>Revenue recognition - appropriateness of estimation of contract cost and contract revenue.</p> <p>(Refer to Note 2.4(e) and 2.5(i) – "Revenue Recognition", Refer Note 2.3 – "Critical Estimates and Judgements – Accounting for revenue from contracts wherein company satisfies performance obligation and recognises revenue over time" and Note 22 – "Revenue from operations")</p> <p>In respect of certain contracts with customers, the Holding Company recognises revenue over a period of time in accordance with its accounting policy. Recognition of contract revenue involves determination of percentage completion of the project and contract margin to be recognised on the project, which is dependent on the actual cost incurred and total budgeted cost, which is cost incurred till date and estimation of future cost to complete the contract.</p> <p>This estimation involves exercise of significant judgement by the management in making cost forecasts considering future activities to be carried out in the contract, and the related assumptions.</p> <p>This has been considered as a key audit matter in view of the significant management judgements and complexities involved in determining future costs to complete with consequential impact on the recognised contract revenue.</p>	<p>Our audit procedures included the following in respect of the Holding Company:</p> <ul style="list-style-type: none"> Obtained an understanding, evaluated the design, and tested the operating effectiveness of key controls around determination of contract revenue and estimation of future costs to complete the contracts. Inquired with the management the status of the contracts, the basis for estimates of cost to complete the contracts and other factors such as consideration of any specific identified risks. Verified on a sample basis the contract revenue with the underlying contracts and other relevant terms and conditions as appropriate. Tested on a sample basis the actual costs incurred during the year with supporting documents. Tested on a sample basis the future cost to complete with orders placed with vendors, and other relevant supporting documents, as appropriate. Recomputed the percentage of completion based on the total budgeted cost and the total actual cost incurred and the revenue recognized based on the percentage of completion. Evaluated the adequacy of the disclosures made in the consolidated financial statements. <p>Based on the above procedures performed, management's estimation of future cost to complete contracts and consequential impact on recognised contract revenue is considered reasonable.</p>

Also refer to the Key Audit Matters included by us in our audit report of even date on the standalone financial statements of the Holding Company.

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 and other auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance 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 and consolidated cash flows, and changes in equity of the Group including its associate company and joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate company and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate company and joint ventures 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 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 and of its associate company and joint ventures are responsible for assessing the ability of the Group and of its associate company and joint ventures 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.
- The respective Board of Directors of the companies included in the Group and of its associate company and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associate company and joint ventures.

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 scepticism 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) (j) of the Act, we are also responsible for expressing our

opinion on whether the Holding company has adequate internal financial controls with reference to consolidated 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 and its associate company and joint ventures 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 and its associate company and joint ventures to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate company and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
- We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

- We did not audit the financial information of one subsidiary whose financial information reflect total assets of Rs 664.03 lacs and net assets of Rs 664.03 lacs as at March 31, 2024 and total net loss after tax from discontinued operations of Rs 229.22 lacs, total comprehensive loss from discontinued operations of Rs 203.29 lacs and net cash flows amounting to Rs 1,251.49 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss after tax of Rs. 274.91 lacs for the year ended March 31, 2024 as considered in the consolidated financial statements, in respect of two joint ventures whose financial statements have not been audited by us. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiary and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary and joint ventures, is based solely on the reports of the other auditors.
- The consolidated financial Statements includes the audited financial statements of two joint ventures, whose financial statements reflects Group's share of net profit after tax of Rs. 14.07 lacs for the year ended March 31, 2024, as considered in the consolidated financial Statements, which have been audited by Price Waterhouse & Co Chartered Accountants LLP, one of the joint auditors of the Holding Company, whose reports have been furnished to us by

the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures, and our report in terms of sub-section (3) of section 143 of the Act, including report on Other Information insofar as it relates to the aforesaid joint ventures, is based solely on the reports issued by Price Waterhouse & Co Chartered Accountants LLP, one of the joint auditors of the Holding Company.

16. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of Rs. Nil for the year ended March 31, 2024 as considered in the consolidated financial statements, in respect of an associate company whose financial information has not been audited by us. This financial information is unaudited and has been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this associate company and our report in terms of sub-section (3) of Section 143 including Rule 11 of the Companies (Audit and Auditors) Rules, 2014 of the Act including report on Other Information insofar as it relates to the aforesaid associate company, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

Our opinion 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 reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

17. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.
18. 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 of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except

for the following instances and the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended):

- (i) in respect of one joint venture, the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year.
- (ii) in respect of two joint ventures, in the absence of sufficient appropriate audit evidence, we are unable to verify whether the backup of books of account and other books and papers maintained in electronic mode has been maintained on a daily basis on servers physically located in India during the year.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records 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.
- (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 reports of the statutory auditors of its joint ventures incorporated in India, none of the directors of the Group companies and its joint ventures 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) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 18(b) above on reporting under Section 143(3)(b) and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Rules of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (h) With respect to the other matters to be included in

the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, its associate company and joint ventures— Refer Note 17.1 and Note 37 to the consolidated financial statements.
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2024 – Refer (a) Note 16 and 17.1 and to the consolidated financial statements in respect of such items as it relates to the Group, its associate company and joint ventures and (b) the Group's share of net loss in respect of its associate company and joint ventures.
- 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. Further in respect of joint ventures incorporated in India there were no amounts which were required to be transferred to the Investor Education and Protection Fund during the year ended March 31, 2024.
- iv. (a) The respective Managements of the Holding Company and its joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in Note 48(vi) (A) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) 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 joint ventures to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such joint ventures

("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 joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the Notes 48(vi)(B) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such joint ventures shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the joint ventures 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 auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The dividend declared and paid during the year by the Holding Company, is in compliance with Section 123 of the Act. In case of joint ventures incorporated in India, no dividend has been declared or paid during the year.
- vi. Based on our examination, which included test checks and that performed by the respective auditors of the joint ventures, which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and its joint ventures incorporated in India have used accounting software for maintaining books of account which have a feature of recording audit trail (edit log)

facility and that have operated throughout the year for all relevant transactions recorded in the software, except for the following instances:

- (a) in case of one accounting software, the audit trail is not maintained at application level for modification, if any, by certain users with specific access and for direct database changes in case of Holding Company;
- (b) in case of one accounting software, the audit trail is not maintained in case of modifications by certain users with specific access in case of one joint venture;
- (c) in case of certain accounting software, which is operated by a third-party software service provider and in the absence of SOC report, we are unable to comment whether the audit trail feature of the aforesaid software was enabled and operated throughout the year for all relevant transactions recorded in the software in case of the Holding Company and one joint venture;
- (d) in case of one accounting software, the feature of recording audit trail (edit log) facility was not enabled throughout the period, in case of one joint venture;

- (e) in case of one joint venture, the accounting software did not have feature of recording audit trail; and
- (f) in case of one accounting software the feature of recording audit trail (edit log) facility operated for part of the year from March 30, 2024 onwards for all relevant transactions recorded in the software in case of one joint venture.

Further, during the course of our audit and those performed by respective auditors of the joint ventures, except for the aforesaid instances where we are not able to comment upon, we and the respective auditors of the joint ventures did not notice any instance of audit trail feature being tampered with.

19. The Holding Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. In case of three joint ventures not being public companies, the provision of Section 197 read with Schedule V to the Act are not applicable. Further in respect of one joint venture provision of Section 197 read with Schedule V of the Act is not applicable for the year ended March 31, 2024.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Pramit Agrawal
Partner
Membership Number: 099903
UDIN: 240999038KEYQH2245
Place: Kolkata
Date: May 15, 2024

For Salarpuria & Partners
Firm Registration Number: 302113E
Chartered Accountants

Anand Prakash
Partner
Membership Number: 056485
UDIN: 240564858KGYED5644
Place: Kolkata
Date: May 15, 2024

Annexure A to Independent Auditor's Report

Referred to in paragraph 18(g) of the Independent Auditor's Report of even date to the members of Titagarh Rail Systems Limited (formerly known as Titagarh Wagons Limited on the consolidated financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of Titagarh Rail Systems Limited (formerly known as Titagarh Wagons Limited (hereinafter referred to as "the Holding Company") and its joint venture, which is a Company incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to three joint venture companies incorporated in India namely Titagarh Mermec Private Limited, Titagarh Firema Engineering Services Private Limited and Shivalkhs Mercantile Private Limited, pursuant to MCA notification GSR 583(E) dated 13 June 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its joint venture, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to financial statements based on our audit. We conducted

our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to 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 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 would have a material effect on the financial statements.

Opinion

- In our opinion, the Holding Company and its joint venture, which is a company incorporated in India, have in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to 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.

Other Matter

- Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one joint venture company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India. Our opinion is not modified in respect of this matter.

Inherent Limitations of Internal Financial Controls with reference to financial statements

- Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Pramit Agrawal

Partner

Membership Number: 099903
UDIN: 240999038KEYQH2245
Place: Kolkata
Date: May 15, 2024

For Salarpuria & Partners

Firm Registration Number: 302113E
Chartered Accountants

Anand Prakash

Partner

Membership Number: 056485
UDIN: 240564858KEYYED6544
Place: Kolkata
Date: May 15, 2024

Annexure B to Independent Auditor's Report

Referred to in paragraph 17 of the Independent Auditors' Report of even date to the members of Titagarh Rail Systems Limited (formerly known as Titagarh Wagons Limited) on the Consolidated Financial Statements as of and for the period ended March 31, 2024

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

S. No.	Name of the Company	CIN	Relationship with the Holding Company	Date of the respective auditors' report	Paragraph number and comment in the respective CARO report reproduced below
1.	Titagarh Rail Systems Limited	L27320WB1997PLC084819	Holding Company	May 15, 2024	(i)(c) and (x)(b)
2.	Ramkrishna Titagarh Rail Wheels Limited	U25910WB2023PLC262716	Joint Venture	May 2, 2024	(x)(b) and (xvii)
3.	Shivaliks Mercantile Private Limited	U52110WB1997PTC082919	Joint Venture	May 13, 2024	(vii)(a) and (xvii)

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Pramit Agrawal

Partner

Membership Number: 099903
UDIN: 240999038KEYQH2245
Place: Kolkata
Date: May 15, 2024

For Salarpuria & Partners

Firm Registration Number: 302113E
Chartered Accountants

Anand Prakash

Partner

Membership Number: 056485
UDIN: 240564858KEYYED6544
Place: Kolkata
Date: May 15, 2024

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Consolidated Balance Sheet as at March 31, 2024

	Notes	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
I. ASSETS			
Non-current Assets			
Property, Plant and Equipment	4.1	64,764.25	61,998.03
Right-of-Use Assets	4.6	9,069.72	10,191.97
Capital Work-In-progress	4.4	10,780.38	1,227.91
Investment Properties	4.3	821.24	821.24
Intangible Assets (Other than Goodwill)	4.2	167.49	164.09
Intangible Assets Under Development	4.5	6,575.88	-
Equity Accounted Investments	5.2	16,060.04	-
Financial Assets			
i) Investments	5.1	3,699.26	3,179.80
ii) Other Financial Assets	7	5,285.32	6,060.15
Non-current Assets (Net)	8	3,445.62	2,868.68
Contract Assets	9	97.88	87.58
Other Non-current Assets	10	2,192.83	3,991.71
Total Non-current Assets		1,22,959.91	90,900.96
Current Assets			
Inventories	11	52,372.35	46,137.13
Financial Assets			
i) Trade Receivables	6	53,252.29	27,914.49
ii) Cash and Cash Equivalents	12.1	32,898.26	5,540.55
iii) Bank Balances other than (ii) above	12.2	28,011.28	4,457.79
iv) Other Financial Assets	7	1,768.01	634.22
Contract Assets	9	10,103.73	4,987.12
Other Current Assets	10	20,275.36	10,238.16
Total Current Assets		1,98,681.28	1,12,061.16
Assets held for sale	4.7	-	71.13
TOTAL - ASSETS		3,21,641.19	2,02,713.55
II. EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	13	2,693.48	2,391.42
Other Equity	14	2,19,139.80	93,963.75
Total Equity Attributable to Owners of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)		2,21,833.28	96,355.17
LIABILITIES			
Non-current Liabilities			
Financial Liabilities			
i) Borrowings	15	37,375.75	4,962.50
ii) Lease Liabilities	4.6	9,370.28	9,745.92
Contract Liabilities	20	12,278.89	2,826.72
Provisions	17.1	354.09	343.64
Deferred Tax Liabilities (Net)	18	1,084.46	1,346.36
Total Non-current Liabilities		58,903.47	19,425.14
Current Liabilities			
Financial Liabilities			
i) Borrowings	15	2,889.85	19,969.91
ii) Lease Liabilities	4.6	575.64	447.69
iii) Trade Payables	19	-	3,800.00
iv) Total Outstanding dues of Micro Enterprise and Small Enterprises	20	281,443.37	31,733.41
v) Other Financial Liabilities	16	2,623.47	751.13
Contract Liabilities	20	31,557.42	21,770.23
Other Current Liabilities	21	399.87	306.62
Provisions	17.1	1,671.15	772.12
Current Tax Liabilities (Net)	17.2	1,342.61	527.61
Total Current Liabilities		73,004.44	86,553.74
Liabilities held for sale	4.7	-	79.50
TOTAL - LIABILITIES		99,807.91	106,358.38
TOTAL - EQUITY AND LIABILITIES		3,21,641.19	2,02,713.55

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

This is the Consolidated Balance Sheet referred to in our Report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration No. 304026E/IE-300009

For **Salarpuria & Partners**
Partner
Membership No. 056485
Place: Kolkata
Date: May 15, 2024

For and on behalf of the **Board of Directors of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)**

Pramit Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 15, 2024

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 15, 2024

J P Chowdhary
Executive Chairman
DIN: 00313685
Place: Kolkata
Date: May 15, 2024

Anil Ravishanker Joshi
Independent Director
DIN: 03537435
Place: Kolkata
Date: May 15, 2024

Sourov Singhania
Chief Financial Officer
Place: Kolkata
Date: May 15, 2024

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00138452
Place: Kolkata
Date: May 15, 2024

Anil Kumar Agarwal
Deputy Managing Director & CEO (FRS)
DIN: 01501747
Place: Kolkata
Date: May 15, 2024

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 15, 2024

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

	Notes	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Income			
Revenue from Operations	22	3,85,330.04	2,77,609.04
Other Income	23	3,980.71	4,258.30
Total Income		3,89,310.75	2,81,867.34
Expenses			
Cost of Raw Materials and Components Consumed	24	2,95,170.47	2,16,530.39
Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap	25	3,637.61	(1,536.56)
Employee Benefits Expense	26	6,290.03	5,632.64
Finance Costs	27	7,345.42	8,074.67
Depreciation and Amortisation Expense	28	2,710.12	2,250.35
Other Expenses	29	34,699.88	30,963.52
Total Expenses		3,50,192.53	2,81,932.01
Profit before Share of Net Loss of Joint Ventures and Associate Accounted for Using the Equity Method, Exceptional Items and Tax		39,118.22	20,282.33
Share of Net Loss of Joint Ventures and Associates Accounted for Using the Equity Method	3 (d)	(260.84)	(1,272.63)
Profit before Exceptional Items and Tax		38,857.38	19,009.70
Exceptional Items		-	-
Profit before Tax from continuing operations		38,857.38	19,009.70
Tax Expense	30	-	-
Current Tax		10,298.76	5,305.50
Deferred Tax		(84.76)	249.87
Total Tax Expense		10,014.00	5,546.37
Profit for the Year after Tax from continuing operations		28,843.38	13,463.33
Discontinued operations	46	-	-
Loss from discontinued operations before tax		(229.22)	(891.70)
Tax expense of discontinued operations		-	-
Loss for the Year after Tax from discontinued operations		(229.22)	(891.70)
Profit for the Year after Tax		28,614.16	12,571.63
Attributable to:			
Owners of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)		28,614.16	13,020.37
Non-controlling interests		-	(448.74)
Other Comprehensive Income		-	-
Items that will not be Reclassified to Profit or Loss in Subsequent Periods:			
Remeasurement Gains / (Losses) on Defined Benefit Plans		(11.97)	(2.10)
Tax on above		3.01	0.53
Items that will be Reclassified to Profit or Loss in Subsequent Periods:			
Exchange differences on Translation of Foreign Operations		25.93	20.42
Fair value change of cash flow hedges		20.93	(1,361.11)
Tax on above		(15.83)	(5.36)
Other Comprehensive Income for the Year (Net of Tax)		32.07	(999.70)
Attributable to:		-	-
Owners of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)		32.07	(999.70)
Non-controlling interests		-	-
Total Comprehensive Income for the Year		28,646.23	11,571.93
Attributable to:			
Owners of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)		28,646.23	12,020.67
Non-controlling interests		-	(448.74)
Arising from:			
Continuing operations		28,849.52	12,443.21
Discontinued operations		(209.29)	(871.28)
Earnings/(Loss) per Equity Share (Nominal Value per Share Rs. 2/-) (March 31, 2023: Rs 2/-)	31	-	-
For continuing operations		-	-
Basic (In Rs.)		22.64	11.63
Diluted (In Rs.)		22.64	11.63
For discontinued operations		-	-
Basic (In Rs.)		(0.18)	(0.75)
Diluted (In Rs.)		(0.18)	(0.75)
For continuing and discontinued operations		-	-
Basic (In Rs.)		22.46	10.89
Diluted (In Rs.)		22.46	10.89

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Profit and Loss referred to in our Report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration No. 304026E/IE-300009

For **Salarpuria & Partners**
Partner
Membership No. 056485
Place: Kolkata
Date: May 15, 2024

Pramit Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 15, 2024

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 15, 2024

For and on behalf of the **Board of Directors of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)**

J P Chowdhary
Executive Chairman
DIN: 00313685
Place: Kolkata
Date: May 15, 2024

Anil Ravishanker Joshi
Independent Director
DIN: 03537435
Place: Kolkata
Date: May 15, 2024

Sourov Singhania
Chief Financial Officer
Place: Kolkata
Date: May 15, 2024

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00138452
Place: Kolkata
Date: May 15, 2024

Anil Kumar Agarwal
Deputy Managing Director & CEO (FRS)
DIN: 01501747
Place: Kolkata
Date: May 15, 2024

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 15, 2024

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Consolidated Statement of Cash Flows for the year ended March 31, 2024

	For the Year Ended March 31, 2024 Rs. In Lacs	For the Year Ended March 31, 2023 Rs. In Lacs
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before Tax from:		
Continuing Operations	38,857.38	19,009.70
Discontinued Operations	(229.22)	(891.70)
Profit before Tax	38,628.16	18,118.00
Adjustments for:		
Depreciation and Amortisation Expense	2,710.12	2,250.35
Finance Cost	7,345.42	8,074.67
Unrealised Foreign Exchange Fluctuations (Gain)/Loss	56.40	(1,464.85)
Irrecoverable Debts/ Advances Written Off (Net)	3.17	2,526.81
Provision for Doubtful Debts and Advances	792.47	-
Provision for Onerous Contract	442.02	-
Net Gain on Disposal of Property, Plant and Equipment	-	(17.95)
Fair Value (Gain)/Loss on Investment in Equity Securities at FVTPL	(519.46)	(164.55)
Share of Loss of a Associate and Joint Ventures	260.84	1,272.63
Unspent Liabilities / Provisions No Longer Required Written Back	(185.42)	(335.99)
Other Income from Security Deposit of Leases	(25.99)	(16.55)
Interest Income	(1,954.64)	(759.41)
Discontinued operations - non cash portion	-	(3,481.51)
Operating Profit before Changes in Operating Assets and Liabilities	47,553.09	26,001.65
Increase/(Decrease) in Trade Payables	(168.17)	12,910.09
Increase/(Decrease) in Contract Liabilities	(12,854.27)	22,899.69
Increase in other Non-current and Current Financial and Non-financial Liabilities and Provisions	1,910.42	2,276.08
Increase in Trade Receivables	(26,104.03)	(10,280.68)
Increase in Inventories	(7,847.83)	(17,277.43)
Increase/(Decrease) in Contract Assets	15,418.70	(17,296.90)
(Increase) / Decrease in Non-current and Current Financial and Non-financial Assets	732.10	(8,545.57)
Cash Generated From Operations	18,640.01	10,686.93
Income Taxes (Paid) / Refund (net)	(10,060.70)	(6,595.25)
Net Cash From Operating Activities	8,579.31	4,091.68
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for Acquisition of Property, Plant and Equipment including Capital Work-in-Progress, Intangible Assets and Intangible Assets under Development	(16,352.34)	(3,674.09)
Proceeds from Disposal of Property, Plant and Equipment	-	23.18
Investment in Joint Ventures	(16,320.88)	-
Fixed Deposits Made	(31,034.60)	(7,125.07)
Fixed Deposits Matured	8,372.50	4,053.43
Interest Received	1,649.03	587.38
Net Cash (Used in) Investing Activities	(53,686.29)	(6,135.17)

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Consolidated Statement of Cash Flows for the year ended March 31, 2024

	For the Year Ended March 31, 2024 Rs. In Lacs	For the Year Ended March 31, 2023 Rs. In Lacs
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of fresh equity shares (net of issue proceeds)	97,467.77	-
Transactions with Non-controlling Interests	-	1,656.84
Proceeds from Long-term Borrowings	-	4,962.50
Repayment of Loan from Related Party	-	(2,000.00)
Repayment of Long-term Borrowings	(3,307.50)	(2,705.02)
Payment of Lease Liabilities	(1,351.54)	(864.83)
Receipts/(Payments) of Short-term Borrowings (Net)	(1,5032.66)	10,798.89
Finance Costs Paid	(4,699.37)	(5,193.50)
Dividend Paid (Including Dividend Distribution Tax) of earlier years	(638.11)	(2.28)
Net Cash From / (Used in) Financing Activities	72,438.59	6,652.60
D. Exchange Differences on Translation of Foreign Currency Cash and Cash Equivalents	26.10	35.59
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C+D)	27,357.71	4,644.70
Cash and Cash Equivalents - Opening Balance (Refer Note 12.1)	5,540.55	895.85
Cash and Cash Equivalents - Closing Balance (Refer Note 12.1)	32,898.26	5,540.55
E. The above Cash flow includes following related to discontinued operation		
Net Cash Used in Operating Activities	(691.13)	4,061.48
Net Cash Used in Investing Activities	-	(1,506.92)
Net Cash Generated from Financing Activities	(586.46)	12,649.17
	(1,277.59)	15,203.73

(a) The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7,

(b) Refer Note 44 for Debt Reconciliation.

(c) Non cash transaction on account of loss of control in subsidiary resulting in such investment of Rs. 1,272.63 lacs being classified as investment in associates have been excluded from the above Consolidated Statement of Cash Flows.

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Cash Flows referred to in our Report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 3040246/E-300009

For Salarpuria & Partners
Firm Registration Number: 202113E
Chartered Accountants

For and on behalf of the Board of Directors of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Pramit Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 15, 2024

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 15, 2024

J P Chowdhary
Executive Chairman
DIN: 00313685
Place: Kolkata
Date: May 15, 2024

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652
Place: Kolkata
Date: May 15, 2024

Atul Ravishanker Joshi
Independent Director
DIN: 03557435
Place: Kolkata
Date: May 15, 2024

Anil Kumar Agarwal
Deputy Managing Director & CEO (FRS)
DIN: 01501747
Place: Kolkata
Date: May 15, 2024

Saurav Singhania
Chief Financial Officer
Place: Kolkata
Date: May 15, 2024

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 15, 2024

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Consolidated Statement of Changes in Equity for the year ended March 31, 2024

A) Equity Share Capital (Refer Note 13)

(Rs in Lacs)

Particulars	Number in Lacs	Amount
Balance as at April 1, 2022	1,195.71	2,391.42
Changes in Equity Share Capital	-	-
Balance as at March 31, 2023	1,195.71	2,391.42
Shares Issued during the year on preferential basis	76.00	152.00
Shares Issued during the year on pursuant to Qualified Institutional Placement	75.03	150.06
Balance as at March 31, 2024	1,346.74	2,693.48

B) Other Equity

(Rs in Lacs)

Particulars	Reserves and Surplus (Refer Note 14)				Other Reserve (Refer Note 14)		Total Other Equity	Non-controlling Interests	Total
	Securities Premium Account	General Reserve	Capital Reserve	Retained Earnings	Foreign Currency Translation Reserve	Hedge Reserve Account			
Balance as at April 1, 2022	41,064.37	5,411.39	7,442.50	25,237.34	1,675.60	990.20	81,821.40	14.41	81,835.81
Profit/(Loss) for the Year	-	-	-	13,020.37	-	-	13,020.37	(448.74)	12,571.63
Other Comprehensive Income (Net of Tax) -Remeasurement Gains/(Losses) on Defined Benefit Plans & Exchange Difference and Fair value change of cash flow hedges	-	-	-	(1.57)	20.42	(1,018.55)	(999.70)	-	(999.70)
Total Comprehensive Income for the year	-	-	-	13,018.80	20.42	(1,018.55)	12,020.67	(448.74)	11,571.93
Transaction with Non-controlling Interest	-	-	-	1,568.71	-	-	1,568.71	88.15	1,656.86
Transactions with Owners in their Capacity as Owners:									
Transfer Within Equity	-	-	-	(642.45)	642.45	-	-	-	-
Derecognition/ Release pursuant to Loss of control	-	-	-	(1,447.03)	-	-	(1,447.03)	346.18	(1,100.85)

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Consolidated Statement of Changes in Equity for the year ended March 31, 2024

Balance as at March 31, 2023	41,064.37	5,411.39	7,442.50	39,182.40	891.44	(28.35)	93,963.75	-	93,963.75
Profit/(Loss) for the Year	-	-	-	28,614.16	-	-	28,614.16	-	28,614.16
Other Comprehensive Income (Net of Tax) -Remeasurement Gains/(Losses) on Defined Benefit Plans & Exchange Difference and Fair value change of cash flow hedges	-	-	-	(8.96)	25.93	15.10	32.07	-	32.07
Total Comprehensive Income for the year	-	-	-	28,605.20	25.93	15.10	28,646.23	-	28,646.23
Premium on Issue of Equity Shares on Preferential basis	28,728.00	-	-	-	-	-	28,728.00	-	28,728.00
Premium on Issue of Equity Shares Pursuant to Qualified Institutional Placement	69,849.93	-	-	-	-	-	69,849.93	-	69,849.93
Share Issue Expenses	(1,412.25)	-	-	-	-	-	(1,412.25)	-	(1,412.25)
Dividends	-	-	-	(635.86)	-	-	(635.86)	-	(635.86)
Balance as at March 31, 2024	1,38,230.05	5,411.39	7,442.50	67,151.74	917.37	(13.25)	2,19,139.80	-	2,19,139.80

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Changes in Equity referred to in our Report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
 Firm Registration No: 304026E/E-300009

Pramit Agrawal
 Partner
 Membership No. 099903
 Place: Kolkata
 Date: May 15, 2024

For Salarpuria & Partners
 Firm Registration Number: 302113E
 Chartered Accountants

Anand Prakash
 Partner
 Membership No. 056485
 Place: Kolkata
 Date: May 15, 2024

For and on behalf of the Board of Directors of Titagarh Rail Systems Limited (formerly Titagarh Wagons Limited)
J P Chowdhary
 Executive Chairman
 DIN: 00312652
 Place: Kolkata
 Date: May 15, 2024

Umesh Chowdhary
 Vice Chairman and Managing Director
 DIN: 00312652
 Place: Kolkata
 Date: May 15, 2024

Ajul Ravishanker Joshi
 Independent Director
 DIN: 03557435
 Place: Kolkata
 Date: May 15, 2024

Anil Kumar Agarwal
 Deputy Managing Director & CEO (FRS)
 DIN: 01501747
 Place: Kolkata
 Date: May 15, 2024

Sourov Singhania
 Chief Financial Officer
 Place: Kolkata
 Date: May 15, 2024

Dinesh Arya
 Company Secretary
 Place: Kolkata
 Date: May 15, 2024

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements for the year ended March 31, 2024

1. Group Background

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited) (the 'Parent Company') is a public limited company incorporated and domiciled in India. The registered office of the Parent Company is located at Poddar Point, 113 Park Street, 10th Floor, Kolkata – 700016 and its manufacturing facilities are located in West Bengal and Rajasthan. The equity shares of the Parent Company are listed on the BSE Limited and the National Stock Exchange of India Limited.

The Parent Company, its subsidiary (collectively referred to as 'the Group'), its associate and joint ventures are mainly engaged in the manufacturing and selling of

Freight Wagons, Passenger Coaches, Metro Trains, Train Electricals, Steel Castings, Specialised Equipments & Bridges, Ships, etc. The Group caters to both domestic and export market.

The functional and presentation currency of the Group is Indian Rupee ("Rs.").

The consolidated financial statements were approved and authorised for issue in accordance with the resolution of the Parent Company's Board of Directors on May 15, 2024.

(a) The consolidated financial statements comprise the financial statements of the Parent Company, its subsidiary company, its associate and joint ventures as detailed below.

Name of the Subsidiary	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest		Principal Business Activities
		March 31, 2024	March 31, 2023	
Titagarh Singapore Pte. Limited (TSPL)*	Singapore	100%	100%	Special purpose vehicle for holding investments in the foreign subsidiaries, raising finance for the off shore business providing management services
Titagarh Wagons AFR (TWA)**	France	100%	100%	Engaged in manufacture of freight wagons

* The Board of Directors of the Parent Company in their meeting have approved the liquidation of TSPL, a wholly owned subsidiary Company, considering that no operations are currently being carried on in the subsidiary. The process for winding up of the subsidiary in compliance with the local rules and regulations at Singapore has been initiated in the previous year. Accordingly, the financial statements of TSPL has been prepared on liquidation basis (fair value) for the year ended March 31, 2024.

** The Parent Company holds 100% equity in TWA together with TSPL.

On 4th June 2019, the commercial court of Paris has approved the start of Rehabilitation Procedure and from said date, Parent company was no longer in control of TWA, under French Law and is not consolidated. The commercial Court of Paris vide its judgement dated August 13, 2019 has approved a plan for transfer of business and assets of TWA to another bidder an ordered for liquidation of TWA. Currently TWA is under Liquidation.

Name of the Associate	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest		Principal Business Activities
		March 31, 2024	March 31, 2023	
Titagarh Firema S.p.A (TFA)	Italy	25.43%	49.70%	Engaged in manufacture of passenger trains, metros, hi-speed trains, train electrical, locomotives etc.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements for the year ended March 31, 2024

Name of the Joint Venture	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest		Principal Business Activities
		March 31, 2024	March 31, 2023	
Titagarh Mermec Private Limited	India	50.00%	50%	Engaged in development and manufacture of cost effective diagnostic solutions for signalling and safety
Ramkrishna Titagarh Rail Wheels Limited *	India	49.00%	-	Engaged in manufacturing and supply of forged wheels
Titagarh Firema Engineering Services Private Limited *	India	49.00%	-	Engaged in the business of research, engineering and design related services to support passenger rail segment business
Shivaliks Mercantile Private Limited*	India	44.63%	-	A special purpose vehicle company for making fresh investments into Titagarh Firema SPA and to carry on the business of railway components and subsystems for Rolling Stock

* Considering the terms of arrangement of these investments like unanimous consent of both Shareholders or there nominee directors for certain decisions including distribution of dividend, appointment and removal of Key managerial persons etc, the Parent Company has assessed that it has joint control over these entities and hence these are considered as joint venture in terms of IND AS-28.

(iii) 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.

2.2 New and amended standards adopted by the Group

The Ministry of Corporate Affairs vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective April 1, 2023:

- Disclosure of accounting policies - amendments to Ind AS 1
- Definition of accounting estimates amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12.

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior and current period and are not expected to significantly affect the future periods. Further, amendment to Ind AS 1, although did not result in any changes in the accounting policy themselves, they impacted the accounting policy information disclosed in the consolidated financial statements.

(b) Refer Note 3 for further details of interest in other entities.

2.1 Basis of Preparation

(i) Compliance with Indian Accounting Standards

The consolidated financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical Cost Convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivative instruments)
- Defined benefits plan- plan assets.

2.3 Critical Estimates and Judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed regularly. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

The areas involving critical estimates or judgements are:

- Accounting for revenue from contracts wherein Group satisfies performance obligation and recognises revenue over time- Notes 2.4(e) and 2.2.

For contracts wherein performance obligation are satisfied over time, a group recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation, in order to depict Group Entity's performance in transferring control of goods or services promised to a customer. This method requires estimates of the final revenue and costs of the contract, as well as measurement of progress achieved to date as a proportion of the total work to be performed. This involves determination of margin to be recognised on the contract, which are dependent on the total costs to complete contracts, that is, the cost incurred till date and estimation of future cost to complete the contract and price variations etc. This estimation involves exercise of significant judgement by the management in making cost forecasts considering future activities to be carried out in the contract, and the related assumptions etc. Experience, reduces but does not eliminate the risk that estimates may change significantly.

- Employee Benefits (Estimation of Defined Benefit Obligations) — Notes 2.5(k) and 32.**

Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Group to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

- Estimation of Expected Useful Lives of Property, Plant and Equipment, Right of Use Assets and Intangible Assets— Notes 2.4(a), 2.4(b), 4.1, 4.2 and 4.6**

Management reviews its estimate of the useful lives of property, plant and equipment, Right of use assets and intangible assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment, right of use assets and intangible assets.

- Litigations, Claims and Contingencies — Notes 2.5(m), 2.5(n) and 37**

Legal proceedings covering a range of matters are pending against the Group. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Group often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. The Group consults with their legal counsel and other experts on matters related to specific litigations where considered necessary. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

- Valuation of Deferred Tax Assets — Notes 2.5(l) and 18**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result

from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- Warranties and Liquidated Damages— Notes 2.5(n) and 17.1**

The Group's product warranty obligations and estimations thereof are determined using historical information of claims received up to the year end and the management's estimate of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims.

Liquidated damages on supply of products are provided based on the contractual obligations or deduction made by the customers considering the current situation and status of the project, the reasons for delays and past experience with the customers.

Changes in estimated frequency and amount of future warranty claims/ liquidated damages can materially affect warranty / liquidated damage expenses.

- Impairment of Investments in Associates and Joint Ventures — Notes 5.2**

Determining whether the investments in associate and joint ventures are impaired requires an estimate of the value in use of investments. In considering the value in use, the management anticipates the future commodity prices, capacity utilisation of plant, order book position, operating margins, discount rates and other factors of the underlying businesses / operations of the associate and joint ventures.

The useful lives of the property, plant and equipment as estimated by the management are as follows:

Particulars	Useful Life
Factory Buildings / Other Buildings	30 / 35 / 60 / 65 years
Plant and Equipments	15 / 20 / 30 years
Railway Sidings	15 / 30 years
Furniture and Fixtures	10 years
Office Equipments	5 years
Computers	8 years
Vehicles	8 years

Leasehold land is amortised on straight - line basis over the primary lease period of 99 years or its estimated useful life, whichever is shorter. Leasehold improvement are amortised on straight - line basis over the primary lease period (ranging from 2 to 10 years) or their estimated useful lives, whichever is shorter.

- Fair Value Measurements — Notes 2.5(e)(vii) and 41**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

2.4 Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of the Financial Statements and have been consistently applied to all periods presented unless otherwise indicated.

(a) Property, Plant and Equipment

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation Method, Estimated Useful Lives and Residual Values

Depreciation is calculated on pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual value, over their estimated useful lives. The useful lives have been determined based on technical evaluation done by the management's expert which are different than those specified by Schedule II to Companies Act 2013 in respect of factory buildings / other buildings , plant and equipment and railway sidings, in order to reflect the actual usage of assets. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

(b) Intangible Assets

Intangible assets have a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

Computer Software

Computer Software for internal use, which is primarily acquired from third-party vendors is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of computer software includes license fees and cost of implementation/system integration services, where applicable.

Brand and Design and Drawings

The Group had acquired the brand name of "Sambre et Meuse" along with all the available designs and drawings for manufacturing of bogies

Amortisation Method and Period

Computer Software and Brand and Design and Drawings are amortised on a pro-rata basis using the straight-line method over its estimated useful life of 5 years.

Amortisation method and useful lives are reviewed periodically including at each financial year end.

(c) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost are assigned to individual items of inventory on weighted average basis. 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.

(d) Leases**As a Lessee**

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payment:-

- Fixed payments (including in substance fixed payments) less any lease incentive receivable.
- Variable lease payment that are based on an index or a rate, initially measured using the index or a rate at the commencement date.
- Amount expected to be paid by the Group as under residual value guarantees.
- Exercise price of a purchase option if the Group is reasonably certain to exercise that option.
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

To determine the incremental borrowing rate, the Group:

- Where possible, use recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in the financing conditions since third party financing was received.
- Use a built up approach that starts with risk free interest rate adjusted for credit risk of leases held by the companies in the group, which does not have recent third party financing.

The incremental borrowing rate considered by the Company is in the range of 9 % - 10 %

Lease payments are allocated between principal and finance cost. The finance cost is charged to Statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following :-

- the amount of the initial measurement of lease liability
- any lease payment made at or before the commencement date less any lease incentive received
- any initial direct cost and
- restoration costs.

Right of use of assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

Payment associated with short-term leases of equipment and all the leases of low value assets are recognised on a straight line basis as an expense in the statement of profit and loss. Short term leases are leases with a lease term of less than 12 months or less.

(e) Revenue Recognition**Sale of Products**

Revenue for sale of products mainly comprises of wagons/ locomotive shells and related items, where revenue is recognised at a point in time, when control of the asset is transferred to the customer, which generally occurs on receipts of dispatch memo / inspection certificate from customer as per terms of contract. On receipt of same, the title of goods passes on to the customer basis the laid down criteria under the standard.

Revenue from sale of specialized products

Revenue from specialized products mainly consists of

defence related products (Le Bailey bridge, Shelters etc), Ship building, Metro Trains, Train Electricals, Mainline electric multiple unit and Electric multiple unit in respect of which revenue is recognised over a period of time as performance obligations are satisfied over time as per criteria laid down under the standard and specified above.

Sale of Services

Revenue from service contracts are recognised in the accounting period in which the services are rendered. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling price and revenue is recognised at point in time on fulfillment of respective performance obligation. In case, the service contracts include one performance obligation revenue is recognised based on the actual service provided to the end of the reporting period as proportion of the total services to be provided. This is determined based on the actual expenditure incurred to the total estimated cost.

Revenue from services rendered is recognised as the services are rendered and is booked based on agreement / arrangements with the concerned parties.

(f) Hedging activities**Cash flow hedges that qualify for hedge accounting**

The effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and in cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, within other gains/(losses).

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, as follows:

- If the cash flow hedge of a forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been

recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

(g) Principles of Consolidation**(i) Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Changes in Ownership Interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling

and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

(iii) Goodwill Arising on Consolidation

Goodwill is initially recognised at cost and is subsequently measured at cost less impairment losses, if any. Goodwill is tested for impairment annually or more frequently when there is an indication that it may be impaired. An impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

(iv) Joint Arrangements:

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only four joint ventures and one associate.

Associate

Interests in Associate are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Joint Venture

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

(v) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint venture are recognised as a reduction in the carrying amount of the investment

When the group's share of losses in an equity-accounted investments equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its joint venture are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated

unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in 2.5 (c).

2.5 Other Accounting Policies

(a) Property, Plant and Equipment

Cost of item of property, plant and equipment includes purchase price, taxes, non-refundable duties, freight and other costs that are directly attributable to bringing assets to their working condition for their intended use. Borrowing cost incurred during the period of construction is capitalised as a part of qualifying assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when 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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as 'Capital Advances' under 'Other Non-current Assets' and the cost of property, plant and equipment not ready to use are disclosed under 'Capital Work-in-progress'.

(b) Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with expenditure will flow to the Group and the cost of the item can be measured reliably.

(c) Impairment of Non-financial Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable

amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purposes of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

(d) Inventories

Cost of inventories comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost are assigned to individual items of inventory on weighted average basis. 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.

Cost of raw materials and components consumed is a derived figure out of opening stock, closing stock and purchases including adjustment if any during the period.

(e) Investments (other than Investments in Associate and Joint Venture) and Other Financial Assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Equity Instruments

The Group subsequently measures all equity investments (other than investments in joint venture and associate) at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Gain / (Losses)' in the Consolidated Statement of Profit and Loss.

(iii) Impairment of Financial Assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments, if any. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 42(II) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Modification of Financial Instruments

The Group if renegotiates or otherwise modifies the contractual cash flows of financial instrument, the Group assesses whether or not the new terms are substantially different to the original terms.

If the terms are substantially different, the original financial instrument is derecognised and recognizes a 'new' instrument at fair value and recalculates a new effective interest rate for the instrument. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the management recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises

a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate.

(v) Derecognition of Financial Assets

A financial asset is derecognised only when

- the Group has transferred the rights to receive cash flows from the financial asset or

-retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(vi) Income Recognition
Interest Income

Interest income on financial assets at amortised cost is accrued on a time proportion basis using the effective interest rate method and is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit impaired financial assets the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(vii) Fair Value of Financial Instruments

In determining the fair value of financial instruments, the

Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

(f) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(g) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Consolidated Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of liability for at least 12 months after the reporting period.

(h) Cash and Cash Equivalents

For the purpose of presentation in the Consolidated Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held with banks / financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the Consolidated Balance Sheet.

(I) Revenue Recognition

The Group has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognise revenue in the financial statements. The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- a) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- c) The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time and over a period of time based on various conditions as included in the contracts with customers.

Revenue is measured at transaction price (net of variable consideration, if any). The transaction price is the consideration received or receivable and is reduced by rebates, allowances and taxes and duties collected on behalf of the government. Revenue also includes adjustments made towards liquidated damages, normal product warranty and price variations wherever applicable.

Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

In respect of contract wherein revenue is recognised over time, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be estimated reliably. When it is probable that the total cost will exceed the total revenue from the contract, the expected loss is recognised immediately. For this purpose, total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is

arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc.

The outcome of a construction contract is considered as estimated reliably when (a) all approvals necessary for commencement of the project have been obtained; (b) the stage of completion of the project reaches reasonable level of development. The stage of completion is determined as a proportion that contract costs incurred for work performed up to the closing date bear to the estimated total costs of respective project. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be estimated reliably. When it is probable that the total cost will exceed the total revenue from the contract, the expected loss is recognised immediately. For this purpose total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc. For determining the expected cost to completion of the contracts, cost of steel, labour and other related items are considered at current market price based on fixed cost purchase orders placed or firm commitments received from suppliers / contractors as these purchase orders and future firm commitments are enforceable over the period of the contracts.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probably recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When contract costs incurred to date plus recognised profit less recognised losses exceed progress billing, the surplus is shown as unbilled revenue. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as liability as advance from customer. Amounts received before the related work is performed are included as a liability as advance from customer. Amounts billed for work performed but not yet paid by customer are included under trade receivables.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liabilities are recognised when there is billing in excess of revenue and advance received from customers.

Generally, the Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods or services to the customer and when the customer pays for that goods or services will be one year or less. The Group adjusts the promised amount of consideration if the contract contains significant financing component.

(J) Foreign Currency Transactions and Translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(K) Employee Benefits

(i) Short-term Employee Benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-employment Benefits

Defined Benefit Plans.

The liability recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

Defined Contribution Plans:

Contributions under defined contribution plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

(iii) Other Long-term Employee Benefits

Long-term compensated absences are provided for based on actuarial valuation, as per projected unit credit method, done at the end of each financial year. Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(iv) Termination Benefits

Termination benefits, in the nature of voluntary retirement benefits, are recognised as expense in the Statement of Profit and Loss if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(L) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other

than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the Group's entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

(M) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expenses relating to a provision is recognised in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranties

Provisions for warranty related costs are recognised when the product is sold. Initial recognition is based on historical experience i.e. claims received up to the year end and the management's estimate of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims. The initial estimate of warranty related costs is revised annually.

Liquidated Damages

Liquidated damages on supply of materials are provided based on the contractual obligations, deduction made by the customers, as the case may be based on management's best estimate of the expenditure required to settle the obligations.

Litigations, Claims and Contingencies

The management estimates the provisions for pending litigations, claims and demands based on its assessment of probability for these demands crystallising against the Group in due course. Also refer Note 2.51(n).

Onerous Contract

Provision is recognised for the contract, where unavoidable cost of meeting the obligation under the contract exceeds the economic benefits expected to be received. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

(N) Contingencies

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

(O) (i) Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

(ii) Derivative Instruments

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period, with changes included in 'Other Income' / 'Other Expenses'.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

3 Interest in Other Entities

(a) Information required by Schedule III to the Act

Name of the entity	As at/ for the year ended March 31, 2024							
	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit or Loss after tax		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs in lacs)	As % of Consolidated Profit or Loss	Amount (Rs in lacs)	As % of Consolidated Other Comprehensive Income	Amount (Rs in lacs)	As % of Consolidated Total Comprehensive Income	Amount (Rs in lacs)
Parent								
Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)	100.45%	222,820.93	103.76%	29,690.68	19.15%	6.14	103.67%	29,696.82
Subsidiaries								
Foreign								
Titagarh Singapore Pte Limited	0.30%	664.02	-	-	-	-	-	-
Non-controlling Interests in all Subsidiaries	-	-	-	-	-	-	0.00%	-
Adjustment due to consolidation (other than exceptional item)	-0.74%	(1,651.67)	-2.05%	(586.46)	80.85%	25.93	-1.96%	(560.53)
Exceptional item of Parent Company considered in Discontinued Operations #	-	-	-	-	-	-	0.00%	-
Discontinued Operations	-	-	-0.80%	(229.22)	-	-	-0.80%	(229.22)
Joint Venture/Associate (Investments as per the Equity Method)								
Indian								
Titagarh Mermec Private Limited	-	-	-	-	-	-	-	-
Ramkrishna Titagarh Rail Wheels Limited	-	-	-0.23%	(66.51)	-	-	-0.23%	(66.51)
Titagarh Firema Engineering Services Private Limited	-	-	0.05%	14.07	-	-	0.05%	14.07
Shivaliks Mercantile Private Limited	-	-	-0.73%	(208.40)	-	-	-0.73%	(208.40)
TOTAL	100.01%	221,833.28	100.00%	28,614.16	100.00%	32.07	100.00%	28,646.23

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Name of the entity	As at / for the year ended March 31, 2023							
	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit or Loss after tax		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs in lacs)	As % of Consolidated Profit or Loss	Amount (Rs in lacs)	As % of Consolidated Other Comprehensive Income	Amount (Rs in lacs)	As % of Consolidated Total Comprehensive Income	Amount (Rs in lacs)
Parent								
Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)	99.93%	96,292.22	82.22%	10,336.63	102.04%	(1,020.12)	80.52%	9,316.51
Subsidiaries								
Foreign								
Titagarh Singapore Pte Limited	1.51%	1,453.77	-	-	-	-	-	-
Non-controlling Interests in all Subsidiaries	-	-	-3.57%	(448.74)	-	-	-3.88%	(448.74)
Adjustment due to consolidation (other than exceptional item)	-1.44%	(1,390.82)	1.75%	220.52	-2.04%	20.42	2.08%	240.94
Exceptional item of Parent Company considered in Discontinued Operations #								
Discontinued Operations			-7.09%	(891.70)	-	-	-7.71%	(891.70)
Joint Venture/Associate (Investments as per the Equity Method)								
Indian								
Titagarh Mermec Private Limited	-	-	-	-	-	0.00%	-	-
Foreign								
Titagarh Firema S.p.A	-	-	-10.12%	(1,272.63)	-	-	-11.00%	(1,272.63)
TOTAL	100.00%	96,355.17	100.00%	12,571.63	100.00%	(999.70)	100.00%	11,571.93

Exceptional Loss being accounted for under Discontinued Operations in consolidated financial statements, whereas the share of profit or loss of Parent Company is after considering said loss disclosed as exceptional item.

(B) Non-controlling Interest (NCI):

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amount disclosed for each subsidiary are before inter-company elimination.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Summarised Balance Sheet	(Rs. in Lacs)	
	Titagarh Firema SPA	
	March 31, 2024	March 31, 2023
Current Assets	-	-
Current Liabilities	-	-
Net Current Assets / (Liabilities)	-	-
Non-current Assets	-	-
Non-current Liabilities	-	-
Net Non-current Assets	-	-
Net Assets	-	-
Accumulated NCI	-	-

Summarised Balance Sheet	(Rs. in Lacs)	
	Titagarh Firema SPA	
	March 31, 2024	March 31, 2023
Revenue	-	14,688.98
Loss for the Year	-	(4,675.74)
Other Comprehensive Income	-	(137.44)
Total Comprehensive Loss	-	(4,813.18)
Loss allocated to NCI	-	(448.74)

Summarised Balance Sheet	(Rs. in Lacs)	
	Titagarh Firema SPA	
	March 31, 2024	March 31, 2023
Cash Flows From Operating Activities	-	4,061.48
Cash Flows Used in Investing Activities	-	(1,506.92)
Cash Flows Used in Financing Activities	-	12,649.17
Increase in Cash and Cash Equivalents	-	15,203.73

* Titagarh Firema SPA was a subsidiary till September 8, 2022 whose corresponding numbers are considered under discontinued operations in the Consolidated Statement of Profit and Loss

(c) Transactions with Non-controlling Interests

Summarised Balance Sheet	(Rs. in Lacs)	
	Titagarh Firema SPA	
	March 31, 2024	March 31, 2023
Carrying Amount of Non-controlling Interest transferred/(acquired)	-	88.15
Consideration received from Non-controlling Interest	-	1,656.86
Excess of Consideration received Recognised in Reserves & Surplus within Equity	-	(1,568.71)

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

(d) Interests in Joint Ventures and Associate
Joint Venture

The Group has four Joint Venture Companies.

A Joint Venture company named Ramkrishna Titagarh Rail Wheels Limited ("RTRWL") was incorporated on June 09, 2023 having Ramkrishna Forgings Limited ("RKFL") and Titagarh Rail Systems Limited ("TRSL") as Joint Venturers. RTRWL will be engaged in the manufacturing and supply of forged wheels under long term agreement under Aatma Nirbhar Bharat. The Parent Company has invested Rs. 6,124.88 lacs in RTRWL till March 31, 2024.

A Joint Venture company named Titagarh Firema Engineering Services Private Limited ("TFESPL") has been incorporated on September 16, 2023 having Titagarh Rail Systems Limited ("TRSL") and Titagarh Firema SPA ("Firema") as Joint Venturers. TFESPL will carry on the business of research, engineering and design related services to support passenger rail segment business. The Parent Company has subscribed for an investment of Rs. 196.00 lacs in TFESPL till March 31, 2024.

On January 24, 2024, the Parent Company and Sidwal Refrigeration Private Limited, a wholly owned subsidiary of Amber Enterprises India Ltd, entered

into a strategic alliance pursuant where to they have invested Rs.10,000.00 lacs each in the equity capital of Shivaliks Mercantile Private Limited (SMPL), a joint venture-special purpose vehicle company (Shivaliks/SPV) for making fresh investments into Titagarh Firema SPA (alongwith fresh investment by Invitalia, an investment arm of Government of Italy) and to carry on the business of railway components and subsystems for Rolling Stock. SMPL holds 35.12% of the equity share capital of Titagarh Firema SPA as at March 31, 2024. Further, post such infusion, the Parent Company holds 25.43% equity shares in Titagarh Firema S.p.A. In accordance with IND AS-28 "Investment in associates and joint venture", considering the terms of "Share Subscription Agreement" like representation in the board of directors, voting rights etc SMPL becomes a joint venture of the Parent Company with effect from February 13, 2024, the date on which final subscription money was paid by the Parent Company.

Summarised Financial Information for Joint Ventures & Associate

The tables below provides summarised financial information for the Joint Ventures and Associate and not Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method.

Summarised Balance Sheet	(Rs. In Lacs)						
	Shivaliks Mercantile Private Limited	Ramkrishna Titagarh Rail Wheels Limited	Titagarh Firema Engineering Services Private Limited	Titagarh Firema S.p.A		Titagarh Mermec Private Limited	
	As at March 31, 2024 (Consolidated) (Rs in Lacs)	As at March 31, 2024 (Standalone) (Rs in Lacs)	As at March 31, 2024 (Standalone) (Rs in Lacs)	As at March 31, 2024 (Consolidated) (Rs in Lacs)	As at March 31, 2023 (Standalone) (Rs in Lacs)	As at March 31, 2024 (Standalone) (Rs in Lacs)	As at March 31, 2023 (Standalone) (Rs in Lacs)
Non-Current Assets							
Property, Plant and Equipments	-	6.95	23.63	29,342.20	23,652.15	-	-
Intangible Asset	-	-	-	2,483.48	3,329.73	-	-
Capital Work in Progress	-	274.25	-	975.78	2,864.92	-	-
Intangible Asset under development	-	-	-	2,734.39	900.01	-	-
Right-of-Use Assets	-	1,464.23	78.44	-	-	-	-

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

(Rs. In Lacs)

Summarised Balance Sheet (Contd.)	Shivaliks Mercantile Private Limited	Ramkrishna Titagarh Rail Wheels Limited	Titagarh Firema Engineering Services Private Limited	Titagarh Firema S.p.A		Titagarh Mermec Private Limited	
	As at March 31, 2024 (Consolidated)	As at March 31, 2024 (Standalone)	As at March 31, 2024 (Standalone)	As at March 31, 2024 (Consolidated)	As at March 31, 2023 (Standalone)	As at March 31, 2024 (Standalone)	As at March 31, 2023 (Standalone)
	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)
Financial Assets							
Investments	19,485.90	-	-	284.10	-	-	-
Others	-	107.34	-	-	-	-	-
Other Not Current Assets	-	9,445.42	-	-	862.00	-	-
Deferred Tax Asset	-	45.56	8.49	4,061.33	3,999.72	-	-
Non-current Tax Assets (Net)	-	-	12.12	-	-	-	-
Total (A)	19,485.90	11,343.75	122.68	39,881.28	35,608.53	-	-
Current Assets							
Inventories	-	-	-	20,807.45	16,526.06	-	-
Financial Assets							
Trade receivables	-	-	170.09	79,009.25	54,868.32	-	-
Cash and bank balances	2,348.25	1,118.55	220.93	19,891.85	34,081.76	0.74	0.75
Loans	-	-	-	9,981.50	5,911.62	-	-
Others	11.33	-	96.37	463.19	200.76	-	-
Other Non Financial Assets	-	12.87	36.08	16,358.69	11,937.27	-	-
Current Tax Assets	6.59	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	1,385.11	5,255.63	-	-
Total (B)	2,366.17	1,131.42	523.47	1,47,897.04	1,28,781.42	0.74	0.75
GRAND TOTAL (C=A+B)	21,852.07	12,475.17	646.15	1,87,778.32	1,64,389.95	0.74	0.75
Non-current liabilities							
Financial Liabilities							
Long term borrowings	-	-	-	17,783.29	40,811.95	-	-
Lease Liabilities	-	-	37.88	-	-	-	-
Other Non Current liabilities	-	-	-	37,960.67	15,118.79	-	-
Provisions	-	-	18.78	-	-	-	-
(D)	-	-	56.66	55,743.96	55,930.74	-	-

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

(Rs. In Lacs)

Summarised Balance Sheet (Contd.)	Shivaliks Mercantile Private Limited	Ramkrishna Titagarh Rail Wheels Limited	Titagarh Firema Engineering Services Private Limited	Titagarh Firema S.p.A		Titagarh Mermec Private Limited	
	As at March 31, 2024 (Consolidated)	As at March 31, 2024 (Standalone)	As at March 31, 2024 (Standalone)	As at March 31, 2024 (Consolidated)	As at March 31, 2023 (Standalone)	As at March 31, 2024 (Standalone)	As at March 31, 2023 (Standalone)
	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)
Current Liabilities							
Financial Liabilities							
Short term borrowings	-	-	-	37,176.61	31,742.55	-	-
Lease Liabilities	-	-	43.79	-	-	-	-
Trade Payables	773.59	52.32	11.04	46,811.76	25,476.48	2.41	2.41
Other Financial Liabilities	77.19	36.32	28.93	3,115.85	3,669.34	-	9.63
Provisions	-	8.65	10.75	1,303.99	1,226.32	-	-
Other non-financial liabilities	173.26	13.87	66.18	13,885.76	37,814.62	-	-
Current Tax Liabilities	1.70	-	-	-	-	-	-
Total €	1,025.74	111.16	160.69	1,02,293.97	99,929.31	2.41	12.04
GRAND TOTAL (F=D+E)	1,025.74	111.16	217.35	1,58,037.93	1,55,860.05	2.41	12.04
Net Assets (C-F)	20,826.33	12,364.01	428.80	29,740.39	8,529.90	(1.67)	(11.29)

(Rs. In Lacs)

Summarised Statement of Profit and Loss	Shivaliks Mercantile Private Limited	Ramkrishna Titagarh Rail Wheels Limited	Titagarh Firema Engineering Services Private Limited	Titagarh Firema S.p.A		Titagarh Mermec Private Limited	
	February 13, 2024 - March 31, 2024 (Consolidated)	As at March 31, 2024 (Standalone)	As at March 31, 2024 (Standalone)	As at March 31, 2024 (Consolidated)	September 8, 2022 - March 31, 2023 (Standalone)	As at March 31, 2024 (Standalone)	As at March 31, 2023 (Standalone)
	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)
Income							
Revenue from Operation	-	-	465.03	68,615.39	28,782.05	-	-
Other Income	11.96	0.40	-	1,937.74	1,586.94	12.04	-
	11.96	0.40	465.03	70,553.13	30,368.99	12.04	-

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

(Rs. In Lacs)

Summarised Statement of Profit and Loss (Contd.)	Shivaliks Mercantile Private Limited	Ramkrishna Titagarh Rail Wheels Limited	Titagarh Firema Engineering Services Private Limited	Titagarh Firema S.p.A		Titagarh Mermec Private Limited	
	February 13, 2024 - March 31, 2024 (Consolidated)	As at March 31, 2024 (Standalone)	As at March 31, 2024 (Standalone)	As at March 31, 2024 (Consolidated)	September 8, 2022 - March 31, 2023 (Standalone)	As at March 31, 2024 (Standalone)	As at March 31, 2023 (Standalone)
	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)
Expenses							
Cost of raw materials & components consumed	-	-	-	38,182.45	19,658.68	-	-
Change in Inventory	-	-	-	-	-	-	-
Capitalised internal construction costs	-	-	-	(2,232.87)	(2,473.98)	-	-
Employee Benefits Expense	-	15.83	258.05	15,389.99	6,987.78	-	-
Finance Costs	0.99	-	6.02	7,104.75	2,942.76	-	-
Depreciation and amortization expenses	-	1.53	26.63	2,081.89	1,033.28	-	-
Other Expenses	51.25	164.33	136.18	17,406.80	6,463.84	2.42	2.42
Total Expenses	52.24	181.69	426.88	77,933.01	34,612.36	2.42	2.42
Profit / (Loss) before Share of Net Loss of Associate Accounted for Using the Equity Method, Exceptional Items and Tax	(40.28)	(181.29)	38.15	(7,379.88)	(4,243.37)	9.62	(2.42)
Share of Profit / (Loss) of Associate Accounted for Using the Equity Method	(424.96)	-	-	20.25	-	-	-
Profit / (Loss) before Exceptional Items and Tax	(465.24)	(181.29)	38.15	(7,359.63)	(4,243.37)	9.62	(2.42)

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

(Rs. In Lacs)

Summarised Statement of Profit and Loss (Contd.)	Shivaliks Mercantile Private Limited	Ramkrishna Titagarh Rail Wheels Limited	Titagarh Firema Engineering Services Private Limited	Titagarh Firema S.p.A		Titagarh Mermec Private Limited	
	February 13, 2024 - March 31, 2024 (Consolidated)	As at March 31, 2024 (Standalone)	As at March 31, 2024 (Standalone)	As at March 31, 2024 (Consolidated)	September 8, 2022 - March 31, 2023 (Standalone)	As at March 31, 2024 (Standalone)	As at March 31, 2023 (Standalone)
	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)
	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)
Exceptional Item	-	-	-	-	1,686.32	-	-
Loss before taxes	(465.24)	(181.29)	38.15	(7,359.63)	(5,929.69)	9.62	(2.42)
Tax expenses							
Current tax	-	-	17.93	163.98	0.76	-	-
Income Tax related to earlier years	1.70	-	-	-	-	-	-
Deferred Tax	-	(45.56)	(8.49)	(226.55)	(0.76)	-	-
Total tax expenses	1.70	(45.56)	9.44	(62.57)	-	-	-
Loss for the year	(466.94)	(135.73)	28.71	(7,297.06)	(5,929.69)	9.62	(2.42)
Other Comprehensive Income for the period/ year						-	-
Total Comprehensive Income for the period/year	(466.94)	(135.73)	28.71	(7,297.06)	(5,929.69)	9.62	(2.42)
Group Share in %	44.63	49.00	49.00	25.43	49.70	50.00	50.00
Group Share of Profit / (Loss) for the Period/Year	(208.40)	(66.51)	14.07	(1,855.64)	(2,947.06)	4.81	(1.21)

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Reconciliation to Carrying Amounts	Shivaliks Mercantile Private Limited	Ramkrishna Titagarh Rail Wheels Limited	Titagarh Firema Engineering Services Private Limited	Titagarh Firema S.p.A		Titagarh Mermec Private Limited	
	As at March 31, 2024 (Consolidated)	As at March 31, 2024 (Standalone)	As at March 31, 2024 (Standalone)	As at March 31, 2024 (Consolidated)	September 8, 2023 - March 31, 2023 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2023 (Standalone)
	(Rs in Laacs)	(Rs in Laacs)	(Rs in Laacs)	(Rs in Laacs)	(Rs in Laacs)	(Rs in Laacs)	(Rs in Laacs)
Opening Net Assets	-	-	-	(5,929.69)	-	(11.29)	(8.87)
Profit / (Loss) for the Year	(466.94)	(135.73)	28.71	(7,297.06)	(5,929.69)	9.62	(2.42)
Closing Net Assets	(466.94)	(135.73)	28.71	(13,226.75)	(5,929.69)	(1.67)	(11.29)
Group Share in %	44.63	49.00	49.00	25.43	49.70	50.00	50.00
Cost of Investments	10,000.00	6,124.88	196.00	-	1,272.63	-	-
Group Share of Profit / (Loss) for the Period/Year	(208.40)	(66.51)	14.07	-	(1,272.63)	-	-
Carrying Amount	9,791.60	6,058.37	210.07	-	-	-	-

(Rs. In Laacs)

The Group has no contingent liability and capital commitments relating to its interest in aforesaid joint ventures.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024.

4.1 Property, Plant and Equipment

	Freehold Land	Leasehold Land	Leasehold Improvement	Buildings	Plant and Equipments	Railway Wagons #	Railway Sidings	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Total
Gross Carrying Amount												
As at March 31, 2022	34,051.72	20,059.70	70.94	25,962.43	21,853.10	457.90	514.32	396.75	220.72	419.08	302.36	104,309.22
Additions	-	814.08	-	1,061.3	1,264.66	-	257.90	5.92	22.34	97.12	96.22	2,664.37
Disposals	3.19	-	-	-	-	51.91	-	-	-	-	10.82	65.92
Transfer to Discontinued Operations	(10,630.73)	-	-	(1,538.53)	(9,436.95)	-	-	-	-	-	-	(35,406.21)
As at March 31, 2023	23,417.80	20,873.78	70.94	107,300.03	13,680.81	405.99	772.42	402.67	243.06	516.20	387.76	71,501.46
Additions	-	-	-	7,50.80	2,952.44	-	-	1,451.2	169.69	113.52	1,297.6	4,261.33
Disposals	3.71	-	-	-	-	-	-	-	-	121.3	-	158.44
As at March 31, 2024	23,414.09	20,873.78	70.94	114,800.83	16,633.25	405.99	772.42	547.79	412.75	617.59	517.52	75,746.95
Accumulated Depreciation												
As at March 31, 2022	-	1,165.43	70.61	4,429.02	9,700.86	27.43	152.43	245.85	132.30	324.86	156.51	16,405.30
Charge for the year	-	172.76	-	301.24	711.99	-	21.67	38.56	24.66	57.85	38.29	1,367.04
Disposals	-	-	-	-	-	6.56	-	-	-	-	8.79	15.35
Transfer to Discontinued Operations	-	-	-	(3,027.40)	(5,228.52)	-	-	-	-	-	-	(8,255.92)
As at March 31, 2023	-	1,338.19	70.61	1,702.88	5,184.33	20.87	174.10	284.41	156.96	382.71	186.01	9,501.07
Charge for the year	-	175.86	-	294.81	783.01	-	37.49	40.98	32.02	70.35	447.9	1,479.27
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	1,514.05	70.61	1,997.69	5,967.34	20.87	211.59	325.39	188.98	453.06	202.76	10,980.34
Impairment												
As at March 31, 2022	-	-	-	-	2.36	-	-	-	-	-	-	2.36
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	-	-	-	-	2.36	-	-	-	-	-	-	2.36
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	-	-	-	2.36	-	-	-	-	-	-	2.36
Net Carrying Amount												
As at March 31, 2023	23,417.80	19,535.59	0.33	9,927.15	8,494.12	385.12	598.32	118.26	86.10	133.49	201.25	61,998.03
As at March 31, 2024	23,414.09	19,359.73	0.33	9,483.14	10,663.35	385.12	560.83	222.40	223.77	164.53	282.76	64,742.23

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

- a) Refer Note 36 for disclosure of contractual commitments for acquisition of Property, Plant and Equipment.
- b) Refer Note 15 for information on Property, Plant and Equipment pledged as security by the Group.
- c) Assets pledged as security for term loans availed by an associate company.

The Parent Company has provided pari passu security of its land at Bharatpur (Gross book value of Rs. 16,964.87 Lacs) against a term loan of Euro. 50 million and overdraft facility of Euro 30 million sanctioned by Bank of Baroda to Titagarh Firema S.p.A, an Associate of the Parent Company.

- d) The Parent Company was vested with leasehold land having gross and net carrying value as at March 31, 2024 of Rs 2,759.22 lacs and Rs. 2,388.58 lacs respectively, through erstwhile Cimcco Birla Limited (subsequently Cimcco Limited), since merged with the Parent Company pursuant to order dated September 30, 2020 of Hon'ble National Company Law Tribunal Board with the appointed date as April 1, 2019. The land was allotted on lease for a period of 99 years in 1963. In the year 1998, the said land was erroneously recorded by the revenue department as land belonging to the State, a parcel of which was subsequently allotted to another party. The Parent Company filed a writ petitions before Hon'ble High Court, Madhya Pradesh against the said erroneous allotment of parcel of the land which was set aside. # The aggrieved party filed an appeal before Hon'ble Supreme Court which was dismissed in 2018. The Parent Company had submitted an application to the relevant authority for changing the name which was not allowed and an appeal against the same was preferred before SDO. Further, the Parent Company has approached the Hon'ble High Court, Gwalior for restoration of the Parent Company's

4.2 Intangible Assets

(Rs in Lacs)

	Other Intangible Assets				
	Computer Software	Brand	Design and Drawings	Prototype	Total
Gross Carrying Amount					
As at March 31, 2022	4,627.78	227.79	1,556.46	880.39	7,292.42
Additions	24.52	-	31.19	-	55.71
Transfer to Discontinued Operations	(3,922.80)	-	-	-	(3,922.80)

name in the record of rights and complete the mutation proceedings in a time bound manner, since its appeal for the aforesaid was pending for long time with concerned authority. The Hon'ble High Court, Gwalior vide its Order dated May 2, 2023 directed the concerned authority to decide on the Parent Company's representation within a period of four weeks. Pending action on the aforesaid Order, the Parent Company received a notice issued by District Industry Centre (DIC), Gwalior cancelling the said lease. Subsequently, the Parent Company filed an appeal before the Commissioner Industries, MSME, Bhopal, who dismissed the said appeal on October 9, 2023. The Parent Company had preferred an appeal against the same on November 3, 2023 before Principal Secretary, Bhopal which was withdrawn later and a review application was filed in February 2024 with Commissioner Industries, which is pending as on date. In the matter of restoration of name in the record of rights, the concerned authority dismissed the appeal by an order dated May 9, 2023 against which an appeal was filed before Divisional Commissioner. However, the same was dismissed by an order dated December 15, 2023. No suit of recovery has been filed till date by the State and the Parent Company continues to have physical possession of said leasehold land. The Parent Company has also obtained legal opinion which supports its view that the Parent Company continues to enjoy substantial subsisting right of said land which is not yet extinguished.

Represents 368 Railway Wagons sub leased to Indian Railways. As per Arbitration Award dated July 3, 2019, use of said wagons have been restricted by Indian Railway and Indian Railway has been instructed to give the possession back to the Parent Company, being the sole and beneficial owner of said wagons. The realisable value of 368 wagons as per management estimate is more than the book value of Rs. 385.12 Lacs.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

4.2 Intangible Assets (Contd.)

(Rs in Lacs)

	Other Intangible Assets				
	Computer Software	Brand	Design and Drawings	Prototype	Total
As at March 31, 2023	729.50	227.79	1,587.65	880.39	3,425.33
Additions	1.62	-	110.38	-	112.00
Disposals	-	-	-	-	-
As at March 31, 2024	731.12	227.79	1,698.03	880.39	3,537.33
Accumulated Amortisation					
As at March 31, 2022	2,770.04	227.79	1,522.26	396.17	4,916.26
Charge for the year	121.15	-	22.68	-	143.83
Transfer to Discontinued Operations	(2,305.61)	-	-	-	(2,305.61)
As at March 31, 2023	585.58	227.79	1,544.94	396.17	2,754.48
Charge for the year	86.73	-	21.87	-	108.60
Disposals	-	-	-	-	-
As at March 31, 2024	672.31	227.79	1,566.81	396.17	2,863.08
Impairment					
As at March 31, 2022	22.54	-	-	484.22	506.76
Charge for the year	-	-	-	-	-
As at March 31, 2023	22.54	-	-	484.22	506.76
Charge for the year	-	-	-	-	-
As at March 31, 2024	22.54	-	-	484.22	506.76
Net Carrying Amount					
As at March 31, 2023	121.38	-	42.71	-	164.09
As at March 31, 2024	36.27	-	131.22	-	167.49

4.3 Investment Properties

(Rs in Lacs)

	Freehold Land
Carrying Amount as at March 31, 2022	821.24
Additions/(Deletion)	-
Carrying Amount as at March 31, 2023	821.24
Additions/(Deletion)	-
Carrying Amount as at March 31, 2024	821.24

Information regarding Investment Properties:

The Group's Investment Properties consists of two parcels of land situated at Bharatpur and Malanpur respectively. As at March 31, 2024, fair valuation of the two properties is estimated to be Rs. 1,241.64 Lacs (March 31, 2023: Rs. 1,139.54 Lacs). These valuations are based on valuations performed by an independent valuer who holds recognised and relevant professional qualifications. The fair value was derived using the market comparable approach based on recent market prices and the fair value measurement is categorised within Level-3.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

The Group has no restrictions on the realisability of its Investment Properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements. There is no income earned or expenditure incurred by the Group in relation to these Investment Properties.

Significant Increase/(Decrease) in circle rate of land will result in significant higher/(lower) fair valuation of properties.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2024 and March 31, 2023 are as shown below:

Significant unobservable inputs	Sensitivity of the input to Fair Value
For 5% change in Market Rate for Land	5% Increase (Decrease) in the Market Rate would result in Increase (Decrease) in fair value by Rs. 62.08 Lacs (March 31, 2023: Rs. 57.01 Lacs)

4.4 Capital Work-in-Progress

(i) Movement in Capital work in progress	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1,227.91	1,518.05
Additions during the year	13,100.71	2,589.97
Capitalised during the year	(3,548.24)	(1,362.06)
Transferred to Discontinued Operation	-	(1,518.05)
Balance at the end of the year	10,780.38	1,227.91

Capital work in progress primarily includes ongoing installation of new machines in the factories located in West Bengal.

(ii) Age analysis of Capital work in progress

As on March 31, 2024

	Amounts in Capital work-in-progress for				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	10,576.65	203.73	-	-	10,780.38
Total	10,576.65	203.73	-	-	10,780.38

(a) There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

As on March 31, 2023

	Amounts in Capital work-in-progress for				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	1,227.91	-	-	-	1,227.91
Total	1,227.91	-	-	-	1,227.91

(b) There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

4.5 Intangible Assets Under Development

(i) Movement in Capital work in progress	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	-	4,592.93
Additions during the year	6,575.88	-
Capitalised during the year	-	-
Transferred to Discontinued Operation	-	(4,592.93)
Balance at the end of the year	6,575.88	-

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

(ii) Age analysis of Intangible Assets Under Development

As on March 31, 2024

	Amounts in Capital work-in-progress for				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress (Designs)	6,575.88	-	-	-	6,575.88
Total	6,575.88	-	-	-	6,575.88

(a) There are no intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan.

As on March 31, 2023

	Amounts in Intangible assets under development for				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress (Designs)	-	-	-	-	-
Total	-	-	-	-	-

(b) There were no intangible assets under development in the previous year.

4.6 Right-of-use assets and leases

The Parent Company's leasing arrangement includes land having a fixed lease term of 10 years. During the year, office space taken on lease and disclosed under Assets Held for Sale in earlier years has been disposed off. Refer Note 4.7.

(i) Amount recognised in balance sheet

Particulars	Land	Building	Total
Gross Carrying Amount			
As at March 31, 2022	6,136.05	162.14	6,298.19
Additions	5,010.77	-	5,010.77
Assets included in a disposal group classified as held for sale	-	162.14	162.14
As at March 31, 2023	11,146.82	-	11,146.82
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2024	11,146.82	-	11,146.82
Accumulated Depreciation			
As at March 31, 2022	255.88	50.50	306.38
Charge for the year	698.97	40.51	739.48
Assets included in a disposal group classified as held for sale	-	91.01	91.01
As at March 31, 2023	954.85	-	954.85
Charge for the year	1,122.25	-	1,122.25
Disposals	-	-	-
As at March 31, 2024	2,077.10	-	2,077.10
Net Carrying Amount			
As at March 31, 2023	10,191.97	-	10,191.97
As at March 31, 2024	9,069.72	-	9,069.72

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Lease liabilities	Non-current	Current	Total
March 31, 2023	9,945.92	447.69	10,393.61
March 31, 2024	9,370.28	575.64	9,945.92

(ii) Amount recognised in statement of Profit and Loss

The statement of profit or loss shows the following amounts relating to leases:

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation charge of right of use assets (Refer Note no 28)	1,122.25	739.48
Expenses relating to short term leases (included in other expenses, Refer Note 29)	223.30	102.57
Interest expense (included in finance costs) (Refer Note 27)	903.85	575.14
Total	2,249.40	1,417.19

(iii) The total cash outflow for leases for the year was Rs. 1,351.54 Lacs (March 31, 2023: Rs. 864.83 Lacs).
(iv) Extension and termination options:

Extension and termination options are included in the Parent Company's lease contract. These are used to maximise operational flexibility in terms of managing the assets used in the Parent Company's operations. The extension and termination options held are exercisable by mutual consent of both the lessor and the lessee.

4.7 Asset held for sale

Particulars	As at March 31, 2024	As at March 31, 2023
Office space at Hyderabad	-	71.13
Total	-	71.13

Liabilities held for sale

Particulars	As at March 31, 2024	As at March 31, 2023
Office space at Hyderabad	-	79.50
Total	-	79.50

Note:

A Joint Venture named Titagarh Firema Engineering Services Private Limited ("TFESPL") has been incorporated on September 16, 2023 having Titagarh Rail Systems Limited ("TRSL") and Titagarh Firema SPA ("Firema") as Joint Venturers. TFESPL effective October 1, 2023 has acquired the Parent Company's design centre (Classified as held for sale) in Hyderabad and is carrying on the business of research, engineering and design related services to support passenger rail segment business.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

5.1 Investments (Non-current)

	No. of Shares / Units As at March 31,		Face value per share/ unit (Rs.)	As at March 31, 2024	As at March 31, 2023
	2024	2023		Rs. In Lacs	Rs. In Lacs
Investments in Equity Shares					
In Others (Quoted) (at FVTPL) (a)					
Orissa Sponge Iron & Steel Limited #	550	550	10	0.05	0.05
In Others (Unquoted) (at FVTPL) * (a)					
Titagarh Enterprises Limited	49,32,960	49,32,960	1	3,657.62	3,140.55
Titagarh Industries Limited	56,850	56,850	10	41.39	39.00
National Savings Certificate (at Amortised Cost) (Unquoted) @				0.20	0.20
Total				3,699.26	3,179.80
Aggregate book value of quoted investments				0.05	0.05
Aggregate book value of unquoted investments				3,699.21	3,179.75
Market value of quoted investments				0.05	0.05

Quotation not available since suspended due to penal reason.

* Represents following shares pledged with the banks for the cash credit and working capital facility availed by the Parent company (Also refer note 15(b)(A)) :

Name of Investments	No. of Shares / Units As at March 31,		Face value per share/ unit (Rs.)	Amount Pledged March 31, 2024	Amount Pledged March 31, 2023
	2024	2023		Rs. In Lacs	Rs. In Lacs
Titagarh Enterprises Limited	49,32,960	49,32,960	1	49.32	49.32
Titagarh Industries Limited	56,850	56,850	10	5.69	5.69
				55.01	55.01

@ Pledged with the Commercial Tax Officer, Bharatpur as Security Deposit.

(a) Refer Note 41 for determination of fair values and Note 42 for credit risk and market risk on investments.

(b) The Parent Company has investment of 7,000,500 equity shares of Titagarh Wagons AFR, a subsidiary of the Parent Company which is under liquidation, hence not consolidated.

5.2 Equity Accounted Investments

	No. of Shares / Units As at March 31,		Face value per share/ unit (Rs.)	As at March 31, 2024	As at March 31, 2023
	2024	2023		Rs. In Lacs	Rs. In Lacs
Titagarh Firema S.p.A.	1,64,00,000	1,64,00,000	EURO 1	-	-
Titagarh Mermec Private Limited	5,000	5,000	10	-	-
Titagarh Firema Engineering Services Private Limited	19,60,000	-	10	210.07	-
Ramkrishna Titagarh Rail Wheels Limited	6,12,48,750	-	10	6,058.37	-
Shivaliks Mercantile Pvt Ltd.	10,00,00,000	-	10	9,791.60	-
				16,060.04	

Refer Note 3(d) for details of the Joint Ventures and Associate

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

6. Trade Receivables (At Amortised Cost)

(Unsecured, Considered Good unless stated otherwise)	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Trade Receivables				
Trade receivables from contract with customers	-	-	53,835.02	26,866.86
Trade receivables from contract with customers – related parties (Refer Note 40)	-	-	97.54	1,310.58
Less: Loss allowance [Refer Note 42(II) (c)]	-	-	680.27	102.22
Less: Liquidated Damages [Refer note 42(II) (c)]	-	-	-	160.73
Total receivables	-	-	53,252.29	27,914.49
Break-up of security details				
Trade receivables considered good – secured	-	-	-	-
Trade receivables considered good – unsecured	-	-	53,932.56	28,177.44
Trade receivables which have significant increase in credit risk	-	-	-	-
Trade receivables – credit impaired	-	-	-	-
Total	-	-	53,932.56	28,177.44
Less: Loss Allowances [Refer Note 42 (II) (c)]	-	-	680.27	102.22
Less: Liquidated Damages [Refer note 42 (II) (c)]	-	-	-	160.73
Total trade receivables	-	-	53,252.29	27,914.49

Trade Receivable Ageing Schedule

Particulars	Outstanding as on March 31, 2024					
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Receivables						
Considered Good	33,604.08	1,464.76	3,227.65	501.18	25.17	38,822.84
Disputed Trade Receivables						
Considered Good	-	-	-	-	625.28	625.28
Total	33,604.08	1,464.76	3,227.65	501.18	650.45	39,448.12
Not Due						-
Unbilled						14,484.45
Total						53,932.57
Loss Allowances						680.27
Liquidated Damages						-
						53,252.30

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Particulars	Outstanding as on March 31, 2023					
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Receivables						
Considered Good	23,650.13	671.50	2,342.38	70.43	-	26,734.44
Disputed Trade Receivables						
Considered Good	-	-	-	-	729.00	729.00
Total	23,650.13	671.50	2,342.38	70.43	729.00	27,463.44
Not Due						-
Unbilled						714.00
Total						28,177.44
Loss Allowances						102.22
Liquidated Damages						160.73
Total						27,914.49

- a) Liquidated damages has been adjusted with trade receivable in accordance with the requirement of IND AS 115.
 b) Refer Note 15 for information on Trade Receivables pledged as security by the Group and Note 42 for information about credit risk and market risk on Trade Receivables.
 c) There are no outstanding receivables due from directors or other officers of the Group.

7. Other Financial Assets

(Unsecured, Considered Good unless stated otherwise) (Measured at Amortised Cost)	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Security Deposits*	437.90	363.37	190.90	164.86
Bank Deposits with Remaining Maturity of More than Twelve Months @	4,479.62	5,373.26	-	-
Interest Accrued on:				
Fixed Deposits with Banks	367.80	323.52	520.68	259.35
Claims Receivable [Refer (a) below]	-	-	-	76.16
Charges Recoverable [Refer (b) below]				
Considered Good	-	-	1,056.43	133.85
Considered Doubtful	-	-	121.35	-
	-	-	1,177.78	133.85
Less: Provision for Doubtful Charges Recoverable	-	-	121.35	-
	-	-	1,056.43	133.85
Total	5,285.32	6,060.15	1,768.01	634.22

@ Includes deposits held as Margin money whose receipts are lying with banks as security against loans, guarantees/letters of credits issued by them.

- * Includes security deposit given to related parties Rs. 307.91 Lacs (March 31, 2023: Rs. 281.92 Lacs) (Refer Note 40)
 (a) Claim Receivables for the previous year represents amount receivable for Insurance claims.
 (b) Includes Rs. 24.73 Lacs (March 31, 2023: Rs. Nil lacs) charges recoverable from joint ventures. Also Refer Note 44.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

8. Tax Assets (Net)

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Advance Tax (Including Tax Deducted at Source)	3,445.62	2,868.68	-	-
(Net of provision for tax Rs. 28,847.13 Lacs ; March 31, 2023 Rs. 23,541.63 Lacs)				
	3,445.62	2,868.68	-	-

9. Contract Assets

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Retention money held by Customers	97.88	87.38	535.98	-
Contract assets relating to unbilled revenue	-	-	9,567.75	4,987.12
	97.88	87.38	10,103.73	4,987.12

10. Other Assets

(Unsecured, Considered Good unless stated otherwise)	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Capital Advances	1,091.61	3,248.16	-	-
Security Deposits	479.95	545.62	-	-
Advances Recoverable in Cash or Kind				
Considered Good - Related Parties [Refer (a) below]	-	-	30.00	196.63
Considered Good - Others	-	-	13,435.15	10,813.19
Considered Doubtful - Others	-	-	325.11	232.04
	-	-	13,790.26	11,241.86
Less: Provision for Doubtful Advances - To Others	-	-	325.11	232.04
	-	-	13,465.15	11,009.82
Balances with Government Authorities	-	-	5,494.24	10,527.81
Prepaid Expenses	621.27	197.93	1,315.97	842.53
Total	2,192.83	3,991.71	20,275.36	22,380.16

a) Represents Rs. Nil Lacs (March 31, 2023: Rs. 166.63 Lacs) recoverable from associate company and Rs. 30.00 Lacs (March 31, 2023: Rs. 30.00 Lacs) recoverable from Directors of the Parent Company. Also Refer Note 40.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

11. Inventories

(Valued at Lower of Cost and Net Realisable Value)	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Raw materials and components [Includes Goods in transit Rs. 1,697.05 lacs (March 31, 2023: Rs 2,301.15 lacs)]	46,079.32	36,488.73
Work-in-progress	3,654.89	6,996.43
Saleable Scrap	771.05	1,067.12
Stores and Spares	1,867.09	1,584.85
Total	52,372.35	46,137.13

(a) Refer Note 15 for information on inventories pledged as security by the Group.

(b) Work in progress includes project work in progress of Rs. 433.50 Lacs (March 31, 2023: Rs 2,842.71 Lacs)

(c) Value of inventories of raw materials and stores and spares is stated after provisions (net of reversal) of Rs. 599.47 Lacs (March 31, 2023: Rs. 641.65 Lacs) for write-down to net realisable value which resulted in net reversal of provision in Statement of Profit and Loss of Rs. 42.18 Lacs during the year (March 31, 2023: net reversal of Rs. 64.79 Lacs).

12. Cash and Bank Balances

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
12.1 Cash and Cash Equivalents		
Balances with Banks:		
On Current Accounts	3,789.91	5,521.61
Deposits with Original Maturity of Less Than Three Months @	29,030.00	-
Cheques in hand	62.56	-
Cash on hand	15.79	18.94
	32,898.26	5,540.55
12.2 Other Bank Balances		
Balances with Banks:		
On Unpaid Dividend Accounts	9.92	12.17
On Unpaid Fractional Share Entitlement Accounts	8.59	8.59
Bank deposits with maturity of more than three months but less than twelve months @	27,992.77	4,437.03
	28,011.28	4,457.79
Total	60,909.54	9,998.34

@ Includes deposits held as Margin money whose receipts are lying with banks as security against loans, guarantees/letters of credits issued by them.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

13. Equity Share Capital

	As At March 31, 2024		As At March 31, 2023	
	No. of shares in lacs	Rs. In Lacs	No. of shares in lacs	Rs. In Lacs
Authorised Shares				
Equity Shares of Rs. 2/- each (March 31, 2023: Rs. 2/-) each	12,905.00	25,810.00	12,905.00	25,810.00
Preference shares of Rs. 10 /- each (March 31, 2023: Rs.10/-) each	1,270.00	12,700.00	1,270.00	12,700.00
		38,510.00		38,510.00
Issued, Subscribed and Paid-up Shares				
Equity Shares of Rs. 2/- each (March 31, 2023: Rs. 2/-) each, fully paid-up	1,346.74	2,693.48	1,195.71	2,391.42
	1,346.74	2,693.48	1,195.71	2,391.42

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	2023-24		2022-23	
	No. of shares in lacs	Rs. In Lacs	No. of shares in lacs	Rs. In Lacs
Equity Shares				
Outstanding at the beginning of the year	1,195.71	2,391.42	1,195.71	2,391.42
Shares issued during the year on preferential basis @	76.00	152.00	-	-
Shares Issued during the year on pursuant to Qualified Institutional Placement @	75.03	150.06		
Outstanding at the end of the year	1,346.74	2,693.48	1,195.71	2,391.42

@ During the year following new equity shares were issued:

- Pursuant to approval by the Board of Directors and the Shareholders of the Parent Company in their meetings held on June 10, 2023 and July 04, 2023 respectively, and approval of Bombay Stock Exchange (BSE) and National Stock Exchange (NSE), the Audit Committee as authorised by the Board of Directors, allotted 76,00,000 Equity Shares on Preferential basis to Smallcap World Fund Inc, a SEBI Registered FPI, at a price of Rs. 380 per share (Face Value: Rs. 2 each fully paid up) including premium of Rs.378 per share. The Parent Company received listing approval from BSE and NSE on July 19, 2023 and July 20, 2023 respectively and trading approval on July 25, 2023. These allotted equity shares were under lock-in for six months from the date of trading approval as per existing regulations.
- Pursuant to approval of the Board of Directors and the shareholders of the Parent Company on November 08, 2023 and December 02, 2023 respectively, and approval of Bombay Stock Exchange (BSE) and National Stock Exchange (NSE), the Qualified Institutions Placement Committee as authorised by the Board of Directors, allotted 75,02,679 equity shares by way of Qualified Institutional Placement (QIP) at a price of Rs. 933 per share (Face Value: Rs. 2 each fully paid up) including premium of Rs. 931 per share. The Parent Company received listing and trading approval from BSE and NSE on December 13, 2023 and December 14, 2023 respectively. In accordance with IND AS 32, the costs that are directly attributable to the above transactions, have been adjusted in equity.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Proceeds from issue of equity shares made during the year have been used utilised in the following manner:

- i) Shares issued on Preferential basis

Particulars	Proposed to be utilised	Utilised during FY 2023-24	To be Utilised during FY 2024-25
Share issue expenses	67.00	67.00	-
General corporate purpose	6,400.00	6,400.00	-
Working Capital for Business purpose	22,413.00	22,413.00	-
Total	28,880.00	28,880.00	-

- ii) Shares issued through Qualified Institutional Placement (QIP)

Particulars	Proposed to be utilised	Utilised during FY 2023-24	To be Utilised during FY 2024-25
Repayment / Prepayment of Loan	20,000.00	20,000.00	-
Share issue expenses	1,345.25	1,345.25	-
General corporate purpose *	16,925.00	15,452.00	1,473.00
Working Capital for Business purpose	31,729.74	23,815.00	7,914.74
Total	69,999.99	60,612.25	9,387.74

b) Terms and rights attached to Equity Shares

The Parent Company has only one class of equity shares having a par value of Rs. 2/- (March 31, 2023: Rs. 2/-) per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of Shareholders holding more than 5% shares in the Parent Company

	As At March 31, 2024		As At March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs. 2/- (March 31, 2023: Rs. 2/-) each fully paid				
Titagarh Capital Management Services Private Limited	2,40,71,588	17.87%	2,40,71,588	20.13%
Jagdish Prasad Chowdhary (Trustee of Chowdhary Foundation)	1,82,01,875	13.52%	1,82,01,875	15.22%
Rashmi Chowdhary	1,28,16,105	9.52%	1,28,16,105	10.72%
Smallcap World Fund Inc	75,60,365	5.61%	-	-
HDFC Large and Midcap Fund	62,17,978	4.62%	73,44,149	6.14%

As per records of the Parent Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownership of shares.

d) Details of Shareholding of Promoters

Promoter Name	As at March 31, 2024			As at March 31, 2023		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Titagarh Capital Management Services Private Limited	2,40,71,588	17.87%	-2.26%	2,40,71,588	20.13%	0.00%
Jagdish Prasad Chowdhary (Trustee of Chowdhary Foundation)	1,82,01,875	13.52%	-1.70%	1,82,01,875	15.22%	0.00%
Jagdish Prasad Chowdhary	70,700	0.05%	-0.01%	70,700	0.06%	0.00%
Umesh Chowdhary	77,530	0.06%	0.00%	77,530	0.06%	0.00%
Rashmi Chowdhary	1,28,16,105	9.52%	-1.20%	1,28,16,105	10.72%	0.00%
Sumita Kandoi	-	0.00%	0.00%	5,751	0.00%	0.00%
Vinita Bajoria	32,051	0.02%	0.00%	28,351	0.02%	0.01%
Bimla Devi Kajarla	2,000	0.00%	0.00%	4,500	0.00%	-0.01%
Titagarh Logistics Infrastructures Private Limited	19,08,487	1.42%	-0.18%	19,08,487	1.60%	0.57%

14. Other Equity

-Reserves and Surplus	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
A. Securities Premium Account		
Balance at the beginning of the year	41,064.37	41,064.37
Premium on Issue of Equity Shares on Preferential basis [Refer Note 13(a)]	28,728.00	-
Premium on Issue of Equity Shares Pursuant to Qualified Institutions Placement [Refer Note 13(a)]	69,849.93	-
Share Issue Expenses	(1,412.25)	-
Balance at the end of the year	1,38,230.05	41,064.37
B. General Reserve (Refer Note 14.2)		
Balance at the beginning of the year	5,411.39	5,411.39
Movement during the year	-	-
Balance at the end of the year	5,411.39	5,411.39
C. Capital Reserve		
Balance at the beginning of the year	7,442.50	7,442.50
Movement during the year	-	-
Balance at the end of the year	7,442.50	7,442.50
D. Retained Earnings		
Balance at the beginning of the year	39,182.40	25,237.34
Profit/(Loss) for the Year	28,614.16	13,020.37

14. Other Equity (Contd.)

-Reserves and Surplus	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Add: Appropriations		
Transactions with Non-controlling Interests	-	1,568.71
Item of Other Comprehensive Income recognised directly in Retained Earnings		
-Remeasurements Losses on Defined Benefit Plan (Net of Tax)	(8.96)	(1.57)
Final Dividend for the year ended March 31, 2023	(635.86)	-
Transfer within other equity [Refer (E) below]	-	(642.45)
Net surplus in the statement of profit and loss	67,151.74	39,182.40
- Other Reserves		
E. Foreign Currency Translation Reserve (FCTR)		
Exchange difference arising from translation of foreign operations are recognised in other comprehensive income as described in accounting policies [Refer Note 2.5(i)] and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss on disposal of the net investment.		
Balance at the beginning of the year	891.44	1,675.60
Exchange Differences on Translation of Foreign Operations during the year	25.93	20.42
Transfer within other equity [Refer (D) above]	-	642.45
Transfer to Discontinued Operations	-	(1,447.03)
Balance at the end of the year	917.37	891.44
F. Cash Flow hedge Reserve (Refer Note 14.4 and 14.5)		
Balance at the beginning of the year	(28.35)	990.20
Changes in fair value recognised during the year	20.93	(1,361.11)
Tax impact on above	(5.83)	342.56
Balance at the end of the year	(13.25)	(28.35)
Total Other Equity (A+B+C+D+E+F)	2,19,139.80	93,963.75

14.1 Securities Premium Account- Premium received on Equity Shares issued are recognised in the Securities Premium Account. This reserve may be utilised in accordance with the provisions of Section 52 of the Act.

14.2 General Reserve - Under the erstwhile Indian Companies Act, 1956, a general reserve was created in the books of the Parent Company through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn though the Parent Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

14.3 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 includes Remeasurements (Gain) / Loss on defined benefits plan, net of taxes that will not be reclassified to Statement of Profit and Loss.

14.4 Cash Flow Hedge Reserve- The Parent Company has designated certain foreign currency forward contracts as cash flow hedges in respect of foreign exchange risks. The cumulative effective portion of gains or losses arising from changes in fair value of hedging instruments designated as cash flow hedges are recognised in cash flow hedge reserve. Such changes recognised are reclassified to the statement of profit and loss when the hedged item affects the profit or loss or are included as an adjustment to the cost of the related non-financial hedged item.

14.5 During the year, ineffective portion of cash flow hedges recognised in the consolidated statement of profit and loss amounted to Rs. Nil (March 31, 2023: Rs. Nil). The amount recognised in cash flow hedge reserve (net of tax) is expected to impact the consolidated statement of profit and loss as below:-

- within the next one year: gain Rs. (13.25) Lacs (March 31, 2023: Rs. (28.35) Lacs)
- later than one year: gain Rs. Nil Lacs (March 31, 2023: Rs. Nil)

15. Borrowings

	Non-current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Secured				
Term Loan from Banks [Refer (a) below]	3,735.75	4,962.50	1,238.73	3,286.13
Cash Credits & Working Capital Demand Loan from Banks [Refer (b) below]	-	-	-	14,639.27
Buyers Credit	-	-	1,651.12	2,044.51
Total	3,735.75	4,962.50	2,889.85	19,969.91

Secured Borrowings

a) Term Loan from Banks

A) Term Loan of Rs. 4,974.48 Lacs (March 31, 2023: Rs. 4,962.50 Lacs) carrying interest @ 9.05 % p.a. (March 31, 2023: 9.05 % p.a.) linked to 1 year MCLR has been availed during the previous year and is repayable in 16 equal quarterly installments from April 2024 to January 2028. Above term loan was secured by way of first charge over land at Gwalior district, Madhya Pradesh owned by the Parent Company. Charge is yet to be created over such land.

B) Term Loan of Rs. Nil lacs (March 31, 2023: Rs. 3,286.13 Lacs) carried interest @ 8.92% to 9.16% p.a. (March 31, 2023: 7% to 10.23% p.a.) linked to 1 year MCLR and was repayable in 7 quarterly installments starting from June 2022 to December 2023. Above term loan has been repaid in full during the year. It was secured by a first pari-passu charge by way of mortgage upon all fixed assets including land and building, plant and machinery and other movable/immovable assets at Parent Company's Bharatpur Plant. The loan was further secured by the second charge on the Parent Company's current assets relating to Bharatpur Plant.

b) Cash Credits, Working Capital Demand Loan and Buyers Credit from Banks:

A) Cash Credits and Working Capital Demand Loans of Rs. Nil lacs (March 31, 2023: Rs. 14,639.27 lacs) were secured by first charge on the Parent Company's current assets, movable fixed asset both present and future and further charge was created on immovable properties of the Parent Company by deposit of title deed except immovable properties at Bharatpur, Rajasthan, Gwalior and Bhind District, Madhya Pradesh, Falta and Kulpi, West Bengal. Further in the consortium meeting held on February 16, 2024, it was decided and agreed to create first charge over current assets and second charge over fixed assets except immovable properties held at Bharatpur, Rajasthan, Gwalior and Bhind District, Madhya Pradesh, Falta and Kulpi, West Bengal, which is currently being implemented with consortium bankers. The above facilities

have also been secured by way of pledge of investment in equity shares of Titagarh Enterprises Limited and Titagarh Industries Limited. All the mortgages and charges created in favour of the above lenders rank pari passu with consortium member banks.

B) Cash Credits is repayable on demand and carry an interest rate ranging between 8.45% to 11.50% p.a. (March 31, 2023: 8.70% to 13.60%) linked with MCLR.

C) Working Capital Demand Loans carry interest ranging from 5.75% to 11.50% p.a. (March 31, 2023: 5% to 13% p.a.) and are repayable on demand.

D) Buyers Credit carry an interest rate of 6.78% p.a. (March 31, 2023: 5.20 % p.a.) and is linked to Secured Overnight Financing Rate (SOFR). The same is repayable by April 19, 2024.

c) As at March 31, 2024, the register of charges of the Parent Company as available in records of the Ministry of Corporate Affairs (MCA) includes charges that were created/modified for entities which got amalgamated into the Parent Company pursuant to National Company Law Tribunal Orders in earlier years. There are certain charges which are historic in nature and it involves practical challenges in obtaining no-objection certificates (NOCs) from the charge holders of such charges, despite repayment of the underlying loans. Further, certain charges wherein the outstanding loans have been repaid and the Parent Company has also filed the related Form 17 for satisfaction of Charge in respect thereof in earlier years, but the same has not been updated in the MCA records. The Parent Company is following up these matters and is in the continuous process of filing the charge satisfaction e-form with MCA, within the timelines, as and when it receives NOCs from the respective charge holders. Further in case of new term loan obtained during the previous year, the Parent Company is yet to file charges with MCA.

d) In case of Parent Company, Term Loans obtained in earlier years have been applied for the purpose for which it has been obtained.

e) Refer Note 42 for information about market risk and liquidity risk on borrowings.

16. Other Financial Liabilities

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Measured at Fair Value through OCI				
Derivative Liabilities #	-	-	16.94	37.87
Measured at Amortised Cost				
Interest accrued and not due on Borrowings	-	-	130.81	34.57
Investor Education and Protection Fund will be credited by following amounts (as and when due)				
Unpaid Dividends	-	-	9.92	12.17
Unpaid fractional share	-	-	8.59	8.59
Others (Measured at Amortised Cost)				
Employee Related Liabilities	-	-	359.82	498.15
Payable for Purchase of Property, Plant and Equipment	-	-	-	-
Dues to Micro enterprises and Small enterprises	-	-	37.74	-
Dues to Others	-	-	559.65	159.78
Other Liabilities [Refer (a) below]	-	-	1,500.00	-
Total			2,623.47	751.13

Derivative instruments used by the Parent Company is in nature of forward exchange contracts. These financial instruments are utilised to hedge future transactions and cash flows and are subject to hedge accounting under Ind AS 109 "Financial Instruments" wherever possible. The Parent Company does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities. All the instruments are hedge effective as at year end.

(a) Arbitration was invoked following the dispute between Cimco Limited (since merged with the Parent Company) and Texmaco Rail Engineering Limited (Texmaco) in respect of breach of the agreement authorising Texmaco to use the designs for main body work and integral frame of non-pressurised bulk powder cement wagons (BCCW Wagons) for a fixed term. The arbitration result was awarded in favour of the Parent Company dated June 20, 2022. Texmaco filed a petition for stay, challenging the said award before the High Court at Calcutta. An order of interim stay of execution of the award has been made, upon Texmaco depositing a sum of Rs. 1,500,000 lacs with the Registrar. The Parent Company filed an application for withdrawing the said sum deposited by Texmaco in lieu of bank guarantee furnished by it and received the amount of Rs. 1,500,000 lacs on June 15, 2023.

17.1 Provisions

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Provisions for Employee Benefits:				
Gratuity [Refer Note 32(i)]	354.09	343.64	153.89	125.43
Leave Benefits [Refer Note 32(iii)]	-	-	190.39	136.09
	354.09	343.64	344.28	261.52

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

17.1 Provisions (Contd.)

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Other Provisions:				
Warranties [Refer (a) below for movement]	-	-	653.17	283.40
Litigation, Claims and Contingencies [Refer (a) below for movement] & [37 (i)]	-	-	231.68	227.20
Loss on Onerous Contract [Refer (b) below for movement]	-	-	442.02	-
	-	-	1,326.87	510.60
Total	354.09	343.64	1,671.15	772.12

a) Movement of provisions for Warranties and Litigation, Claims and Contingencies are as follows:

	Warranties		Litigations, Claims and Contingencies	
	2023-24 Rs. In Lacs	2022-23 Rs. In Lacs	2023-24 Rs. In Lacs	2022-23 Rs. In Lacs
At the Beginning of the Year	283.40	1,420.83	227.20	5,369.15
Made during the Year	811.72	65.65	4.48	-
Unused amounts reversed during the year	(103.83)	(49.60)	-	-
Unused amounts utilized during the year	(338.12)	(7.84)	-	(124.16)
Transfer to Discontinued Operations	-	(1,145.64)	-	(5,017.79)
At the End of the Year	653.17	283.40	231.68	227.20

b) Movement of provisions for Loss on Onerous contract are as follows:

	Loss on Onerous Contract	
	2023-24 Rs. In Lacs	2022-23 Rs. In Lacs
At the Beginning of the Year	-	-
Made during the Year	442.02	-
Unused amounts reversed during the year	-	-
Unused amounts utilized during the year	-	-
At the End of the Year	442.02	-

Information about individual provisions and significant estimates:

(i) Warranties

Provision is made for estimated warranty Claims in respect of products sold which are under warranty at the end of the reporting period. The warranty period ranges between 2 to 3 years. Management estimates the provision based on contractual terms, historical warranty claims information and any recent trends that may suggest future claims could differ from historical amounts.

(ii) Litigation, claims and contingencies

The amounts represent best possible estimates of pending

litigations / claims filed by vendors, customers, labours etc and probable claims arising out of certain tax matters. The timing and probability of outflow and expected reimbursements, if any, with regard to these matters depends on the ultimate outcome of the legal process or settlement / conclusion of the matter with the relevant authorities / customers / vendors etc.

(iii) Loss on Onerous contract

Provision is made for contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Management estimates the provision based on contractual terms and the present obligation under the contract is recognised and measured as a provision.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

17.2 Current Tax Liabilities

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Provision for Income Tax	1,342.61	527.61
(Net of Advance tax and TDS Rs. 8,979.05 Lacs; March 31, 2023 Rs. 4,800.78 Lacs)		
Total	1,342.61	527.61

18. Deferred Tax (Assets)/Liabilities

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Deferred Tax Liabilities		
Arising out of temporary differences in depreciable assets and non-depreciable assets	6,209.17	6,347.61
Arising out of temporary differences in right-of-use assets	2,360.16	2,658.67
Unrealised Gain on Fair value through Profit & Loss (FVTPL) Equity Securities	507.22	404.91
Gross Deferred Tax Liabilities	(A) 9,076.55	9,411.19
Deferred Tax Assets		
Provision for fall in value of Investments	4,750.34	4,967.00
Provision for Doubtful Debts and Advances	337.50	170.85
Provision for Liquidated Damages	-	40.45
Provision for Litigations, Claims and Contingencies	58.31	57.18
Provision for Employee Benefits	197.12	183.95
Provision for Onerous Contract	111.25	-
Lease Liabilities	2,503.19	2,635.87
Fair valuation of derivative assets	4.26	9.53
Disallowance under section 43B(h) of the Income Tax Act, 1961	50.12	-
Deferred Tax Assets	(B) 8,012.09	8,064.83
Net Deferred Tax Liabilities	(A-B) 1,064.46	1,346.36
Reflected in the Consolidated Balance Sheet as:		
Deferred Tax Assets	-	-
Deferred Tax Liabilities	1,064.46	1,346.36
Net Deferred Tax Liabilities	1,064.46	1,346.36

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

The movement in deferred tax assets and liabilities during the year ended March 31, 2024 and March 31, 2023:

	As at April 1, 2022 Deferred tax Asset / (Liability)	Transfer to Discontinued Operations	(Credit) / Charge in Statement of Profit and Loss #	As at March 31, 2023 Deferred tax Asset / (Liability)	(Credit) / Charge in Statement of Profit and Loss #	As at March 31, 2024 Deferred tax Asset / (Liability)
Arising out of temporary differences in depreciable assets and non-depreciable assets	(6,416.69)	-	(69.08)	(6,347.61)	(138.44)	(6,209.17)
Arising out of temporary differences in right-of-use assets	(1,508.02)	-	1,150.65	(2,658.67)	(298.51)	(2,360.16)
Unrealised Gain on Fair value through Profit & Loss (FVTPL) Equity Securities	(498.74)	-	(93.83)	(404.91)	102.31	(507.22)
Fair valuation of Derivative Assets	(333.03)	-	(333.03)	-	-	-
Others	(30.41)	(30.41)	-	-	-	-
Total Deferred Tax Liabilities	(8,786.89)	(30.41)	654.71	(9,411.19)	(334.64)	(9,076.55)
Provision for fall in value of Investments	5,329.68	-	(362.68)	4,967.00	216.66	4,750.34
Provision for Doubtful Debts and Advances	147.46	-	23.39	170.85	(166.65)	337.50
Provision for Liquidated Damages	3,890.04	(3,822.75)	(26.84)	40.45	40.45	-
Provision for Litigations, Claims and Contingencies	106.78	-	(49.60)	57.18	(1.13)	58.31
Provision for Employee Benefits	165.14	-	18.81	183.95	(13.17)	197.12
Provision for Onerous Contract	-	-	-	-	(111.25)	111.25
Lease Liabilities	1,491.55	-	1,144.32	2,635.87	132.68	2,503.19
Disallowance under section 43B(h) of the Income Tax Act, 1961	-	-	-	-	(50.12)	50.12
Fair valuation of derivative assets	-	-	9.53	9.53	5.27	4.26
Total Deferred Tax Assets	11,130.65	(3,822.75)	756.93	8,064.83	52.74	8,012.09
Deferred Tax Asset / (Liabilities) (Net)	2,343.76	(3,792.34)	102.22	(1,346.36)	(281.90)	(1,064.46)

Includes income tax impact on remeasurement gains/(losses) on defined benefit plan amounting to Rs. 3.01 Lacs [March 31, 2023 Rs. 0.53 Lacs] and income tax impact on Fair value change of cash flow hedges amounting to Rs. (5.83) Lacs [March 31, 2023 Rs. 342.56 Lacs] included in Other Comprehensive Income.

Deferred tax asset against capital loss for provision for fall in value of Investment has been recognised to the extent of identifiable capital gains against which corresponding deferred tax liability is recognised.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

19. Trade Payables (At Amortised Cost)

	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Trade Payables		
Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 38)	3,800.06	574.92
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	28,144.37	31,733.41
Total	31,944.43	32,308.33

Trade Payable Ageing Schedule

Particulars	Outstanding as on March 31, 2024				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Payables					
Micro enterprises and small enterprises	3,136.71	1.72	-	-	3,138.43
Others	18,081.22	80.01	13.55	-	18,174.78
Disputed Trade Payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	21,217.93	81.73	13.55	-	21,313.21
Not Due					
Micro enterprises and small enterprises					661.63
Others					4,226.23
Unbilled					
Micro enterprises and small enterprises					-
Others					5,743.36
Total					31,944.43

Particulars	Outstanding as on March 31, 2023				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Payables					
Micro enterprises and small enterprises	286.10	-	-	-	286.10
Others	18,430.71	113.52	-	-	18,544.23
Disputed Trade Payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	18,716.81	113.52	-	-	18,830.33
Not Due					
Micro enterprises and small enterprises					288.82
Others					10,070.56
Unbilled					
Micro enterprises and small enterprises					-
Others					3,118.62
Total					32,308.33

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

- (a) Trade Payables include dues to related parties of Rs. 45.85 Lacs (March 31, 2023: Rs.409.74 Lacs). Refer Note 40 for details.
- (b) Refer Note 42 for information about market risk and liquidity risk on trade payables.

20. Contract Liabilities

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Advance from Customers	12,278.89	2,826.72	31,557.42	31,487.77
Revenue in Excess of Billing	-	-	-	282.56
	12,278.89	2,826.72	31,557.42	31,770.33

21. Other Liabilities

	Non-Current		Current	
	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs	As at March 31, 2023 Rs. In Lacs
Statutory Dues	-	-	399.87	306.62
	-	-	399.87	306.62

22. Revenue from Operations

Revenue from Contract with Customers:-	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Sale of Products		
Finished Goods	3,76,816.78	2,62,285.34
Raw Materials and Components	3,713.81	13,246.11
Other Operating Revenues		
Scrap Sales	4,435.13	2,171.09
Others	364.32	256.50
Total	3,85,330.04	2,77,959.04

Revenue from operation includes revenue from contract with customers under IND AS 115 amounting to Rs. 380,530.59 Lacs (March 31, 2023 Rs 275,531.45 Lacs). The details of which are given below:-

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Revenue recognised at a point in time	3,28,881.55	2,15,541.67
Revenue recognised over time	51,649.04	59,989.78
	3,80,530.59	2,75,531.45

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Reconciliation of revenue recognised with contract price:	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Contract price	3,72,695.81	2,65,568.27
Adjustment for:		
Liquidated Damages	(3,701.50)	(1,011.00)
Escalation	11,536.28	10,974.18
Revenue from operation	3,80,530.59	2,75,531.45

23. Other Income

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
23.1 Interest Income		
From Financial Assets at Amortised Cost		
Bank Deposits	1,765.14	564.49
Interest unwinding in respect of Security Deposit for Leases	25.99	16.55
Others ##	189.50	178.37
	1,980.63	759.41
23.2 Others		
Net Foreign Exchange Fluctuations and Fair Value (Gain)/ Loss on Derivatives Not Designated as Hedges #	950.67	2,695.33
Unspent Liabilities / Provisions No Longer Required Written Back	185.42	335.99
Irrecoverable debts written off in earlier years, now recovered	191.29	-
Net Gain on Disposal of Property, Plant and Equipment	-	17.95
Insurance Claim Received	21.09	76.99
Other Non-operating Income*	132.15	208.08
	1,480.62	3,334.34
23.3 Other Gains / (Losses)		
Fair Value Gain / (Loss) on Investment - FVTPL	519.46	164.55
	519.46	164.55
Total	3,980.71	4,258.30

* Mainly comprises of Rs. 128.98 lacs (March 31, 2023: Rs. 123.03 lacs) recovery against dues charged off in earlier periods and Rs. Nil lacs (March 31, 2023: Rs. 40.00 lacs) recovery against settlement of an old case.

Foreign Exchange Fluctuations includes Rs. 464.80 Lacs (March 31, 2023: Rs. 1,343.87 Lacs) on account of cancellation of forward contracts during the year.

Interest income - Others mainly represent interest income from supplier for early payment of related outstandings.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

24. Cost of Raw Materials and Components Consumed

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Inventories at the Beginning of the Year	36,488.73	23,250.46
Add: Purchases	3,04,761.06	2,29,768.66
	3,41,249.79	2,53,019.12
Less: Inventories at the End of the Year	46,079.32	36,488.73
Cost of Raw Materials and Components Consumed	2,95,170.47	2,16,530.39

25. Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Inventories at the end of the year		
Finished Goods	-	-
Work-in-Progress	3,654.89	6,996.43
Saleable Scrap	771.05	1,067.12
	(A) 4,425.94	8,063.55
Inventories at the beginning of the year		
Finished Goods	-	-
Work-in-Progress	6,996.43	5,765.44
Saleable Scrap	1,067.12	761.55
	(B) 8,063.55	6,526.99
(Increase) / Decrease	(B-A) 3,637.61	(1,536.56)

26. Employee Benefits Expense

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Salaries, Wages and Bonus	5,904.54	5,063.45
Contribution to Provident & Other Funds [Refer Note 32(ii) and 47]	307.19	275.55
Gratuity Expense [Refer Note 32(i)]	85.92	76.92
Staff Welfare Expenses	331.38	236.72
Total	6,629.03	5,652.64

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

27. Finance Costs

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Interest Expenses on Financial Liabilities Carried at Amortised Cost - Borrowings, etc. [Refer (a) below]	4,642.84	5,893.32
Interest & Finance Charge on Lease Liabilities	903.85	575.14
Bank charges, Other Borrowing Costs etc.	1,798.73	1,606.21
Total	7,345.42	8,074.67

a) Interest Expenses on Financial Liabilities Carried at Amortised Cost - Borrowings, etc includes Rs. 1,612.61 Lacs (March 31, 2023: Rs. 2,364.79 Lacs) representing cost of financing component @ 9% against long term advance from customer

28. Depreciation and Amortisation Expense

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Depreciation of Property, Plant and Equipments (Refer Note 4.1)	1,479.27	1,367.04
Depreciation of Right-of-use Assets (Refer Note 4.6)	1,122.25	739.48
Amortisation of Intangible Assets (Refer Note 4.2)	108.60	143.83
Total	2,710.12	2,250.35

29. Other Expenses

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
Consumption of Stores and Spares	10,853.85	8,717.23
Job Processing and Other Machining Charges (including Contract Labour Charges)	10,115.26	9,454.35
Power and Fuel	5,045.68	4,370.01
Design and Development Expenses	78.30	46.69
Repairs		
Plant and Machinery	212.55	279.07
Buildings	206.31	236.42
Others	62.04	165.49
Rent and Hire Charges	223.30	102.57
Rates and Taxes	284.34	226.45
Insurance	250.95	232.27
Security Services	348.99	169.91
Advertising and Sales Promotion	160.36	170.45
Brokerage and Commission	170.25	138.50

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

29. Other Expenses (Contd.)

		For the year ended March 31, 2024 Rs. In Lacs		For the year ended March 31, 2023 Rs. In Lacs
Travelling and Conveyance		944.50		937.41
Legal and Professional Fees		1,099.71		890.83
Commission to non-whole time directors		70.00		25.00
Directors Sitting Fees		75.40		55.40
Payment to Auditors:				
As Auditors #				
Audit Fee	68.00		59.00	
Limited Review	25.00		21.00	
Tax Audit Fee	5.00		-	
Other Certification Services	18.16		7.75	
Reimbursement of Expenses	12.49	128.65	6.35	94.10
Warranty Claims (net)	1,063.33		23.89	
Less: Adjusted with Provision	355.44	707.89	7.84	16.05
Irrecoverable debts/ advances/ other receivables written off	3.17		2,536.08	
Less: Adjusted with Provision	-	3.17	9.27	2,526.81
Provision for Doubtful Debts and Advances		792.47		102.22
Provision for Onerous Contracts		442.02		-
Corporate Social Responsibility Expenses (Refer Note 29.1)		129.62		45.37
Donation (Refer Note 29.2)		465.77		-
Miscellaneous Expenses		1,828.50		1,960.92
Total		34,699.88		30,963.52

Payment to Statutory auditors of Parent Company amounting to Rs 177.70 lacs in respect of work relating to qualified institutional placement is included under share issue expenses which has been adjusted against securities premium account.

29.1 Corporate Social Responsibility Expenses

		For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
(a) Amount required to be spent by the Parent Company during the year		129.62	-
(b) Amount spent during the year by the Parent Company on			
(i) Construction/acquisition of an asset		-	-
(ii) On purposes other than (i) above (fully paid)		129.62	45.37
Total		129.62	45.37

29.2 Donation includes Rs. 450.00 lacs (March 31, 2023: Rs. Nil) towards contribution to Prudent Electoral Trust, an approved electoral trust as approved by the board of directors in compliance with the requirements of section 198 of the Companies Act 2013.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

30. Income Tax Expense / (Benefit)

	For the year ended March 31, 2024 Rs. In Lacs	For the year ended March 31, 2023 Rs. In Lacs
(A) Amount Recognised in the Statement of Profit and Loss		
Current Tax	10,298.76	5,305.50
Deferred Tax	(284.76)	240.87
Total Income Tax Expense Recognised in Profit and Loss	10,014.00	5,546.37
(B) Numerical Reconciliation of Income Tax Expense to Tax Payable		
Accounting Profit / (Loss) before Tax	38,628.16	18,118.00
At India's Statutory Income Tax Rate of 25.168% (March 31, 2023: 25.168%)	9,721.94	4,559.94
Adjustments:		
Non-deductible Income / (Expenses) for Tax Purposes		
Expenses not allowed as deductions	182.17	58.83
Deferred tax not recognised on capital losses #	-	1,349.67
Impact of lower tax rate (Capital Gains tax rate) on the fair valuation of land and investment in equity shares through FVTPL	136.09	136.09
Impact of Discontinued Operations & Joint Ventures	(26.20)	(558.16)
	10,014.00	5,546.37

Refer Note 18

31 Earnings/(Loss) Per Equity Share

	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic and Diluted		
(i) Number of Equity Shares at the Beginning of the Year	119,571,089	119,571,089
(ii) Number of Equity Shares at the End of the Year	134,673,768	119,571,089
(iii) Weighted Average Number of Equity Shares Outstanding during the year	127,411,785	119,571,089
(iv) Face Value of Each Equity Share (Rs)	2.00	2.00
(v) Profit / (Loss) after Tax Available for Equity Shareholders of the Parent Company (Rs. In Lacs):		
From Continuing Operation (Rs.in Lacs)	28,843.38	13,912.07
From Discontinuing Operation (Rs.in Lacs)	(229.22)	(891.70)
From Continuing and Discontinuing Operation (Rs.in Lacs)	28,614.16	13,020.37
(vi) Basic and Diluted Earnings/(Loss) per Equity Share (Rs.) [(v)/ (iii)]		
From Continuing Operation	22.64	11.63
From Discontinuing Operation	0.18	(0.75)
From Continuing and Discontinuing Operation	22.46	10.89

There are no potentially dilutive equity shares

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

32. Employee Benefits:
(i) Post-employment Defined Benefit Plans: Gratuity

The Parent Company has a defined benefit gratuity plan which is unfunded (except for one unit where it is administered through a trust and funded with a bank through its special deposit scheme with State Bank of India). Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972.

The following tables sets forth the particulars in respect of the gratuity plan.

	Gratuity (Funded)		Gratuity (Unfunded)	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Statement of Profit and Loss				
Net Employee Benefits Expense recognised in the Employee Cost				
Current Service Cost	3.19	7.57	48.65	42.41
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	4.74	4.58	29.34	22.36
Total	7.93	12.15	77.99	64.77
Expenses Recognised in Other Comprehensive Income (OCI)				
Remeasurements (Gains) / Losses	(68.42)	(3.76)	80.39	5.86
Total	(68.42)	(3.76)	80.39	5.86
Net Liability Recognised in Balance Sheet				
Benefit liability				
Present value of Defined Benefit Obligation	44.16	111.92	498.70	403.81
Fair value of Plan Assets	34.88	46.66	-	-
Net Liability	9.28	65.26	498.70	403.81
Bifurcation of Net Liability at the end of the year as per revised Schedule III of the Companies Act, 2013				
Current Liability (Short term)	-	-	153.89	125.43
Non-Current Liability (Long term)	9.28	65.26	344.81	278.38
	9.28	65.26	498.70	403.81
Changes in the Present Value of the Defined Benefit Obligation are as follows:				
Opening Defined Benefit Obligation	111.92	123.07	403.81	366.89
Current Service Cost	3.19	7.57	48.65	42.41
Interest Cost	8.13	7.38	29.34	22.36
Benefits Paid	(9.57)	(19.54)	(63.49)	(33.71)
Remeasurement (Gains)/ Losses				
Financial Assumptions Changes	0.13	(4.48)	1.74	(17.24)
Demographic Assumptions	-	-	-	-
Experience Variance	(69.64)	(2.08)	78.65	23.10
Closing Defined Benefit Obligation	44.16	111.92	498.70	403.81

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

	Gratuity (Funded)		Gratuity (Unfunded)	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Changes in the Fair Value of Plan Assets are as follows:				
Fair value of plan assets at the beginning of the year	46.66	46.66		
Return on Plan Assets	(1.09)	(2.80)		
Investment Income	3.39	2.80		
Benefits Paid	(14.08)	-		
Fair Value of Plan Assets at the end of the year	34.88	46.66		
The major categories of Plan Assets as a percentage of the Fair Value of Total Plan Assets are as follows:				
Special Deposit Scheme with State Bank of India	100%	100%		
Maturity Profile of the Defined Benefit Obligation				
Weighted Average Duration of the Defined Benefit Obligation	3 years	3 years	3 years	3 years
Expected Benefit Payments for the year ending				
Not later than 1 year	14.57	30.49	153.89	125.43
Later than 1 year and not later than 5 years	27.34	80.08	300.56	243.44
Later than 5 year and not later than 10 years	11.20	26.46	152.47	123.98
More than 10 years	2.89	5.88	51.28	45.99
The principal assumptions used in determining gratuity obligation are shown below:				
Discount Rate	7.15%	7.25%	7.15%	7.25%
Rate of increase in Salary	6.50%	6.50%	5.00%	5.00%

Assumptions regarding future mortality experience are based on mortality tables of Indian Assured Lives Mortality (2012-2014) published by the Institute of Actuaries of India.

The estimate of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The Parent Company expects to contribute Rs. 12.82 Lacs (March 31, 2023: Rs. 71.76 Lacs) to the funded gratuity plans during the next financial year.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

A quantitative sensitivity analysis of impact on defined benefit obligations for significant assumption on the gratuity plan is as shown below:

Sensitivity level	Gratuity (Funded)			
	As at March 31, 2024		As at March 31, 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	45.54	42.85	115.44	108.59
Salary Growth Rate (- / + 1%)	42.83	45.55	108.53	115.43
Sensitivity level	Gratuity (Unfunded)			
	As at March 31, 2024		As at March 31, 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	516.68	481.92	418.68	389.95
Salary Growth Rate (- / + 1%)	483.39	514.72	390.95	417.28

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation recognised in the Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(ii) Post-employment Defined Contribution Plans:
(A) Provident Fund and Employee State Insurance Scheme (ESI)

Certain categories of employees of the Parent Company receive benefits from a provident fund and ESI, a defined contribution plan. Both the employee and employer make monthly contributions to a government administered fund at specified percentage of the covered employee's qualifying salary. The Parent Company have no further obligations under the plan beyond its monthly contributions.

The amounts paid to Defined Contribution Plans are as follows:

	For the year ended March 31, 2024 Rs.in Lacs	For the year ended March 31, 2023 Rs.in Lacs
Provident Fund (refer note 47)	273.08	247.85
ESI	34.11	27.70
Total	307.19	275.55

(iii) Leave Benefits

The Parent Company and a subsidiary provide for accumulation of leave by its employees. The employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash in lieu thereof as per the respective company's policy. The Parent Company and the subsidiary records a provision for leave benefits in the period in which the employee renders the services that increases this entitlement. This is an unfunded plan.

The total provision recorded by the Parent Company and a subsidiary towards these benefits at year end was Rs. 101.54 Lacs (March 31, 2023: Rs.136.09 Lacs). The amount of the provision is presented as current, since the Parent Company and the subsidiary does not have an unconditional right to defer settlement for any of these benefits. However, based on past experience, the Parent Company and the subsidiary does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

	As at March 31, 2024 Rs.in Lacs	As at March 31, 2023 Rs.in Lacs
Leave provision not expected to be settled within the next 12 months	121.87	91.86

(iv) Risk Exposure

Through its defined benefit plans, the Parent Company and the subsidiary is exposed to some risks, the most significant of which are detailed below:

- (a) Discount Rate Risk :** The Parent Company and the subsidiary is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.
- (b) Salary Growth Risks:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.
- (c) Demographic Risk:** In the valuation of the liability, certain demographic (mortality and attrition rates) assumptions are made. The Parent Company and the subsidiary are

exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

33. Research and Development expenditure of revenue nature recognised in Profit and Loss during the year amounts to Rs. 144.36 lacs (March 31, 2023 : 301.84 lacs).

34. The Board of Directors of the Parent Company at its meeting held on March 21, 2023 approved the Employee Stock Option Scheme titled "Titagarh Rail Systems Limited Employees Stock Options Scheme, 2023" for the employees of the Group and its associate. Subsequently, on April 26, 2023, the shareholders, by way of postal ballot approved the said Scheme. No employee stock options have been granted under the Scheme as at March 31, 2024.

35. There are no loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties.

36. Commitments

	As at March 31, 2024 Rs.in Lacs	As at March 31, 2023 Rs.in Lacs
Estimated amount of contracts remaining to be executed on capital accounts and not provided for [net of advances Rs. Nil (March 31, 2023: Rs. Nil)]	13,714.92	9,149.45

As at March 31, 2024, commitments for leases not yet commenced was Nil (March 31, 2023: Nil).

37. Contingent Liabilities

	As at March 31, 2024 Rs.in Lacs	As at March 31, 2023 Rs.in Lacs
(i) Claims against the Group not acknowledged as debt		
Disputed claims contested by the Group and pending at various courts/arbitration*	5,012.35	3,200.30
Matters under appeal with:		
Sales tax authorities	2,510.17	2,520.09
Income tax authorities	4,463.28	4,950.99
Customs and Excise Authorities	5,127.51	13,849.99
Goods and service tax Authorities	509.24	168.88
Custom Duty on import of equipments and spare parts under EPCG scheme	775.69	1,190.54
	18,398.24	25,880.79

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

* Includes Rs.1,360.45 Lacs (March 31, 2023: Rs.1,360.45 Lacs) which in terms of BIFR order, even if decided against the Group, would stand at Rs.136.04 Lacs (March 31, 2023: Rs.136.04 Lacs) only

In respect of above cases based on favourable decisions in similar cases/legal opinions taken by the Group/discussions with the solicitors etc., the management is of the opinion that it is possible, but not probable, that the action will succeed and accordingly no provision for any liability has been made in the consolidated financial statements. In respect of above contingent liabilities, it is not practicable for the Group to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings. The Group does not expect any reimbursements in respect of the above.

(ii) Further:

(a) Erstwhile Cimcco Limited (Since merged with the Parent Company) had prior to year 2000, obtained certain advance licenses for making duty free import of inputs subject to fulfilment of export obligation (EO) within the specified time limit/extended time limit (as extended pursuant to sanctioned scheme of BIFR) from the date of issuance of such licenses. However, in absence of complete list of licenses along with the imports made against each license, the amount of

38. Information relating to Micro and Small Enterprises (MSEs):

	As at March 31, 2024 Rs.in Lacs	As at March 31, 2023 Rs.in Lacs
(a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end *	3,719.82	525.74
(b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	12.24	1.55
(c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	3,027.02	2,064.15
(d) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(e) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(f) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	56.56	42.74
(g) Interest accrued and remaining unpaid at the end of the accounting year	117.98	49.18
(h) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

contingent liability towards custom duty saved on unfulfilled export obligations and penal interest if any, is presently unascertainable.

(b) SBI Caps has raised a claim of Rs. 1,128.95 lacs on erstwhile Cimcco Limited (since merged with the Parent Company) on account of disallowance of depreciation by the income tax authorities on the wagons leased by SBI Caps to erstwhile Cimcco Limited (since merged with the Parent Company) which in turn has been leased to Indian Railways. The same pertains to the assessment year 1998-99 to 2004-05 (period prior to change of management in terms of the BIFR order) and the matter is pending with ITAT Mumbai. As per the separate lease agreements entered between SBI CAPS, erstwhile Cimcco Limited (since merged with the Parent Company) and Indian Railways, any claims, charges, duties taxes and penalties as may be levied by the Government or any other authority pertaining to leased wagons shall be borne by the Indian Railways. Considering the above terms contained in the above agreements and also favourable ITAT judgements regarding the admissibility of the depreciation on the leased assets, the Parent Company believes that there would not be any liability that would crystallise on account of the above.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

The above particulars, as applicable, have been given in respect of MSEs to the extent they could be identified on the basis of the information available with the Group.

* Includes dues of micro and small enterprises (MSE) included within other financial liabilities.

39. Segment Information

The operating segments based on the Group's products has been identified by the chief operating decision maker, being the Board of Directors, as "Freight Rail Systems" and "Passenger Rail Systems"

a) Freight Rail Systems - Consists of manufacturing of Wagons, Loco Shells, bogies, couplers, its components, designing and construction of Warships, Passenger Vessels, Tug and specialised equipment's for Defence, Bridge Girders etc.

b) Passenger Rail Systems - Consists of designing and manufacturing of Metro, Passenger Coaches, EMUs, Train Sets, Mono Rail, Propulsion equipment, Traction Motors and its components.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Also, the Group's borrowings (includes finance costs), income taxes, investments and derivative instruments are managed at head office and are not allocated to operating segments.

Segment Revenue is measured in the same way as in the consolidated statement of profit and loss.

Segment Assets and Liabilities are measured in the same way as in the consolidated financial statements. These asset and liabilities are allocated based on the operations of the segment and physical location of assets.

Information about Operating Segments

For the year ended March 31, 2024

(Rs. in Lacs)

	Freight Rail Systems	Passenger Rail Systems	Total
Revenue from Operations			
Segment Revenue (External)	341,757.39	43,572.65	385,330.04
Segment Profit/(Loss) (a)	44,324.07	1,315.09	45,639.16
Unallocated (Income) / Expenses			
Finance Costs			4,625.82
Interest Income			(1,779.95)
Interest Expense - Net (b)			2,845.87
Depreciation and Amortisation Expense			274.24
Other Corporate Income			(1,349.68)
Other Corporate Expenses			4,750.51
Unallocable expenditure net of income (c)			3,675.07
Share of Loss of Joint Ventures and Associates			(260.84)
Profit before Taxes (a-b-c)			38,857.38
Tax Expenses /(Credit)			10,014.00
Profit for the year			28,843.38
Material Non-cash (Income) / Expenses:			
Depreciation and Amortisation Expense	2,048.25	387.63	2,435.88
Unspent Liabilities / Provisions No Longer Required Written Back	162.33	-	162.33
Provision for Doubtful Debts and Advances	762.69	18.52	781.21
Provision for Onerous Contract	442.02	-	442.02
Irrecoverable Debts/ Advances Written Off (net)	0.10	-	0.10
Segment Assets	155,162.08	59,257.93	214,420.01

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Information about Operating Segments

For the year ended March 31, 2024

(Rs. in Lacs)

	Freight Rail Systems	Passenger Rail Systems	Total
Unallocated Assets			
Investments			3,699.26
Cash and Cash Equivalents			32,898.26
Other Bank Balances			28,011.28
Tax Assets (Net)			3,445.62
Other Unallocated Assets			39,166.76
Total Assets			321,641.19
Segment Liabilities	66,994.22	20,187.49	87,181.71
Unallocated Liabilities			
Borrowings			6,625.60
Tax Liabilities (Net)			1,342.61
Deferred Tax Liabilities (Net)			1,064.46
Other Unallocated Liabilities			3,593.53
Total Liabilities			99,807.91

For the year ended March 31, 2023

(Rs. in Lacs)

	Freight Rail Systems	Passenger Rail Systems	Total
Revenue from Operations			
Segment Revenue (External)	2,25,093.47	52,865.57	2,77,959.04
Segment Profit/(Loss) (a)	23,570.94	2,198.13	25,769.07
Unallocated (Income) / Expenses			
Finance Costs			5,144.25
Interest Income			(564.55)
Interest Expense - Net (b)			4,579.70
Depreciation and Amortisation Expense			272.94
Other Corporate Income			(2,924.00)
Other Corporate Expenses			4,830.73
Unallocable expenditure net of income (c)			2,179.67
Profit before Taxes (a-b-c)			19,009.70
Tax Expenses (Credit)			5,546.37
Profit for the year			13,463.33
Non-cash (Income) / Expenses:			
Depreciation and Amortisation Expense	1,578.41	399.00	1,977.41
Unspent Liabilities / Provisions No Longer Required Written Back	(319.30)	-	(319.30)
Segment Assets	1,16,299.63	41,242.52	1,57,542.15
Unallocated Assets			
Investments			3,179.80

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Cash and Cash Equivalents			5,540.55
Other Bank Balances			4,457.79
Tax Assets (Net)			2,868.68
Other Unallocated Assets			29,124.58
Total Assets			2,02,713.55
Segment Liabilities	61,623.86	15,960.40	77,584.26
Unallocated Liabilities			
Borrowings			24,932.41
Tax Liabilities (Net)			527.61
Deferred Tax Liabilities (Net)			1,346.36
Other Unallocated Liabilities			1,967.74
Total Liabilities			1,06,358.38

Entity-wide Disclosures:-

(a) The Parent Company is domiciled in India. The amount of Group's revenue from external customers broken down by location of the customers is shown below:-

	For the year ended March 31, 2024 Rs.in Lacs	For the year ended March 31, 2023 Rs.in Lacs
India	3,85,084.89	2,77,655.71
Rest of the World	245.15	303.33
Total	3,85,330.04	2,77,959.04

(b) All non-current assets (excluding Financial Assets) of the Company are located in India.

(c) Total revenue from external customers includes sales to Indian Railways of Rs 171,030.68 Lacs (March 31, 2023: Rs 172,441.14 Lacs), Rungta Sons Pvt Ltd of Rs. 66,517.21 Lacs (March 31, 2023: 12,093.13 Lacs) and Maharashtra Metro Railway Corporation Rs 41,775.41 Lacs (March 31, 2023: Rs 52,462.98 Lacs) which represents more than 10% of the total revenue from external customers of the Group.

40. Related Party Disclosures
Names of Related Parties and Related Party Relationship
Related Parties:

Related parties where control exists:	
Subsidiary Company:	Titagarh Firema S.p.a, Italy (erstwhile Titagarh Firema Adler S.p.A) (upto September 8, 2022)
	Titagarh Mermec Private Limited
Joint Venture Companies:	Titagarh Firema Engineering Services Private Limited (w.e.f September 16, 2023)
	Ramkrishna Titagarh Rail Wheels Limited (w.e.f June 09, 2023)
	Shivaliks Mercantile Private Limited (w.e.f February 13, 2024)
Other related parties with whom transactions have taken place during the period:	
Associate Company:	Titagarh Firema S.p.a, Italy (erstwhile Titagarh Firema Adler S.p.A) (w.e.f September 9, 2022)

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Key Management Personnel (KMPs):	Mr. J P Chowdhary – Executive Chairman
	Mr. Umesh Chowdhary – Vice Chairman & Managing Director
	Mr. Anil Kumar Agarwal - Director (Finance), Chief Business & Risk Officer and Chief Financial Officer (upto December 19, 2023)
	Mr. Anil Kumar Agarwal - Deputy Managing Director & Deputy CEO (FTRS) (w.e.f December 20, 2023)
	Mr. Saurav Singhania- Joint Chief Financial Officer & Group Finance Controller (upto December 19, 2023)
	Mr. Saurav Singhania- Chief Financial Officer (w.e.f December 20, 2023)
	Mr. Sudipta Mukherjee - Director (Whole-Time Director) (upto March 17, 2023)
	Mr. Saket Kandoi - Director (Whole-Time Director) (w.e.f March 17, 2023)
	Mrs. Rashmi Chowdhary - Non-Executive Director
	Mr. Prithish Chowdhary - Director (Marketing & Business Development) (upto December 19, 2023)
	Mr. Prithish Chowdhary - Director (Marketing & Business Development) and Deputy CEO (PRS) (w.e.f December 20, 2023)
	Mr. Manoj Mohanka - Independent Director (upto March 31, 2024)
	Mr. Atul Ravishanker Jashi - Independent Director
	Mr. Sunirmal Talukdar - Independent Director (upto March 31, 2024)
	Mr. Sushil Kumar Roongta - Independent Director
	Mr. Krishan Kumar Jalan - Independent Director
	Ms. Nayantara Palchoudhuri - Independent Director
	Mr. Bontha Prasada Rao - Independent Director (w.e.f September 4, 2023)
	Mr. Debanjan Mandal- Independent Director (w.e.f September 4, 2023)
	Mr. Dinesh Arya - Company Secretary and Chief Compliance Officer (w.e.f March 18, 2023)
Mr. Ravi Mundhra - Company Secretary (upto March 17, 2023)	
Mr. Sumit Jaiswal - Company Secretary (upto August 12, 2022)	
Close Family Members of the KMPs:	Mrs. Savitri Devi Chowdhary, Wife of Mr. J P Chowdhary
	Mrs. Vinita Bajoria, Daughter of Mr. J P Chowdhary
	Mrs. Sumita Kandoi, Daughter of Mr. J P Chowdhary
	Ms. Bimla Devi Kojaria, Mother of Mrs. Rashmi Chowdhary
Enterprises over which KMP/ Shareholders/ Close Family Members have significant influence:	Titagarh Capital Management Services Private Limited
	Titagarh Enterprises Limited
	Titagarh Industries Limited
	Titagarh Logistics Infrastructures Private Limited
	Chowdhary Foundation
	Nicco Eastern Private Limited

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Details of transactions between the Group and Related Parties and outstanding balances as at the year end are given below:

(Rs. in Lacs)

Nature of transactions	Year	Joint Venture	Associate	Enterprises over which KMPs/ Shareholders/ Close Family Members of the KMPs have significant influence	KMPs	Relatives of KMPs	Total
In relation to the Consolidated Statement of Profit and Loss							
Sale of Products							
Titagarh Firema S.p.A	2023-24	-	100.60	-	-	-	100.60
	2022-23	-	209.47	-	-	-	209.47
Unspent Liabilities No Longer Required Written Back							
Titagarh Firema S.p.A	2023-24	-	33.56	-	-	-	33.56
	2022-23	-	-	-	-	-	-
Purchase of Raw Materials and Components							
Titagarh Firema S.p.A	2023-24	-	2,430.48	-	-	-	2,430.48
	2022-23	-	2,807.86	-	-	-	2,807.86
Nicco Eastern Private Limited	2023-24	-	-	423.93	-	-	423.93
	2022-23	-	-	104.05	-	-	104.05
Design & Development Expenses							
Titagarh Firema Engineering Services Private Limited	2022-23	300.53	-	-	-	-	300.53
	2023-24	-	-	-	-	-	-
Reimbursement of Expenses Received							
Titagarh Enterprises Limited	2023-24	-	-	35.78	-	-	35.78
	2022-23	-	-	30.57	-	-	30.57
Titagarh Firema Engineering Services Private Limited	2023-24	9.90	-	-	-	-	9.90
	2022-23	-	-	-	-	-	-

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

(Rs. in Lacs)

Nature of transactions	Year	Joint Venture	Associate	Enterprises over which KMPs/ Shareholders/ Close Family Members of the KMPs have significant influence	KMPs	Relatives of KMPs	Total
In relation to the Consolidated Statement of Profit and Loss							
Reimbursement of Expenses Paid							
Ramkrishna Titagarh Rail Wheels Limited	2023-24	14.86	-	-	-	-	14.86
	2022-23	-	-	-	-	-	-
Shivaliks Mercantile Private Limited	2023-24	9.87	-	-	-	-	9.87
	2022-23	-	-	-	-	-	-
Titagarh Firema Engineering Services Private Limited	2023-24	254.30	-	-	-	-	254.30
	2022-23	-	-	-	-	-	-
Payment for Lease Rental							
Titagarh Enterprises Limited	2023-24	-	-	1,351.54	-	-	1,351.54
	2022-23	-	-	864.83	-	-	864.83
Interest expense on Loan							
Titagarh Enterprises Limited	2023-24	-	-	-	-	-	-
	2022-23	-	-	128.32	-	-	128.32
Remuneration (Excluding Employee Stock Option Expense) [Refer (b) below]							
Mr. J P Chowdhary	2023-24	-	-	-	363.28	-	363.28
	2022-23	-	-	-	257.28	-	257.28
Mr. Umesh Chowdhary	2023-24	-	-	-	363.28	-	363.28
	2022-23	-	-	-	257.28	-	257.28
Mr. Pritish Chowdhary	2023-24	-	-	-	57.13	-	57.13
	2022-23	-	-	-	32.83	-	32.83
Mr. Saket Kandoi	2023-24	-	-	-	68.35	-	68.35
	2022-23	-	-	-	1.95	-	1.95
Mr. Anil Agarwal	2023-24	-	-	-	97.05	-	97.05
	2022-23	-	-	-	104.98	-	104.98

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

(Rs. in Lacs)

Nature of transactions	Year	Joint Venture	Associate	Enterprises over which KMPs/ Shareholders/ Close Family Members of the KMPs have significant influence	KMPs	Relatives of KMPs	Total
In relation to the Consolidated Statement of Profit and Loss							
Mr. Dinesh Arya	2023-24	-	-	-	4.30	-	4.30
	2022-23	-	-	-	2.95	-	2.95
Mr. Sudipta Mukherjee	2023-24	-	-	-	-	-	-
	2022-23	-	-	-	58.96	-	58.96
Mr. Saurav Singhania	2023-24	-	-	-	68.84	-	68.84
	2022-23	-	-	-	26.54	-	26.54
Mr. Sumit Jaiswal	2023-24	-	-	-	-	-	-
	2022-23	-	-	-	3.13	-	3.13
Mr. Ravi Prakash Mundhra	2023-24	-	-	-	-	-	-
	2022-23	-	-	-	19.14	-	19.14
Commission to non-whole time directors							
Mr. Sunirmal Talukdar	2023-24	-	-	-	10.00	-	10.00
	2022-23	-	-	-	4.17	-	4.17
Mr. Manoj Mohanka	2023-24	-	-	-	10.00	-	10.00
	2022-23	-	-	-	4.16	-	4.16
Mr. Atul Ravishanker Joshi	2023-24	-	-	-	10.00	-	10.00
	2022-23	-	-	-	4.17	-	4.17
Mr. Sushil Kumar Roongta	2023-24	-	-	-	10.00	-	10.00
	2022-23	-	-	-	4.17	-	4.17
Ms. Nayantara Palchoudhri	2023-24	-	-	-	10.00	-	10.00
	2022-23	-	-	-	4.16	-	4.16
Mr. Krishna Kumar Jalan	2023-24	-	-	-	10.00	-	10.00
	2022-23	-	-	-	4.17	-	4.17
Mr. Bontha Prasada Rao	2023-24	-	-	-	5.00	-	5.00
	2022-23	-	-	-	-	-	-
Mr. Debanjan Mandal	2023-24	-	-	-	5.00	-	5.00
	2022-23	-	-	-	-	-	-

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

(Rs. in Lacs)

Nature of transactions	Year	Joint Venture	Associate	Enterprises over which KMPs/ Shareholders/ Close Family Members of the KMPs have significant influence	KMPs	Relatives of KMPs	Total
In relation to the Consolidated Statement of Profit and Loss							
Sitting Fees to Directors							
Mr. Manoj Mohanka	2023-24	-	-	-	15.20	-	15.20
	2022-23	-	-	-	11.80	-	11.80
Mr. Atul Ravishanker Joshi	2023-24	-	-	-	13.00	-	13.00
	2022-23	-	-	-	10.00	-	10.00
Mrs. Rashmi Chowdhary	2023-24	-	-	-	5.60	-	5.60
	2022-23	-	-	-	3.20	-	3.20
Mr. Sunirmal Talukdar	2023-24	-	-	-	14.00	-	14.00
	2022-23	-	-	-	12.00	-	12.00
Ms. Nayantara Palchoudhuri	2023-24	-	-	-	6.60	-	6.60
	2022-23	-	-	-	5.00	-	5.00
Mr. Krishan Kumar Jalan	2023-24	-	-	-	7.20	-	7.20
	2022-23	-	-	-	5.00	-	5.00
Mr. Sushil Kumar Roongta	2023-24	-	-	-	8.00	-	8.00
	2022-23	-	-	-	7.00	-	7.00
Mr. Prithish Chowdhary	2023-24	-	-	-	-	-	-
	2022-23	-	-	-	1.40	-	1.40
Mr. Bontha Prasada Rao	2023-24	-	-	-	4.60	-	4.60
	2022-23	-	-	-	-	-	-
Mr. Debanjan Mandal	2023-24	-	-	-	1.20	-	1.20
	2022-23	-	-	-	-	-	-
Payment of Dividend							
Mr. J P Chowdhary	2023-24	-	-	-	0.35	-	0.35
	2022-23	-	-	-	-	-	-
Mr. Umesh Chowdhary	2023-24	-	-	-	0.39	-	0.39
	2022-23	-	-	-	-	-	-
Mrs. Rashmi Chowdhary	2023-24	-	-	-	64.08	-	64.08
	2022-23	-	-	-	-	-	-
Mr. Anil Kumar Agarwal	2023-24	-	-	-	0.50	-	0.50
	2022-23	-	-	-	-	-	-

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

(Rs. in Lacs)

Nature of transactions	Year	Joint Venture	Associate	Enterprises over which KMPs/ Shareholders/ Close Family Members of the KMPs have significant influence	KMPs	Relatives of KMPs	Total
In relation to the Consolidated Statement of Profit and Loss							
Mr. Saket Kandoi	2023-24	-	-	-	0.35	-	0.35
	2022-23	-	-	-	-	-	-
Mr. Saurav Singhania	2023-24	-	-	-	0.20	-	0.20
	2022-23	-	-	-	-	-	-
Mr. Dinesh Arya	2023-24	-	-	-	0.22	-	0.22
	2022-23	-	-	-	-	-	-
Ms. Bimla Devi Kajaria	2023-24	-	-	-	-	0.01	0.01
	2022-23	-	-	-	-	-	-
Ms. Sumita Kandoi	2023-24	-	-	-	-	0.03	0.03
	2022-23	-	-	-	-	-	-
Ms. Vinita Bajoria	2023-24	-	-	-	-	0.16	0.16
	2022-23	-	-	-	-	-	-
Titagarh Capital Management Services Private Limited	2023-24	-	-	120.36	-	-	120.36
	2022-23	-	-	-	-	-	-
Titagarh Logistics Infrastructures Private Limited	2023-24	-	-	9.54	-	-	9.54
	2022-23	-	-	-	-	-	-
Chowdhary Foundation	2023-24	-	-	91.01	-	-	91.01
	2022-23	-	-	-	-	-	-
In relation to the Consolidated Balance Sheet							
Repayment of Loan							
Titagarh Enterprises Limited	2023-24	-	-	-	-	-	-
	2022-23	-	-	2,000.00	-	-	2,000.00
Security Deposit Paid							
Titagarh Enterprises Limited	2023-24	-	-	-	-	-	-
	2022-23	-	-	293.98	-	-	293.98

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

(Rs. in Lacs)

Nature of transactions	Year	Joint Venture	Associate	Enterprises over which KMPs/ Shareholders/ Close Family Members of the KMPs have significant influence	KMPs	Relatives of KMPs	Total
In relation to the Consolidated Statement of Profit and Loss							
Investments made							
Ramkrishna Titagarh Rail Wheels Limited	2023-24	6,058.37	-	-	-	-	6,058.37
	2022-23	-	-	-	-	-	-
Titagarh Firema Engineering Services Private Limited	2023-24	210.07	-	-	-	-	210.07
	2022-23	-	-	-	-	-	-
Shivaliks Mercantile Private Limited	2023-24	9,791.60	-	-	-	-	9,791.60
	2022-23	-	-	-	-	-	-

(Rs. in Lacs)

Nature of transactions	Year	Joint Venture	Associate	Enterprises over which KMPs/ Shareholders/ Close Family Members of the KMPs have significant influence	KMPs	Relatives of KMPs	Total
Balances Outstanding as at the Year end							
Trade Receivables							
Titagarh Firema S.p.A	2023-24	-	97.54	-	-	-	97.54
	2022-23	-	1,274.51	-	-	-	1,274.51
Titagarh Enterprises Limited	2023-24	-	-	-	-	-	-
	2022-23	-	-	36.07	-	-	36.07
Trade Payables							
Nicco Eastern Private Limited	2023-24	-	-	45.82	-	-	45.82
	2022-23	-	-	9.93	-	-	9.93
Titagarh Enterprises Limited	2023-24	-	-	0.03	-	-	0.03
	2022-23	-	-	399.81	-	-	399.81
Capital Advance							
Titagarh Firema S.p.A	2023-24	-	-	-	-	-	-
	2022-23	-	2,387.31	-	-	-	2,387.31

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

(Rs. in Lacs)

Nature of transactions	Year	Joint Venture	Associate	Enterprises over which KMPs/ Shareholders/ Close Family Members of the KMPs have significant influence	KMPs	Relatives of KMPs	Total
Balances Outstanding as at the Year end							
Charges Recoverable							
Ramkrishna Titagarh Rail Wheels Limited	2023-24	14.86	-	-	-	-	14.86
	2022-23	-	-	-	-	-	-
Shivaliks Mercantile Private Limited	2023-24	9.87	-	-	-	-	9.87
	2022-23	-	-	-	-	-	-
Investment In Equity shares							
Titagarh Firema S.p.A	2023-24	-	1,272.63	-	-	-	1,272.63
	2022-23	-	1,272.63	-	-	-	1,272.63
Advances Recoverable in Cash or Kind							
Mr. Anil Kumar Agarwal	2023-24	-	-	-	30.00	-	30.00
	2022-23	-	-	-	30.00	-	30.00
Titagarh Firema S.p.A	2023-24	-	-	-	-	-	-
	2022-23	-	166.63	-	-	-	166.63
Commission payable to non whole time directors							
Mr. Atul Ravishanker Joshi	2023-24	-	-	-	10.00	-	10.00
	2022-23	-	-	-	4.17	-	4.17
Mr. Sunirmal Talukdar	2023-24	-	-	-	10.00	-	10.00
	2022-23	-	-	-	4.17	-	4.17
Mr. Sushil Kumar Roongta	2023-24	-	-	-	10.00	-	10.00
	2022-23	-	-	-	4.17	-	4.17
Mr. Krishan Kumar Jalan	2023-24	-	-	-	10.00	-	10.00
	2022-23	-	-	-	4.17	-	4.17
Ms. Nayantara Palchoudhri	2023-24	-	-	-	10.00	-	10.00
	2022-23	-	-	-	4.16	-	4.16
Mr. Manoj Mohanka	2023-24	-	-	-	10.00	-	10.00
	2022-23	-	-	-	4.16	-	4.16

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

(Rs. in Lacs)							
Nature of transactions	Year	Joint Venture	Associate	Enterprises over which KMPs/ Shareholders/ Close Family Members of the KMPs have significant influence	KMPs	Relatives of KMPs	Total
Balances Outstanding as at the Year end							
Mr. Bontha Prasada Rao	2023-24	-	-	-	5.00	-	5.00
	2022-23	-	-	-	-	-	-
Mr. Debanjan Mandal	2023-24	-	-	-	5.00	-	5.00
	2022-23	-	-	-	-	-	-
Investments							
Titagarh Firema S.p.A	2023-24	-	-	-	-	-	-
(Net of Loss: Rs. 1,272.63 Lacs)	2022-23	-	-	-	-	-	-
Titagarh Mermec Private Limited	2023-24	-	-	-	-	-	-
(Net of Loss: Rs. 0.50 Lacs)	2022-23	-	-	-	-	-	-
Ramkrishna Titagarh Rail Wheels Limited	2023-24	6,058.37	-	-	-	-	6,058.37
(Net of Loss: Rs. 66.51 Lacs)	2022-23	-	-	-	-	-	-
Titagarh Firema Engineering Services Private Limited	2023-24	210.07	-	-	-	-	210.07
(Including Profit: Rs. 14.07 Lacs)	2022-23	-	-	-	-	-	-
Shivaliks Mercantile Private Limited	2023-24	9,791.60	-	-	-	-	9,791.60
(Net of Loss: Rs. 208.40 Lacs)	2022-23	-	-	-	-	-	-
Titagarh Enterprises Limited	2023-24	-	-	3,657.62	-	-	3,657.62
	2022-23	-	-	3,140.55	-	-	3,140.55
Titagarh Industries Limited	2023-24	-	-	41.39	-	-	41.39
	2022-23	-	-	39.00	-	-	39.00
Security Deposit							
Titagarh Enterprises Limited	2023-24	-	-	307.91	-	-	307.91
	2022-23	-	-	281.92	-	-	281.92

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Notes :
(a) Terms and Conditions of Transactions with Related Parties

Transactions relating to dividend were on the same terms and conditions that applied to other shareholders. The

sales/services to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest-free and settlement occurs in cash.

b) Compensation of Key Managerial Personnel

	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits	972.83	718.15
Contribution to provident and other funds	49.40	46.89
	1,022.23	765.04

The remuneration to key management personnel does not include provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Parent Company as a whole.

(c) The Company has provided letter of Financial support to one of its joint venture namely Titagarh Mermec Private Limited.

(d) Also refer Note 4.1 (c) to the consolidated financial statements.

41. Fair Values
(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-

the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 fair value measurements during the year ended March 31, 2024 and March 31, 2023.

The following table provides the fair value measurement hierarchy of the Group's assets:

(Rs. in Lacs)					
		Level 1	Level 2	Level 3	Total
Quantitative disclosures Fair Value Measurement hierarchy for Assets:	Date of Valuation				
Assets Measured at Fair Value:					
Investments	March 31, 2024	-	-	3,699.06	3,699.06
	March 31, 2023	-	-	3,179.60	3,179.60
Total Financial Assets	March 31, 2024	-	-	3,699.06	3,699.06
	March 31, 2023	-	-	3,179.60	3,179.60
Derivative financial Liabilities	March 31, 2024	-	16.94	-	16.94
	March 31, 2023	-	37.87	-	37.87
Total Financial Liabilities	March 31, 2024	-	16.94	-	16.94
	March 31, 2023	-	37.87	-	37.87

(ii) Fair value measurements using significant unobservable inputs (Level 3)

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy - (FVTPL assets in unquoted equity shares/units valued using Discounted Cash Flow method) together with a quantitative sensitivity analysis as at March 31, 2024 and March 31, 2023 are as shown below:

(Rs. In Lacs)		
Significant Unobservable Input - Weighted Average Cost of Capital / Discounting Rate *	March 31, 2024	March 31, 2023
Impact of 1% Increase	(353.50)	(319.00)
Impact of 1% Decrease	482.27	434.68
Significant Unobservable Input - Circle Rate for land owned by the respective Investee Company #	March 31, 2024	March 31, 2023
Impact of 5% Increase	50.19	57.86
Impact of 5% Decrease	(50.23)	(57.86)

* For FVTPL assets in unquoted equity shares

For FVTPL assets in unquoted equity shares

(iii) Reconciliation of fair value measurement of financial instruments classified as FVTPL assets:

(Rs. In Lacs)	
Particulars	Investment in unquoted equity shares
Closing Balance as on March 31, 2022	3,015.06
Re-measurement recognised in Consolidated Statement of Profit and Loss	164.54
Closing Balance as on March 31, 2023	3,179.60
Re-measurement recognised in Consolidated Statement of Profit and Loss	519.46
Closing Balance as on March 31, 2024	3,699.06

(iv) Fair value of financial assets and liabilities

The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2023.

The methods and assumptions were used to estimate the fair values:

- The fair value of foreign exchange forward contracts is determined using forward exchange rates at the Balance Sheet date.
- The management assessed that the fair values of remaining financial assets and liabilities at amortised cost approximate to their carrying amounts largely due to the short-term maturities of these instruments.
- For financial assets / liabilities carried at fair value, the carrying amounts are equal to their fair values.
- Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimate technique. Therefore, for substantially all financial instruments, the fair value estimates are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

42. Financial Risk Management Objectives and Policies

The Group's financial liabilities comprise borrowings,

The Group's foreign currency exposure at the end of the reporting period are as follows:

PARTICULARS	March 31, 2024				
	NPR	USD	EURO	JPY	CNY
Financial Assets	-	-	-	-	-
Trade Receivables	221.80	625.28	4,771.82	2,612.22	-
Other Financial Assets	-	-	375.90	-	-
Cash & Cash Equivalents	21,431	-	-	-	-
Derivative Assets	-	-	-	-	-
Foreign exchange forward contracts	-	-	-	-	-

trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's financial assets include trade and other receivables, cash and cash equivalents, investments and other financial assets.

The Parent Company's Board of Directors ensures that risks are identified, measured and managed in accordance with Risk Management Policy of the Group and also reviews these risks and related risk management policy, which are summarised below:

I. Market Risks

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: foreign currency risk and other price risk, such as equity price risk and interest rate risk. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, borrowings, other receivables etc.

(i) Foreign currency risks

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 and borrowings. Such foreign currency exposures are primarily hedged by the Group through use of foreign exchange forward contracts. The Group has a treasury team which monitors the foreign exchange fluctuations on a continuous basis and advises the management of any material adverse effect on the Group, and any additional remedial measures to be taken.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

The Group's foreign currency exposure at the end of the reporting period are as follows:

PARTICULARS	March 31, 2024				
	NPR	USD	EURO	JPY	CNY
Net exposure to Foreign Currency Risk (Assets)	436.11	625.28	5,147.72	2,612.22	
Financial Liabilities					
Trade Payables	-	7,437.38	1,332.51	1,950.12	243.71
Other Financial Liabilities	-	41.70	-	-	-
Borrowings	-	1,651.12	-	-	-
Derivative Liabilities					
Foreign Exchange Forward Contracts	-	(3,855.23)	-	-	-
Net exposure to Foreign Currency Risk (Liabilities)	-	5,274.97	1,332.51	1,950.12	243.71
Net exposure to Foreign Currency Risk (Assets less Liabilities)	436.11	(4,649.69)	3,815.21	662.10	(243.71)

(Rs. in Lacs)

PARTICULARS	March 31, 2023			
	NPR	USD	EURO	JPY
Financial Assets				
Trade Receivables	221.80		616.60	2,892.99
Other Financial Assets	-	-	-	375.90
Cash & Cash Equivalents	253.41	-	-	-
Derivative Assets				
Foreign exchange forward contracts	-	-	-	(3,170.19)
Net exposure to Foreign Currency Risk (Assets)	475.21		616.60	98.70
Financial Liabilities				
Trade Payables	7.32		41.10	1,852.20
Other Financial Liabilities	-	-	17.13	-
Borrowings	-	-	2,044.51	-
Derivative Liabilities				
Foreign Exchange Forward Contracts	-	-	(5,290.36)	-
Net exposure to Foreign Currency Risk (Liabilities)	7.32		(3,187.62)	1,852.20
Net exposure to Foreign Currency Risk (Assets less Liabilities)	467.89		3,804.22	(1,753.50)

(Rs. in Lacs)

Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD, Euro, NPR, JPY & CNY exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

	Changes in EURO rate	Foreign currency (Payable) / Receivable (net)	Effect on profit before tax	Changes in USD rate	Foreign currency (Payable) / Receivable (net)	Effect on profit before tax
	%	Rs in Lacs	Rs in Lacs	%	Rs in Lacs	Rs in Lacs
	March 31, 2024	5%	3,815.21	190.76	5%	(4,649.69)
	-5%		(190.76)	-5%		232.48
March 31, 2023	5%	(1,753.50)	(87.68)	5%	3,804.22	190.21
	-5%		87.68	-5%		(190.21)

	Changes in NPR rate	Foreign currency (Payable) / Receivable (net)	Effect on profit before tax	Changes in JPY rate	Foreign currency (Payable) / Receivable (net)	Effect on profit before tax
	%	Rs in Lacs	Rs in Lacs	%	Rs in Lacs	Rs in Lacs
	March 31, 2024	5%	436.11	21.81	5%	662.10
	-5%		(21.81)	-5%		(33.11)
March 31, 2023	5%	467.89	23.39	5%	(1,076.38)	(53.82)
	-5%		(23.39)	-5%		53.82

	Changes in CNY rate	Foreign currency (Payable) / Receivable (net)	Effect on profit before tax
		Rs in Lacs	Rs in Lacs
	March 31, 2024	5%	(243.71)
	-5%		12.19
March 31, 2023	5%	-	-
	-5%		-

(ii) Equity price risks

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in equity prices (other than those arising from interest rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market.

The Group only invests in the equity shares of some of the group companies as part of the Group's overall business strategy and policy. The Group manages the equity price risk through placing limits on individual and total equity investment in each of group companies based on the respective business plan of each of the companies. Reports

on the investment portfolio along with the financial performance of the group companies are submitted to the Group's management on a regular basis. The Parent Company's Board of Directors reviews and approves all investment decisions.

The Group's investment in quoted equity instruments is not material. For sensitivity analysis of Group's investments in equity instruments, Refer Note 41(ii).

(iii) Interest rate risks

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to risk of changes in market interest rates relates primarily to the Group's debt interest obligation. Further the Group engages

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

In financing activities at market linked rates, any changes in the interest rate environment may impact future rates of borrowings. The Group continuously monitor the situation and takes remedial actions if required. The Group's investments in term deposits

with bank are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Interest rate risk exposure

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

	As at March 31, 2024 Rs. In Lacs	As at March, 2023 Rs. In Lacs
Variable Rate Borrowings	6,625.60	24,932.41
Total Borrowings	6,625.60	24,932.41

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Impact on Profit before Tax	
	As at March 31, 2024 Rs. In Lacs	As at March, 2023 Rs. In Lacs
Interest Rates - Increase by 100 basis points *	(66.26)	(249.32)
Interest Rates - Decrease by 100 basis points *	66.26	249.32

* Holding all other variables constant and on the assumption that amount outstanding as at reporting dates were utilised for full financial year.

II. Credit Risks

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 loans / deposits) and from its investing activities (primarily deposits with banks). The Group's maximum exposure to credit risk for the components of the Balance Sheet as at March 31, 2024 and March 31, 2023 is their carrying amounts except for the financial guarantees.

(a) Trade and Other Receivables

Customer credit risk is managed by the Group through established policy and procedures and controls relating to customer credit risk management. The Group applies the simplified approach to

determine the expected credit loss (ECL) for trade and other receivables by considering historical credit loss experience further adjusted for forward looking information. In addition Group also considers allowance for credit loss for trade and other receivable based on specific identification method on a case to case basis with reference to the customer's credit quality, prevailing market conditions etc. To calculate expected credit loss, the Group groups its trade receivables by category of customers i.e. passenger rolling stock, freight rolling stock, shipbuilding, bridges and defence and related parties. The Group has evaluated that the historical loss rate for passenger rolling stock, freight rolling stock and related party receivables is Nil. In respect of receivables from shipbuilding, bridges and defence, the historical loss rate is given below:

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

March 31, 2024								
Particulars	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross Debtors	-	-	88.80	-	1,958.91	313.59	665.45	3,026.75
Contract Assets	2,458.09	136.72	-	-	-	-	-	2,594.81
Historical Loss Rates	0.00%	0.00%	0.02%	0.00%	0.13%	3.81%	100.00%	
Loss Allowance	0.22	-	0.02	-	2.63	11.95	665.45	680.27
March 31, 2023								
Particulars	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross Debtors	-	-	3,280.49	78.61	454.22	659.22	97.83	4,570.37
Contract Assets	2,709.44	87.38	-	-	-	-	-	2,796.82
Historical Loss Rates	0.00%	0.00%	0.01%	0.04%	0.09%	0.51%	100.00%	
Loss Allowance	0.15	-	0.48	0.03	0.39	3.34	97.83	102.22

(b) Other Financial Assets and Deposits

Credit Risk from Balances with Banks, deposits, etc is managed by the Group's finance department. Investments of Surplus funds are made only with approved counterparties which have high credit worthiness in accordance with the Group's policy and hence the credit risk is limited.

(c) Reconciliation of loss allowance of trade receivables, contract assets and other financial assets:

(Rs. In Lacs)

	Trade Receivables	Other Financial Assets
Opening Balance as at March 31, 2022	251.31	-
Provision made during the year ended March 31, 2023	102.22	-
Transfer to Discontinued Operation	(251.31)	-
Closing Balance as at March 31, 2023	102.22	-
Provision made during the year ended March 31, 2024	661.08	-
Provision written back during the year ended March 31, 2024	(83.03)	-
Closing Balance as at March 31, 2024	680.27	-

The impairment provision as disclosed above are based on assumptions about risk of default and expected credit loss rates. The Group uses judgement in making these assumptions based on the Group's past history, counter party's ability to pay, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Group has recorded bad debts of Rs. Nil Lacs (March 31, 2023: Rs. 165.81 Lacs), being not realisable from customers.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Movement of Liquidated Damages:

Particulars	(Rs. In Lacs)
Opening Balance as at March 31, 2022	474.25
Provision made during the year ended March 31, 2023	1,011.00
Provision utilized / reversed during the year ended March 31, 2023	(1,117.56)
Transfer to Discontinued Operation	(206.96)
Opening Balance as at March 31, 2023	160.73
Provision made during the year ended March 31, 2024	3,701.50
Provision utilized / reversed during the year ended March 31, 2024	(3,862.23)
Closing Balance as at March 31, 2024	-

III. Liquidity Risks

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Group has obtained fund and non-fund based working capital lines from various banks. The Group invests its surplus funds in bank fixed deposits, which carry no market risk. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits, bank loans among others.

Maturity profile of Financial liabilities

Maturity profile of all financial liabilities is as under:

As at March 31, 2024	(Rs. In Lacs)				
	Carrying Amount	Contractual Cash flows	Upto 1 year	1-3 years	More than 3 years
Non-derivative Financial Liabilities					
Borrowings (including interest accrued and not due on borrowings) *	6,756.41	7,684.17	3,434.43	2,946.44	1,303.30
Lease Liabilities	9,945.92	14,395.67	1,432.63	3,128.30	9,834.74
Trade Payables	31,944.43	31,944.43	31,944.43	-	-
Other Financial Liabilities	2,492.66	2,492.66	2,492.66	-	-
	51,139.42	56,516.93	39,304.15	6,074.74	11,138.04

As at March 31, 2023	(Rs. In Lacs)				
	Carrying Amount	Contractual Cash flows	Upto 1 year	1-3 years	More than 3 years
Non-derivative Financial Liabilities					
Borrowings (including interest accrued and not due on borrowings) *	24,966.98	26,502.63	20,628.41	3,188.62	2,685.60
Lease Liabilities	10,393.61	10,473.11	490.71	1,330.07	8,652.33
Trade Payables	32,308.33	32,308.33	32,308.33	-	-
Other Financial Liabilities	716.56	716.56	716.56	-	-
	68,385.48	70,000.63	54,144.01	4,518.69	11,337.93

* Includes transaction cost adjustment on borrowings and contractual interest payment based on interest rate prevailing at the end of the reporting period.

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

42.1 The Group does not have any material foreseeable losses on long term contracts. Further the net losses on derivative contracts during the year have been recognised in the financial statements in keeping with Group's accounting policy.

43. Capital Management
(a) Risk Management

The Group's objective when managing capital (defined as net debt and equity) is to safeguard the Group's ability to continue as a going concern in order to

provide returns to shareholders and benefit for other stakeholders, while protecting and strengthening the balance sheet through the appropriate balance of debt and equity funding. The Group manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the Group.

The Group monitors capital on the basis of the net debt to equity ratio. Net debt are borrowings as reduced by cash and cash equivalents. The Group is not subject to any externally imposed capital requirements.

The following table summarises the capital of the Group:

	As at March 31, 2024 Rs. In Lacs	As at March 2023 Rs. In Lacs
Total Borrowings	6,625.60	24,932.41
Less: Cash and Cash Equivalents	32,898.26	5,540.55
Net Debt	(26,272.66)	19,391.86
Equity	221,833.28	96,355.17
Total Capital (Equity + Net Debt)	195,560.62	115,747.03
Net Debt to Equity Ratio	-11.84%	20.13%

(b) Dividends on Equity Shares

	March 31, 2024 Rs. In Lacs	March, 2023 Rs. In Lacs
Dividend Declared and Paid during the year		
Final Dividend for the year ended March 31, 2023 of Rs. 0.50/- (March 31, 2022 of Rs. Nil) per fully paid share	635.86	-
Dividend Distribution Tax on above	-	-

Proposed Dividend

The Board of Directors of the Parent Company recommended a dividend of Rs. 0.80/- per Ordinary (Equity) Share of Rs. 2/- each (40%) to the shareholders of the Parent Company for the financial year 2023-24. The dividend recommended by the Board of Directors of the Parent Company is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM) of the Parent Company. The dividend, if approved by the shareholders at the AGM, will be paid, subject to deduction of tax at source.

44. Debt Reconciliation

This section sets out an analysis of debt and the movement in debt during the year :

Particulars	As at March 31, 2024 Rs. In Lacs	As at March 2023 Rs. In Lacs
Non-current Borrowings	3,735.75	4,962.50
Current Maturities of Long-term Debt	1,238.73	3,286.13
Current Borrowings	1,651.12	16,683.78
Interest accrued but not due on Borrowings	130.81	34.57
Lease Liabilities	9,945.92	10,393.61
Total	16,702.33	35,360.59

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

(Rs. in Lacs)

Particulars	Non-current Borrowings	Current Borrowings	Lease Liabilities	Total
Debt as at March 31, 2022	54,807.27	31,339.10	5,926.37	92,072.74
New Leases	-	-	4,836.43	4,836.43
Finance Costs	2,979.13	4,520.40	575.14	8,074.67
Finance cost Capitalised in Inventory	(2,364.79)	-	-	(2,364.79)
Liabilities held for sale	-	-	(79.50)	(79.50)
Cash Flows				
Principal repayment of Leases	-	-	(864.83)	(864.83)
Proceeds from Long-term Borrowings from Banks	4,962.50	-	-	4,962.50
Repayment of Long-term Borrowings from Banks	(2,705.02)	-	-	(2,705.02)
Repayment of Loan from Related Party	(2,000.00)	-	-	(2,000.00)
Short-term Borrowings - Receipts/(Payments)	-	10,798.89	-	10,798.89
Finance Costs Paid	(614.34)	(4,579.16)	-	(5,193.50)
Non-cash Transactions				
Transfer to Discontinued Operations	(46,816.12)	(25,360.88)	-	(72,177.00)
Debt as at March 31, 2023	8,248.63	16,718.35	10,393.61	35,360.59
Finance Costs	2,238.10	4,203.47	903.85	7,345.42
Finance cost Capitalised in Inventory	(1,612.61)	-	-	(1,612.61)
Cash Flows				
Principal repayment of Leases	-	-	(1,351.54)	(1,351.54)
Repayment of Long-term Borrowings from Banks	(3,307.50)	-	-	(3,307.50)
Short-term Borrowings - Receipts/(Payments)	-	(15,032.66)	-	(15,032.66)
Finance Costs Paid	(592.14)	(4,107.23)	-	(4,699.37)
Debt as at March 31, 2024	4,974.48	1,781.93	9,945.92	16,702.33

45. Revenue recognised in relation to contract liability

	As at March 31, 2024 Rs. In Lacs	As at March, 2023 Rs. In Lacs
Revenue recognised that was included in the contract liability balance at the beginning of the period	22,793.47	8,370.84

The aggregate amount of the transaction price allocated to the remaining performance obligation, which are partially or fully unsatisfied as at year end is Rs. 659,865.85 lacs (March 31, 2023: Rs. 93,230.84 lacs) and the entity will recognize this revenue as the contract is completed and / or executed, which is expected to occur over the next 12–68 months.

Trade receivables in respect of contract with customers has been included in Note-6.

46. Discontinued Operations:

- (a) Pursuant to an investment agreement dated July 20, 2022 signed between the Parent Company, TBIPL (now amalgamated with the Parent Company) and the Government of Italy through its investment agency, (Invitalia) along with an international private equity investor, have together infused fresh equity of Euro 14.5 million (Euro 10 million by Invitalia and Euro 4.5 million

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

by international private equity investor) in Titagarh Firema S.p.A (TFA), a subsidiary of the Parent Company in the previous year. The above equity infusion resulted in dilution of equity stake of the Parent Company in TFA to 49.70% which along with other terms of the aforesaid agreement led to Parent Company's loss of control

in TFA as a subsidiary and is an associate company with effect from September 9, 2022. Accordingly, the financial performance of TFA upto September 8, 2022 has been disclosed as discontinued operations (including previous year) which comprises of loss from operations and net gain on loss of control as under:

Particulars	For the period April 1, 2022 - September 8, 2022
Loss from operations after tax [net of intercompany elimination of Rs. 207.93 Lacs	(4,467.81)
Gain on loss of control (refer below)	719.73
Net Loss from Discontinued operations in respect of TFA	(3,748.08)
Break up of Gain on loss of control of TFA	
Net Assets of TFA as on September 8, 2022 (net of elimination of loss for the period)	(1,653.75)
Foreign Currency Translation Reserve accumulated till date of subsidiary (i.e, September 8, 2022) being released to statement of profit and loss	1,447.03
Non controlling Interest till September 8, 2022 being discharges / released	(346.18)
Carrying value of investments in TFA	1,272.63
Gain on loss of control of TFA	719.73

On September 8, 2022, the accounting for the loss of control of TFA for the period April 1, 2022 to September 8, 2022, is done as per audited financial statement / information. The carrying value of the investments in TFA as on the September 9, 2022 was Rs. 1,272.63 lacs.

The financial statements / information of TFA for the period September 9, 2022 to March 31, 2023 have been considered based on management accounts provided by TFA and the proportionate share of loss of TFA under equity method in accordance with Ind AS 28 has resulted in reduction in the net value of investment in TFA in the books of the Parent Company. As a result, the net value of investment in TFA in the books of the Parent Company has reduced to Nil as on March 31, 2023. While the audit and approval of financial statement of TFA for the year ended March 31, 2023, will be completed in due course alongwith the audit as per local laws and regulations followed by Italian companies, however considering that the carrying value of said investments as on March 31, 2023 has already been reduced to Nil, no significant impact is envisaged due to this in the financial statements of the Parent Company.

- (b) In continued efforts to simplify the corporate structure, based on approval of the Board of Directors of the Parent Company, voluntary winding up of Titagarh Singapore Pte Ltd (TSPL) in compliance with the local rules and regulations at Singapore has been initiated in the previous year. Accordingly, the financial statements of TSPL has been prepared on liquidation basis (fair value) for the year ended March 31, 2024 and has been disclosed as discontinued operations. Accordingly, following note has been referred to by the auditors of TSPL in their report:

"The shareholders, Titagarh Rail Systems Limited (formerly known as Titagarh Wagons Limited) of the company passed a Board resolution to voluntary wind up the company. In view of the same the accounts of the company are not prepared on Going Concern basis and has been prepared on Liquidation Basis (Fair Value)".

- (c) **The results of discontinued operations (without elimination) in respect of TFA and TSPL are set out below:**

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Particulars	Year Ended March 31, 2024	For the period April 1, 2022 - September 8, 2022	Year Ended March 31, 2023
	TSPL	TFA	TSPL
Income			
Revenue from Operations	-	1,4,688.98	-
Other Income	12.69	621.07	108.78
Total Income	12.69	15,310.05	108.78
Expenses			
Cost of Raw Materials and Components Consumed	-	6,362.50	-
Changes in Inventories of Finished Goods, Work-in-progress, Trading Goods and Saleable Scrap		-	-
Employee Benefits Expense	-	5,422.27	-
Finance Costs	0.71	1,694.19	0.78
Depreciation and Amortisation Expense	-	650.72	-
Other Expenses	241.20	5,856.11	135.77
Total Expenses	241.91	19,985.79	136.55
Profit before exceptional items & tax from discontinued operation	(229.22)	(4,675.74)	(27.77)
Exceptional Items	-	-	(2,305.60)
Profit / (Loss) before Tax	(229.22)	(4,675.74)	2,277.83
Tax Expense:			
Current Tax	-	29.30	-
Deferred Tax	-	(29.30)	-
Total Tax Expense	-	-	-
Profit / (Loss) after tax from discontinued operations	(229.22)	(4,675.74)	2,277.83
Other Comprehensive Income			
Item that will be Reclassified to Profit or Loss in Subsequent Periods:			
Exchange Differences on Translation of Foreign Operations	25.93	(137.44)	206.07
Income tax relating to above	-	-	-
Other Comprehensive Income for the Year (Net of Tax)	25.93	(137.44)	206.07
Total Comprehensive Income for the Year from discontinued operations	(203.29)	(4,813.18)	2,483.90

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2024

Discontinued operations comprises the following:

	Year Ended	
	March 31, 2024	March 31, 2023
Net Loss from Discontinued operations in respect of TFA after tax	-	(3,748.08)
Profit from Discontinued operations after tax pertaining to Titagarh Wagons AFR, France (Refer Note (i) below)	-	2,761.78
Profit / (Loss) from Discontinued operations after tax pertaining to TSPL (Refer Note (b) above)	(229.22)	94.60
	(229.22)	(891.70)

- (i) amounts awarded in favour of the Parent Company and its subsidiary amounting to Rs 1,158.02 lacs by the Commercial Court of Paris with respect to its claims relating to Titagarh Wagons AFR (France) and also reversal of provisions amounting to Rs 1,603.76 lacs relating to the same entry (disclosed as discontinued operations in earlier years) which are no longer deemed necessary.
- (iv) Compliance with number of layers of companies
The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- (v) Compliance with approved scheme(s) of arrangements
The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (vi) Utilisation of borrowed funds and share premium
(A) The group, its associate and joint ventures have 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group, its associate and joint ventures (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries other than funds aggregating to Rs. 10,000.00 lacs invested by the Parent Company in Shivaliks Mercantile Private Limited (SMPL) for onward investments in Titagarh Firema S.p.A. (TFA) of which Rs. 9,013.10 lacs had been invested by SMPL in TFA by year ended March 31, 2024.
- (B) The group, its associate and joint ventures have 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, its associate and joint ventures shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding
47. The Parent Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the exposure is not material.
48. (i) Details of benami property held
No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) Wilful defaulter
The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (iii) Relationship with struck off companies
The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries, other than funds aggregating to Rs. 10,000.00 lacs received by Shivaliks Mercantile Private Limited (SMPL) from the Parent Company for onward investments in Titagarh Firema S.p.A. (TFA) of which Rs. 9,013.10 lacs has been further invested by SMPL in TFA by year ended March 31, 2024.

The above arrangement in para 48 (vi)(A) and 48 (vi)(B) is in accordance with Share Subscription agreement dated January 24, 2024 between Sidwal Refrigeration Industries Private Limited, Titagarh Rail Systems Limited, Shivaliks Mercantile Private Limited and Shri. Umesh Chowdhary.

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) The Group does not have any Core investment companies as a part of the group.

49. The Board of Parent Company at its meeting held on March 17, 2023 approved change of name of the Parent Company to Titagarh Rail Systems Limited to better reflect the current business activities and after shareholders approval obtained on April 27, 2023 the necessary forms were filed with MCA. The approval for the same was received and the name change was effective from May 19, 2023.

50. The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Parent Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

For Salarpuria & Partners
Firm Registration Number: 302113E
Chartered Accountants

Pramit Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 15, 2024

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 15, 2024

J P Chowdhary
Executive Chairman
DIN: 00313685
Place: Kolkata
Date: May 15, 2024

Atul Ravishanker Joshi
Independent Director
DIN: 02557425
Place: Kolkata
Date: May 15, 2024

Saurev Singhania
Chief Financial Officer
Place: Kolkata
Date: May 15, 2024

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652
Place: Kolkata
Date: May 15, 2024

Anil Kumar Agarwal
Deputy Managing Director & CEO (FRS)
DIN: 01501747
Place: Kolkata
Date: May 15, 2024

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 15, 2024

For and on behalf of the Board Of Directors of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE

NOTICE is hereby given that the **TWENTY-SEVENTH ANNUAL GENERAL MEETING** of the members of **TITAGARH RAIL SYSTEMS LIMITED** (formerly TITAGARH WAGONS LIMITED) ("the Company") will be held through video conferencing ("VC"/ other audio-visual means ("OAVM")) [Deemed venue: 756 Anandapur, E.M. Bypass, Kolkata-700107] on Tuesday, 27th August, 2024 at 11.00 A.M. to transact the following businesses:

ORDINARY BUSINESS:

- To receive, consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31st March, 2024, the Consolidated Financial Statements for the said financial year and the Reports of the Board of Directors and Auditors thereon.
- To appoint a Director in place of Shri. Umesh Chowdhary (DIN: 00313652), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.
- To declare final dividend of Re. 0.80 (40%) per equity share of Rs. 2/- (Rupees two only) each for the financial year ended 31st March, 2024.

SPECIAL BUSINESSES:

- To re-appoint Shri Anil Kumar Agarwal (DIN: 01501767), Executive Director, designated as Deputy Managing Director & CEO (Freight Rail Systems) of the Company and in this regard to consider and if thought fit to pass, with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 197, 196, 152, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act') and Rules framed thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations') including any statutory modification(s) or re-enactment(s) thereof for the time being in force and the enabling provisions of Articles of Association of the Company, based on the recommendation of Nomination and Remuneration Committee and Audit Committee and as decided by the Board of Directors at its respective meetings held on 15th May, 2024, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Shri Anil Kumar Agarwal (DIN: 01501767), Executive Director designated as Deputy Managing Director & CEO (Freight Rail Systems) [DMD & CEO (FRS)] of the Company for a further period of 3 (three) years with effect from 29th May, 2024, on the terms and conditions including remuneration as set out in the Service Agreement as executed on 15th May, 2024 and detailed in the explanatory statement hereto.

RESOLVED FURTHER THAT the Board of Directors of the Company (including Committee thereof) be and is hereby authorised to fix, vary, alter or modify the terms, conditions and remuneration payable to Shri Anil Kumar Agarwal as DMD & CEO (FRS), to the extent recommended by the NRC from time to time as may be considered appropriate, within the overall limits permitted by the provisions of the Act or relevant Schedule(s) thereto as may prevail on such date, do all such acts, deeds, matters and things as may be necessary and expedient to give effect to this Resolution."

- To approve the revision in remuneration of Shri Prithish Chowdhary (DIN: 08509158), Deputy Managing Director of the Company for the remaining period of his existing term and in this regard to consider and if thought fit to pass, with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act') and Rules framed thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations') including any statutory modification(s) or re-enactment(s) thereof for the time being in force and the enabling provisions of Articles of Association of the Company, based on the recommendation of Nomination and Remuneration Committee and Audit Committee and as decided by the Board of Directors at its respective meetings held on 15th May, 2024, the consent of the Members of the Company be and is hereby accorded to revise the remuneration of Shri Prithish Chowdhary (DIN: 08509158), Deputy Managing Director of the Company with effect from 15th May, 2024 till the end of his present term till 12th August 2027, as set out in the Supplemental Service Agreement executed on 15th May 2024 as set out in the explanatory statement hereto, it be noted that he has been paid remuneration existing prior to the aforesaid revision during interregnum.

RESOLVED FURTHER THAT the Board of Directors of the Company (including Committee thereof) be and is hereby authorised to fix, vary, alter or modify the terms, conditions and remuneration payable to Shri Prithish Chowdhary as Deputy Managing Director, to the extent recommended

by the NRC from time to time as may be considered appropriate, within the overall limits permitted by the provisions of the Act or relevant Schedule(s) thereto as may prevail on such date, do all such acts, deeds, matters and things as may be necessary and expedient to give effect to this Resolution."

- To approve the continuation of directorship of Shri Sushil Kumar Roongta (DIN: 00309302) as Independent Director of the Company who shall attain the age of 75 years during his current tenure and in this regard to consider and if thought fit to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the Listing Regulations) including any statutory modification(s) or re-enactment(s) thereof for the time being in force and other applicable provisions if any, consent of the Members of the Company be and is hereby accorded to continuation of directorship of Shri. Sushil Kumar Roongta (DIN: 00309302) as Non-executive Independent Director of the Company who will attain the age of 75 years during his current term till 31st December 2025.

RESOLVED FURTHER THAT the Board of Directors of the

Registered Office:
Poddar Point, 10th Floor,
113, Park Street Kolkata -700016
July 30, 2024

NOTES

- Ministry of Corporate Affairs ("MCA") has vide its General Circulars dated September 25, 2023, December 28, 2022, May 5, 2022, December 14, 2021, December 8, 2021, January 13, 2021, May 5, 2020, April 13 2020, April 8, 2020, and (collectively referred to as 'MCA Circulars') and SEBI vide its Circulars dated October 7, 2023, January 5, 2023, May 13, 2022, January 15, 2021 and May 12, 2020 (collectively referred to as 'SEBI Circulars') have permitted the holding of the Annual General Meeting ("AGM" or "Meeting") through VC / OAVM without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the 27th AGM of the Company shall be conducted through VC / OAVM.

Company (including Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to this Resolution."

- To ratify the remuneration of Cost Auditor and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 3,00,000/- (Rupees Three Lakhs only) plus taxes as may be applicable and reimbursement of reasonable out of pocket expenses as may be actually incurred by the firm, payable to M/s. M. R. Vyas and Associates, Cost Accountants [Registration No. 2032] of D-219, Vivek Vihar, Phase-I, New Delhi-110095 appointed by the Board as Cost Auditors of the Company for the financial year 2024-25 be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board

Dinesh Arya
Company Secretary & Chief Compliance Officer
M. No. FCS 3665

4. In compliance with the MCA Circulars and SEBI Circular dated October 7, 2023, Notice of the 27th AGM along with the Annual Report for the financial year 2023-24 is being sent only through electronic mode to all the Members whose e-mail addresses are registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories.
5. In compliance with the MCA Circulars and SEBI Circulars, only the electronic copy of the Notice of the 27th AGM of the Company inter alia indicating the process and manner of e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes.
6. Members may please note that the Notice of the 27th Annual General Meeting and the Annual Report for 2023-24 is available on the Company's website www.titagarh.in for download and on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of National Securities Depository Limited ("NSDL") (agency for providing the Remote e-voting facility) at www.evoting.nsdl.com.
7. The Shareholders of the Company may request physical copy of the Annual Report (inclusive of AGM Notice) from the Company by sending a request at investors@titagarh.in, in case they wish to obtain the same.
8. All the members who have not registered their e-mail addresses or are holding shares in physical form are requested to immediately register their e-mail addresses with NSDL/CDSL along with Folio No./Client ID and DP ID.
9. Pursuant to the provisions of the Act, 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 the proxy need not be a Member of the Company. Since, the AGM is being held through VC/ OAVM in terms of the MCA Circulars, the requirement of sending proxy forms to holders of securities as per provisions of Section 105 of the Act read with Regulation 44(4) of the Listing Regulations, has been dispensed with. Therefore, the facility to appoint proxy by the Members will not be available and consequently, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice convening the 27th AGM of the Company.
10. In pursuance of Sections 112 and 113 of the Act read with the said Circulars, Corporate/Institutional Members (i.e. other than individuals, HUF, NRI etc.) entitled to appoint their authorized representatives to attend the AGM through VC/ OAVM on their behalf and participate thereat, including casting of votes by electronic means are required to send scanned copy (PDF/JPG Format) of the relevant Board or governing body Resolution / Authority letter etc. whereby their authorized representative has been appointed to attend the AGM on their behalf, to the Company, together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail at cskgoyal@gmail.com with a copy marked to secretariat@titagarh.in and evoting@nsdl.com.
11. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
12. Cut-off date for e-voting or record date for payment of dividend - Tuesday, August 20, 2024.
13. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on cut-off date i.e., Tuesday, August 20, 2024. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting through the AGM. Those who are not Members on the cut-off date should accordingly treat this Notice as for information purposes only.
14. Pursuant to the provisions of Section 91 of the Act read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and Regulation 42 of the Listing Regulations, the Register of Members and the Share Transfer books of the Company will remain closed from Wednesday, August 21, 2024 to Tuesday, August 27, 2024 (both days inclusive).
15. Final Dividend for FY 2023-24: The Board of Directors at its meeting held on May 15, 2024 have approved payment of dividend and recommended the same to the members of the Company. Payment of dividend, if approved at the AGM, payment of such dividend subject to deduction of tax at source ("TDS") will be made to all the members whose names will be on the Company's Register of Members on - Tuesday, August 20, 2024 and to those whose names will appear as Beneficial Owners as at the close of the business hours on Tuesday, August 20, 2024 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose. Dividend will be paid within 30 days from the date of AGM.
16. Pursuant to the Income Tax Act, 1961, dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication providing detailed information & instructions with respect to tax on the Final Dividend, for the financial year ended March 31, 2024 shall be sent separately to the Members. The said communication will also be made available on the Company's website www.titagarh.in
17. 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-Po-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. Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf.
18. 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/SECFAF/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. SEBI has reiterated that it is mandatory for all holders of physical securities to furnish their PAN as well as other KYC documents to the RTA of the Company in respect of all concerned folios.
19. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; 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. Accordingly, 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 at <https://www.titagarh.in/investors-information> and on the website of the Company's RTA, <https://www.mdpl.in/> It may be noted that any service request can be processed only after the folio is KYC Compliant.
20. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website <https://www.titagarh.in/investors-information>. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Maheshwari Datamatics Pvt. Ltd. (MDPL), RTA in case the shares are held in physical form.
21. Remote e-voting will commence at 9 A.M. on Friday, August 23, 2024 and will end at 5 P.M. on Monday, August 26, 2024. The remote e-voting module shall be disabled by NSDL for voting thereafter.
22. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.
23. Only those Shareholders, who will be present at the AGM through VC/ OAVM facility and who have not cast

their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.

24. Members are requested to note that dividends not encashed/claimed and warrants for fractional entitlements of shares within seven years from the date of declaration of dividend will, as per Section 124 of the Act, be transferred to Investor Education and Protection Fund (IEPF). Members concerned are requested to refer carefully to the provisions of Sections 124(6) and 125 of the Act. The unpaid and unclaimed dividend amount pertaining to final dividend for the Financial Year 2016-2017 will be transferred to the IEPF Authority on becoming due on August 29, 2024. The Company has been sending reminders to Members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF Authority. Details of the unpaid/ unclaimed dividend are available on the Company's website at www.titagarh.in.

25. All those members who have not registered/ updated their e-mail addresses, are requested to immediately register their e-mail addresses with NSDL/CDSL along with Folio No. /Client ID and DP ID.

26. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.

27. 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,

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING, JOINING THE ANNUAL GENERAL MEETING AND E-VOTING AT THE ANNUAL GENERAL MEETING ARE AS UNDER:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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>) and the same can also be accessed through the Company's website www.titagarh.in.

28. The Board of Directors has, at its meeting held on July 30, 2024, appointed Shri Sushil Goyal of Sushil Goyal & Co; Company Secretaries, having Certificate of Practice No. 8289, as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

29. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI Listing Regulations, and in terms of SEBI Circular dated 9th December, 2020 in relation to "E-voting Facility Provided by Listed Entities", the Company is pleased to provide members the facility to exercise their vote through remote e-voting as well as e-voting during the AGM, in respect of the resolutions proposed to be passed at the AGM by using the electronic voting facility provided by the National Securities Depository Limited (NSDL).

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under "IDEAS" section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDEAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholder/Member" section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their 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 https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Login method for Individual shareholders holding securities in demat mode is given below (Contd.):

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL 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 Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cskgoyal@gmail.com with a copy marked to evoting@nsdl.co.in.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Tuesday, 20th August, 2024, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Tuesday, 20th August, 2024, may follow steps mentioned in the Notice of the AGM under Step 1: "Access to NSDL e-Voting system"(Above).
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Deputy Vice President and /or Ms. Pallavi Mhatre, Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@titagarh.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@titagarh.in. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/member may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

1. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted 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 in the AGM.
3. Members who have voted through Remote e-Voting will not be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted

for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

2. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/ folio number, email id, mobile number at investors@titagarh.in latest by p.m. (IST) on Friday, 23rd day of August, 2024.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.

8. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

9. In case of joint holders, the Member whose names appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the AGM.

10. Members who need assistance before or during the AGM, can contact Mr. Amit Vishal, NSDL at the designated email ID: evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30.

30. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 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.

31. The documents pertaining to all the special businesses set out in the Notice are available for inspection at the Corporate Office of the Company during business hours on all working days. Members seeking any information with regards to the financial statements or any matter to be placed at the AGM or to inspect such documents online can send an email to the Company at investors@titagarh.in

32. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, scrutinise the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman or a person authorised by him in writing, who shall countersign the same. The result of e-voting will be declared within the prescribed timeline as specified under the Act and Listing Regulations and the same, along with the consolidated Scrutiniser's Report will be placed on the Company's website at www.titagarh.in and on the website of NSDL at <https://www.evoting.nsdl.com>. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ('the Act')

Item No. 4:

Shri Anil Kumar Agarwal (DIN: 01501767) was appointed as whole-time Director designated as Director (Finance) and Chief Financial Officer of the Company for a term of 5 years w.e.f. 29th May 2019 and the same was approved by the shareholders of the Company at their 22nd Annual General Meeting (AGM) held on 20th September 2019. During the year 2023-24, he was promoted as the Deputy Managing Director & CEO (Freight Rail Systems) of the Company.

The Board of Directors at its meeting held on 15th May 2024, pursuant to the recommendation of the Nomination and Remuneration Committee and Audit Committee at its meeting held on the afore mentioned date, has re-appointed Shri Anil Kumar Agarwal (DIN: 01501767), executive Director designated as Deputy Managing Director & CEO (Freight Rail Systems) [DMD & CEO (FRS)] of the Company, for a further period of 3 (three) years with effect from 29th May 2024, subject to the approval of the Members of the Company.

Shri Anil Kumar Agarwal as the DMD & CEO (FRS) of the Company, at present draws a remuneration of about Rs.1,92,00,400 per annum pursuant to the Supplementary Agreement dated 20th December, 2023 read with Original Agreement dated 30th May, 2019 and Supplemental Agreement dated 8th June, 2021 details of which are as below:

Salary- Basic- Rs. 500,000, HRA- Rs. 2,50,000, Special Allowance- Rs. 3,51,400, Value of perquisite (car) or fixed – Rs. 31,250, Reimbursements of expenses for car running & driver (fixed) – Rs. 50,000, and PF Contribution – Rs. 60,000, Gratuity – Rs. 24,050, Leave Benefit – Rs. 41,667, Fixed CTC per month- Rs. 13,08,367, i.e. Rs. 157,00,400 per annum, plus Performance linked incentive Rs. 35,00,000, and as such the Total CTC per annum is Rs. 1,92,00,400, plus value of other perquisites as per the Company's Rules, including exercise of ESOP, if any. The remuneration above shall be subject to increase at the rate of 10% thereof per annum and the first revision will take place from 1st April, 2025 and the second from 1st April, 2026.

In the event of inadequacy or loss during the tenure of the aforementioned Director he will be paid the remuneration as stipulated by the prevailing provisions of the Act provided the same shall not be below the remuneration stated herein. The other terms and conditions in details are mentioned in the Service Agreement executed between the Company and Shri Anil Kumar Agarwal and the same will be available for inspection at the registered office of the Company till the date AGM.

Shri Anil Kumar Agarwal holds a bachelor's degree in commerce from Calcutta University and is a qualified Chartered Accountant from the Institute of Chartered

Accountants of India (ICAI) and a Cost Accountant from the Institute of Cost Accountants of India. He has rich experience of over 20 years in finance, accounts and other corporate functions.

The remuneration payable to Shri Anil Kumar Agarwal is in accordance with the provisions of Section 196 and 197 read with Schedule V and other applicable provisions of the Companies Act 2013.

The additional details pursuant to Schedule V of the Companies Act, 2013 and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and SS-2 (Secretarial Standard on General Meeting) are set out at the end of this Notice.

The Board recommends the Special Resolution set out in the Notice under Item No. 4 in relation to the re-appointment of Shri Anil Kumar Agarwal (DIN: 01501767), executive Director designated as DMD & CEO (FRS) of the Company, for approval by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives, except Shri Anil Kumar Agarwal and his relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

Item No. 5:

Shri Prithish Chowdhary (DIN: 08509158) was appointed as Non-Executive Director of the Company on 1st January 2021 and subsequently appointed as a whole-time Director of the Company designated as Director (Marketing and Business Development), for a term of 5 (five) years with effect from 13th August 2022 duly approved by the shareholders in the 25th AGM held on 15th September 2022.

During the year 2023-24, he was assigned additional role of Deputy Chief Executive Officer of the Passenger Rail Systems (PRS) business vertical of the Company. He has demonstrated excellent leadership skills and the PRS has received substantial boost owing to his innovative and youthful ideas implemented successfully. Further, he has been instrumental in building relationships across clientele (both government and non-government), business generation in all verticals. The Company will benefit by his elevation to the position of Deputy Managing Director (DMD). Considering the above and pursuant to the recommendation of the Nomination and Remuneration Committee and Audit Committee, the Board approved his elevation to the position of DMD of the Company and revision in remuneration w.e.f. 15th May, 2024, for the remaining period of his present term till 12th August 2027, subject to the approval of the shareholders of the Company. Details of his revised remuneration are as follows:

Salary- Basic- Rs. 350,000, HRA- Rs. 175,000 or accommodation as included in perquisites, Special Allowance- Rs. 2,45,980, Value of perquisite (car) or fixed – Rs. 31,250, Reimbursements of expenses for car running & driver (fixed) – Rs. 50,000, and PF Contribution- Rs. 42,000, Gratuity – Rs. 16,835, Leave Benefit – Rs. 29,167, Fixed CTC per month- Rs. 9,40,232, i.e. Rs. 1,12,82,780 per annum, plus Performance linked incentive Rs. 25,00,000 in a year and as such the Total CTC per annum is Rs. 137,32,780, plus value of other perquisites as per the Company's Rules. He has been drawing remuneration of about Rs. 57.13 Lakhs at the earlier rate and shall be paid the above remuneration set out above w.e.f. 15th May, 2024 after approval the members.

In the event of inadequacy or loss during the tenure of the aforementioned Director he will be paid the remuneration as stipulated by the prevailing provisions of the Act provided the same is not less than the remuneration approved hereby. The other terms and conditions are mentioned in the Supplemental Service Agreement executed between the Company and Shri Prithish Chowdhary and the same will be available for inspection at the registered office of the Company till the date AGM.

The remuneration payable to Shri Prithish Chowdhary is in accordance with the provisions of Section 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013.

The additional details pursuant to Schedule V of the Companies Act, 2013 and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 (Secretarial Standards on General Meeting) are set out at the end of this Notice.

The Board recommends the Special Resolution set out in the Notice under Item No. 5 in relation to the revision in remuneration of Shri Prithish Chowdhary, Deputy Managing Director of the Company, for approval by the members of the Company.

Shri Jagdish Prasad Chowdhary (Executive Chairman), Shri Umesh Chowdhary (Vice Chairman & Managing Director) and Smt. Rashmi Chowdhary (Non-Executive Director) and their relatives are deemed to be concerned or interested, financially or otherwise in the Resolution set out in Item No. 5 of the Notice.

Save and except the above, none of the other Directors, Key Managerial Personnel of the Company and their

relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions set out at Item No. 5 of the Notice.

Item No. 6:

Pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred hereinafter as Listing Regulations), consent of the members by way of special resolution is required for appointment or continuation of a Non-executive Director, who has attained the age of 75 years.

Shri Sushil Kumar Roonga (DIN: 00309302) was appointed as Non-executive Independent Director of the Company by the members at their 24th Annual General Meeting held on 27th September, 2021 for a term ending on 31st December, 2025. Shri Sushil Kumar Roonga will attain the age of 75 years from 9th May, 2025 and approval of members is required for the continuation of his directorship (Non-executive Independent) from the day he attains the age of 75 years till the expiry of his current term on 31st December, 2025.

The Board considers that his continued association with the Company would be beneficial for the Company and therefore it is deemed to avail his services as an Independent Director.

Accordingly, the Board recommends the resolution set forth at Item No.6 of the Notice for approval of the members.

None of the Directors or Key Managerial Personnel (KMP) or their relatives save and except Shri Roonga & his relatives to the extent of his appointment, are in any way concerned or interested in the Resolution set out at Item No. 6 of the Notice.

Item No. 7:

Pursuant to the recommendation of Audit Committee and approval of the Board at their respective meetings held on 15th May 2024, M/s M. R. Vyas and Associates, Cost Accountants have been appointed as Cost Auditor of the Company for the financial year 2024-2025 at a remuneration of Rs. 3,00,000/- (Rupees Three Lakh only). Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditor is to be ratified by the shareholders.

None of the Directors or Key Managerial Personnel (KMP) or their relatives are in any way concerned or interested in the Resolution set out in Item No. 7 of the Notice.

By Order of the Board

Dinesh Arya

Company Secretary & Chief Compliance Officer

M. No. FCS 3665

Registered Office:

Poddar Point, 10th Floor,
113, Park Street Kolkata -700016
July 30, 2024

Detail of Directors seeking Appointment/ Re-appointment/ variation in terms of remuneration at the Annual General Meeting:

Particulars	Shri Umesh Chowdhary	Shri Anil Kumar Agarwal	Shri Prithish Chowdhary
Director Identification Number (DIN)	00313652	01501767	08509158
Designation and Category of Director	Vice Chairman and Managing Director Executive Director	Deputy Managing Director & CEO (Freight Rail Systems) Executive Director	Deputy Managing Director Executive Director
Date of Birth and age	24/04/1974 (50 years)	05/07/1975 (49 years)	31/05/2001 (23 years)
Date of Appointment as Director	03/07/1997	29/05/2019	01/01/2021
Qualifications	B. Com	B. Com (Hons), FCA, ACMA	B. Com, Qualified International Baccalaureate from Le Rosey Institute, Geneva
Expertise in Specific Functional Areas	Management leadership with more than 30 years of experience in manufacturing sector.	Rich experience of over 25 years in finance, accounts, and other corporate functions.	He has been instrumental in building relationships across clientele (both government and non-government), business generation in all verticals.
Terms and conditions of re-appointment	Re-appointment in terms of Section 152(6) of the Companies Act, 2013	Re-appointment in terms of Section 152(6) of the Companies Act, 2013	Not Applicable
Remuneration last drawn (Rs.) [During FY 2023-24]	Refer Corporate Governance Report	Refer Corporate Governance Report	Refer Corporate Governance Report
Remuneration proposed to be paid (Rs.)	No approval sought for remuneration	Refer Explanatory Statement	Refer Explanatory Statement
Number of Meetings of the Board attended	During 2023-24	14	14
	During 2024 -25 (till date)	2	2
Directorship held in other companies (excluding foreign companies)	<ol style="list-style-type: none"> Titagarh Capital Management Services Private Limited West Bengal Industrial Development Corporation Limited Shivaliks Mercantile Private Limited West Bengal State Electricity Distribution Company Limited 	<ol style="list-style-type: none"> Ramkrishna Titagarh Rail Wheels Limited 	<ol style="list-style-type: none"> Titagarh Capital Management Services Private Limited Titagarh Logistics Infrastructures Private Limited Ramkrishna Titagarh Rail Wheels Limited Titagarh Enterprises Limited
Memberships / Chairmanships of Committees of other companies (includes only Audit Committee and Stakeholders Relationship Committee)	Nil	Nil	Nil

Name of listed entities from which the person has resigned in the past three years (excluding foreign companies)	Nil	Nil	Nil
Disclosure of relationships between directors	Shri Umesh Chowdhary is related to Mr. J.P. Chowdhary, Executive Chairman, and Mrs. Rashmi Chowdhary, Non-Executive Director and Mr. Prithish Chowdhary, Deputy Managing Director	Shri Anil Kumar Agarwal is not related to any Director of the Company.	Shri Prithish Chowdhary is related to Mr. J.P. Chowdhary, Executive Chairman, Mr. Umesh Chowdhary, Vice Chairman & Managing Director and Mrs. Rashmi Chowdhary, Non-Executive Director
No. of shares held in the Company (as on 30 th July, 2024)	77,530 equity shares	100,000 equity shares	Nil

I. GENERAL INFORMATION				
Nature of Industry	Rail Rolling Stock, Defence, Shipbuilding, Heavy Engineering, and Infrastructure			
Date or expected date of commencement of commercial production	The Company was incorporated on 3 rd July 1997 in the State of West Bengal under the Companies Act 1956. Further, the Company had commenced business from 11 th July 1997.			
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
(Rs. in lakhs)				
Financial performance based on given indicators		2023-24	2022-23	2021-22
	Total Income	3,89,897.21	2,82,451.29	1,51,357.40
	Net Profit/ (Loss)	29,690.68	10,336.64	3,348.77
Foreign investments or collaborations if any	Not applicable			
II. INFORMATION ABOUT MANAGERIAL PERSONNEL				
Name	Shri Anil Kumar Agarwal	Shri Prithish Chowdhary		
Background Details	Shri Anil Kumar Agarwal holds a bachelor's degree in commerce from Calcutta University and is a qualified Chartered Accountant from the Institute of Chartered Accountants of India (ICAI) and a Cost Accountant from the Institute of Cost Accountants of India (ICMAI). He was appointed as a whole-time Director of the Company on 29 th May 2019 and designated as Director (Finance) & CFO and on 20 th December 2023 he was elevated to be Deputy Managing Director & CEO (Freight Rail Systems) of the Company.	Shri Prithish Chowdhary is a qualified International Baccalaureate from Le Rosey Institut, Geneva and has completed his B. Com from St. Xavier's College Kolkata. He was appointed as Non-Executive Director of the Company on 1 st January 2021 and subsequently appointed as a whole-time Director of the Company, designated as Director (Marketing and Business Development). During 2022-23, he was assigned additional role of Deputy CEO of the Passenger Rail Systems vertical of the Company. On 15 th May 2024 he was elevated to Deputy Managing Director of the Company.		
Past remuneration	Refer Corporate Governance Report	Refer Corporate Governance Report		
Recognition or awards	He was awarded the best CFO award by the then Finance Minister – Shri Pranab Mukherjee.	He is a member of the Indian Chamber of Commerce and represents the Company as its nominee in Confederation of Indian Industry.		

	Shri Anil Kumar Agarwal as DMD & CEO (FRS) is overall incharge of the FRS vertical including generation of business, performance of the vertical as well as such other duties/ responsibilities as may be assigned to him by the Board of Directors. He will function subject to superintendence and control of the Board of Directors. He has been re-appointed as Deputy Managing Director & CEO (Freight Rail Systems) of the Company w.e.f 15 th May 2024. He reports to the Vice Chairman & Managing Director and Executive Chairman for day to day affairs of the Company.	Shri Prithish Chowdhary as DMD shall be responsible for day to day affairs of the Company and exercise such powers as may be given to him by the Board of Directors (the Board) and shall function subject to superintendence and control of the Board. He reports to the Vice Chairman & Managing Director and Executive Chairman of the Company. He has been elevated to Deputy Managing Director of the company w.e.f. 15 th May 2024.
Remuneration proposed	Total CTC of Rs. 1,92,00,400 per annum plus value of other perquisites as per the Company's Rules, with such increase as mentioned in explanatory statement. (The detailed breakup of the proposed remuneration is mentioned in the Service Agreement as executed between Shri Anil Kumar Agarwal and the Company)	Total CTC of Rs. 137,32,780 per annum plus value of other perquisites as per the Company's Rules. (the detailed components of the proposed remuneration are mentioned in the Supplemental Service Agreement as executed between Shri Prithish Chowdhary and the Company)
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his region)	The proposed remuneration is comparable with the remuneration drawn by the peers and is necessitated due to complexities of the business.	The proposed remuneration is comparable with the remuneration drawn by the peers and is necessitated due to complexities of the business.
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel if any	Apart from remuneration, he would be entitled to ESOP pursuant to the ESOP Scheme of the Company. He has no relationship with any other managerial personnel.	He shall be entitled to the remuneration only. Shri Prithish Chowdhary, Deputy Managing Director of the Company is the son of Shri Umesh Chowdhary, Vice Chairman & Managing Director and Sm. Rashmi Chowdhary, Non-Executive Director. He is also grandson of Shri Jagdish Prasad Chowdhary, Executive Chairman.
III. OTHER INFORMATION		
Reasons of loss or inadequate profits	Not Applicable	
Steps taken or proposed to be taken for improvement	The Company is a leading rolling stock manufacturer in India and has had substantial growth in all key parameters of performance over the past 3 years.	
Expected increase in productivity and profits in measurable terms	The Company has bagged various esteemed orders during last about 18 months and has recorded suitable increase in productivity. Further, the Company has achieved higher profits than the previous two years as set out hereinabove.	

IV. DISCLOSURES

The following disclosures form part of the "Corporate Governance Report" which is an integral part of the Board of Directors' Report of the Company for the FY 2023-2024:

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions etc. of all the Directors.
- (ii) Details of fixed component and performance linked incentives along with performance criteria.
- (iii) Service contracts, notice period, severance fees.
- (iv) Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.



TITAGARH RAIL SYSTEMS LIMITED
(formerly TITAGARH WAGONS LIMITED)

CIN: L27320WB1997PLC084819

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