

24th August, 2025

BSE Limited (BSE)

The Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001
Scrip Code: 532966

National Stock Exchange of India Limited (NSE)

The Listing Compliance Department
Exchange Plaza Bandra-Kurla Complex
Bandra (E), Mumbai – 400 051
Symbol: TITAGARH

Dear Madam/Sir,

Sub: Submission of Notice of 28th Annual General Meeting & Annual Report for the Financial Year 2024-25

Pursuant to Regulations 30, 34 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), please find enclosed herewith a copy of the Notice dated 11th August, 2025, convening the 28th Annual General Meeting (AGM) of the Company on Monday, 15th September, 2025 and Annual Report of the Company for the Financial Year 2024-25 including the Business Responsibility and Sustainability Report.

In accordance with the applicable circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India, the Notice of AGM along with Annual Report for the Financial Year 2024-25 are being dispatched in electronic mode only to the Members whose email IDs are registered with the Company / Registrar and Transfer Agent / Depository Participants.

Further, in accordance with Regulation 36(1)(b) of the Listing Regulations, a letter providing the web-link, including the exact path, where complete details of the Annual Report is available, is being sent to those shareholder whose e-mail addresses are not registered with Company/RTA/Depository Participants.

The Notice of AGM along with the Annual Report for the Financial Year 2024-25 is also available on the website of the Company at www.titagarh.in

This is your information and record.

Thanking you,
yours faithfully,
for TITAGARH RAIL SYSTEMS LIMITED

Aditya Purohit
Company Secretary & Compliance Officer
M. No. ACS 27825

Encl: as above

CIN: L27320WB1997PLC084819

Registered Office: Poddar Point, 10th Floor, 113 Park Street, Kolkata 700016, India
Corporate Office: Titagarh Towers, 756 Anandapur, E.M Bypass, Kolkata 700107, India
Phone: +91 33 40190800 Fax: +91 33 40190823 Email: corp@titagarh.in; Web:
www.titagarh.in



TITAGARH
RAIL SYSTEMS LIMITED

Excellence

Integrity

Future Focused

Broadening Horizons

Annual Report 2024-2025

#mobilityforbillions

**Values That
Drive Our Purpose**



Excellence



Integrity



Customer Focused



Future Focused

Mobility for Billions, Globally



2007

First EMU / MEMU production for Indian Railways. Foundry capacity increased to 25,000 MT with new facility.

2015

Acquired Firema SpA, Italy; first Indian private company with EMU, Metro, and Propulsion System technology.

2022

Delivered Traction Motors to CLW for Locomotive.

2022

Secured largest-ever order from Indian Railways for 24,177 wagons.

2023

Awarded contract to supply 1.54 million forged wheels for Ministry of Railways.

2024

Exported Traction Converter for Regione Lazio Viterbo line, operating at 3 KV, and the Regione Lazio Lido line, operating at 1.5 KV in Italy.

1997

Titagarh Wagons Ltd. established as a freight wagon manufacturing unit.

2013

RDSO-G105 certified with a production capacity of 8,400 wagons / year.

2019

First Metro Coaches order in India; first aluminum metro trains manufactured in India.

2022

Delivered first warship, Kamla Devi, for the Indian Coast Guard in collaboration with GRSE.

2023

Secured prestigious contract to manufacture and maintain 80 Vande Bharat trainsets.

2023

Awarded contracts to design and manufacture 102 metro coaches for Surat and Ahmedabad (GMRC).

2025

Secured additional orders for 1,476 wagons. Received orders worth ₹303 Cr. in PRS segment.

EVOLUTION

The Legacy of Mobility

Note: Journey as of the respective financial year ending on March 31, 2025

- EMU: Electric Multiple Unit; MEMU: Mainline Electric Multiple Unit
- In 2022, Invitalia, the Govt of Italy's investment arm, along with the financial investor, acquired a 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, and other shareholders into Firema, the stake of TRSL in Firema was reduced to 25.43%.

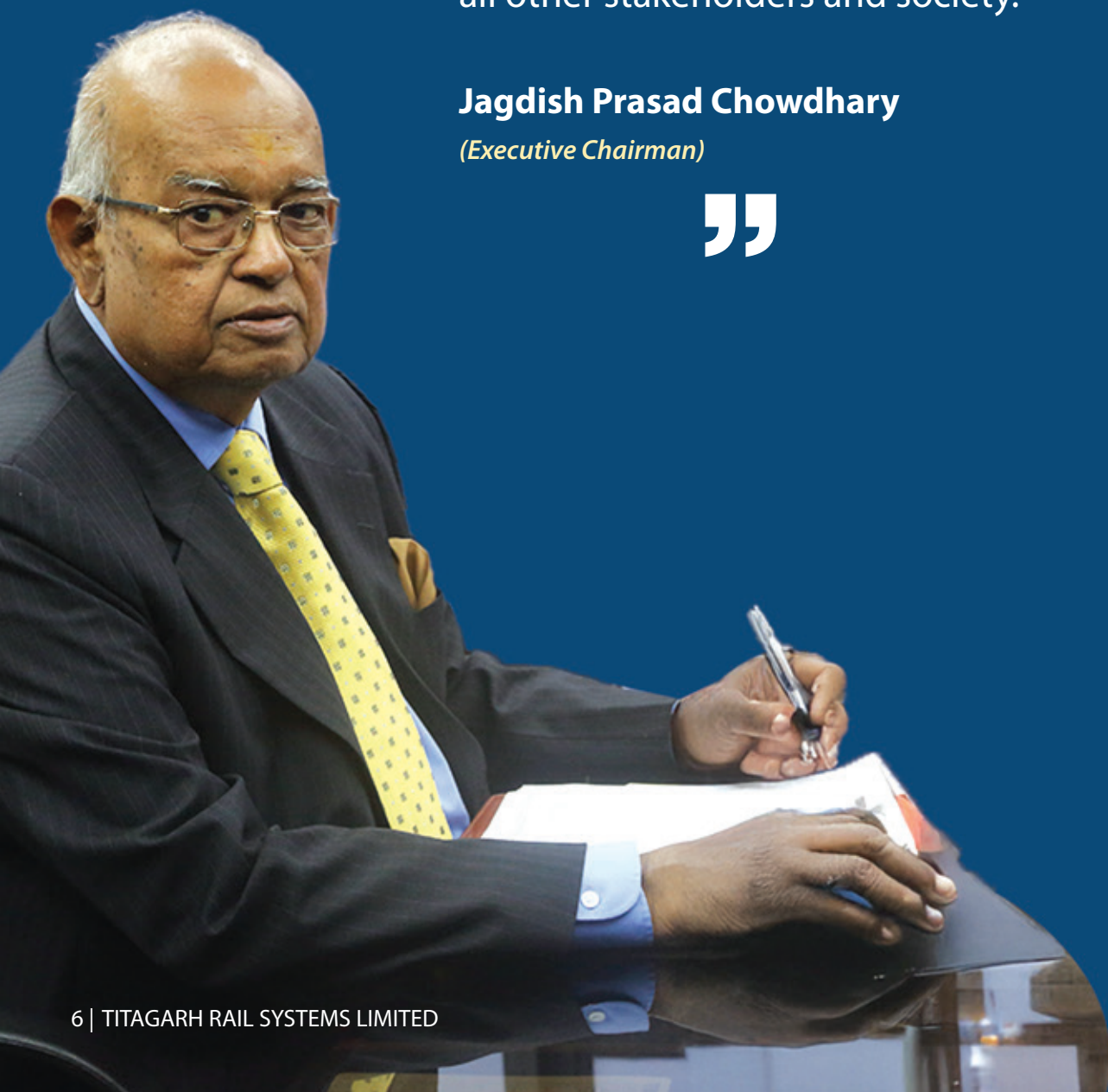
“

Message from the Executive Chairman

“As we continue on the path of rapid growth, we reaffirm our commitment to the greater responsibility - to continue to serve our customers, all other stakeholders and society.”

Jagdish Prasad Chowdhary
(Executive Chairman)

”



From Humble Beginnings to Industry Leadership

From humble beginnings to becoming the largest wagon manufacturer in the country and to a leading comprehensive mobility solutions provider, our journey has been marked by numerous milestones... from securing and executing larger and prestigious orders for serving the cause of augmenting railway infrastructure to a steadfast commitment to world class mobility solutions.



About FY 2025

FY 2025 was another year of several satisfactory achievements at Titagarh; apart from the impressive financial performance, advancement in passenger rolling segment including strategic growth initiatives being undertaken in the sub segments such as signalling and safety systems, and expansion of shipbuilding & maritime systems to be pursued independently reflects our unwavering commitment to our vision and mission of exceeding expectations of customers as a comprehensive mobility solution provider for both freight and passenger rail segments.



Towards an Aatma-Nirbhar Bharat

We consistently strive to keep pace with the demands of favourable geopolitical and economic conditions, pursuing backward and forward integration in the components and maintenance business, to contribute to the Government's Make in India and Aatma-Nirbhar Bharat initiatives that propel us further.



The Path Ahead

As we look towards the future, we remain focused on innovation, sustainability, and high standards of corporate governance, determined to deliver lasting value to our shareholders, society, and the nation.

“

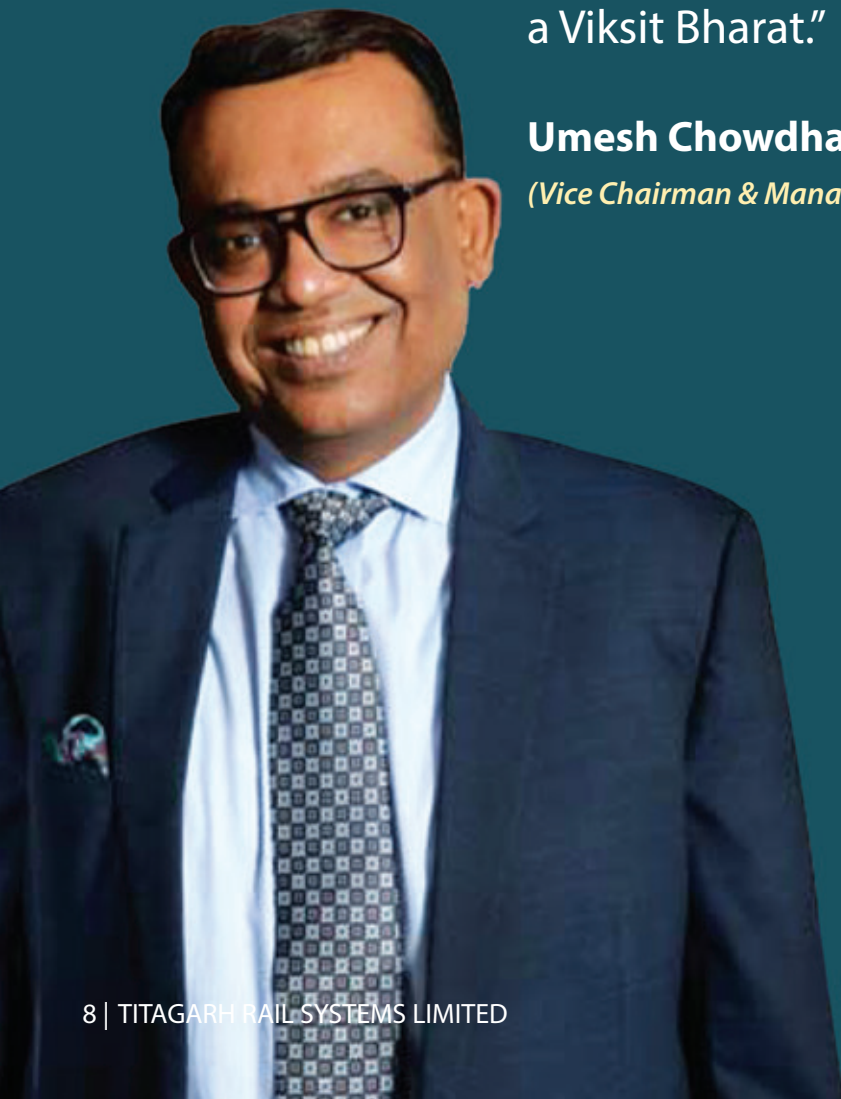
Message from the **Vice Chairman & Managing Director**

“We are proud to be a significant enabler of India’s railway infrastructure being an integral part of the visionary initiatives like Make in India and Aatma-Nirbhar Bharat. We remain deeply committed to contributing to the nation’s growth journey as we collectively move towards a Viksit Bharat.”

Umesh Chowdhary

(Vice Chairman & Managing Director)

”



Driving Innovation, Serving the Nation

Our journey has been marked by transformative events that have defined who we are today. In a rapidly evolving manufacturing landscape, innovation is not option; it is essential. At Titagarh, we have embraced automation across all areas of our operations, enhanced our engineering capabilities, ensuring efficiency, precision and the ability to meet our customers’ evolving needs and thus shape our trajectory. In today’s manufacturing landscape, innovation is paramount, and at Titagarh, we have been at the forefront of integrating automation across all facets of our operations.



Customer Centric and Aligned with Aatma-Nirbhar Bharat

Our customers and shareholders are at the core of our mission and vision, inspiring us to push boundaries and continuously improve and excel in all our endeavours. We attach immense value to our role as a proud enabler in the infrastructure of railways, particularly under the Government’s Make in India and Aatma-Nirbhar Bharat initiatives.



All for the Society

While our achievements reflect maximum value creation for our shareholders and other stakeholders through satisfaction of our customers’ needs, our efforts are ultimately dedicated to serve the society and our nation with greater determination. Driven by a relentless pursuit of excellence and innovation, we would continue to remain committed to scaling newer heights in the years ahead.

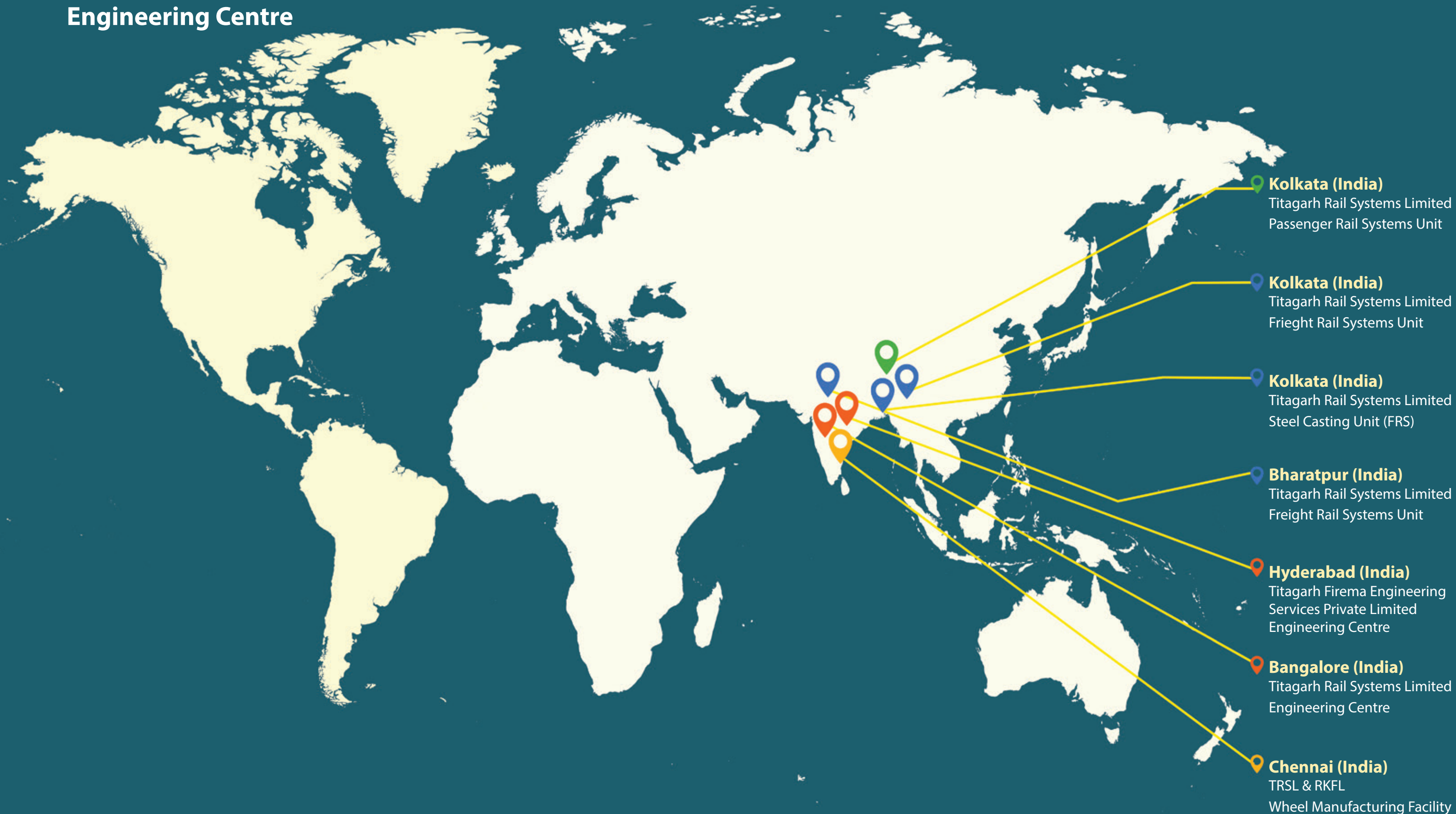
Vision

“Aspire to become India’s first global leader in Rail Mobility by building a sustainable growth model, optimising the value chain through backward integration, and driving expansion through strategic alliances and partnerships.”

Mission

“Build a system-driven, results-focused organization that leverages technology and automation to achieve global reach and visibility, aiming to become a \$10 billion company.”

Manufacturing Facilities & Engineering Centre



Powering every move through **Leadership**



Every milestone we have reached has been powered by the Titagarh team, whose relentless pursuit of precision and perfection defines our journey.

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 Anil Kumar Agarwal	Deputy Managing Director	Shri Krishan Kumar Jalan	Independent Director
Shri Prithish Chowdhary	Deputy Managing Director	Shri Bontha Prasada Rao	Independent Director
Shri Saket Kandoi	Director & CEO (Shipbuilding & Maritime Systems)	Shri Debanjan Mandal	Independent Director
Smt. Rashmi Chowdhary	Non-Executive Director	Shri Sushil Kumar Roongta	Independent Director

Shri Dinesh Arya	Shri Saurav Singhania	Chief Financial Officer	
	Company Secretary & Chief Compliance Officer (upto 31 st May, 2025)	Shri Aditya Purohit	Company Secretary & Compliance Officer (w.e.f. 1 st June, 2025)

Audit Committee

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

Stakeholders' Relationship Committee

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

Nomination & Remuneration Committee

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

Corporate Social Responsibility Committee

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

Management Committee

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

Risk Management Committee

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

Auditors

Price Waterhouse & Co. Chartered Accountants LLP
 Chartered Accountants, Kolkata
 Salarpuria & 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	Axis Bank Limited
Punjab National Bank	Canara Bank
HSBC limited	Yes Bank Limited
Standard Chartered Bank	

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

BOARD OF DIRECTORS



Shri J. P. Chowdhary
Executive Chairman



Shri Umesh Chowdhary
Vice Chairman and Managing
Director



Shri Prithish Chowdhary
Deputy Managing Director



Shri Anil Kumar Agarwal
Deputy Managing Director



Shri Saket Kandoi
Director & CEO (Shipbuilding
& Maritime Systems)



Smt. Rashmi Chowdhary
Non-Executive Director



Shri Atul Joshi
Independent Director



Shri Krishan Kumar Jalan
Independent Director



Shri Sushil Kumar Roongta
Independent Director



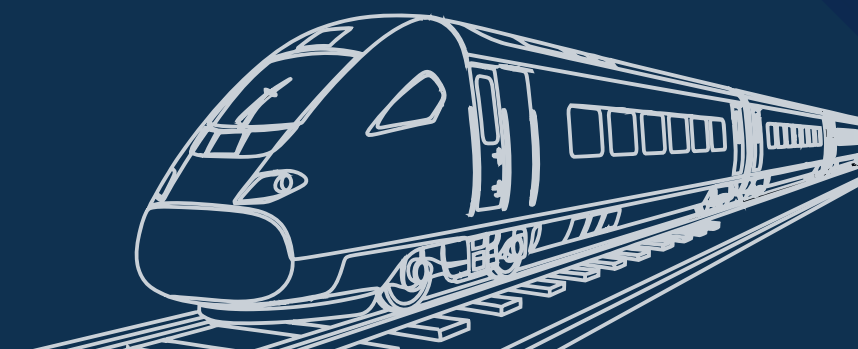
Ms. Nayantara Palchoudhuri
Independent Director



Shri Bontha Prasada Rao
Independent Director



Shri Debanjan Mandal
Independent Director





Movement That Is More Than Just Speed

Since 1997, Titagarh has grown with quiet strength. With four manufacturing facilities and decades of expertise, our journey is built on results that speak louder than words. For **28 years**, we have been connecting India, creating not just rolling stock, but a testament to progress that goes above and beyond.



Engineering Centres of Excellence

200+



proficient engineers across
Kolkata, Hyderabad & Bangalore

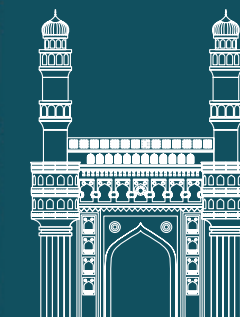
Engineering Team Overview:

The brilliance behind our every product is forged by our engineers, turning vision into reality



Kolkata

Car Body and Bogie Design
Vehicle Architecture & Integration



Hyderabad

Train Control
Monitoring System
(TCMS) Propulsion



Bangalore

Mechanical & Electrical Systems
System Assurance



Key Highlights

TRSL continues to be a Net Debt negative company

₹ 3,865.82 Cr. Revenue in FY 2025	0.32% Revenue Growth YoY
₹ 11,200 Cr. – Company ₹ 13,326 Cr. – Share from JV Order Book Position	Manufacturing 4 Facilities
CRISIL AA-/Stable - Long Term CRISIL A+/Stable - Short Term Rating by CRISIL	22.53 EPS

Major Achievements



First export dispatch to Italy for Firema
(₹7.18 Mn, 33 train sets)



Ahmedabad Metro Phase - II
design unveiled by PM Modi



Delivered the first Made-in-India driverless train set to BMRCL



Increased traction motor output to **100 units / month**



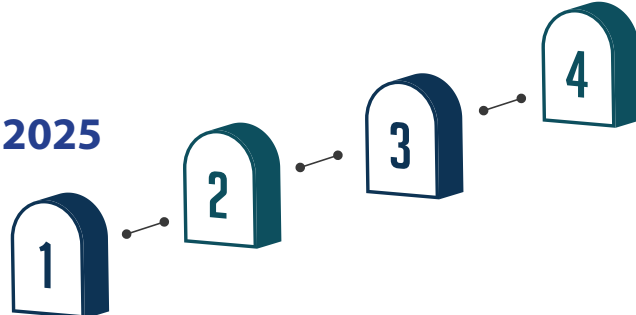
Launched 5 Bollard Pull Tugs for the Indian Navy



New Engineering Centre opened in Bangalore



Participated in **Bengal Global Business Summit 2025**



₹ 303.43 Cr. Highest ever PAT since inception of the Company	7.85% PAT Margin
12,000 Wagons per year Manufacturing Capacity	300 Coaches per year Passenger Rail Systems Capacity
₹ 3.77 Cr. CSR Expenditure	Promoters (40.46%) Shareholding as of July, 2025

Awards & Recognition



"Innovation in Rolling Stock & Components" award (Rail Analysis 2025)



Anantya Award for Philanthropy
– Smt. Rashmi Chowdhary



Featured in Burgundy Private Hurun India 500



Business Leader of the Year
– Shri Prithish Chowdhary



Passenger Rail Systems

Urban Transport & Regional Trains

Titagarh, India's first private manufacturer of EMU / MEMU coaches, has delivered over **350 world-class units to Indian Railways since 2007** - an achievement unmatched by any other private rolling stock maker. The journey progressed further in 2019, when Titagarh secured its first metro contract for Pune, introducing India's first-ever aluminium-bodied coaches a groundbreaking innovation in the country's urban transit sector.

This milestone opened the door to a series of successes, positioning Titagarh uniquely in the industry. The company has since been awarded prestigious metro projects in Bangalore, Surat, Ahmedabad, and Mumbai, along with the landmark contract for India's semi high-speed Sleeper Vande Bharat Trains.

These achievements are deeply aligned with national initiatives such as Make in India and Atma-Nirbhar Bharat. Driven by its vision to connecting India, transform the way people travel, and strengthen India's position as a global manufacturing hub, Titagarh remains committed to **"Make in India" and "Make for the World" towards a Viksit Bharat.**

We shape the day-to-day lives of the common people, making their commutes seamless and reliable. We create smoother journeys that ensure every ride contributes to a better, more connected daily experience.

Passenger Rail Systems

Urban Transport & Regional Trains



PUNE METRO

Gauge: 1435
Design Speed: 90 km/h
Operating Speed: 70 km/h
Material: Aluminium
No. of Cars: 138

AHMEDABAD METRO

Gauge: 1435
Design Speed: 90 km/h
Operating Speed: 70 km/h
Material: Stainless Steel
No. of Cars: 30



SURAT METRO

Gauge: 1435
Design Speed: 90 km/h
Operating Speed: 70 km/h
Material: Stainless Steel
No. of Cars: 72

VANDE METRO

Gauge: 1676
Design Speed: 180 km/h
Operating Speed: 160 km/h
Material: Stainless Steel
No. of Cars: 1280



BANGALORE METRO

Gauge: 1435
Design Speed: 90 km/h
Operating Speed: 70 km/h
Material: Stainless Steel
No. of Cars: 204



Driver's Desk



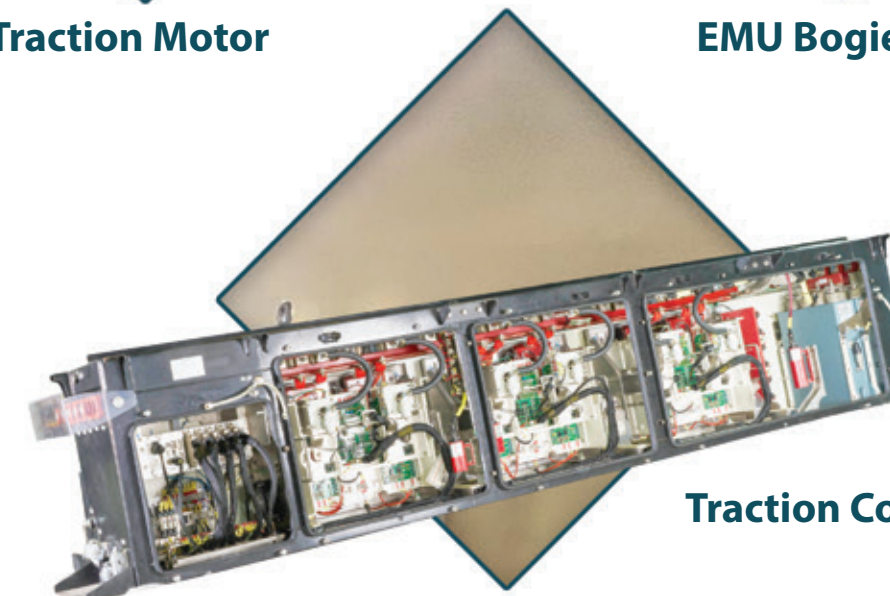
Cubicle & Cabinets



Traction Motor



EMU Bogie



Traction Converter

Propulsion & Electrical Equipment

Powering Motion with Silent Precision

Titagarh is one of the few companies having the expertise in propulsion and electrical equipment which includes traction convertors and power electronics, auxiliary power supply, traction motors, TCMS (EMU upto GoA4 for metros), etc.



Freight Rail Systems

Moving Goods with Quiet Strength

Titagarh entered the freight wagon manufacturing space in 1997, as a forward integration of its steel casting business at its foundry for Indian Railways. This move not only positioned Titagarh as a leader in the Indian market but also enabled it to expand into other segments of rolling stock.

From an initial capacity of 150 wagons per year, Titagarh has grown to **manufacture 12,000 wagons annually**, backed by a **melting capacity of 30,000 MT per year**. Today, it holds the largest share of India's wagon manufacturing market, playing a vital role in strengthening the nation's freight infrastructure. Aligned with Indian Railways' vision, Titagarh remains committed to supporting the target of achieving **3,000 million tonnes (MT) of freight loading by 2027**.

Freight Rail Systems

Moving Goods with Quiet Strength



ALUMINA CARRYING WAGON

Purpose: Alumina Products
Payload: 54 T
Gauge: 1676 mm



TANK WAGON

Purpose: Petroleum Products
Payload: 54 T
Gauge: 1676 mm



AUTOMOBILE CARRYING WAGON

Purpose: Automobiles
Payload: 15 T
Gauge: 1676 mm



FLAT WAGON

Purpose: Carrying containers
Payload: 81.9 T
Gauge: 1676 mm



COVERED WAGON

Purpose: Carrying packaged products
Payload: 70.80 T
Gauge: 1676 mm



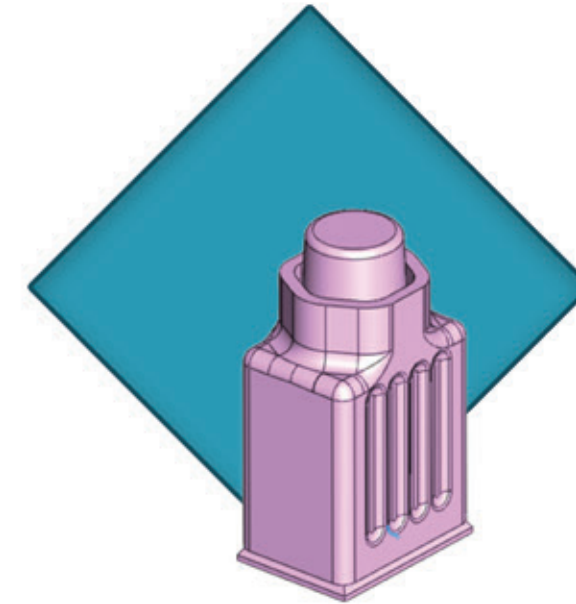
BOX WAGON

Purpose: Carrying Coal, ORES and other bulk material
Payload: 71 T
Gauge: 1676 mm



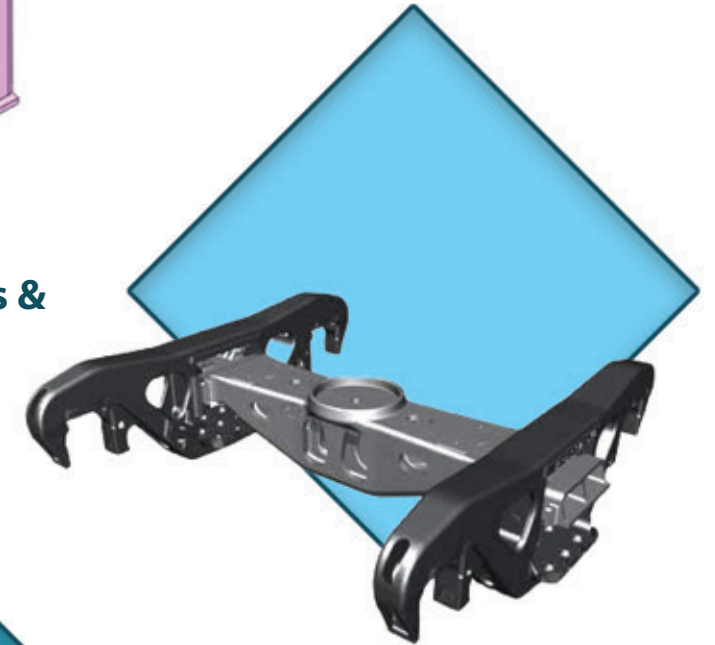
Components / Foundry Items

The foundry business was Titagarh's maiden business venture. It laid the foundation for the company to eventually become the leading rolling stock manufacturer in India. Today, with two large steel casting foundries that churn out 30,000 Tons of MT Castings, Titagarh is a trusted name for freight rail components.

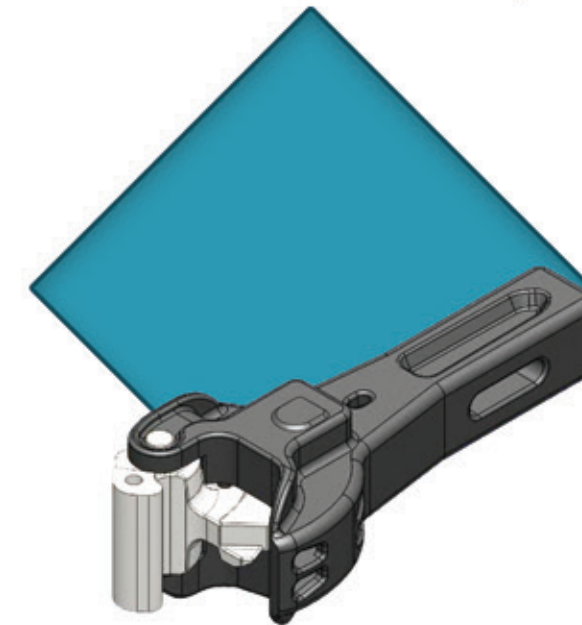


Draft-Gear

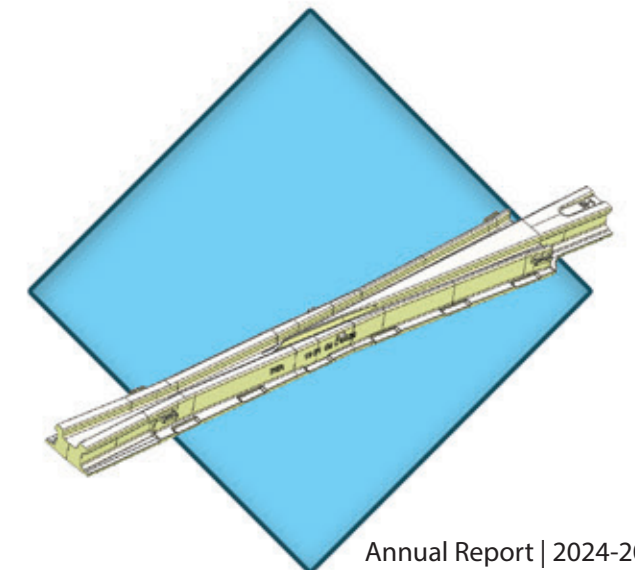
Side Frames & Bolsters



E-Type Coupler



CMS Crossings



Special Processes and Unique Capabilities

The Uttarpara Passenger Unit of Titagarh Rail Systems Ltd. has undergone a complete transformation, now operating with an Industry 4.0-ready system designed to boost production through the integration of smart technologies.

This advanced setup enables seamless communication between machines, ensuring every stage of the manufacturing process is efficient and precise. The upgraded system is self-monitoring, capable of analysing performance data in real time and diagnosing potential issues without human intervention. This proactive capability reduces downtime, improves product quality, and ensures timely delivery to meet the growing demands of modern rail transport.

Testing Facility PRS UNIT



8 Traction Motor Set up for System Test



Converter Set up for System Test



Assembly of Traction Converter



Traction Motor Testing Facility



Coil Winding Shop



Cable Scan Test Bench



Robotic Welding



Master Controller for Combined System Test



VPI Plant with Oven



Combined System Test Area

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Board's Report

Dear Shareholders,

Your Directors present their Twenty-Eighth Annual Report on the business and operations of **Titagarh Rail Systems Limited ('the Company' or 'TRSL')** together with the Audited Financial Statements, for the financial year ended March 31, 2025. The consolidated performance of Titagarh Group (the Company and its subsidiaries) 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, 2025 was as follows:

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from operations	3,865.82	3,853.30	3,867.75	3,853.30
Other income	75.25	45.67	75.35	39.81
Total Income (TI)	3,941.07	3,898.97	3,943.10	3,893.11
Earnings before interest, tax, depreciation and amortisation (EBIDTA)	514.20	497.60	508.39	491.74
Less: Finance Cost	73.14	73.45	73.15	73.46
Less: Depreciation and amortization expenses	29.50	27.10	29.58	27.10
Profit/(Loss) before exceptional items & tax	411.56	397.05	405.66	391.18
Share of Profit/(Loss) of Joint Ventures	-	-	-23.92	-2.61
Exceptional items	-	-	-	-
Profit/(Loss) before tax	411.56	397.05	381.74	388.57
Tax Expenses/(Benefits)	108.13	100.14	106.68	100.14
Profit/(Loss) for the year after tax from continuing operations	303.43	296.91	275.06	288.43
Loss from discontinued operations (net of tax)	-	-	-0.14	-2.29
Profit/(Loss) for the year after tax	303.43	296.91	274.92	286.14
Other Comprehensive Income/(Loss) (net of tax)	-1.47	0.06	-1.32	0.32
Total Comprehensive Income for the year	301.96	296.97	273.60	286.46

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. During the year under review, the Company added two new business verticals namely: (i) **Shipbuilding and Maritime Systems (SMS)** – to focus on shipbuilding, ship repair, and related maritime activities; and (ii) **Signalling and Safety Systems (SSS)** – aimed at developing and implementing railway signalling, train control, and safety solutions to enhance operational efficiency and safety in railway systems. Your Company's performance during the Financial Year ended March 31, 2025 (FY 2024-25) would have been substantially better had the challenges witnessed in value chain including mainly the shortage of wheels - a factor beyond the control of the Company, not arisen and as such may be summed

up as reflecting sequential annual growth, particularly in revenue, EBIDTA and profitability, driven by more efficient operational execution even though the deliveries of Wagons by FRS segment were impacted as stated hereinbefore. The PRS segment is expected to improve significantly as the design-phase of the projects moves into production. Overall, the Company has delivered a reasonably satisfactory performance during FY 2025 when viewed in the backdrop of other important milestones achieved as reported hereunder underlining the Company's continuing growth momentum. On a standalone level, the key performance indicators including mainly revenue from operations, EBIDTA and Profit after tax, during FY 2025 registered marginal increase as compared to the corresponding numbers in FY 23-24 despite the challenge faced by mainly the shortage of wheels which has since been eased and normalcy expected to be restored during the current quarter.

On a consolidated basis, the Group's total income increased from Rs. 3,893.11 Crores in FY 23-24 to Rs. 3,943.10 Crores in FY 24-25 i.e. a marginal increase of 1.28%; the EBIDTA from Rs. 491.74 Crores in FY 23-24 to Rs. 508.39 Crores in FY 24-25 recording an increase of 3.39% and Profit before tax for FY 24-25 [before exceptional items & tax and share of Profit / (Loss) of joint ventures] was Rs. 405.66 Crores as compared to Rs. 391.18 Crores in FY 23-24, being an improvement of 3.70%.

Your Company achieved remarkable milestones during the Financial Year 2025 in the Group's journey towards its mission and vision of a leading mobility solution provider to billions underlining the Company's growth trajectory and rapid transformation as reflected in the following major developments:

- Your Company commenced Trainset Production for Bangaluru Metro's Yellow Line, as part of a contract with China Railway Rolling Stock Corporation (CRRC) for the Bangalore Metro Rail Corporation Limited's (BMRCL) Phase 2 Yellow Line project. This marks a significant milestone in Titagarh's ongoing contribution to India's urban rapid transportation infrastructure. TRSL officially handed over its first driverless Made in India trainset to the BMRCL Yellow Line, thereby reinforcing the Company's stature as a leading manufacturer of cutting-edge, world class trains while spotlighting India's ascent as a global hub for railway manufacturing.
- Increased Traction Motor Production: Titagarh ramped up the production of traction motors to 100 units per month, boosting India's self-reliance in railways under Atmanirbhar Bharat. This is a sound strategic move integrated with the Company's capability to manufacture traction converters indigenously aimed at catering to both the domestic and export markets thereby enabling the achievement of the Company's plans to be a global player in the PRS space.
- Robust design capability is the key to your Company's growth plans and a new Engineering Centre in Bangaluru has been set up for gaining traction in Titagarh's innovation and design journey. The Centre is being outfitted with cutting-edge technology and infrastructure dedicated to new product development for Train Control & Monitoring Systems (TCMS) and advanced Propulsion Systems, revolutionizing the future of rail transportation in the country. The engineering Centre will also play a key role in executing TRSL's current and upcoming rolling stock & propulsion projects like Surat & Ahmedabad Metro, Vande Bharat, ICF EMU/

MEMU etc. demonstrating your Company's unwavering commitment to the 'Make-in-India' and 'Aatmanirbhar Bharat' initiatives towards a 'Viksit Bharat'.

- Hon'ble Prime Minister, Shri Narendra Modi unveiled the Phase-II design of the Ahmedabad Metro, which will be built indigenously by Titagarh. The metro design is integrated with and reflects the cultural spirit of Ahmedabad, Gujarat featuring Garba-inspired graphics that resonate with the local community while being equipped with state-of-the-art technology and modern amenities to ensure maximum passenger comfort enhancing the commuting experience and shaping the future of urban transport in the city.
- During the year, Titagarh Firema Engineering Services Private Limited (TFESPL), which was initially incorporated as a joint venture with Titagarh Firema SpA, Italy (TFA), became a subsidiary of the Company with effect from February 14, 2025, following the allotment of 20,00,000 equity shares to the Company on a rights issue basis and the execution of amendments to the Joint Venture Agreement.
- TRSL in collaboration with Bharat Heavy Electricals Limited (BHEL), inaugurated a dedicated production line for Vande Bharat Sleeper Trains at its Uttarpara facility, following INR 24,000 crore Indian Railways contract. The project, under the Make in India initiative, involves design, development, manufacture and delivery of 80 indigenously designed, semi high-speed sleeper trains with advanced safety and passenger comfort features and maintenance of the trains for 35 years.
- 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 GMRLCL valued approx. Rs. 350 Cr.
- TRSL received Letter of Acceptance (LOA) from Ambuja Cements Limited and ACC Limited, group companies of Adani Cement Limited, for "Manufacture and Supply of 16 nos. of BCFCM Rakes Wagon with BVCM Wagon". The order value is about INR 537.11 Crores to be executed between January 2026 to March 2027.
- The Company as a part of its strategic growth plans announced formation of 2 new business verticals namely Shipbuilding and Maritime Systems (SMS) and Signalling and Safety Systems (SSS), for enhancing focused growth in SMS and to be equipped to seize the exciting opportunities in SSS space for consolidating its leading position as a mobility solutions provider in railway sector.

- Reinforcing its strategic focus on strong financial health and resource management, the Company maintained its net debt negative status during the year, highlighting continued fiscal strength and resilience.

Outlook

The current year has already witnessed certain important developments viz.

- Your Company produced 300 traction motors during the Q1FY26 against a production of 176 in the previous quarter and 78 in the corresponding quarter. Your Company secured new orders for supply of 273 traction motors to Indian Railways for an amount of INR 37 crores taking the total external order book of this SBU as on date to INR 544 crores consisting of Traction motors for Locomotives, Propulsion systems including traction converters for EMU and Propulsion systems as well as Traction converters for MEMUs.
- Total order book of PRS is robust at INR 26,000 crore including the share of joint ventures. The Company is in advanced stages of completion of design phase of the Vande Bharat project and has set up the complete car body production line for the Vande Bharat coaches at Uttarpara facilities and started the production of the first car body during Q1FY26. Further, your Company is targeting scaling up the production capacity of 120 coaches in the current year.
- Successfully commissioned an integrated combined test bench for the propulsion system and an integrated Train Control and Management System (TCMS) test bench which enables the Company to attain full competencies in this field.
- New orders for 966 wagons from Indian Railways and private sector customers for an aggregate value of INR 396 crore already secured taking the total order of FRS to INR 4,144 crore comprised in 10,772 wagons.
- Foundry capacity expansion project of the Company is on track and would make your Company 100% self-sufficient for captive consumption for wagons.
- Another key milestone - the Company has entered into a 99-year lease agreement dated 12th July 2025 with the Hon'ble Governor of West Bengal for approximately 40.009 acres of land contiguous to its existing factory at Uttarpara, West Bengal, at an aggregate cost of about INR 137 crores. The strategic nature of this land parcel provides crucial space for establishing enhanced production infrastructure, and dedicated areas for testing and commissioning of metro coaches and Vande Bharat trains.
- Approval has been received for issuance of 21,11,932 convertible warrants at INR 947/- each to members of promoter group, totalling INR 199.99 crores.
- On August 10, 2025, Hon'ble Prime Minister, Shri Narendra Modi inaugurated the Yellow Line of Bengaluru's Namma Metro, connecting R.V. Road Metro Station to Bommasandra. The Metro, built indigenously by Titagarh in collaboration with CRRC, marks yet another milestone in Titagarh's journey.

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 reasonably satisfactory although the contribution from joint ventures in various stages of project execution would accrue going ahead. The analysis of performance/status of the subsidiaries, joint ventures and associate company has been reported hereinafter and also dealt with in detail in the Management Discussion and Analysis annexed to this Report.

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 50% i.e. Re. 1/- per equity share of face value of Rs. 2/- each out of the profits for the financial year ended March 31, 2025 as compared to 40% i.e. Re. 0.80 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_WE83p_ddr-policypdf.pdf

The said dividend, if approved by the members at the ensuing 28th 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 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 source. The total dividend on equity shares for FY 2024-25, if approved by the shareholders, would in aggregate be about Rs. 13.47 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, 2025, 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.

Pursuant to the approval of the shareholders, the Nomination and Remuneration Committee (NRC) at its meeting held on 3rd February, 2025, approved grant of 5,00,000 stock options to the eligible employees in accordance with the Titagarh Rail Systems Limited Employee Stock Options Scheme (TRSL ESOP-2023).

Further, the NRC at its meeting held on 13th February, 2025 approved modification to TRSL ESOP Scheme 2023, for increase of Stock options from 5,00,000 to 15,00,000 which was approved by the Board and received the consent of the shareholders of the Company. In principle listing approvals for the aforesaid are under consideration of the Stock Exchanges.

During the year under review, the Company has not issued any shares or convertible securities or shares with differential voting rights nor granted sweat equity.

Awards, Achievements & Notable events

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

- **InnoTrans 2024 – Berlin** - TSL and Firema showcased innovative rail solutions on a global stage at InnoTrans 2024 in Berlin.

- Your Company 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.
- **Showcasing at UMI Conference & Expo 2024:** At the 17th Urban Mobility India Conference and Expo 2024, TRSL proudly showcased the spirit of #MakeInIndia through advanced rail technologies and sustainable transport solutions. The Company had the honour of presenting its innovations to Shri Manohar Lal Khattar, Hon'ble Minister of Power and Housing & Urban Affairs, and engaging with industry leaders to drive the vision of a Viksit Bharat forward.
- **Bengal Global Business Summit 2025:** Shri Umesh Chowdhary, VCMD, and Shri Prithish Chowdhary, Dy. MD addressed the Bengal Global Summit 2025, sharing insights on industry growth and innovation. This was followed by participation in the BGBS exhibition on 5–6 February at Biswa Bangla Mela Prangan.
- **Innovation Award:** The Company received the "Innovation in Rolling Stock & Components" award at the 6th Rail Analysis Innovation & Excellence Summit 2025, recognizing its dedication to transforming the rail industry.
- **Featured in Burgundy Private Hurun India 500:** Titagarh was listed among India's top 500 companies for excellence and innovation.
- **Anantya Award for Philanthropy:** Smt. Rashmi Chowdhary, Non-Executive Director and Chairperson of CSR Committee, was honoured with the Anantya Award by FICCI FLO for her impactful work in philanthropy.
- **Business Leader of the Year:** Shri Prithish Chowdhary, Dy. Managing Director, won the 'Business Leader of the Year' award at the HRD India Awards 2025, held in Kolkata celebrating his leadership in mobility innovation.

Credit Rating

During the year under review, CRISIL Ratings Limited revised its outlook on long-term bank facilities of the Company earlier reported 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 9,691 equity shares of Rs. 2/- each, to the IEPF account, on October 3, 2024, 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. September 5, 2024. The details of all shares transferred to the IEPF Account are uploaded on the Company's website.

The Company identified 239 shareholders holding 10,857 equity shares in aggregate, who have not claimed their dividend consecutively since FY 2017-18 and therefore shares held by them were liable to be transferred to the IEPF Account on due date i.e. November 04, 2025 which has since been done. 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 June 20, 2025, 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 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 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 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 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, 2025, of subsidiaries: Titagarh Singapore Pte. Ltd., Singapore and Titagarh Firema Engineering Services Private Limited (TFESPL) (joint venture company till 13th February 2025 and subsidiary on and from 14th February 2025); associate: Titagarh Firema SpA, Italy and Joint Venture Companies: Titagarh Mermec Private Limited, Ramkrishna Titagarh Rail Wheels Limited, and Shivaliks Mercantile Limited (formerly Shivaliks 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.

As reported herein before, the Board of Directors of the Company at its meeting held on 13th February, 2025, has approved subscription to Rights Issue made by TFESPL, joint venture company and also applied for additional equity shares. Pursuant to allotment of 20,00,000 equity shares on Rights Issue basis, the Company's shareholding in TFESPL increased from 49% to 66% w.e.f. 14th February, 2025.

The Board has accorded in principle approval for transfer of Shipbuilding & Maritime business of the Company into a separate entity which became the Company's wholly owned subsidiary w.e.f. 11th August, 2025, namely Titagarh Naval Systems Private Limited (TNSPL), subject to required regulatory approvals.

Such transfer will enable the Company to focus on its core activity of Railway systems, as well as facilitate TNSPL

to pursue the growth in the shipbuilding sector under the various initiatives and schemes announced by the Government of India. TNSPL proposes to establish and expand its shipbuilding facility at Falta. TNSPL will pursue this growth opportunity independently or via such strategic business alliance as may be deemed appropriate.

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, 2025, is available on the website of the Company at web link [https://www.titagarh.in/storage/report/actual/form-mgt-7\(2024-25\).pdf](https://www.titagarh.in/storage/report/actual/form-mgt-7(2024-25).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 nine (9) times during the financial year ended March 31, 2025 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 the 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 27th Annual General Meeting held on August 27, 2024 approved the following appointment/re-appointment:

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

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

3. Shri Anil Kumar Agarwal (DIN: 01501767) was elevated to Deputy Managing Director of the Company w.e.f. February 03, 2025.
4. Shri Saket Kandoi, Director (Freight Rolling Stock) was given responsibility of the Maritime business and designated as Director & CEO (Shipbuilding & Maritime Systems) w.e.f. February 03, 2025.

Further, pursuant to the recommendations of the NRC, the Board approved the following on 7th April, 2025:

1. Re-appointment of Ms. Nayantara Palchoudhuri (DIN: 00581440), as Non-executive Independent Director for a term of 5 years, w.e.f. 22nd June 2025.
2. Re-appointment of Shri Krishan Kumar Jalan (DIN: 01767702), as Non-executive Independent Director for a term of 5 years, w.e.f. 13th August, 2025 and
3. Re-appointment of Shri Sushil Kumar Roongta (DIN: 00309302), as Non-executive Independent Director for a term of 5 years, w.e.f. 1st January, 2026
4. Re-appointment of Shri Umesh Chowdhary (DIN: 00313652), Vice Chairman & Managing Director & CEO of the Company for a term of five years, w.e.f. 1st October, 2025.

The above said re-appointments were approved by the shareholders through Postal Ballot on 19th June, 2025.

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

Shri J.P. Chowdhary Executive Chairman and Shri Prithish Chowdhary Deputy Managing Director, retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

The information prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the above-named Director is given in the Notice of Twenty Eighth Annual General Meeting.

The Board has pursuant to the recommendation of Nomination & Remuneration Committee at their respective meetings held on 7th April, 2025 taken on record retirement of Shri Dinesh Arya, Company Secretary and Chief Compliance Officer w.e.f. the close of business hours on 31st May, 2025 and appointed Shri Aditya Purohit as the Company Secretary and Compliance Officer of the Company w.e.f. 1st June, 2025.

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 2024-25 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 confirming 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, on the environmental, social and governance efforts during the year under review.

Internal Control System

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

- that its assets are safeguarded;
- that transactions are authorised, recorded and reported properly; and
- 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.titagarh.in. No complaint falling under the purview hereof 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 2024-25.

Directors' Responsibility Statement

The Directors state that:

- Appropriate Accounting Standards as are applicable to the Annual Statement of Accounts for the financial year ended March 31, 2025 had been followed in preparation of the said accounts and there were no material departures therefrom requiring any explanation;
- 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;
- 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;
- The Directors had prepared the Annual Accounts on a going concern basis; and
- The Directors had laid down Internal Financial Controls (IFC) to be followed by the Company and that such IFC are adequate and operating effectively.
- 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.

With the approval of the members of the Company obtained at the Twenty Sixth Annual General Meeting held on September 29, 2023, M/s. Salarpuria & Partners, Chartered Accountants (Firm Registration Number 302113E) were appointed 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 Auditors' Report on the standalone financial statement for FY 2024-25 (SFS) does not contain any qualification, reservation or adverse remark, except a qualified opinion in respect of investment, direct and indirect through Shivaliks Mercantile Limited, a joint venture company, in Titagarh Firema SpA ("Firema") an associate company based in Italy, at carrying value of Rs.112.73 crore as at 31st march, 2025. The Note No. 49 to the SFS is self explanatory i.e. Firema having encountered significant operational and financial difficulties due to an ongoing dispute with one of its largest customers its liquidity position has been severely impacted. Firema has filed for protection under Italian Crisis Code - Composizione Negoziata della Crisi (CNC) along with a restructuring plan on May 14, 2025 with Chamber of Commerce, which was also admitted by the Court of Naples on May 27, 2025. Pending the outcome of CNC process and approval by the Court, the possible impairment loss in the carrying value of investments in Firema as stated above and its consequential impact on the profit for the year and the net worth of the Company as at March 31, 2025 is currently not determinable.

Consolidated Financial Statements

In accordance with IND-AS 24 issued by the Institute of Chartered Accountants of India, consolidated financial statements (CFS) 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 CFS for FY 2024-25 does not contain any qualification, reservation or adverse remark, except a qualified opinion in respect of investments (directly and indirectly through Shivalik Mercantile Limited, a joint venture company) in Titagarh Firema SpA ("Firema"), an associate company of the Group based in Italy, with a carrying value of net equity investment of Rs. 74.58 crores as at March 31, 2025, having encountered significant operational and financial difficulties due to an ongoing dispute with one of its largest customers which has severely impacted its liquidity position. Firema has filed for protection under Italian Crisis Code - Composizione Negoziata della Crisi (CNC) along with a restructuring plan on May 14, 2025 with Chamber of Commerce, which was also admitted by the Court of Naples on May 27, 2025.

The Note No. 35 to the Notes to CFS is self-explanatory i.e. pending the outcome of the CNC process and approval by the Court, the possible impairment loss on the carrying value of net equity investments in Firema as stated above and its consequential impact on the profit for the year and the net worth of the Group as at March 31, 2025 is currently not determinable.

As the Notes 49 to the SFS and 35 to CFS respectively adequately explain the qualified opinion, no further explanation in this Report is considered necessary.

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 2024-25 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, 2025 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, Practising 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.

The Board of Directors at its meeting held on 11th August, 2025, approved appointment of M/s Prateek Kohli & Associates, Practising Company Secretaries (Unique Code P2017WB059700) as the Secretarial Auditor of the Company for a term of 5 (five) consecutive years w.e.f. 1st April 2025, subject to shareholders' approval at the 28th Annual General Meeting.

Deposits

The Company did not accept any deposits covered under Chapter V of the Companies Act, 2013 during the financial year ended March 31, 2025.

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 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@titagarh.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, 2025 was 1356.

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, 2025 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) having access to the requisite infrastructure provided by the Company is maintained by the Company. ITI imparts hands-on training to the local people and caters to the requirement of skilled workmen by industrial units.

The Company's CSR activities include initiatives for enhancing vocational skills. The National Apprenticeship Promotion Scheme (NAPS) is a flagship scheme of the Government of

India, launched under the Ministry of Skill Development and Entrepreneurship. Your Company provides training to unemployed and uneducated youth at its business segments under the NAPS. During the year under review through this initiative your Company supported 1120 apprentices for 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 the total workforce.

The Board at its meeting held on 30th May, 2025 approved creation of a trust for implementing CSR activities of the Titagarh Group in accordance with the provisions of the Companies Act, 2013 and applicable CSR Rules, made thereunder, with the objective to promote the cultural and social welfare of the underserved communities/economically weaker sections of the society.

Smt. Rashmi Chowdhary, Chairperson of the CSR Committee of the Company is also the Chairperson of the Trust- "Titagarh Group Foundation".

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, 2026 have been duly paid. As at December 31, 2024 (the latest list available on the NSE as of the date of this Report), your Company was at 371 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.

Disclosure under The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

The Company has in place a suitable mechanism for prevention, prohibition and redressal of sexual harassment of women at workplace and constituted an Internal Complaints Committee (ICC) to address the complaints, if any received under the above Act which covers all employees. There was

no complaint received from any employee during the FY 2024-25 and as such no complaint was outstanding as at 31st March, 2025 for redressal. The ICC discharges its duties in accordance with the above Act read with the Rules/Policy thereunder.

Compliance with The Maternity Benefit Act, 1961

The Company ensures compliance with the provisions of the Maternity Benefit Act, 1961, including all applicable amendments and rules framed thereunder and is committed to ensuring a safe, inclusive, and supportive workplace for women employees. All eligible women employees are provided with maternity benefits as stipulated under the Maternity Benefit Act, 1961.

Codes and Policies

Your Company has laid down various policies and codes including "Insider Code" for effective corporate governance and affirms that no person is denied access to the Audit Committee/internal authority concerned from approaching with the information they may wish to communicate. In addition, your Company has Titagarh Code of Conduct for other aspects of clean, transparent, anti bribery, integrity and morally ethical conduct. The said codes and policies are available on the web site of the Company www.titagarh.in.

Other Disclosures

1. The Auditors of the Company have not reported any instance 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.

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. 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

Place: Kolkata
Date: August 11, 2025

Annexure DR-1

Form No. AOC-1

[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 statements of subsidiaries/associate companies/
joint ventures

Part - A: Subsidiaries

Name of the Subsidiaries	Titagarh Singapore Pte. Ltd. ('TSPL')	Titagarh Firema Engineering Services Private Limited
Date since when subsidiary was acquired	22.08.2008	14.02.2025
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	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. 92.3246	N.A.
	(Rs. in Lakhs)	(Rs. in Lakhs)
Share capital	637.10	600.00
Reserves & surplus	28.30	(309.39)
Total assets	670.95	528.97
Total Liabilities	5.55	283.36
Investments	-	-
Turnover	-	1265.65
Profit/(Loss) before taxation	(13.84)	(444.37)
Provision for taxation/Tax Expenses	-	(109.70)
Profit/(Loss) after taxation	(13.84)	(334.67)
% of shareholding	100.00	66.00

Notes:

- Names of subsidiaries which are yet to commence operations: None
- Names of subsidiaries which have been liquidated or sold during the year: None
- 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
Name of Associates/ Joint ventures	Titagarh Mermec Private Limited	Ramkrishna Titagarh Rail Wheels Limited	Shivaliks Mercantile Limited	Titagarh Firema S.p.A., Italy (TFA)*
1. Latest audited Balance Sheet Date	31/03/2025	31/03/2025	31/03/2025	31/03/2025
2. Date on which the Associate or Joint Venture was associated or acquired	18/07/2018	09/06/2023	24/01/2024	09/09/2020
3. Shares of Associates or Joint Ventures held by the company on the year end:				
- No.	5,000	16,90,48,747	10,00,00,000	1,64,00,000
- Amount of investment in Associates or Joint Ventures (INR)	50,000	1,69,04,87,470	1,00,00,00,000	12,72,63,000
- Extent of Holding (%)	50%	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	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.
6. Net worth attributable to Shareholding as per latest Audited Balance Sheet	(1.67)	34,146.96	15,613.96	158.38
7. Profit/(Loss) for the year	NIL	(217.21)	(5,229.59)	(15,329.83)
i. Considered in Consolidation	NIL	(106.43)	(2,333.96)	(3,898.38)
ii. Not Considered in Consolidation	NIL	(110.78)	(2,895.63)	(11,431.45)

* 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 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 Independent Director
Anil Kumar Agarwal Deputy Managing Director	Saurav Singhania Chief Financial Officer	Aditya Purohit Company Secretary

Place: Kolkata / Mumbai

Date: August 11, 2025

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

Place: Kolkata

Date: August 11, 2025

J P Chowdhary

Executive Chairman

Annexure DR-3

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2025

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

To
The Members,
TITAGARH RAIL SYSTEMS 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** having CIN: L27320WB1997PLC084819 and having 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 **31.03.2025**, 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.

For the purpose of this audit, 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, standards, disclosure requirements and, submission of forms, reports/returns within specified timelines as per applicable Listing statutes for the time being in force and the Companies Act, 2013 and rules made thereunder, 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 **31.03.2025** according to the provisions of:

- The Companies Act, 2013 ('the Act') and the rules made there under;
- Secretarial Standards as issued by The Institute of Company Secretaries of India;
- Listing Agreement(s) with the Stock Exchange(s);
- The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- 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;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), to the extent applicable:
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - 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;
 - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - 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:

- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
- 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:

- Factories Act, 1948 and The Industrial Disputes Act, 1947 read with respective applicable rules;
- Relevant statutes prevalent in the State of West Bengal and Rajasthan, where the Registered office/factory(ies) of the Company are situated, amongst others;
- Water (Prevention & Control of Pollution) Act, 1974 and Water (Prevention & Control of Pollution) Rules, 1975;

- Air (Prevention & Control of Pollution) Act, 1981 and Rules made thereunder,
- The Environment (Protection) Act, 1986

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:

- 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 **31.03.2025**.
- 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:
 - Reconstitution of the Committees of the Board w.e.f 1st April, 2024;
 - Consent of the Board accorded to make contributions/donations to one or more electoral trust(s) during the Financial Year 2024-25 upto a maximum amount of Rs. 4.50 crore;
 - Re-appointment of Shri Anil Kumar Agarwal as Executive Director designated as Deputy Managing Director & CEO (Freight Rail Systems) for a further term of 3 years w.e.f. 29th May, 2024;
 - Elevation of Shri Prithish Chowdhary as Deputy Managing Director of the Company w.e.f. 15th May, 2024 and revision of his remuneration for the remaining period of his existing term;
 - Approval of the Board accorded payment of commission to the Non-Executive/Independent Directors in accordance with approval of the shareholders at the AGM held on 30th December, 2020.
 - Approval for undertakings in relation to facility sanctioned by banks in favour of Ramkrishna Titagarh Rail Wheels Limited (RTRWL), a SPV/JVC incorporated for the Wheels project and approval for further investment in RTRWL by way of equity of such amount as may be deemed appropriate;

7. Continuation of Shri Sushil Kumar Roongta as Independent Director of the Company who attained the age of 75 years from 9th May, 2025 till the expiry of his current term on 31st December, 2025;
8. Appointment of Shri Shivendra Singh as Chief Executive Officer (Passenger Rail Systems vertical) w.e.f 23rd January 2025;
9. Change in designation with additional responsibilities to KMPs, w.e.f 3rd February, 2025;
 - a. Shri Anil Kumar Agarwal - The designation of Shri Anil Kumar Agarwal, Deputy Managing Director and CEO of Freight Rail Systems vertical of the Company, has been changed to Deputy Managing Director (DMD) of the Company.
 - b. Shri Saket Kandoi - The designation of Shri Saket Kandoi, Director (Freight Rolling Stock) of the Company, has been changed to Director & CEO (Shipbuilding and Maritime Systems) of the Company.
10. Approval towards placement of Inter Corporate Deposit of aggregate Rs. 91.00 crore to Shivaliks Mercantile Private Limited, a Joint Venture Company and a related party;
11. Amendment of Employee Stock Options (TRSL ESOP Scheme 2023) for increase of Stock options from 5,00,000 to 15,00,000 which was approved by the Board and received the consent of the shareholders of the Company;
12. Titagarh Firema Engineering Services Private Limited (TFESPL), which was initially incorporated as a joint venture with Titagarh Firema SpA, Italy (TFA), became a subsidiary of the Company with effect from February 14, 2025, following the allotment of 20,00,000 equity shares to the Company on a rights issue basis and the execution of amendments to the Joint Venture Agreement.
13. Addition of following new business verticals namely:
 - a. "Shipbuilding and Maritime Systems" wherein the Company will undertake marine business including shipbuilding, ship repair and other maritime business activities.
 - b. "Signalling and Safety Systems" wherein the Company will undertake activities relating to railway signalling and safety.
14. Alteration of the Main clause of Memorandum of Association of the Company by adding the clause no.10, due to enhancement in the product portfolio of the Company to carry on several other business activities under freight rolling stock, passenger rolling stock and maritime.
 - (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 guideline
 - (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: A011247G001030243

Place: Kolkata
 Date: 11th August, 2025

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	114.33
		b. Shri Umesh Chowdhary, Vice Chairman & Managing Director	114.33
		c. Shri Anil Kumar Agarwal, Deputy Managing Director	62.13
		d. Shri Prithish Chowdhary, Deputy Managing Director	32.67
		e. Shri Saket Kandoi, Director & CEO (Shipbuilding & Maritime Systems)	26.58
(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	100%
		d. Shri Prithish Chowdhary, Deputy Managing Director	78.9%
		e. Shri Saket Kandoi, Director & CEO (Shipbuilding & Maritime Systems)	22.1%
		f. Shri Saurav Singhania, Chief Financial Officer	39.1%
		g. Shri Dinesh Arya, Company Secretary & Chief Compliance Officer	20%
(iii)	The percentage increase in the median remuneration of employees in the financial year		38.73%
(iv)	The number of permanent employees on the rolls of the Company		1356
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel for the financial year 2024-25 was 9.45%. 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

Place: Kolkata
 Date: August 11, 2025

J P Chowdhary
 Executive Chairman

Annexure DR-5

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 measures inter alia include –

- Solar Power Expansion Plan** – Initiated capacity upgrade project to expand the existing solar installation from 2 MW to 4 MW, with an additional investment of ₹1.5 crore. This is an expansion beyond the solar plant implemented in FY 2023–2024.
- CNC Plasma Machine Retrofit** – Added a second torch to the existing CNC plasma cutting system, reducing operation time by 50%, increasing process throughput, and lowering energy consumption.
- Large Helicopter Fans** – Installed in shop-floor areas to improve ventilation efficiency and reduce dependency on high-power ventilation systems (Investment: ₹20 lakh).
- Replacement of Legacy Press & Shearing Machines** – New energy-efficient CNC press and shearing machines installed, replacing older units for improved precision and reduced energy demand (₹1.5 crore investment).
- Full-Scale Water Recycling in Rolling Stock Shower Testing** – Implemented a closed-loop water recovery and treatment system achieving zero liquid discharge for this activity.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

- Upcoming Wastewater Recycling Plant** – Procurement initiated for a 5,000 litres/hour capacity plant (₹50 lakh).
- New High-Capacity RO Plants** – Installed combined 10,000 litres/hour capacity RO plants for both industrial and domestic purposes (₹50 lakh investment).
- Continuous modernization of production systems and replacement of older, less efficient equipment with energy-optimized alternatives.

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

The expansion of the solar power plant from 2 MW to 4 MW, coupled with energy-efficient equipment upgrades, is

expected to yield significant savings from non-renewable power sources, contributing to a lower carbon footprint.

iii) Capital investment on energy conservation equipment:

The Company has committed capital investments amounting to approximately ₹9.65 crore towards energy and resource conservation measures up to March 2026, with specific allocations for solar expansion, machine modernization, water recycling, and energy-efficient ventilation systems.

B. TECHNOLOGY ABSORPTION

i) Efforts made towards technology absorption:

- Variable Voltage Variable Frequency (VVVF) Drives in Overhead Cranes** – Introduced to improve operational smoothness, reduce electrical consumption, and minimize mechanical wear.
- Punching Technology for Sheet Metal Cutting** – Replaced gas-based cutting methods, thereby eliminating LPG/oxygen consumption and reducing cycle times.
- Automation & Expansion of Shot Blasting Booths** – Converted manual booths to automated recyclable systems, achieving 15–40% raw shot savings; two additional automated booths under implementation (₹1.5 crore investment).
- Traverser System Modernization** – Upgrading traverser systems for improved movement of rolling stock between bays, enhancing safety and optimizing operational workflow (₹50 lakh investment).

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

- Expanded automation and process upgrades in key manufacturing areas to achieve significant savings in energy and raw materials.
- Introduced ventilation and operational flow improvements that contribute to both productivity and environmental benefits.

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

These technological interventions are expected to improve product quality, reduce manufacturing cycle time, lower operational costs, and minimize environmental impact. Tangible quantitative benefits will be measurable in future operational cycles.

Future plan of action:

The Company will focus on:

- Completing the solar power expansion to 4 MW total capacity.
- Installing an enclosed paint booth with humidity control to improve finish quality and reduce VOC emissions.
- Introducing advanced media recovery systems in shot blasting to further reduce raw material use.
- Implementing rainwater harvesting and drainage infrastructure upgrades.
- Launching a large-scale tree plantation initiative to enhance biodiversity and carbon sequestration.

ii) Expenditure on R & D:

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
Capital	Nil	Nil
Recurring	Nil	144.36
Total	Nil	144.36
Total R & D Expenditure as a percentage of total turnover	0.00%	0.04%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- Activities relating to exports, initiatives taken to increase exports, development of new export markets and export plans:
 - 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.
 - Efforts are being made to secure an order for limestone carrying wagons for Malaysian railway tracks.
- Total foreign exchange earned and used: Inflow Rs. 40.86 crore and outflow Rs. 164.26 crore.

For and on behalf of the Board

Place: Kolkata

Date: August 11, 2025

J P Chowdhary
Executive Chairman

Annexure DR- 6

Report on Corporate Social Responsibility Activities for the Financial Year 2024-25

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 Nirog'; '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	1
2.	Shri J P Chowdhary	Member, Executive Chairman	2	2
3.	Ms. Nayantara 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://www.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. 188.54 Crores
- (b) Two percent of average net profit of the Company as per section 135(5): Rs. 3.77 Crores
- (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. 3.77 Crores

6. (a) Amount spent on CSR Projects (both Ongoing Project and other then Ongoing Project): 3.77 Crores

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Not Applicable

(d) Total amount spent for the Financial Year (6a+6b+6c): Rs. 3.77 Crores

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

(Rs. in Crores)

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
3.77	NIL	NA	NIL	NIL	NA

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

Sl. No.	Particular	Amount (Rs. in Crores)
(i)	Two percent of average net profit of the company as per section 135(5)	3.77
(ii)	Total amount spent for the Financial Year	3.77
(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:

(Rs. in lakhs)

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.

For and on behalf of the Board

Place: Kolkata
Date: August 11, 2025

Umesh Chowdhary
Vice Chairman & Managing Director

Rashmi Chowdhary
Chairperson, CSR Committee



Amping up **Every Mile Ahead**

Every mile tells a story: of people, goods, and ideas moving forward. At Titagarh, we put our energy into making each one smoother, safer, and more efficient.

Management Discussion and Analysis

Titagarh Rail Systems Limited (TRSL) operates in Freight Rail Systems (FRS) comprising mainly Railway Wagons and Steel Castings and Passenger Rail Systems (PRS) which includes Metro Coaches, Passenger Coaches and Propulsion Systems. TRSL is India’s only private-sector company engaged in manufacturing both freight wagons and passenger rolling stock ranging from metro coaches to Vande Bharat (Sleeper Trains) and EMU trainsets. Established in 1997, TRSL has built a strong leadership position in the freight rolling stock space. It commands roughly 25% market share in freight wagon manufacturing, consistently leading India’s tender awards in this segment.

TRSL’s order book as of Financial Year ended March 31, 2025 (FY 2025) stood at approximately ₹24,500 crore, representing around 11,500 freight wagons and approximately 1583 metro & Vande Bharat coaches. Passenger rail has rapidly gained importance from just 5 to 6% of business in FY 2023 to now comprising approximately 62% of its total order book, with freight rail systems accounting for up to 38%. This transformation positions TRSL as a well-diversified rail mobility systems provider with deepening strength in both freight and passenger rail verticals.

In FY 2025 TRSL achieved a remarkable performance milestone by becoming the only company in its segment to cross 1,000 wagon dispatches twice in consecutive quarters (Q3 & Q4). The Company maintains a high production capacity, targeting a steady output of 1,000 wagons per month, or approximately 12,000 units per year.

TRSL from its PRS vertical continues to deliver metro coaches at a significant scale viz. completing 33 of 34 Pune Metro trains from its Uttarpara facility. The Company is also executing orders placed for manufacture of Metro Coaches by Metro Authorities of Bengaluru, Pune, Surat, Ahmedabad and Mumbai. Additionally, TRSL has successfully made a foray into propulsion systems, winning contracts for traction converters (€7.18 million / ₹65 crore). TRSL has set up a new design centre in Bengaluru for advanced Train Control and Monitoring System (TCMS) and propulsion systems development.

The Board of TRSL during the FY 2025 took a strategic decision to rename its shipbuilding activity hitherto part of FRS, as Shipbuilding & Maritime Systems (SMS) to expand and tap its true potential and also venture into Signalling & Safety Systems (SSS), a space aligned with the Company’s presence in railway sector, that has huge growth prospects

Metro trains being the preferred choice of Urban Rapid Transport in India will continue to generate substantial demand for TRSL’s PRS vertical which in addition to the Government’s determination to encourage movement of

cargo through rail route in Wagons and strengthen the country’s railway infrastructure. The aforesaid would propel long term growth potential going forward, and with its strong fundamentals TRSL is expected to further accelerate growth in the segments it operates.

Passenger rail business has the potential to grow and account for up to 50-60% of total revenues over the next 4–5 years, indicating substantial strategic shift and scale-up in metro and Vande Bharat coach production. Thus TRSL would continue to occupy and strengthen its leading position in the FRS and PRS as the only private sector company that is poised to successfully implement its growth strategy with focus on seizing excellent opportunities offered by railway sector under the “Atma Nirbhar Bharat” initiatives of the Government of India.

(a) Overall Review

TRSL delivered its highest-ever annual wagon production, manufacturing 9,431 units in FY 2025 a record in India's rail rolling stock industry. The Company’s foundry operations also scaled new heights, achieving 27,240 metric tonnes of output- the highest ever recorded by TRSL. Revenue from operations stood at ₹3,865.82 crore, with net profit at ₹303.43 crore for the full year under review. The performance of FRS would have been significantly better had the wheelsets shortage not impacted the production and supply.

However, despite industry-wide constraints, particularly supply chain issues at Rail Wheel Factory (Bangaluru) in FY2025, we managed to maintan production a steady level and although it was expected that the supply of wheelsets would become normal by June, the same may materialize by the end of second quarter of FY 26.

In accordance with the Company’s policy on the subject, the Board has proposed a final dividend of Re. 1 per share (50%), subject to shareholders’ approval at the ensuing Annual General Meeting.

The Company has undertaken strategic expansion in its foundry, as a part of backward integration and is consistently endeavouring to optimize utilisation of resources as well as exercise cost control, a key enabler of achieving record output.

TRSL is installing completely modern foundry production facilities in both its foundries situated at Titagarh and Uttarpara respectively, and this is expected to enhance production to a substantially higher number. TRSL is reaonably confident of achieving the target of around

40,000 tonnes of castings, on a monthly run rate basis within the current financial year.

The Passenger Rolling Stock (PRS) segment of Titagarh Rail Systems Limited (TRSL) sustained its strong growth momentum in FY 2024–25, with the order book standing at ₹6,850 crore as of March 2025, reflecting the Company's strategic shift towards passenger mobility solutions. The portfolio comprised 1,583 coaches, covering marquee projects such as the 80-trainset Vande Bharat contract executed through the BHEL–TRSL consortium, alongside metro orders for Bengaluru, Pune, Ahmedabad, and Surat. Execution was supported by the modernisation of the Company's Uttarpara facility, the subsequent acquisition of adjacent land for a dedicated test track and infrastructure augmentation, adoption of Industry 4.0 systems, and the scale-up of in-house propulsion and electrical capabilities, all of which enhance localisation and would enable the desired value capture. Current installed capacity of 300 coaches per annum is being progressively expanded towards 850 coaches per annum through phased investment in infrastructure. In parallel, TRSL is strengthening its design and engineering capabilities to support complex rolling stock programmes and deepen technology ownership. With the Government’s continued emphasis on “Atmanirbhar Bharat,” rising opportunities in

metro and intercity trainsets, and long-term maintenance revenues embedded in the Vande Bharat programme, the PRS segment is positioned as the principal growth driver for TRSL, expected to deliver stronger revenue visibility, margin expansion, and annuity streams over the next 4–5 years.

(b) Segment Review

The Company operates under two segments reported under the applicable accounting standards, namely:

(i) 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 unibridges.

(ii) Passenger Rail Systems (PRS) - Consists of designing and manufacturing of Metro, Passenger Coaches for semi-high-speed trains, EMUs, Mono Rail, Propulsion and its equipment’s, Traction Motors and its components.

The segment wise performance is as follows:

Particulars	Standalone			Consolidated		
	2024-25	2023-24	Change %	2024-25	2023-24	Change %
Segment Revenue (Gross)						
Freight Rail Systems	3,610.27	3,417.57	5.64%	3,610.27	3,417.57	5.64%
Passenger Rail Systems	255.55	435.73	-41.35%	257.48	435.73	-40.91%
Total	3,865.82	3,853.30	0.32%	3,867.75	3,853.30	0.38%
Segment Results						
Freight Rail Systems	437.64	443.24	-1.26%	437.64	443.24	-1.26%
Passenger Rail Systems	21.14	13.15	60.76%	15.24	13.15	15.89%
Total	458.78	456.39	0.52%	452.88	456.39	-0.77%
Total Profit/ (Loss) before Tax from continuing operations	411.56	397.05	3.65%	381.74	388.57	-1.76%
Total Profit/ (Loss) after Tax from discontinued operations	-	-	-	-0.14	-2.29	-93.89%
Total Profit / (Loss) after Tax	303.43	296.91	2.20%	274.92	286.14	-3.92%

During the year under review, the revenue from Freight Rail Systems segment (FRS) is higher by 5.64% and PBIT is lower by 1.26% as compared to the previous financial year. About 93.39% 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.

During the year under review, the revenue from Passenger Rail Systems (PRS) is lower by 41.35% and PBIT is higher by 60.76% as compared to the previous financial year, since the Pune metro

project reached near completion and the other orders under PRS were in the initial stage i.e. design phase. 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 targeted capacity of traction motors is 2,400 per annum.

The following significant developments took place during the FY 24-25:

- The Company marked a significant achievement by commencing production and subsequently delivering its first driverless, Made-in-India trainset for the Bengaluru Metro Rail Corporation Limited's (BMRL) Yellow Line project, under a contract with China Railway Rolling Stock Corporation (CRRC). The trainsets, manufactured at the Company's state-of-the-art metro manufacturing facility in Uttarpara, West Bengal, are stainless steel, fully automated, and designed to operate on the 19-kilometre stretch connecting the Electronics City technology and business hub to the rest of Bengaluru. The **official handover in January 2025** underscores Titagarh's growing capabilities in high-tech urban mobility solutions and reinforces its position as a leading manufacturer of world-class rolling stock. These milestones not only demonstrate the Company's commitment to strengthening India's urban transportation infrastructure but also reflect its pivotal role in propelling India's emergence as a global hub for railway manufacturing.
- In line with its strategic focus on innovation and indigenous technology development, the Company inaugurated a state-of-the-art Engineering Centre in Bengaluru during the year under review. The facility is dedicated to the development of advanced Train Control & Monitoring Systems (TCMS) and Propulsion Systems, supporting critical projects such as the Surat and Ahmedabad Metros, Vande Bharat Sleeper trains, and ICF EMU/MEMU programs. This expansion reflects the Company's commitment to the Government's 'Make-in-India' and 'Aatmanirbhar Bharat' initiatives. The Centre is equipped with cutting-edge infrastructure and is envisioned to become a hub for engineering talent and product innovation in rolling stock systems, further strengthening Titagarh's role as a leader in the Indian rail manufacturing ecosystem.
- In line with its renewed strategic focus, the Company formally established a dedicated business vertical, Shipbuilding and Maritime Systems (SMS) to capitalise on emerging opportunities in India's maritime and defence manufacturing space. The Company has a proven track record in this domain, having delivered various vessels including Fast Patrol Vessels, Coastal Research Vessels, and international ferry projects. With approvals from key authorities such as the Indian Navy, Indian Coast Guard, and the other institutes like National Institutes of Ocean Technology, company is well-positioned to scale up operations. The SMS vertical, led by Mr. Saket Kandoi as Director and CEO, will focus on enhancing shipyard capacity, pursuing strategic collaborations, and expanding

into larger and more complex vessel manufacturing aligned with the Government's emphasis on Atmanirbharta and the revamped Shipbuilding Financial Assistance Policy.

- The Joint Venture (JV) between Titagarh Rail Systems Limited and Ramkrishna Forgings Limited is progressing in line with planned timelines and strategic objectives. The capex rollout is on track, and the facility is expected to commence commercial production by end of FY26. The collaboration combines Ramkrishna's core strength in forging with Titagarh's deep expertise in rail systems. Once fully operational, the JV is expected to contribute meaningfully in annual revenues, supporting the Group's broader goals of import substitution and value-added exports.

The Company's order book stands at Rs. 24,526 crore as at March 31, 2025, of which ₹ 11,200 crore is the Company's share and ₹ 13,326 crore is the Company's Share in the JV. 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.

(c) Industry overview of Business Segments

Indian Railways

In FY 2024–25, Indian Railways continued receiving strong fiscal backing, with ₹2.65 lakh crore in capital expenditure, financed predominantly through 95% central budget support, augmented by extra-budgetary and internal resources. This ensured sustained infrastructure momentum, as freight loading crossed 1.62 billion tonnes, marking a 1.7% year-on-year rise, while freight revenue alone reached approximately ₹1.75 lakh crore constituting about 62–65% of internal revenue. Simultaneously, modernization initiatives saw the rollout of 136 Vande Bharat trainsets, and Kavach safety upgrades installed, while 103 stations were redeveloped under the Amrit Bharat Scheme by May 2025 collectively reinforcing railway infrastructure upgrade at scale. This robust systemic foundation creates fertile conditions for Titagarh Rail Systems Limited, especially across its two core divisions.

These robust macro trends strong freight performance, sustained budget allocation, modernization investments, and large-scale station upgrades create a compelling growth environment. They reinforce Titagarh Rail Systems Limited's strategic positioning as a leading supplier in both **freight wagons** and **passenger coaches**, ready to meet India's accelerating demand across rail segments.

In summary, FY 2024–25 represented marked financial growth, operational resilience and strategic positioning. Continued focus on electrification, safety systems like Kavach, infrastructure upgrades, freight corridor utilization, and Vande Bharat expansion reaffirm Indian Railways' role as both a transportation leader and a global modernization benchmark.

Freight Rolling Stock

In FY 2024–25, Indian Railways demonstrated strong

operational and financial performance, driven by infrastructure expansion and modernization. The national transporter moved approximately **1,617 million tonnes (MT)** of freight. This volume secures its position as the **second-largest rail freight carrier globally**, following China [[Railways breaks freight loading, revenue records for 4th year - The Economic Times](#)]

The sweeping railway advancements create a compelling environment for Titagarh Rail Systems Limited, aligning directly with its Freight Rail Systems (FRS) segment strategy. With freight loading rising and projected wagon demand, TRSL's robust 12,000 wagon annual manufacturing capacity and integrated foundry operations position it to deliver high-scale freight solutions. TRSL's strong execution capabilities and dual-segment focus enable it to capture sustained opportunity from India's freight-led growth powering long-term sector leadership and visibility.

Outlook

India's freight rail network continued strong growth, backed by steady investments and ongoing modernization. Electrification, safety upgrades, and dedicated freight corridors are improving speed, capacity, and reliability. The focus on infrastructure and efficiency is strengthening overall freight movement. This growth is driving long-term demand for wagons and rolling stock. TRSL is well positioned to meet this demand through its strong freight manufacturing capabilities.

As rail emerges as a backbone of national mobility and logistics infrastructure, TRSL's integrated capabilities will allow it to capitalize on sustained, multi-year demand growth cementing its role as a key enabler of India's modern railway ecosystem.

Passenger Rolling Stock

Parallel to its freight focus, TRSL is aggressively building its presence in the Passenger Rolling Stock segment, aligned with India's passenger rolling stock market which is slated for transformative expansion, driven by a commitments of ₹57,693 crore in the Budget 2025–26 specifically toward rolling stock acquisition including 200 Vande Bharat trains, 100 Amrit Bharat non-AC trains, 50 Namo Bharat rapid rail sets, including general sleeper coaches. ([Budget 2025: 100 Amrit Bharat, 50 Namo Bharat, and 200 Vande Bharat trains to be manufactured - The Economic Times](#)) and the company rolled out production of 34 out of 36 trainsets for Bengaluru Metro's Phase 2 Yellow Line at its Uttarpara facility during the year under review.

This ambitious push positions the sector to reach a projected ₹4.75 lakh crore market value by FY 2029, growing at a CAGR of 46% for passenger rail and 39% for metro systems, signalling surging demand for coaches, propulsion systems, and rail subsystems. ([India's Expanding Rolling Stock Market presents significant opportunity for Suppliers to boost production capabilities](#))

TRSL's growing share of passenger orders within its overall

order book highlights its strong positioning in this expanding market. The company has already delivered metro coaches to major cities such as Bengaluru, Ahmedabad, Surat, and Pune, and has begun production of Vande Bharat sleeper trainsets at its rapidly scaling Uttarpara facility. Backed by supportive policies and rising infrastructure investment, TRSL's Passenger Rolling Stock division is becoming a key growth driver, well aligned with India's broader push for modern urban transit and rail transformation.

Outlook

TRSL's Passenger Rolling Stock (PRS) division is rapidly emerging as a core growth driver, buoyed by India's ambitious urban transit and rail modernization initiatives. As of mid-2025, PRS made up 62% of TRSL's order book a significant shift from its historical freight focus. The Company is expanding its Uttarpara facility to boost coach production to 1200 units annually up from 300 units, to service major metro and Vande Bharat contracts and standardize delivery of metro trains for cities like Bengaluru, Ahmedabad, Surat, and Pune. With a fund allocation for rolling stock in the 2025–26 Budget that includes Vande Bharat, Amrit Bharat, and Namo Bharat trains, PRS is well-positioned to become a key revenue generator and capitalize on sustained demand in India's modern rail ecosystem.

TRSL's Passenger Rolling Stock (PRS) division is rapidly emerging as a core growth driver, supported by India's aggressive push toward urban transit expansion and high-speed rail modernization. As of mid 2025, PRS constitutes approximately 62% of TRSL's ₹24,500 crore consolidated order book, marking a decisive strategic shift from its historical freight focus. The Company is currently ramping up manufacturing capacity at its Uttarpara facility including leased expansion of approx. 40 acres with plans to scale coach production to 850 units annually, up from 300 units, to service major metro and Vande Bharat contracts. Supported by a ₹58,800 crore allocation in Budget 2025–26 for rolling stock which includes new Vande Bharat, Amrit Bharat, and Namo Bharat trains PRS is projected to grow at a CAGR of 38–39% through 2029, ([Rail Budget 2025: Indian Railways allocates Rs 58894.93 crore for advanced rolling stock including Vande Bharat, Amrit Bharat trains - Infrastructure | ET Now](#)). The company expects the PRS segment to grow significantly, with the potential to contribute 50–60% of TRSL's total business over the next 4–5 years—a notable shift from its earlier freight-dominated focus. [[Times of India](#)] With momentum across coach orders, propulsion systems, and urban rail demand, TRSL's PRS business is well-aligned to capture in summary: From March 2025 onward, India's rolling stock ecosystem driven by rail, metro, and export programmes is set for explosive growth. With sustained CAPEX, robust government mandates, and major manufacturing ramp-ups, demand for coaches and rail systems is expected to sustain high double-digit CAGR, fundamentally transforming domestic mobility infrastructure and supporting India's emergence in global rail markets.

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

The Company has incurred a substantial portion of the capex of Rs. 250 crore in the year under review and balance of proposed 1,000 crores in the next two years 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.

(e) Overall outlook for the current year

TRSL is strategically positioned to capitalise on India's intensifying rail modernisation momentum, with both Freight Rolling Stock (FRS) and Passenger Rolling Stock (PRS) set to be growth engines. On the freight side, sustained expansion of Dedicated Freight Corridors and rising freight volumes boost demand for high-capacity wagon production a domain where TRSL's integrated foundry and large-scale manufacturing capabilities offer compelling advantage. Meanwhile, PRS is rapidly emerging

as the future frontier: with passenger-related contracts now representing the majority of TRSL's order book, and capacity expansion underway at its modern Uttarpara facility, the Company is geared to capture growing demand from metro expansions and Vande Bharat programmes. This strategically balanced dual-segment positioning, combined with strong execution capabilities and alignment with government-led initiatives, underpins a confident growth outlook for TRSL in the coming years.

The Board has at its meeting held on 11th August, 2025 accorded in principle approval to the transfer of Shipbuilding & Maritime Systems (SMS) business/undertaking as a going concern on a slump sale basis to a Wholly Owned Subsidiary of the Company, subject to necessary compliances. The move will enable the Company to continue to focus on its core business activities in rolling stock systems (FRS and PRS), and facilitate pursuit of tapping true potential for growth of the SMS vertical independently and/or through strategic partner at an appropriate point of time, to seize the opportunities presented by the Government of India's initiatives to the shipbuilding and maritime industry.

(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:

Key Financial Ratios	2024-25	2023-24	Difference (%)
Debtors Turnover Ratio (days)	56.82	38.44	47.81%
Inventory Turnover Ratio (days)	65.24	60.17	8.44%
Interest Coverage Ratio (times)	0.14	0.15	-3.64%
Current Ratio (times)	1.98	2.71	-27.03%
Debt Equity Ratio	0.20	NA	100.00%
Operating Profit Margin (%)	13.30%	12.91%	3.00%
Net Profit Margin (%)	7.85%	7.71%	1.86%

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

- Debtors Turnover Ratio (days):** variation is mainly due to increase in trade receivables during the current year.
- Current Ratio:** Variation is due to increase in current assets and current liabilities, with the latter experiencing a larger rise. This larger rise due to the Company's increased utilization of its working capital limits at the end of the period, which was subsequently released.
- Debt Equity Ratio:** Variation is mainly due to increase of debt and decrease in Cash and Cash Equivalents during the current year. Further NA in previous year denotes negative debt equity ratio.

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

Key Financial Ratios	2024-25	2023-24	Difference (%)
Return on Net Worth (%)			
- Before considering exceptional item	12.78%	18.61%	-31.31%
- After considering exceptional item	12.78%	18.61%	-31.31%

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

- Return on Net Worth (%):** Variation is mainly due to increase is primarily due to increase in profitability during the current year and equity shares issued during the previous year.

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.

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") , is the apex body constituted by the shareholders, to achieve an effective Board in accordance with the corporate governance policy of the Company. TRSL's Board as on March 31, 2025 comprised twelve directors including Executive Chairman,

Vice Chairman & Managing Director, two Deputy Managing Directors, and Director & CEO (Shipbuilding & Maritime Systems) being the five Executive Directors, six Non Executive Independent Directors (including one Independent Woman 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 hold the office of Director in more than 20 companies, including 10 public companies, None of the IDs serve as IDs in more than seven listed entities. 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. Furthermore, none of the WTDs of the Company serve as IDs in more than three listed entities.

Pursuant to Regulation 27(2) of the SEBI Listing Regulations, the Company submits a quarterly compliance report on Corporate Governance to the Indian Stock Exchanges in the format as specified by SEBI, within 30 days from the end of every quarter.

The following table illustrates composition of the Board, attendance of the Directors at the Board Meetings held during the year under review and at the last Annual General Meeting ('AGM'), number of directorships and committee positions held in other public companies, their shareholding in the Company's shares or other convertible instruments and names of other listed entities in which Directorships is held, including category of Directorships, as on March 31, 2025.

Sl. No.	Name of Directors & DIN	Designation & Category of the Directors	No. of Board Meetings during the year 2024-25		Attendance at last AGM held on 27-08-2024	No. of shares held (Face value of Rs. 2 each)	No. of other Directorships held (all except this co.)	Chairmanship in other Committee (listed & unlisted public co.)	
			Held	Attended				Chairman	Member
1.	Shri J P Chowdhary DIN: 00313685	Promoter & Executive Chairman	9	9	Present	70,700	Nil	Nil	Nil
2.	Shri Umesh Chowdhary DIN: 00313652	Promoter & Vice Chairman and Managing Director	9	6	Present	77,530	3	Nil	1
3.	Shri Anil Kumar Agarwal DIN: 01501767	Deputy Managing Director	9	9	Present	100,000	1	Nil	Nil
4.	Shri Prithish Chowdhary DIN: 08509158	Promoter Group & Deputy Managing Director	9	7	Present	Nil	2	Nil	Nil

Sl. No.	Name of Directors & DIN	Designation & Category of the Directors	No. of Board Meetings during the year 2024-25		Attendance at last AGM held on 27-08-2024	No. of shares held (Face value of Rs. 2 each)	No. of other Directorships held (all except this co.)	Chairmanship in other Committee (listed & unlisted public co.)	
			Held	Attended				Chairman	Member
5.	Shri Saket Kandoi DIN: 02308252	Director & CEO (Shipbuilding & Maritime Systems)	9	8	Absent	Nil	Nil	Nil	Nil
6.	Smt. Rashmi Chowdhary DIN: 06949401	Promoter Group & Non-Independent & Non-Executive	9	7	Present	1,01,22,630	Nil	Nil	Nil
7.	Shri Atul Joshi DIN: 03557435	Independent & Non-Executive	9	9	Present	Nil	1	1	Nil
8.	Shri Krishan Kumar Jalan DIN: 01767702	Independent & Non-Executive	9	9	Present	Nil	4	4	3
9.	Shri Sushil Kumar Roongta DIN: 00309302	Independent & Non-Executive	9	9	Present	Nil	9	2	6
10.	Ms. Nayantara Palchoudhuri DIN: 00581440	Independent & Non-Executive	9	9	Present	Nil	5	Nil	6
11.	Shri Bontha Prasada Rao DIN: 01705080	Independent & Non-Executive	9	9	Absent	Nil	3	Nil	3
12.	Shri Debanjan Mandal DIN: 00469622	Independent & Non-Executive	9	4	Absent	Nil	7	Nil	5

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 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, 2025:

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	Nil	N.A.
Shri Prithish Chowdhary, Deputy Managing Director	Nil	N.A.
Shri Saket Kandoi, Director & CEO (Shipbuilding & Maritime Systems)	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
	Asit C Mehta Financial Services Limited	Independent Director
	Panacea Biotec Limited	Independent Director
Shri Sushil Kumar Roongta, Independent Director	J K Paper Limited	Non-Executive Director
	Jubilant Pharmova Limited	Independent Director
	Jubilant Ingrevia Limited	Independent Director
	Adani Power Limited	Independent Director
	Shree Cement Limited	Independent Director
	JSW Steel Limited	Independent Director

Details of Directorships in other Listed Entities as at 31st March, 2025:

Name and Category of the Director	Details of Directorships of other Listed Entities and Category of Directorship	
Ms. Nayantara Palchoudhuri, Independent Director	Rossell India Limited	Independent Director
	Vesuvius India Limited	Independent Director
	Nicco Parks & Resorts Limited	Independent Director
	International Combustion (India) Limited	Independent Director
	Jay Shree Tea and Industries Limited	Independent Director
Shri Bontha Prasada Rao, Independent Director	Havells India Limited	Independent Director
	Poonawalla Fincorp Limited	Independent Director
Shri Debanjan Mandal, Independent Director	Century Plyboards (India) Limited	Independent Director
	CESC Limited	Independent Director
	Spencer’s Retail Limited	Independent Director

Separate Meeting of Independent Directors

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 10th March 2025 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 Regulation, the Company is mandatorily required to provide suitable training to the Independent Directors to familiarize them with 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>

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 March 31, 2025 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 Prithish 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 Smt. Rashmi Chowdhary Ms. Nayantara Palchoudhuri Shri K. K. Jalan Shri Sushil Kumar Roongta Shri Prithish Chowdhary Shri B. P. Rao Shri Debanjan Mandal
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 Smt. Rashmi Chowdhary 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 Smt. Rashmi Chowdhary Ms. Nayantara Palchoudhuri Shri K. K. Jalan Shri Sushil Kumar Roongta Shri Prithish Chowdhary Shri B. P. Rao Shri Debanjan Mandal

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 March 31, 2025 having the required set of skills/ expertise/ competencies
5	Expertise in technology including design, research and innovation and digitalization	Yes	Shri J P Chowdhary Shri Umesh Chowdhary Shri Prithish 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 Smt. Rashmi Chowdhary Shri Saket Kandoi Ms. Nayantara Palchoudhuri Shri K.K. Jalan Shri Sushil Kumar Roongta Shri Prithish Chowdhary Shri B. P. Rao Shri Debanjan Mandal

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 NRC works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and in the senior management. The Company strives

to maintain an appropriate balance of skills and experience, within the organization and the Board, in an endeavour to introduce new perspectives, whilst maintaining experience and continuity. By integrating workforce planning with strategic business planning, the Company deploys the necessary financial and human resources to meet its objectives. Succession planning and elevation within the organization, fuel the ambitions of its talent force, to earn future leadership roles. 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. Succession planning is also an important part of review by the Risk Management Committee.

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 Prithish Chowdhary was elevated from Director (Marketing & Business Development) and Deputy CEO (PRS) to Deputy Managing Director of the Company w.e.f 15th May 2024. Shri Anil Kumar Agarwal has been elevated from Deputy Managing Director & CEO (FRS) to Deputy Managing Director of the Company w.e.f. 3rd February 2025 and on the same date Shri Saket Kandoi was given additional responsibility and elevated from Director (Freight Rolling Stock) to Director & CEO (Shipbuilding & Maritime Systems). Shri Atla Srinivas has been appointed as the Chief Human Resource Officer (CHRO) of the Company w.e.f. 1st August 2024. Shri. Shivendra Singh appointed as Chief Executive Officer (Passenger Rail Systems) of the Company w.e.f. 23rd January, 2025.

Board Meetings held during the Financial Year ended 31st March, 2025

Nine (9) Meetings of the Board of Directors were held during the financial year ended 31st March, 2025 i.e. on 13th April, 2024, 15th May, 2024, 30th July, 2024, 2nd August, 2024, 26th October, 2024, 23rd January, 2025, 3rd February, 2025, 13th February, 2025 and 29th March, 2025.

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, 2025 comprises Shri Atul Joshi, Shri Krishan Kumar Jalan and Shri Bontha Prasada Rao (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 as 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. In addition, Audit Committee exercises powers and discharges duties as may be delegated to it by the Board.

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 2024-25.

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, 10 (ten) meetings of the Audit Committee of the Company were held i.e. on 12th April, 2024, 14th May, 2024, 15th May, 2024, 26th June, 2024, 30th July, 2024, 29th August, 2024, 26th October, 2024, 3rd February, 2025, 13th February, 2025 and 31st March, 2025.

The attendance of Directors at these meetings was as under:

Sl. No.	Name of Director	Designation	No. of meetings attended
1.	Shri Atul Joshi	Chairman	10
2.	Shri Krishan Kumar Jalan	Member	10
3.	Shri Bontha Prasada Rao	Member	10

The Chairman of the Audit Committee attended the last AGM held on August 27, 2024.

Stakeholders' Relationship Committee

Stakeholders' Relationship Committee which considers and resolves the grievances of the security holders of the Company is headed by Shri Krishan Kumar Jalan, an Independent Director, with Shri Umesh Chowdhary and Ms. Nayantara Palchoudhuri being the other members as at 31st March, 2025. The date of Stakeholders' Relationship Committee meetings held during the year and attendance thereat is depicted in the following table:

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

During the year only one meeting of the Stakeholders' Relationship Committee of the Company was held i.e. on 29th March, 2025. The attendance of Directors at this meeting is as under:

Sl. No.	Name of the Directors	Designation	No of meetings attended
1.	Shri Krishan Kumar Jalan	Chairman	1
2.	Shri Umesh Chowdhary	Member	0
3.	Ms. Nayantara Palchoudhuri	Member	1

The Chairman of the Stakeholders' Relationship Committee attended the last AGM held on August 27, 2024.

In aggregate 5 (five) cases of Investors' Grievances were received during the Financial Year 2024-2025 pertaining to Non-receipt of Shares, Non-updation of KYC, Dividend and other miscellaneous grievance which were duly redressed in time and no Investors' Grievance is pending as at 31st March, 2025. There was also no Investor complaint pending against the Company as at 31st March, 2025 on SCORES, the web based complaint redressal system of SEBI. The Company is

encouraged to develop the practice of follow-up, preferably by phone/email wherever available, with the concerned shareholder to get the feedback on satisfactory redressal of their query/complaint.

Share transfers and requests for other services were disposed of by the RTA within the time stipulated in the Listing Regulations. The Company Secretary is acting as the Compliance Officer of the Company.

Nomination and Remuneration Committee

Nomination and Remuneration Committee (NRC) comprised of Shri Krishan Kumar Jalan, Shri Bontha Prasada Rao and Shri Sushil Kumar Roongta, all Independent Directors and Shri J P Chowdhary, Executive Chairman, and is headed by Shri Krishan Kumar Jalan as on 31st March, 2025.

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;
- 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.
- 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.
- Recommend to the Board, all remuneration in whatever form payable to senior management.

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

During the year 5 (five) meetings of the NRC of the Company were held i.e. on 15th May, 2024, 23rd January, 2025, 3rd February, 2025, 13th February, 2025 and 28th March, 2025.

The attendance of Directors at these meetings is as under:

Sl. No.	Name of Director	Designation	No. of meetings attended
1.	Shri Krishan Kumar Jalan	Chairman	5
2.	Shri J P Chowdhary	Member	4
3.	Shri Bontha Prasada Rao	Member	5
4.	Shri Sushil Kumar Roongta	Member	5

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, 2025 and their shareholding in the Company:

(Rs. in Crores)

Particulars	Shri J P Chowdhary	Shri Umesh Chowdhary	Shri Anil Kumar Agarwal	Shri Saket Kandoi	Shri Prithish Chowdhary
Salary and Perquisites	3.57	3.57	1.94	0.83	1.02
Commission	Nil	Nil	Nil	Nil	Nil
Total	3.57	3.57	1.94	0.83	1.02
Stock Option Granted	Nil	Nil	50,000	25,000	Nil
Period for which appointed by the Board	5 years w.e.f. 08/01/2022	5 years effective from 01/10/2025	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	By way of Postal Ballot on 19th June, 2025	27th AGM held on 27th August 2024	By way of Postal Ballot on 26th April, 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 Director	Sitting Fees	Salary & Perquisites	Commission	Total
Shri Atul Joshi	10,30,000	NIL	14,43,000	24,73,000
Smt. Rashmi Chowdhary	3,65,000	NIL	NIL	3,65,000
Ms. Nayantara Palchoudhuri	5,65,000	NIL	6,84,000	12,49,000
Shri Krishan Kumar Jalan	13,05,000	NIL	14,43,000	27,48,000
Shri Sushil Kumar Roongta	7,90,000	NIL	6,84,000	14,74,000
Shri. Bontha Prasada Rao	12,30,000	NIL	14,43,000	26,73,000
Shri Debanjan Mandal	2,50,000	NIL	3,03,000	5,53,000
Total	55,35,000	NIL	60,00,000	1,15,35,000

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, 2025. 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 15th May, 2024 and 30th July, 2024.

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	1
2.	Shri J P Chowdhary	Member	2
3.	Ms. Nayantara Palchoudhuri	Member	2
4.	Shri Krishan Kumar Jalan	Member	2

Risk Management Committee

Risk Management Committee comprised of Shri Atul Joshi, Independent Director as Chairman, Shri Sushil Kumar Roongta, Shri Debanjan Mandal, Independent Directors and Shri Prithish Chowdhary Deputy Managing Director as on 31st March, 2025

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:

- 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.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

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

During the year, 2 (two) meetings of the Risk Management Committee of the Company were held i.e. on 18th September, 2024 and 29th March, 2025.

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 Debanjan Mandal	Member	2
3.	Shri Sushil Kumar Roongta	Member	2
4.	Shri Prithish Chowdhary	Member	1

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 as follows:

IC Role	Name	Role in the Company
Presiding Officer	Ms. Puja Banerjee	Senior Manager – HR, Industrial Relation and Compliance
Members	Ms. Shayamali Banerjee	Employee Representative – TSL
	Mrs. Dimple Sureka Maitra	Assistant General Manager
	Mrs. Parmjeet Walia	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, 2025.

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
2023-24	27th AGM	756 Anandapur, E.M. Bypass, Kolkata – 700107 through Video Conferencing or other Audio Visual Means (“OAVM”)	27.08.2024	11.00 A.M.	Three
2022-23	26th 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	25th 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

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):

No Extraordinary General Meeting (EGM) was held by the Company during the financial year ended March 31, 2025.

Postal Ballot including e-voting:

During the year 2024-25, the Company had sought the approval of the Shareholders by way of Postal Ballot vide Postal Ballot Notice dated 13th February 2025 for passing the following Special Resolutions:

- Approval for amendment(s) to Titagarh Rail Systems Limited – Employees Stock Option Scheme 2023 (“TRSL ESOP - 2023/ESOP Scheme 2023”)
- Approval for grant of stock options to the employees of group company(ies) including subsidiary company(ies) or its associate company(ies), in India or outside India
- Alteration of the Main Object Clause of Memorandum of Association of the Company

The remote e-voting period for the above Postal Ballot commenced on Sunday, 23rd February, 2025 at 9.00 a.m. (IST) and ended on Monday, 24th March, 2025 at 5.00 p.m. (IST).

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. The report on the result of the postal ballot through remote e-voting approving the aforementioned Resolutions was provided by the Scrutiniser on 25th March, 2025. The voting results by the Shareholders can be accessed on the Company’s website at www.titagarh.in. Out of the 3 (three) Resolutions as set out in the said notice, Resolution No. 3 was duly passed with requisite majority. The said Resolution No. 3 was deemed to be passed on the last date of e-voting, i.e. Monday, the 24th March, 2025.

Procedure for Postal Ballot:

The Postal Ballot was conducted by the Company as per the provisions of Regulation 44 of Listing Regulations, Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and General Circular Nos. 14/2020 dated 08 April, 2020, 17/2020 dated 13 April, 2020 and various subsequent circulars issued, read with Circular No. 9/2024 dated 19 September, 2024 issued by MCA.

Details of Special Resolution proposed to be conducted through postal ballot: Not Applicable

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 Regulations during the financial year 2024-25 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 2024-25 contains audit qualification and suitable explanation has been made in this regard in the Directors’ Report and notes to accounts.
- 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 Salarpuria & 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 Cr.)
Audit Fee	0.68
Limited Review	0.27
Other Certification Services	0.03
Reimbursement of Expenses	0.12
Total	1.10

- 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,

Action taken by: Not Applicable

Details of violation: Not Applicable

Details of action taken E.g. fines, warning letter, debarment, etc.: Not Applicable.

(viii) Observations/ remarks of the Company:

Not Applicable

(ix) 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.titagarh.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.titagarh.in/storage/report/actual/VIGIL%20MECHANISM_%20WHISTLE%20BLOWER%20POLICY.pdf.

(x) 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 2024-25.

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

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

(xi) Annual Secretarial Compliance Report:

Pursuant to Regulation 24A of Listing Regulations 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**.

(xii) 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.titagarh.in/storage/report/actual/CODE%20OF%20CONDUCT%20FOR%20DIRECTORS%20AND%20SENIOR%20MANAGEMENT.pdf>

(xiii) 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.

(xiv) 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.

(xv) 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				

(xvi) 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 (Ekdin or Aajkal) 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 web site is www.titagarh.in

General Shareholder Information

Annual General Meeting	
Day, Date and Time	: Monday, 15th September, 2025 at 11:30 A.M.
Venue	: Online platform of NSDL (Deemed venue: 756 Anandapur, E.M. Bypass, Kolkata – 700107)
Financial Year	: 2024-2025
Record Date for Dividend	: Monday, 8th September, 2025

Dividend Payment Date: Dividend of 50% i.e. INR 1 per equity share of face value of Re. 2/- each for the financial year 2024-25 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 Monday, 8th September, 2025.

Financial Calendar	: Tentative Date
First Quarter Results	: 11th August, 2025
Second Quarter Results	: October/November, 2025
Third Quarter Results	: January/February, 2026
Fourth Quarter Results	: April/May, 2026

(xvii) 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) [Scrip Code: 532966 & Symbol: TITAGARH respectively]. Listing fees for the year 2025-26 have been paid to both BSE and NSE. ISIN for dematerialization is INE615H01020.

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

Pursuant to the Scheme of Amalgamation of Cimmco Limited ('Cimmco') with the Company sanctioned by Hon'ble NCLT, 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 Cimmco 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 Cimmco 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 Cimmco 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, 2025, 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.

(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 dematerialization 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 is in the process of dispatching letter as intimation to all its shareholders holding shares in physical mode, asking 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.

(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 at the 31st March, 2025

Category	No. of Shares held	% of Total Shares
● Promoter & Promoter Group	5,44,86,861	40.46
● Indian Public		
Mutual Funds & UTI	1,23,80,601	9.19
Financial Institutions & Banks	56,74,930	4.21
Private Corporate Bodies	26,48,731	1.97
Individuals/Others	4,16,47,755	30.92
Non-Residents		
Foreign Institutional Investors/ Non-Residents/Foreign National	1,71,69,176	12.75
Clearing Members	5,69,821	0.42
IEPF& Central Government	95,893	0.07
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, 2025.

(xxiii) Distribution of Shareholding as on 31st March, 2025:

Range of Shares	No. of Holders	% To Holders	No. of Shares	% To Equity
1 to 5000	586761	99.8875	37926929	28.1621
5001 to 10000	344	0.0586	2485190	1.8453
10001 to 20000	136	0.0232	1936005	1.4376
20001 to 30000	44	0.0075	1086144	0.8065
30001 to 40000	21	0.0036	759165	0.5637
40001 to 50000	15	0.0026	671342	0.4985
50001 to 100000	36	0.0061	2704284	2.008
100001 & above	65	0.0111	87104709	64.6783
TOTAL	587422	100.00	134673768	100.00

(xxiv) 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.titagarh.in/storage/report/actual/POLICY%20FOR%20DETERMINING%20MATERIAL%20SUBSIDIARIES.pdf>

(xxvi) Credit rating:

In January 2025, CRISIL Ratings has reaffirmed its outlook on long-term bank facilities of the Company to CRISIL AA-/Stable and for short term banking facilities reaffirms the 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 during the year under review.

(xxviii) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):
Not Applicable

(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 (i) 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

J P Chowdhary

Executive Chairman

Place: Kolkata

Date: August 11, 2025

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, 2025.

for Titagarh Rail Systems Limited

Umesh Chowdhary

Vice Chairman and Managing Director

Place: Kolkata

Date: August 11, 2025

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) for the year ended on 31st March, 2025, 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 for 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.

Place: Kolkata
Date: August 11, 2025

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

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, 2025 and to the best of our knowledge and belief, we state that:

- a) These statements do not contain any materially untrue statement or omit any material fact or contain statements, that might be misleading;
- b) 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.
- c) 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;

- d) 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;
- e) We have indicated to the auditors and the Audit Committee:
- i) Significant changes in internal control during the year;
- ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
- iii) 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.

Place: Kolkata
Date: May 30, 2025

Umesh Chowdhary
Vice Chairman and 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, 2025** 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	BONTHA PRASADA RAO	01705080	04/09/2023
6	DEBANJAN MANDAL	00046922	04/09/2023
7	KRISHAN KUMAR JALAN	01767702	13/08/2020
8	NAYANTARA PALCHOUDHURI	00581440	22/06/2020
9	PRITHISH CHOWDHARY	08509158	01/01/2021
10	RASHMI CHOWDHARY	06949401	14/08/2014
11	SAKET KANDOI	02308252	17/03/2023
12	SUSHIL KUMAR ROONGTA	00309302	01/01/2021

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

Place: Kolkata
Date: May 30, 2025

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

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 were 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:

- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees, to run the Company successfully.
- Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- 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.
- 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.
- 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, 2025

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

- all the documents and records made available to me and explanation provided by **TITAGARH RAIL SYSTEMS LIMITED**, CIN: L27320WB1997PLC084819 ("the listed entity"),
- the filings/ submissions made by the listed entity to the stock exchanges,
- website of the listed entity,
- any other document/filing, as may be relevant, which has been relied upon to make this Report, for the financial year ended 31st March, 2025 ("Review Period") in respect of compliance with the provisions of:
 - the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - 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:-

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- 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 were NOT APPLICABLE to the Company:

- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

and circulars/ guidelines issued thereunder;

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:**

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 Practicing Company Secretary	Management Response	Remarks
-	No Non-Compliance	NA	No Deviations	NA	NA	NA	NA	NA	NA	NA

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

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 PCS on the actions taken by the listed entity
-	NA	NA	NA	NA	NA	NA

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

Sr. 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 (ICSI)	Yes	NA
2	Adoption and timely updation of the Policies: - All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities - 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	NA
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	NA
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	NA
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	The Company does not have any material subsidiary as on 31.03.2025 The Company has one wholly owned foreign subsidiary as on 31.03.2025 AND one Domestic Company as Subsidiary
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	NA
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	The evaluation has been done and complied with
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	NA
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	NA

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
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	NA
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	No action has been taken against the Listed Entity / promoters/ Directors/ subsidiaries either by SEBI or Stock Exchanges during the year under review.
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	NA
13	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/ circular/guidance note etc.	Yes	None

I further, report that the listed entity is in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations.

Assumptions & Limitation of scope and Review:

- Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
- My responsibility is to certify based upon examination of relevant documents and information. This is neither an audit nor an expression of opinion.
- I have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
- This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or 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 30, 2025



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Listed Entity	L27320WB1997PLC084819
2.	Name of the Listed Entity	TITAGARH RAIL SYSTEMS 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	2024-2025
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 Aditya Purohit Company Secretary & Compliance Officer Phone: 8910833639 Email: aditya.purohit@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

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

Sr. 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.	93.39
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.	6.61

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

Sr. 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	93.39
2	Manufacturing of Metro Coaches, Passenger Coaches, EMUs, Train Sets, Mono Rail, Propulsion equipment, Traction Motors	3020	6.61

III. Operations

1. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	4	7	11
International	Nil	Nil	Nil

2. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28
International (No. of Countries)	5

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

Response: 0.15%

c. A brief on types of customers

Response: Titagarh Rail Systems Limited (TRSL) serves a broad and diversified customer base spanning both domestic and international markets. In India, our key clients include public sector organizations such as Indian Railways, various Metro Rail Corporations, the Defence sector, the National Institute of Ocean Technology (NIOT), and the Shipping Corporation of India. We also supply to private freight logistics companies. Globally, we cater to national railway operators and private clients across regions including Bangladesh, Myanmar, Africa, Australia, and Europe. Our offerings – ranging from freight wagons and metro coaches to propulsion systems, defence and shipbuilding products – are designed to meet the specific needs of each segment, enabling us to build enduring partnerships based on quality, innovation, and reliability.

IV. Employees

1. Details as at the end of Financial Year

FY 2024-2025)

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	Employees					
1	Permanent (D)	1093	1030	94	63	6
2	Other than Permanent (E)	263	236	90	27	10
3	Total employees (D + E)	1356	1266	93	90	7
	Workers					
4	Permanent (F)	129	129	100	0	0
5	Other than Permanent (G)	4056	4021	99	35	1
6	Total workers (F + G)	4185	4150	99	35	1

b. Differently abled Employees and workers:

Sr. 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
	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

2. 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

3. Turnover rate for permanent employees and workers:

Particulars	Turnover rate of current FY 2024-25 (%)			Turnover rate of previous FY 2023-24 (%)			Turnover rate of the year prior to the previous FY 2022-23 (%)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	11.26	20.63	31.89	21	44	65	7	2	9
Permanent Workers	7.75	0.	7.75	8	0	8	0	0	0

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

Names of holding/ subsidiary/ associate companies/ joint ventures

Sr. 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	100.00	No
3.	Titagarh Mermec Private Limited	Joint Venture	50.00	No
4.	Titagarh Firema Engineering Services Private Limited	Subsidiary	66.00	No
5.	Ramkrishna Titagarh Rail Wheels Limited	Joint Venture	49.00	No
6.	Shivaliks Mercantile Limited	Joint Venture	44.63	No

VI. CSR Details:

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

(ii) Turnover (INR in Crore): Rs. 3865.82

(iii) Net worth (INR in Crore): Rs. 2519.74

VII. Transparency and Disclosures Compliances

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 2024-25			FY 2023-24		
		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 (SCORES)		3*	Nil	Nil	2	Nil	Nil
Employees and workers	For other stakeholders we have a Vigil Mechanism policy/Whistle Blower Policy and the same has been uploaded on website of the Company	Nil	Nil	Nil	Nil	Nil	Nil
Customers	The email address is: vigil.auditcommittee@titagarh.in.	Nil	Nil	Nil	Nil	Nil	Nil
Value Chain Partners	Further, all stakeholders can also email to ethics.compliance@titagarh.in.	Nil	Nil	Nil	Nil	Nil	Nil
Others (Contract Employees)	The Board has approved policies which can be accessed at weblink: https://titagarh.in/policies-and-codes	Nil	Nil	Nil	Nil	Nil	Nil

*Note : All grievances were resolved within prescribed timeline

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.

Sr. 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	The core purpose of a business organization is to generate long-term economic value for all stakeholders. Sustained profitability and growth are essential not only for shareholder returns but also for positively impacting employees, customers, partners, and the broader community. Achieving this requires a commitment to sustainable and resilient financial performance, underpinned by the integration of environmental, social, and governance (ESG) principles into business strategy and operations.	The company maintains a strong focus on cost leadership, unit cost optimization, revenue enhancement, and healthy liquidity management. These financial priorities are critical in navigating challenges such as margin pressures arising from inflation, environmental regulations, and supply chain disruptions. The company is committed to aligning financial discipline with robust ESG practices, ensuring long-term resilience and value creation.	Positive : Increased investor confidence, access to sustainable finance, operational efficiency, and improved market valuation.
2	Sustainable Supply Chain	Opportunity	By embedding strong ESG principles across the value chain, organizations unlock opportunities to empower local businesses, significantly reduce their environmental footprint, and inspire responsible governance among partners. This proactive approach creates a future-ready supply chain that is not only resilient and transparent but also a powerful driver of long-term, sustainable growth.	Embed ESG principles into procurement processes, empower suppliers through capability-building, and drive greater traceability for a more responsible and transparent supply chain.	Positive: Cost efficiencies, improved supplier performance, enhanced trust and brand reputation.
3	Product Safety and Quality	Opportunity	Effective resource management is fundamental to delivering safe, high-quality products that meet customer expectations and enhance our brand reputation. Leveraging our diverse product portfolio and innovative solutions positions us to address evolving market demands and stakeholder requirements confidently. A strong commitment to product safety safeguards consumer health, fosters enduring trust, and drives sustainable business growth. Through rigorous quality control and transparent practices, we create meaningful value for customers, reinforce investor confidence, and support long-term organizational success.	We have implemented comprehensive quality control measures throughout the manufacturing, assembly, and maintenance processes to ensure all products consistently meet stringent safety and quality standards. Each product is subject to rigorous testing and certification by relevant authorities, confirming its safety and performance. This dedication to quality enables us to foster customer loyalty, differentiate our brand in competitive markets, and pursue growth opportunities in premium segments with high safety and quality expectations. Moreover, ongoing process enhancements contribute to waste reduction and operational efficiency.	Positive: Investing in quality control infrastructure and training delivers strong financial returns by reducing costs associated with product failures and recalls. These improvements lower our risk profile, resulting in potential insurance savings. Additionally, a strengthened brand reputation and increased customer satisfaction drive higher revenues and improved profit margins. This creates opportunities for premium pricing, enhances market positioning, and reduces legal and compliance costs, contributing to sustained financial growth.

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

Sr. 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)
4	Innovation and R&D	Opportunity	We are focused on advancing sustainable growth and innovation., we expect that ongoing development of sustainable products, processes, and technologies will enhance our market position, create lasting value, and support positive environmental and social impact. We will continue to adapt to emerging challenges and evolving stakeholder expectations to build a resilient and responsible business over the long term.	Adopting innovation as a core approach enables organizations to adapt to a rapidly evolving market landscape and mitigate risks associated with obsolescence. Through focused research and development, companies can advance sustainable products, cleaner technologies, and more efficient processes that meet stakeholder expectations and regulatory requirements. This proactive strategy helps safeguard market position, ensures compliance with sustainability benchmarks, and supports long-term resilience.	Positive: Developing eco-efficient and socially responsible products creates opportunities to enter new markets and drive revenue growth. Sustainable innovation enhances customer loyalty and strengthens brand reputation, contributing to long-term competitive advantage. It also improves access to green financing and public R&D grants or subsidies. Additionally, process innovations lead to operational efficiencies and significant cost savings, further supporting financial performance.
5	Regulatory Compliance	Opportunity and Risk	Maintaining alignment with applicable laws, regulations, and industry standards across environmental, social, and governance (ESG) areas is fundamental. This commitment helps protect the organization from legal penalties and supports a strong, positive reputation. Upholding these standards also strengthens relationships with regulators, business partners, and other key stakeholders.	The company has implemented a robust management system to ensure compliance with all applicable laws, regulations, standards, and ethical practices. This proactive approach enables the organization to effectively adapt to evolving regulatory requirements. By maintaining strong compliance mechanisms, the company mitigates risks related to financial penalties, legal actions, license revocations, and reputational damage. This commitment is essential for sustaining stakeholder trust, securing the license to operate, and strengthening investor confidence.	Positive: By implementing a robust management system for compliance, the company significantly reduces the risk of fines, sanctions, or litigation arising from regulatory breaches. This approach helps prevent operational disruptions or delays caused by non-compliance with environmental permits, labor laws, or other regulatory requirements. It also minimizes the risk of exclusion from public tenders or markets with stringent compliance standards, while addressing increased scrutiny from regulators, investors. Overall, this proactive compliance strategy strengthens the company's resilience and supports sustainable business growth.
6	Corporate Governance and Ethics	Opportunity as it Enhances trust & value and also has a degree of Risk	Strong corporate governance and ethical practices are fundamental to building stakeholder trust, enhancing brand reputation, and securing investor confidence. By fostering transparency, accountability, and ethical conduct, organizations strengthen public perception and maintain a solid industry standing. This commitment enables the company to achieve sustainable growth, attract long-term investment, and reinforce its position as a responsible and trusted leader in the market.	Adhering to robust regulatory frameworks and industry best practices, the company ensures transparency, responsibility, compliance, ethics, and trust across all business processes. To uphold accountability to stakeholders, comprehensive policies, a Code of Conduct, and various management systems have been established. Strengthened board oversight with diverse and independent membership supports effective governance. The company promotes a culture of integrity by encouraging open communication and providing clear channels for reporting concerns. Continuous monitoring and transparent communication ensure alignment with evolving regulations and stakeholder expectations, effectively mitigating governance risks and reinforcing ethical business conduct.	Positive: Investor confidence, lower cost of capital, and better risk management. Negative: Exposure to legal risks.

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

Sr. 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)
7	Energy and Emission Management	Risk	Promoting efficient energy use and managing greenhouse gas (GHG) emissions across operations and the value chain are essential steps in addressing climate change. Embracing low-carbon technologies not only supports the organization's efforts to mitigate environmental impact but also positions it to meet evolving regulations and potential carbon-related costs. This proactive approach strengthens sustainability and operational resilience.	The company has implemented energy-efficient practices in operations and maintenance to reduce energy consumption and emissions, alongside integrating renewable energy sources into its operations. As climate change remains a critical global challenge, businesses face growing expectations from regulators, investors, and customers to minimize their carbon footprint. Efficient energy management not only lowers operating costs—particularly in energy-intensive industries—but also enhances emission performance, a vital metric in ESG ratings and sustainability reporting.	Positive : - Reduced operating costs through energy-efficient practices - Enhanced ESG performance and improved sustainability disclosures - Strengthened brand reputation and stakeholder trust - Better preparedness for future regulatory requirements - Competitive positioning in low-carbon and sustainability-focused markets Negative: - Rising carbon costs (e.g., carbon taxes, emissions trading schemes) - Potential reputational impact if emissions are perceived as excessive - Regulatory penalties for non-compliance with emissions or energy efficiency standards - Risk of supply chain disruptions due to energy or emissions-related constraints
8	Water Use and Recycling	Risk	Water is a vital and finite resource essential to sustainable business operations. In the face of climate change and increasingly unpredictable weather patterns, ensuring a reliable and sufficient water supply has become more challenging. The company is committed to the responsible management of water through efficient consumption, effective wastewater treatment, and recycling practices—reducing environmental impact while safeguarding long-term resource availability.	Water scarcity is an escalating concern, particularly in water-stressed regions, and presents growing challenges for industries with high water dependency, such as manufacturing. Companies face operational and reputational risks due to excessive water use or the degradation of local water sources. In response, regulators and stakeholders increasingly expect transparent water usage reporting and effective risk mitigation strategies. The company has adopted a structured and forward-looking approach to water management, consistently monitoring and improving conservation practices. Key initiatives are aimed at achieving a positive water balance, with a strong emphasis on replenishing local water tables and capturing and reusing rainwater. These actions support operational continuity, reduce environmental impact, and reflect the company's commitment to long-term water stewardship and responsible corporate citizenship.	Positive: Rainwater reuse and water table replenishment can reduce long-term water procurement and treatment costs. and Strong stewardship may improve ESG scores, enhancing access to green financing and lowering cost of capital.

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

Sr. 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	The company prioritizes effective management, reduction, recycling, and responsible disposal of waste generated throughout operations and supply chains to minimize environmental impact and ensure compliance with regulatory requirements. By proactively aligning with emerging waste management standards, the company demonstrates its strong commitment to sustainability while mitigating potential financial risks such as fines and penalties. Robust waste management practices also enhance operational efficiency and support uninterrupted product manufacturing.	In alignment with regulatory requirements and industry best practices, the company ensures responsible waste management across its operations. Waste is effectively segregated, with certain streams repurposed as raw material for the Foundry division, supporting resource efficiency and circularity. Hazardous waste is safely handled and disposed of through authorized vendors, ensuring full compliance and environmental protection. These initiatives lead to cost savings through reduced raw material use and optimized waste handling. The company also benefits from potential revenue streams via recycling, resale of by-products, and upcycling efforts. Circular economy practices strengthen brand value, enhance customer trust, and contribute to improved ESG performance—further attracting responsible investors and reinforcing the company's commitment to sustainable growth.	Positive : Continued enhancement of waste management systems and recycling infrastructure can lead to meaningful long-term benefits. These efforts may help lower raw material and disposal costs, support revenue generation through the reuse of secondary materials, and foster industrial symbiosis. Additionally, maintaining compliance with environmental regulations can reduce the likelihood of legal expenses and remediation efforts contributing to operational efficiency and overall business resilience.
10	Community Development	Opportunity /Risk	Supporting communities enhances social license to operate and fosters long-term regional stability.	Partner with local stakeholders for education, health, and livelihood initiatives.	Positive: Strengthened local relationships, reputational enhancement, and community harmony.
11	Employment	Opportunity	Employment generation supports social equity and builds a skilled, motivated workforce. Promotes inclusive hiring, skill development, with fair labor practices.	N.A.	Positive: Improved productivity, and stronger employer brand of the Company- "Titagarh".
12	Occupational Health and Safety	Risk	Occupational Health and Safety (OHS) is a core component of responsible business conduct and is essential for ensuring employee well-being and maintaining operational continuity. A strong safety culture not only supports compliance with labor laws and industry standards but also enhances workforce productivity, morale, and retention. Prioritizing health and safety helps prevent workplace incidents, reduces the risk of legal or regulatory consequences, and minimizes disruptions to business operations—ultimately contributing to sustained performance, safety of the workforce and stakeholder confidence.	The Company is committed to maintaining a robust Occupational Health and Safety (OHS) framework through regular internal audits, strict enforcement of safety standards, and adherence to globally recognized certifications such as ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018. Safety awareness and preparedness are reinforced through ongoing programs and the provision of appropriate protective equipment to all employees and workers. A strong safety culture contributes to improved workforce productivity, morale, and retention. It also supports reduced insurance premiums and lowers the incidence of compensation claims. These practices enhance the company's brand reputation, foster stakeholder trust, and strengthen its ability to attract talent in safety-conscious industries.	Positive : A well-established safety culture helps reduce accident-related downtime, legal expenses, and insurance claims. It also supports regulatory compliance, minimizing the risk of fines or business disruptions. Ultimately, this contributes to enhanced workforce productivity, resilience, and smooth operational continuity.

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

Sr. 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	The Company is committed to upholding and advancing fundamental human rights across its operations and value chain. This includes safeguarding labour rights, promoting an inclusive and non-discriminatory workplace, and ensuring freedom from any form of exploitation or unethical practices.	Compliance with human rights principles and laws strengthens the Company's legal standing and reinforces its commitment to ethical business practices. Upholding the standards applicable enhances stakeholder trust, supports a resilient and transparent supply chain, and contributes to a positive brand reputation. Strong human rights performance can attract and retain responsible investors and improve ESG ratings, further driving long-term business value.	Positive The company's steadfast commitment to respecting human rights throughout its operations and supply chain fosters a culture of integrity and responsibility. This dedication enhances stakeholder confidence, strengthens partnerships, and attracts ESG-conscious investors and customers. By embedding human rights principles into business practices, the company mitigates potential risks and drives sustainable, long-term value creation, reinforcing its position as a responsible and trusted leader in the industry.
14	Industrial Labour Relations	Opportunity/Risk	Strong industrial relations are essential for fostering a stable and engaged workforce, enhancing productivity, and supporting smooth operational continuity. Effective labour practices help the organization maintain compliance with regulations, avoid potential disputes, and empower employees, contributing to a positive workplace culture and long-term business success.	Positive and collaborative labor relations contribute to enhanced productivity and employee morale. Strong partnerships with unions support labor peace, helping to prevent disruptions such as strikes. This approach strengthens the company's reputation as a preferred employer, attracting and retaining top talent. The company maintains full compliance with all labor laws and regulations, strictly prohibiting forced, child, or compulsory labor. Our comprehensive policy framework is designed to promote a diverse, safe, and empowered workforce.	Positive : Investments in labor negotiations, compliance with agreements, and ongoing union engagement foster a stable and motivated workforce. These efforts contribute to cost savings through reduced employee turnover and enhanced morale. Over the long term, the company benefits from minimized risks of strikes, litigation, and reputational impacts, supporting sustained operational efficiency and a strong employer brand.I.e. Titagarh

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://titagarh.in/policies-and-codes								
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	The Company is engaged in identifying relevant areas and key performance indicators for each principle that would aid in laying roadmap for attaining short, medium- and long-term goals and target.								
6.	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	The Company is actively engaged in identifying relevant focus areas and key performance indicators (KPIs) for each principle, which will serve as a foundation for establishing a roadmap toward achieving its short-, medium-, and long-term goals and targets. We maintain a strict 'Zero Tolerance' policy toward any violations of human rights and have set internal goals and targets aligned with each principle. Additionally, we have taken a strategic decision to enhance and document the natural habitats in and around our operational areas.								
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)	Titagarh Rail Systems Limited (TRSL) integrates sustainability and ethical responsibility at the core of its business. As a manufacturer of freight wagons and metro coaches—two of the most eco-friendly transport modes—TRSL supports low-emission mobility while promoting efficient resource use and inclusive growth. Its plants in Uttarpara and Bharatpur serve as regional development hubs, employing a largely local workforce from nearby rural areas and fostering long-term socio-economic inclusion. The company actively promotes workplace safety, employee well-being, and community engagement through structured CSR programs. Environmentally, TRSL focuses on energy and water efficiency, waste reduction, and compliance, even though its sites are not in water-stressed zones. Governance is anchored in robust ESG policies, with leadership committed to transparency, ethical conduct, and value creation for all stakeholders. TRSL's sustainability vision goes beyond compliance—creating long-term positive impact across the environment, society, and the broader mobility ecosystem								
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 (DIN 01501767)								

Disclosure Section	P1	P2	P3	P4	P5	P6	P7	P8	P9
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, TRSL has constituted various Board committees, which are responsible for and have a remit over key sustainability related policies, as below: TRSL has a dedicated committee that oversees both ESG and CSR matters, known as the Corporate Social Responsibility (CSR) Committee. This Committee is responsible for formulating and recommending the CSR budget, activities, and expenditure, while also guiding the Company's broader Environment, Social, and Governance (ESG) initiatives. Given that TRSL primarily manufactures environmentally responsible products—such as rail freight and metro systems—sustainability remains a core focus for the Company and its stakeholders. The CSR Committee plays a key role in ensuring the effective implementation of TRSL's sustainability strategies and related policies The Stakeholders' Relationship ('SRC') Committee of the Board evaluates the statutory compliances and services concerning dividend payments, security holders, and performance of the Registrar and Transfer Agents. The Risk Management ('RM') Committee of the Board supports the Board in directing the risk management process, the controls and risk tolerance including strategic, financial, operational, sectoral, sustainability (Environmental, Social and Governance) related risks, information & cyber security and compliance risks. It makes recommendations related to risk mitigation and reviews the Company's risk governance system. Audit Committee reviews financial risks and controls and monitors mitigation measures. For the other policies, the Company has adequate internal control for its review and implementation								

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.	Performance against above mentioned policies and follow up action is reviewed on ongoing basis by respective Department heads/ Senior management and related briefs are placed before Board of Directors. The review by Board of Directors or Board Committees is carried out on need basis to align with updates in applicable regulatory laws. The Company has in place a vigil mechanism as defined in the Whistle-Blower Policy which provides a formal mechanism for all Directors and employees of the Company to approach the management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protected disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics policy. Risk Management Committee of the Board frames, implements, monitors and reviews the Risk Management plan and ensures its effectiveness. The Audit Committee has an additional oversight on the financial risks and controls.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with the statutory requirements as applicable.																	

**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)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
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)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3. The entity does not have the financial or/ human and technical resources available for the task (Yes/ No)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
4. It is planned to be done in the next financial year (Yes/ No)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
5. Any other reason (please specify)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1

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

Essential Indicators:

1. Percentage 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	Updates and awareness related to: 1) Regulatory requirements 2) Strategy update 3) Industry outlook and changes 4) Business update 5) Code of Conduct are conducted for the Board of Directors.	100
Key Managerial Personnel	5	At Titagarh Rail Systems Limited (TRSL), leadership is cultivated through a structured focus on integrity, compliance, and professional excellence. The Company has implemented a comprehensive set of policies and training initiatives to strengthen ethical behaviour, operational efficiency, and domain-specific expertise across all levels. Key initiatives include: 1) Anti-Bribery and Anti-Corruption Framework – Promotes a zero-tolerance approach to unethical practices and reinforces transparency in business dealings. 2) Corporate Communication– Ensures clear, consistent, and responsible communication aligned with TRSL's brand and values. 3) Cybersecurity Awareness Programs – Educate employees on digital risks and promote safe practices in an increasingly connected environment. 4) POSH (Prevention of Sexual Harassment at Workplace) – Upholds a respectful, inclusive, and safe workplace for all employees. 5) Safety Induction Training – Mandatory orientation focused on health, safety, and emergency response preparedness. 6) TRSL Code of Conduct Observance – Regularly commemorated and reinforced to embed ethical values into the Company's culture. 7) Process-Oriented Thinking – Encourages employees to adopt systematic and quality-driven approaches in everyday operations. Additionally, leadership and professional development at TRSL encompasses ongoing learning across critical business functions such as: ● Corporate Law & Compliance ● Financial Management & Taxation ● Strategic Marketing ● Operational Excellence ● Industry-Specific Technical Domains These efforts are aimed at nurturing capable, ethical leaders equipped to drive TRSL's mission forward in a dynamic and responsible manner.	100

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
Employees other than BoD and KMPs	7	1) Sustainability Leadership Series 2) Anti-bribery and anti-corruption awareness TRSL Code of Conduct Observance – Regularly commemorated and reinforced to embed ethical values into the Company's culture. 3) Prevention of Sexual Harassment at Workplace (POSH) 4) Corporate communications	100
Workers	5	1) Diversity, Equity and Inclusion (DEI) Training TRSL Code of Conduct Observance – Regularly commemorated and reinforced to embed ethical values into the Company's culture. 2) Stakeholder Engagement 3) Training on sustainability 4) Anti-bribery and anti-corruption awareness	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):**

Particulars	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)
Settlement of the matter was under the direction of Supreme Court and by an Order dated 12.08.2024 of SLP No. 8284-8293 of 2020 Titagarh Rail Systems Limited vs BHIM etc. disposed of upon payment of settlement amount of Rs. 73,59,000/- to 10 Gardeners of erstwhile Cimmco Limited. The dispute raised by the gardeners was under Industrial Dispute Act, 1947.					

Particulars	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					

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:**

Particulars	FY 2024-25	FY 2023-24
Directors	Nil	Nil
KMPs		
Employees		
Workers		

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

Particulars	FY 2024-25		FY 2023 2024	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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:**

Particulars	FY 2024-25	FY 2023-24
Number of days of accounts payables	30.44	34.71

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 2024-25	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
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	NA	NA
	b. Number of dealers/ distributors to whom ales 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) (%)	0.006	0.960
	b. Sales (Sales to related parties/ Total Sales)	0.002	0.030
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	NA	NA
	d. Investments (Investments related parties/ Total Investments made) (%)	0.334	76.650

Leadership Indicators:

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

Titagarh Rail Systems Limited (TRSL) actively collaborates with its value chain partners to promote responsible and sustainable business practices. As part of this engagement, the Company shares informative materials—such as posters and awareness content—highlighting the nine principles of the National Guidelines on Responsible Business Conduct (NGRBC) and their alignment with the Sustainable Development Goals (SDGs). This initiative helps build shared understanding and commitment across the value chain toward ethical, inclusive, and sustainable growth.

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
2	All 9 NGRBC principles	100%

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, Titagarh Rail Systems Limited (TRSL) has in place a well-defined Code of Conduct for Directors and Senior Management, which mandates that all Board members and senior personnel avoid situations that could give rise to actual or perceived conflicts of interest. The Code emphasizes ethical behaviour, transparency, and accountability in all business dealings.

To further strengthen its governance framework, the Company has adopted a robust Related Party Transaction Policy, which provides clear guidelines for identifying, disclosing, and managing transactions with related entities. All such transactions are conducted in the ordinary course of business and strictly on an arm's length basis, ensuring fairness and compliance with applicable regulations.

In line with best practices, the Company obtains an annual declaration from each member of the Board of Directors and Senior Management Personnel, detailing their interests in other entities. Based on these disclosures, TRSL ensures that all necessary statutory approvals are obtained in advance, wherever required, before entering into any transactions with such entities.

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.

Principal	FY 2024-25 in crs.	FY 2023-24 in crs.	Details of improvements in environmental and social impacts
R&D	NIL	100.00	The Company has established a structured mechanism to monitor research and development (R&D) expenses and capital investments in targeted technologies. R&D efforts primarily involve employee contributions toward the development of innovative metro coach designs, which are intended to enhance public mobility and generate meaningful social impact. In line with its commitment to sustainable growth, the Company also invests in capital projects that support both environmental responsibility and community well-being. These initiatives reflect the Company's focus on advancing technology while aligning with broader ESG goals.
Capex	NIL	3.75	

Note: Capex include addition made during the financial year related to PPE. R&D includes employee cost towards development of design.

2. a. Does the entity have procedures in place for sustainable sourcing?

Response: Yes The Company follows a structured sustainable sourcing procedure, under which all new and existing supply chain partners are mandatorily evaluated on key parameters such as environmental impact, health & safety standards, and overall sustainability prior to onboarding. Robust quality assurance and inspection systems are in place to ensure that all goods and services supplied by the Company remain safe and environmentally responsible throughout their life cycle. The Company places strong emphasis on techno-commercial considerations, ensuring that procurement decisions align with both performance expectations and sustainability goals.

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

Response: The Company sources materials and components in accordance with customer specifications and gives preference to vendors who can consistently meet performance requirements, wherever feasible.

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: Yes, The Company has established structured procedures for the safe reclamation, recycling, and disposal of its products and packaging materials at end-of-life, in line with environmental regulations and sustainability commitments. For plastic waste, including packaging, it complies with Extended Producer Responsibility (EPR) by collaborating with authorized recyclers and Producer Responsibility Organizations (PROs), and also facilitates reverse logistics through take-back programs. E-waste is managed in accordance with applicable E-Waste Management Rules, with authorized recyclers handling safe collection and recycling. Hazardous waste is clearly identified, segregated, and managed by CPCB/WBPCB-approved handlers under a manifest tracking system, with trained personnel and emergency protocols in place. Regular audits ensure ongoing compliance. Non-hazardous waste is handed over to authorized municipal or private agencies. All activities are documented, and the Company discloses relevant waste data annually through its sustainability and ESG reports.

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: Yes, The Company has implemented an Extended Producer Responsibility (EPR) initiative as part of its commitment to minimizing waste and promoting sustainable practices. The EPR strategy focuses on the responsible collection and management of waste generated from its products. A structured waste collection plan has been established to ensure environmentally sound handling and disposal. In addition, the Company prioritizes product design that supports recyclability and reusability, helping to reduce overall environmental impact. To strengthen execution, the Company collaborates with authorized waste collectors and recyclers, ensuring waste is managed efficiently and in line with sustainability goals.

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? N.A.

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
					Nil

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.

Name of Product /Service	Description of the risk /concern	Action Taken
		N.A.

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 2024-25	FY 2023-24
Returns from Foundry	16.64	21

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:

Particulars	FY 2024-2025			FY 2023-2024		
	Current Financial Year			Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	38.77	-	-	81.8
E-waste	-	-	5.6	-	-	6.275
Hazardous waste	-	-	55	-	-	32.4
Other waste	8044	-	-	16500	-	-

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	

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	Percentage of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day-care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1030	1030	100	815	79	0	0	1030	100	0	0
Female	63	63	100	63	100	63	100	0	0	0	0
Total	1093	1093	100	878	80	63	5.7	1030	94	0	0
Other than Permanent Employees											
Male	236	236	100	215	91	0	0	236	100	0	0
Female	27	27	100	27	100	27	100	0	0	0	0
Total	263	263	100	242	92	27	100	236	897	0	0

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

Category	Percentage of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day-care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	129	129	100	129	100	0	0	0	0	229	100
Female	0	0	0	0	0	0	0	0	0	0	0
Total	129	129	100	129	100	0	0	0	0	0	0
Other than Permanent Workers											
Male	4021	4021	100	4021	100	0	0	0	0	4021	100
Female	35	35	100	35	100	35	100	0	0	35	100
Total	4056	4056	100	4056	100	35	0.80	0	0	4056	100

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

Particulars	FY 2024-2025	FY 2023-2024
Cost incurred on well-being measures as a % of total revenue of the company	2.17%	1.70%

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

Benefits	FY 2024-25			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	86.28	99.09	Y	100	100	Y
Gratuity	100.00	100.00	Y	100	100	Y
ESI (eligible employees/ workers)	21.97	99.09	Y	21	81	Y
Others- please specify	0	0	N.A	0	0	N.A

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 most of the office buildings and operation locations are accessible to differently abled employees and workers, 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: The Company is committed to provide equal employment opportunities without any discrimination on the grounds of age, colour, origin, nationality, disability, religion, race, caste, gender, sex etc. The Company believes that diversity at workplace is an instrument for economic growth, sustainable competitive advantage and societal progress.

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. 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. We conduct periodic welfare meeting, safety committee meeting, for effective grievance redressal and ensuring a healthy workplace environment. Unit meetings are periodically held for both contractual and non-contractual workers and employees to discuss any concerns or grievances. We have a robust 'Whistle Blower Policy' in place which acts as a mechanism for employees, workers and senior management
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2024-25			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 2024-25					FY 2023-24				
	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	1266	1106	87.36	668	52.76	818	588	71.88	127	15.53
Female	90	71	78.89	17	18.89	99	36	36.36	23	23.23
Total	1356	1177	86.80	685	50.52	917	624	68.05	150	16.36
Workers										
Male	4150	4150	100	4150	100	2189	1091	49.84	567.00	25.90
Female	35	35	100	35	100	67	26	38.81	44.00	65.67
Total	4185	4185	100	4185	100	2256	1117	49.51	611.00	27.08

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

Category	FY 2024-25			FY 2023-24		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
Employees						
Male	1902	598	31.44	1173	475	40.49
Female	124	32	25.81	99	37	37.37
Total	2026	630	31.10	1272	512	40.25
Workers*						
Male	4150	N.A	N.A	147	NA	NA
Female	35	N.A.	N.A.	-	NA	NA
Total	4185	N.A.	N.A.	147	NA	NA

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

The performance of all management staff employees is managed through a performance appraisal process. The performance management process facilitates open communication between managers and employees to clarify expectations, communicate organizational goals, provide feedback, and offer continuous coaching for improving performance. This system employs a structured cascade of balanced scorecard objectives all the way down to individual targets, ensuring alignment across the organization. It integrates performance and leadership behaviour appraisal, with rewards based on both company performance and individual contributions. Compensation reviews consider performance, leadership behaviour, and market comparisons, ultimately aiming to enhance business outcomes by defining and achieving goals effectively.

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: TRSL has established a comprehensive Occupational Health and Safety (OHS) Management System that underscores its unwavering commitment to the health, safety, and overall well-being of its employees and workers. The Company's OHS practices are aligned with internationally recognized standards, with three out of six manufacturing plants certified under ISO 45001. Additionally, TRSL's environmental management practices are certified under ISO 14001:2015 and ISO 14001:2018. These certifications are supported by regular internal audits and periodic third-party external assessments to ensure continued compliance, effectiveness, and continual improvement.

The Company's approach to occupational health and safety is guided by its Business Responsibility and Sustainability Report (BRSR) Policy and detailed Standard Operating Procedures (SOPs), which outline clear protocols for hazard identification, risk mitigation, emergency preparedness, and compliance with applicable legal requirements. TRSL promotes a strong safety culture by conducting regular safety training sessions, awareness programs, and capacity-building initiatives for all employees and contract workers across its operations. The Company's proactive stance on occupational health and safety aims to create a zero-harm work environment and foster long-term well-being for all its personnel.

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, occupational health and safety risk assessment is an integral component of the Company's change management and operational planning processes. Routine safety assessments are conducted by the designated Safety Officer to proactively identify potential work-related hazards and risks across all work areas. In alignment with a culture of continuous improvement, regular safety committee meetings are held to review safety performance, share learnings, and discuss preventive measures. The Company follows a systematic approach to hazard prevention and control that includes gathering existing information on potential risks, conducting workplace inspections, investigating incidents, identifying hazards related to emergencies and non-routine operations, characterizing hazards, defining control measures, and prioritizing risks based on severity and likelihood of exposure. This structured process ensures early identification, timely mitigation, and effective control of workplace hazards. TRSL maintains strict compliance with applicable safety regulations, including the West Bengal Factories Rules, 1958. A comprehensive Safety Manual and Standard Operating Procedures (SOPs) are in place to guide safe work practices, emergency response, and legal compliance. The ongoing monitoring and review of these procedures help ensure a safe and healthy work environment for all employees and workers.

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

Response: Yes, TRSL has a system in place that allows employees and workers to report any work-related hazards they may encounter.

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 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 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	14.92	4.91
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

* Including the contract workforce

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

Response: TRSL places the highest priority on ensuring the health, safety, and well-being of its employees and workers across all operational sites. The Company has implemented structured internal processes to regularly evaluate the effectiveness of its Occupational Health and Safety (OHS) systems and ensure compliance with all applicable legal and regulatory requirements. A wide range of proactive measures have been adopted to create and sustain a safe working environment.

All new employees and workers undergo a comprehensive induction program that covers safety protocols, workplace hazards, and emergency procedures. In addition, periodic departmental safety trainings are conducted to reinforce role-specific safety practices. TRSL provides appropriate Personal Protective Equipment (PPE)—including helmets, gloves, safety shoes, and goggles—based on job roles and risk profiles. Safety awareness is continually reinforced through prominently displayed OHS posters and monthly safety meetings with employees and contract workers.

TRSL has developed a robust emergency response plan covering potential incidents such as fires, explosions, and chemical leaks. This plan is tested through quarterly mock drills at the plant level to ensure preparedness. First-aid facilities are available at all plant locations, and regular health check-ups are conducted for employees and workers to monitor physical well-being and identify potential health issues early.

The Company also undertakes periodic external audits—covering safety, electrical systems, and structural integrity—through accredited third-party agencies to proactively identify and mitigate workplace hazards. Preventive maintenance is carried out routinely on equipment, tools, and machinery to reduce the risk of mechanical failure and accidents. TRSL remains fully compliant with the West Bengal Factories Rules, 1958, and follows other relevant safety regulations, including implementation of toolbox talks, operational SOPs, and continuous workplace inspections.

Through these integrated efforts, TRSL ensures a safe, compliant, and health-conscious workplace, fostering a strong culture of safety and continuous improvement across its operations.

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

Particulars	FY 2024-25			FY 2023-24		
	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	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessments for the year:

Particulars	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: TRSL gives utmost importance to maintaining a safe and healthy work environment for all its employees and workers. To support this commitment, the company has implemented structured internal mechanisms to assess the performance of its occupational health and safety (OHS) systems and to ensure full compliance with relevant laws, standards, and regulations. Several initiatives have been put in place to enhance workplace safety and employee well-being. These include the development of a comprehensive emergency response plan to address incidents such as fires and monthly safety meetings involving both employees and contract workers to discuss safety practices and concerns; and the widespread circulation of OHS awareness posters outlining key safety guidelines. Regular mock drills are conducted to evaluate emergency preparedness, and first-aid facilities are maintained at the plant level to respond to health emergencies. In addition, TRSL provides continuous safety training to all employees and workers and conducts periodic health check-ups to monitor and promote their physical well-being.

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 Company's internal audit team regularly reviews and verifies that all statutory dues owed by service providers for their employees are fully remitted on time. Before any payment is released, service providers must submit supporting documentation, which is then vetted by the audit team. Additionally, spot checks are conducted by cross-referencing records with the relevant authority's online portals to ensure compliance.

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:

Particulars	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 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	0	0	NA	NA
Workers	0	0	NA	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) Yes.

Response: Yes, The Company continually invests in human capital development which includes building skills and capabilities that are contemporary while providing employees with a diversity of experiences.

5. Details on assessment of value chain partners:

Particulars	Percentage of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	We actively engage with our value chain partners to ensure adherence to applicable health, safety, and working condition standards and practices.
Working Conditions	

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: The Company's guidelines are communicated to all value chain partners. TRSL personnel conduct periodic site visits to these partners to assess any health and safety risks or concerns. During these visits, any identified issues are addressed, and corrective actions are collaboratively discussed to ensure continuous improvement in safety practices.

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: TRSL recognizes the vital role stakeholders play in shaping its long-term success and aligns its engagement approach with its BRSR Policy. The Company places strong emphasis on engaging stakeholders meaningfully to support effective decision-making, enhance accountability, and build long-term relationships. Key stakeholder groups are identified and periodically reviewed by senior management based on well-defined criteria such as strategic relevance, financial impact, dependency, immediacy, responsibility, and influence. Structured and ongoing engagement with these stakeholders is a priority for TRSL, enabling the organization to foster trust, improve transparency across business operations, and manage emerging risks proactively. This approach not only reinforces stakeholder confidence but also ensures alignment with the Company's sustainability objectives.
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	The Company is committed to transparency and timely disclosure, along with the efficient and sustainable use of natural resources across its operations. Efforts are continuously made to optimize inputs, support small and medium enterprises, and invest in competency development to build a more inclusive and resilient value chain.

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
Employees	No.	Regular unit level interactions, annual appraisal, celebration of events	Need based/ any time as per mutual convenience / monthly/ quarterly	The Company cultivates a culture of empathy and attentiveness by addressing concerns thoughtfully, providing ongoing training, and encouraging increased involvement from all employees. Regular discussions on updated SOPs, policies, programs, and events ensure transparent communication and foster a sense of inclusion and shared purpose throughout the organization.
Shareholders and Investors		E-mail, Meetings and Website	Analysts meet -Quarterly One to one investor as and when requested.	To review the Company's performance and secure the necessary consent or approval from shareholders as required by law, ensuring seamless business operations. The process also emphasizes open and transparent communication to address investor inquiries and uphold strong corporate governance standards.
Customers		Email, Meetings and Website	Need based/ any time as per mutual convenience / monthly/ quarterly	Understanding customer requirements, enhancing service delivery, upgrading infrastructure, conducting satisfaction assessments, providing timely updates, addressing grievances promptly, promoting products, exchanging feedback, and fostering interactive communication.

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: At TRSL, executive management is entrusted with the responsibility of engaging with stakeholders on key economic, environmental, and social matters. Feedback and insights gathered through these engagements are formally communicated to the Board via the CSR Committee. The Company has implemented a transparent and structured process for stakeholder engagement, particularly on issues related to social and community development. TRSL ensures that stakeholder voices are considered in strategic decision-making and integrated into the Company's broader sustainability efforts.

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, experts are consulted for identifying environmental related aspects. The stakeholder groups, especially the workmen and employees are consulted for identification of issues. The Company conducts its operations keeping in mind the concerns of the communities around its plant operations based on the inputs and feedback received from community representatives and employees.

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

Response: Chairperson of CSR Committee engages with the stakeholders concerned for implementing the projects to benefit the marginalized stakeholder groups, Various CSR activities undertaken by the Company are testimony to its commitment to addressing the concerns of vulnerable 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 2024-25			FY 2023-24		
	Total (A)	No. of Employees/ Workers covered (B)	% (B/A)	Total (A)	No. of Employees/ Workers covered (B)	% (B/A)
Employees						
Permanent	1093	1093	100	723	680	94
Other than Permanent	263	263	100	190	179	94
Total	1356	1356	100	913	859	94
Workers						
Permanent	129	129	100	147	137	93
Other than Permanent	4056	4056	100	1634	1095	67
Total	4185	4185	100	1781	1232	69

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

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	1030	0	0	1030	100	898	0	0	898	100
Female	63	0	0	63	100	55	0	0	55	100
Other than Permanent										
Male	236	0	0	236	100	109	0	0	109	100
Female	27	0	0	27	100	20	0	0	20	100
Workers										
Permanent										
Male	129	0	0	129	100	372	0	0	372	100
Female	0	0	0	0	0	19	0	0	19	100
Other than Permanent										
Male	4056	4056	100	0	0	1600	1600	100	0	0
Female	35	35	100	0	0	30	30	100	0	0

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

a. Median remuneration/ wages:

Particulars	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)	10	30,24,000.00	2	8,07,000.00
Key Managerial Personnel	2	71,64,837.50	Nil	N.A.
Employees other than BoD and KMP	961	4,16,016.00	59	4,44,000.00
Workers	129	2,20,044.00	0	0

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

Particulars	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	5.14%	4.18%

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 Company is committed to fostering a diverse and inclusive environment that upholds and promotes human rights. To safeguard the rights of its employees, vendors, and service providers, the Company has established a comprehensive Code of Conduct that aligns with applicable national laws and relevant international standards. These policies are designed to ensure that the Company's operations and business activities respect the rights of all individuals, including those who may be impacted by its operations. The Code of Conduct and Corporate Social Responsibility (CSR) policies clearly define acceptable behavior within the organization and include strict disciplinary measures for any violations. Human Resource and Industrial Relations personnel at each facility and the Head Office are responsible for addressing any grievances related to human rights.

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

Particulars	FY 2024-25			FY 2023-24		
	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:

Particulars	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/ workers	0	0
Complaints on POSH upheld	0	0

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

Response: The Company has established a robust grievance redressal mechanism to address concerns related to discrimination, harassment, and workplace misconduct. All reported matters are directed to the appropriate internal authority for timely and impartial resolution. In its ongoing efforts to promote a respectful and inclusive work environment, the Company conducts regular awareness sessions and internal discussions to educate employees on the prevention of sexual harassment and reinforce expectations for workplace conduct. TRSL is committed to maintaining a workplace where every employee feels safe to voice concerns. Through its Whistle Blower Policy, employees are encouraged to report unethical practices, violations of policy, or misconduct without fear of retaliation. The policy ensures that whistleblowers are protected from any form of victimisation or unfair treatment, and the Company strongly denounces any retaliatory actions or discriminatory behaviour. Further, TRSL maintains a zero-tolerance stance on harassment of any kind, including sexual harassment. The Company fosters a culture of openness and accountability, encouraging employees to report any incidents of inappropriate conduct. To support this, Internal Complaints Committees have been constituted in accordance with applicable legal requirements to investigate complaints related to sexual harassment and recommend necessary actions, ensuring due process and protection for all parties involved.

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 TRSL Code of Conducts wherein the Company's policy on human rights is defined.

10. Assessments for the year:

Particulars	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: N.A

Leadership Indicators:

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

Response: The Company has not encountered any concern requiring a change in our business processes because of addressing human rights grievances/complaints.

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

Response: The Company is implementing robust human rights due diligence across its operations.

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:

Particulars	Percentage of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	The Company has established a proactive approach to evaluating value chain partners against key human rights standards. Human rights considerations are now being integrated into supplier assessment and engagement practices, reinforcing the Company's alignment with regulatory developments and its commitment to responsible and ethical business conduct.
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 2024-25 (GJ)	FY 2023-24 (GJ)
From renewable sources		
Total electricity consumption (A)	4,104	4647
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	4,104	4647
From non-renewable sources		
Total electricity consumption (D)	153484	134078.68
Total fuel consumption (E)	145739	182335
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable resources (D+E+F)	299,223	316413.68
Total energy consumed (A+B+C+D+E+F)	303327	321,061
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations) (GJ/ INR lac)	0.7807 GJ/Lakh	0.8334 GJ/Lakh
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)	15.61 GJ/Lakh	16.66 GJ/Lakh
Energy intensity in terms of physical output	PRS = 1) 5.96 GJ per motor 2) 715.4 GJ per metro coach FRS 3.32 GJ / wagon Foundry-I (Castings) 7.78 GJ / MT Steel Casting Foundry-II (Castings) 8.38 GJ / MT Steel Casting	PRS 1) 32.74 GJ/motor 2) 163.25 GJ/metro coach FRS 15.22 GJ /wagon Foundry-I 9.04 GJ /MT Foundry-II 4.37 GJ /MT
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate whether an independent assessment, evaluation, or assurance has been performed by an external agency. If yes, specify the agency's name. No independent assessment, evaluation, or assurance has been conducted by any external agency. For India, the PPP conversion factors (national currency per international dollar) are as follows: **FY 2024–25: ₹22.40** and **FY 2023–24: ₹22.17**, conversion rate available at <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>

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: The Company is not classified as a Designated Consumer (DC) under India's Perform, Achieve and Trade (PAT) Scheme. Consequently, questions regarding achievement of PAT targets or implementation of remedial actions are not applicable to our business operations.

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

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	87480
(ii) Groundwater	85560	30240
(iii) Third party water	32400	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	117720
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	117960	47880
Total volume of water consumption (in kilolitres)	50040	69840
Water intensity per rupee of turnover (Total Water consumption/Revenue from operation) (KL/ INR lac)	0.1287 KL/INR lakh	0.1812 KL/INR lakh
Water intensity per rupee of turnover adjusted from Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operation adjusted for PPP) (KL/ INR lac)	2.85 KL/INR lakh	4.01 KL/INR lakh
Water intensity in terms of physical output	● PRS (combined Traction Motors and Rolling Stock Cars): 8.01 KL per unit ● Foundry-II (Steel Castings): 1.75 KL per metric tonne ● Foundry-I (TSL – Steel Castings): 0.53 KL per metric tonne ● FRS–TRSL (Wagon Factory): 1.21 KL per wagon	● PRS (combined Traction Motors and Rolling Stock Cars): 38.18 KL per unit ● Foundry-II (Steel Castings): 2.45 KL per metric tonne ● Foundry-I (TSL – Steel Castings): 0.70 KL per metric tonne ● FRS–TRSL (Wagon Factory): 1.28 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 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface Water		
- No treatment	0	0
- With treatment – please specify level of treatment	N.A	N.A
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	N.A	N.A
(iii) To Seawater		
- No treatment	54960	28137.20
- With treatment – please specify level of treatment	N.A	N.A
(iv) Sent to third parties		
- No treatment	0	0
- With treatment – please specify level of treatment	N.A	N.A
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	N.A	N.A
Total water discharged (in kilolitres)	54960	28137.20

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: Yes, TRSL has implemented several measures to support the objective of Zero Liquid Discharge (ZLD), ensuring that water is reused and not discharged externally. The following key systems are in place:

- **Drip Trays Installed:**
Drip trays are provided under machines, valves, and pipe joints to capture any leakages and prevent contamination. Collected fluids are safely disposed or reused after treatment.
- **Water Recycling Reservoir – Shower Test Area:**
Water used in the shower test area is collected in a dedicated reservoir, treated, and recirculated for repeated use, significantly reducing freshwater consumption.
- **Bunding for Chemical Storage Areas:**
Containment bunds are provided around chemical storage areas to prevent any potential spills from contaminating the soil or drains.
- **Reuse of RO Reject Water:**
RO reject water is reused in non-critical applications such as toilet flushing and housekeeping to minimize overall water wastage.
- **Zero Discharge Monitoring:**
Internal checks and documentation are maintained to ensure that no untreated or excess water is discharged outside the premises.

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

Parameter	Please specify unit	FY 2024-25	FY 2023-24
Nox	Mg/ Nm3	9001.63	9013.31
Sox	Mg/ Nm3	5762.62	6328.37
Particulate Matter (PM)	Mg/ Nm3	22067.17	24647.72
Persistent organic pollutants (POP)	Mg/ Nm3	0	0
Volatile organic compounds (VOC)	ppm	0	0
Hazardous air pollutants (HAP)	ppm	0	0
Others – please specify	N.A	0	0

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	FY2024-25	FY 2023 24
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	18767.34	35985
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	33399	30539
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 CO2 equivalent	0.00000135075971	0.000000172252719
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 CO2 equivalent	0.0002787	0.0003848
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO2 equivalent	Foundry-I: 1.874 tCO ₂ e/MT	Foundry-I: 2.167 tCO ₂ e/MT
		Foundry-II:2.005 tCO ₂ e/MT	Foundry-II:2.083 tCO ₂ e/MT
		Wagon Factory: 0.665 tCO ₂ e/ wagon	Wagon Factory: 0.769 tCO ₂ e/ wagon
		PRS 4.40 tCO ₂ e/coach	PRS 25.19 tCO ₂ e/motor
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO2 equivalent	PRS 4.46 tCO ₂ e/motor	PRS 17.35 tCO ₂ e/coach
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N). No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Response: At Titagarh Rail Systems Limited, we take our responsibility to reduce greenhouse gas emissions seriously.We implemented several initiatives to advance this goal, including replacing conventional office and factory lighting with energy-efficient LEDs. A key highlight is the commissioning of an 803 kW rooftop solar plant across our TWL and TSL facilities . This plant generated 841,537 kWh and 834,634 kWh respectively, accounting for approximately 15 % and 4 % of these .annual electricity consumption. Beyond reducing costs, this clean energy production significantly lowers our carbon footprint and reinforces our commitment to sustainability.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25	FY 2023-24
Plastic waste (A)	38.77	81.8
E-waste (B)	5.6	6.275
Bio- medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste Please specify, if any (G)	55	32.4
Other Non-hazardous waste generated (H). Please specify, if any (Break-up by composition i.e. by materials relevant to the sector)	13620	16920
Total ((A+B+C+D+E+F+G+H) (in metric tonnes)	13720	17040
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations) (Metric tonne/ INR lac)	0.00000035525634	0.00000044122216
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/ Revenue from operations adjusted for PPP) (metric tonne/ INR lac adjusted for PPP)	0.7909 MT/Lakh	0.9805 MT/Lakh
Waste intensity in terms of physical points	3.532	4.424
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	405.47
(ii) Re-used	16500	14,517.28
(iii) Other recovery operations	0	0
Total	16500	14,922.75
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	1.3	0
(ii) Landfilling	0	0
(iii) Other disposal operations	19.9	3158.89
Total	21.2	3158.89

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

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

TRSL adheres to a robust waste management policy in full compliance with the State Pollution Control Board (SPCB) regulations, especially concerning hazardous waste. The company secures SPCB authorization under Form 2 for hazardous waste generation and disposal, maintains clear segregation and storage in secure, designated areas to prevent environmental contamination, and coordinates with only SPCB approved agencies for final disposal. Additionally, TRSL submits the mandatory annual return (Form 4) to the SPCB by June 30 each year, detailing the volume and handling of hazardous waste, ensuring full transparency and regulatory adherence.

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

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)
1	Mal Godown Road, Bharatpur	Fabrication work	Yes

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant weblink
NA					

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

Sl. No.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines /penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
The Company has stringent internal controls for ensuring compliance to all guidelines and standards set by CPCB / SPCBs. The Company aims at surpassing the minimum standards at every manufacturing stage.				

Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):
For each facility / plant located in areas of water stress, provide the following information:
(i) Name of the area
(ii) Nature of operations
(iii) Water withdrawal, consumption, and discharge in the following format:

Response:

Parameter Water withdrawal by source (in kilolitres)	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
(i) Surface water	26372	0
(ii) Groundwater	82516.1	398731.75
(iii) Third party water	0	281237.2
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	95916	679968.95
Total volume of water consumption (in kilolitres)	95916	679968.95
Water intensity per rupee of turnover (Water consumed / turnover)	0.00000248358364	0.00001760665329
Water intensity (optional) - the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(ii) Into Groundwater	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iii) Into Seawater	0	0
- No treatment	113325.75	398731.75
- With treatment - please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
Total water discharged (in kiloliters)	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency

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

Response: Not available

Parameter	Unit	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2.78	4.17
Total Scope 3 emissions per rupee of turnover		0.00000000007198	0.00000000010798
Total Scope 3 emission intensity (optional) the relevant metric may be selected by the entity			

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)	APCD has been installed in various facility	As per statutory

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

Response: Yes, Titagarh Rail Systems Limited has established a Business Continuity Plan (BCP) and Disaster Management Plan (DMP) to ensure operational resilience and safety during unforeseen events. The plans outline procedures for risk assessment, emergency response, and recovery of critical functions in case of natural disasters, fire, cyberattacks, or operational disruptions. Regular mock drills, employee training, backup systems, and coordination with local emergency services are part of the strategy. The company also has designated teams for crisis communication, evacuation, and restoration. The plans are periodically reviewed and updated to align with evolving risks and regulatory requirements, ensuring minimal disruption to operations.

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: Titagarh Rail Systems Limited engaged in manufacturing passenger rolling stock, freight rolling stock acknowledges its commitment to fostering a sustainable and environmentally responsible value chain. The company actively promotes the use of sustainable materials and encourages suppliers to adhere to environmental norms, integrating green guidelines into purchase orders. To enhance environmental performance, TRSL engages in regular audits and collaborates with suppliers through environmental awareness programs. Additionally, the company implements initiatives such as bulk transportation, GPS tracking, and the in-house use of battery-operated vehicles to further reduce its environmental footprint across the value chain.

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

Response: 90%

PRINCIPLE 7

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 [Four]

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.

Sr. 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. A.P

Name of authority	Brief of the case	Corrective action taken
None	Not Applicable	Not Applicable

Leadership Indicators:

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

Response: The Company’s BRSR covers on Responsible Advocacy. It provides the guideline for necessary interface with Government/ Regulatory Authorities on matters concerning the industry/sector in which the Company operates.

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development.

Essential Indicators: EHS

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

Sr. 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
N.A						

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

Sr. 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)
During the financial year 2024–2025, none of the projects undertaken by the entity required rehabilitation and resettlement (R&R) interventions. There was no displacement of local populations or acquisition of inhabited land, and therefore, the question is not applicable (NA). The entity remains committed to upholding human rights and ensuring that its operations do not adversely impact local communities.						

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

Response: Titagarh Rail Systems Limited has a clear and active approach to community engagement near its manufacturing sites. Staff at these locations are trained to work closely with local communities to receive and address any grievances. As part of its Corporate Social Responsibility (CSR) efforts, the company supports four schools near its TRSL facilities, partnering with Titagarh Municipality for implementation. Dedicated personnel are available to listen to community concerns and offer support, reflecting the company’s commitment to strong local relationships and successful CSR initiatives.

Beyond formal channels set by government rules the teams at the factory regularly engage with the local community to proactively resolve any issues or problems, arisen.

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

Particulars	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers (%)	41.97	12.45
Directly from within India (%)	51.76	94.69

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: HR

Location	FY 2024-25	FY 2023-24
Rural	4.86	6.32
Semi-urban	12.04	12.61
Urban	31.02	30.09
Metropolitan	52.08	50.98

(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: Not Applicable

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

Response: Not Applicable

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

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 Applicable

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: Not Applicable

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: Not Applicable

6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1.	Muskan School	58	100
2.	Titagarh Municipality	1685	100
3.	Annamrita	1000	100
4.	South Kolkata Hamari Muskan	230	100
5.	Rotary Club of Calcutta Metropolitan Trust	45*	100
6.	Apprentices under NAPS	1120	100
7.	Calcutta Marudyan	250	100

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.

* Animal Welfare Project

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:

Particulars	FY 2024-25			FY 2023-24		
	Received during the year	Pending Resolution at end of year	Remarks	Received during the year	Pending Resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	0	0	NA	0	0	NA

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

Particulars	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	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:

- Number of instances of data breaches: Nil
- Percentage of data breaches involving personally identifiable information of customers: Nil
- 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:** Not Applicable

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services. **Response:** The Company's operations and products/services do not qualify under essential services - hence this is not applicable for the Company.

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:** The Company ensures all that is manufactured is displayed with appropriate markings and labels as prescribed by the guidelines set forth by the Indian Railways, & any other prominent regulatory bodies.

5. Provide the following information relating to data breaches:

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

Qualified Opinion

1. We have jointly 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, 2025, 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, except for the indeterminate effect as laid out in the Basis for Qualified Opinion section of our Report below, 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, 2025, 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 Qualified Opinion

3. We draw attention to Note 49 to the standalone financial statements in respect of investments (directly and indirectly through Shivaliks Mercantile Limited, a joint venture company) in Titagarh Firema SpA ("Firema"), an associate company based in Italy, having a carrying value of Rs. 112.73 crores (March 31, 2024: Rs. 112.73 crores) as at balance sheet date. Firema has encountered significant operational and financial difficulties due to an ongoing dispute with one of its largest customers which has severely impacted its liquidity position. Firema has filed for protection under Italian Crisis Code - Composizione

Negoziata della Crisi (CNC) along with a restructuring plan on May 14, 2025 with Chamber of Commerce, which was also admitted by the Court of Naples on May 27, 2025. Pending the outcome of the CNC process and approval by the Court, the possible impairment loss in the carrying value of investments in Firema as stated above and its consequential impact on the profit for the year and the net worth of the Company as at March 31, 2025 is currently not determinable.

4. We conducted our joint 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 qualified opinion.

Key Audit Matter

5. 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 qualified opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition - appropriateness of estimation of contract cost and contract revenue (Refer to Note 4.6 and 5.9 – “Revenue Recognition”, refer Note 3(a) – “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”) 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. 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. 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.	Our audit procedures included the following: ● 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 recognised based on the percentage of completion. ● Evaluated the adequacy of the disclosures made in the standalone financial statements.

Other Information

6. 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 qualified 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

7. 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 Indian 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.

8. In preparing the standalone financial statements, Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. 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

10. 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.
11. 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)(i) 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.

12. 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.

13. 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.

14. 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

15. 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 B** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and except for the matter described in the paragraph 3 of the Basis for Qualified Opinion section of our report 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, except as described in the Basis for Qualified Opinion section of our Report above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 16(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 Indian 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, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, 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 16(b) above on reporting under Section 143(3)(b) and paragraph 16(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 Note 38 to the standalone financial statements
 - ii. The Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 18 and Note 22 to the standalone 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, as disclosed in Note 48.2(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 48.2(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 by the Company during the year and until the date of this audit report is in compliance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account,

which 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 feature was not enabled for the period April 1, 2024 to May 2, 2024 at the application level for modification, if any, by certain users with specific access and for the period April 1, 2024 to May 13, 2024 for direct database changes and the audit log of modification does not contain the pre-modified values at the database level. During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained / enabled where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention. In respect of another accounting software, which is operated by a third party service provider for maintaining its books of account in respect of which the audit trail was not maintained in the prior year and hence to this extent, the question of our commenting on whether the audit trail was preserved by the Company as per the statutory requirements for record retention does not arise.

17. 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: 25099903BMOUPO5891
Place: Kolkata
Date: May 30, 2025

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

Anand Prakash
Partner
Membership Number: 056485
UDIN: 25056485BMOCLN2716
Place: Kolkata
Date: May 30, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 16(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 as of and for the year ended March 31, 2025

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, 2025 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 ("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 specified 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 qualified 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 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 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 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.

Basis for Qualified Opinion

8. According to the information and explanations given to us and based on our audit, a material weakness has been identified in the operating effectiveness of the Company's internal financial controls with respect to impairment assessment of investments in an associate company and a joint venture company as at March 31, 2025, pursuant to significant developments, as explained in Note 49 to the standalone financial statements, which could potentially result in possible impairment loss not being recognised, with consequential impact on profit for the year and the carrying value of investments, and

the net worth of the Company as at March 31, 2025.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

10. In our opinion, except for the possible effects of the material weakness described in the Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as of March 31, 2025, 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.
11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2025, and the material weakness has affected our opinion on the standalone financial statements of the Company for the year ended on that date and we have issued a qualified opinion on the standalone financial statements. (Refer paragraph 3 of the main audit report)

For Price Waterhouse & Co. Chartered Accountants LLP

Firm Registration Number: 304026E / E-300009

Pramit Agrawal

Partner

Membership Number: 099903

UDIN: 25099903BMOUPO5891

Place: Kolkata

Date: May 30, 2025

For Salarpuria & Partners

Firm Registration Number: 302113E

Chartered Accountants

Anand Prakash

Partner

Membership Number: 056485

UDIN: 25056485BMOCLN2716

Place: Kolkata

Date: May 30, 2025

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of Titagarh Rail Systems Limited (formerly known as Titagarh Wagons Limited) on the standalone financial statements as of and for the year ended March 31, 2025

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.

- (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 crores)	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	1.43	Titagarh Shipyd 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 Shipyd 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	33.91	Titagarh Steels Limited	No	April 1, 2009	Pursuant to order of Hon'ble High Court Calcutta passed on September 14, 2009, erstwhile Titagarh Steels Limited got merged with the Company with the appointed date as April 1, 2009. The Company has already submitted an application to the relevant authority for changing the name which is pending.
Freehold Land	47.35	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 Cimmco Limited (earlier known as M/S Birla Brothers Ltd. and subsequently Cimmco 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	169.35	Cimmco Birla Limited	No	April 1, 2019	

Description of property	Gross carrying value (Rs. in crores)	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
Leasehold Land	27.59	Cimmco 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 Cimmco Limited (earlier known as M/S Birla Brothers Ltd and subsequently Cimmco 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.
Leasehold Land	111.64	In the name of Additional District Magistrate and Office of the District Land and Land Reforms Officer on behalf of the Governor of the State of West Bengal	No	July 31, 2024	Pending execution of leasehold rights by Additional District Magistrate and Office of the District Land and Land Reforms Officer on behalf of the Governor of the State of West Bengal. For details, refer note 6.1 (f) to the standalone financial statements.
Building	1.17	Ms. Savitri Devi Chowdhary	Promoter	March 28, 2001	The Company is yet to initiate the process for transfer of property.
Investment Property	8.21	Cimmco 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 Cimmco Limited (earlier known as M/S Birla Brothers Ltd. and subsequently Cimmco 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) 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.

(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 for the quarter ended June 30, 2024, September 30, 2024 and December 31, 2024 respectively which are in agreement with the unaudited books of account. The Company has not filed quarterly return or statement with such banks for quarter ended March 31, 2025 and accordingly, the question of our commenting on whether this return or statement is in agreement with the unaudited books of account of the Company does not arise.

iii. (a) The Company has made investments in two companies and stood guarantee to one company. The Company has not granted secured / unsecured / loans / advances in nature of loans or provided security to any company / firm / limited liability partnership / other party. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such guarantee to joint venture is as per the table given below:

Particulars	Guarantee (Rs. in crores)
Aggregate amount provided during the year	
- Joint Venture	169.74
Balance outstanding as at balance sheet date in respect of the above case	
- Joint Venture	169.74

Also, refer Note 7 (e) to the standalone financial statements

(b) In respect of the aforesaid investments and guarantee, the terms and conditions under which such investments were made, and guarantee was provided are not prejudicial to the Company's interest.

(c) The Company has not granted secured / unsecured / loans / advances in nature of loans 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 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, provident fund, 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 48.1 to the standalone financial statements regarding Management's assessment on certain matters relating to provident fund. However, there are no arrears of statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.

(b) The particulars of statutory dues referred to in sub-clause (a) as at March 31, 2025 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Net of payment) (Rs. in crores)	Amount of payment (Rs. in crores)	Period to which the amount relates	Forum where the dispute is pending
The Income-Tax Act, 1961	Income Tax	30.41	-	AY 2011 - 2012, AY 2015 - 2016, AY 2017 - 2018, AY 2018 - 2019, AY 2022 - 2023 to AY 2024 - 2025	CIT(A)
		0.80	-	AY 2005 - 2006	Income Tax Appellate Tribunal
The Custom Act, 1962	Custom Duty	0.31	-	1992 - 1993	Additional Commissioner Customs
		0.59	0.03	1986 - 1987, 1998 - 1999, 2000 - 2001	Deputy Director of Enforcement
The West Bengal Sales Tax Act, 1944	Sales Tax	0.05	-	2004 - 2005	The West Bengal Taxation Tribunal
The Rajasthan Sales Tax Act	Sales Tax	0.20	-	2015 - 2016 to 2017 - 2018	Deputy Commissioner Appeal
		1.12	-	2013 - 2014	Rajasthan Tax Board
		3.32	0.23	2017 - 2018	The Additional Commissioner, Appellate Authority
The Orrisa Sales Tax Act	Sales Tax	1.18	-	1999 - 2001	High Court
The West Bengal Value Added Tax Act, 2003	Value Added Tax	14.99	1.51	2012 - 2013 to 2017 - 2018	The West Bengal Taxation Tribunal
		0.17	-	2010 - 2011	Additional Commissioner of Commercial Tax West Bengal
Foreign Trade Development and Regulation Act, 1992	Terminal Excise Duty	6.93	-	2008 - 2010	Directorate General of Foreign Trade
Orissa Entry Tax Act	Entry Tax	0.16	-	1999 - 2001	High Court
		0.08	-	2013 - 2014	Appellate Authority
The Central Excise Act, 1944	Excise Duty	2.41	0.08	1999 - 2000, 2007 - 2009, 2010 - 2015, 2020 - 2021	Customs, Excise and Service Tax Appellate Tribunal
		3.94	0.05	2011 - 2015	Additional Commissioner of Central Excise and Service Tax
		0.75	0.05	2009 - 2011, 2014 - 2016	Assistant Commissioner of Central Excise and Service Tax
		35.85	0.57	1995 - 1996, 2006 - 2007 to 2013 - 2014	Commissioner of Central Excise and Service Tax
		1.23	0.06	2007 - 2008 to 2013 - 2014	Commissioner of Central Excise and Service Tax (Appeal)
		0.34	0.01	2014 - 2017	Commissioner (Appeal)
		4.52	0.21	2013 - 2016	Joint Commissioner of Central Excise and Service Tax
		1.26	-	1989 - 1994	Supreme Court
		3.67	0.96	2017 - 2018, 2018 - 2019, 2020 - 2021	Commissioner of Central Goods and Service Tax (Appeal)
		3.42	0.34	2017 - 2018, 2022 - 2023	Commissioner of Goods and Service Tax (Appeal)
CGST Act, 2017	Goods and Service Tax	21.56	-	2017 - 2018 to 2022 - 2023	High Court

- 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 Wilful 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, 2025 and there was no unutilised balance of term loan obtained in earlier years as on April 1, 2024. Accordingly, reporting under clause 3(ix)(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.
- (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, associate company 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 company.
- 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 not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- 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 not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(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(xi)(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 (xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one unregistered CIC as part of the Group as detailed in Note 48.2(x) to the standalone financial statements.
- 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, 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: 25099903BMOUPO5891

Place: Kolkata

Date: May 30, 2025

For Salarpuria & Partners

Firm Registration Number: 302113E

Chartered Accountants

Anand Prakash

Partner

Membership Number: 056485

UDIN: 25056485BMOCLN2716

Place: Kolkata

Date: May 30, 2025

TITAGARH RAIL SYSTEMS LIMITED
Standalone Balance Sheet As at March 31, 2025

Particulars	Notes	As at March 31, 2025 Rs. in Crores	As at March 31, 2024 Rs. in Crores
I. ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	6.1	830.52	647.67
b) Right-of-Use Assets	6.6	83.00	90.70
c) Capital Work-in-Progress	6.4	39.61	107.80
d) Investment Properties	6.3	8.21	8.21
e) Intangible Assets	6.2	69.42	1.67
f) Intangible Assets under Development	6.5	83.63	66.91
g) Financial Assets			
i) Investments	7	343.04	212.93
ii) Other Financial Assets	9	80.22	52.85
h) Contract Assets	11	3.41	0.98
i) Non-current Tax Asset (Net)	10	24.58	34.46
j) Other Non-Current Assets	12	60.21	21.93
Total Non-Current Assets		1,625.85	1,246.11
Current Assets			
a) Inventories	13	523.33	523.72
b) Financial Assets			
i) Trade Receivables	8	671.09	532.52
ii) Cash and Cash Equivalents	14.1	17.36	326.89
iii) Bank Balances Other than (ii) above	14.2	442.13	280.12
iv) Other Financial Assets	9	142.29	13.14
c) Contract Assets	11	205.02	101.04
d) Other Current Assets	12	169.56	202.75
Total Current Assets		2,170.78	1,980.18
TOTAL - ASSETS		3,796.63	3,226.29
II. EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	15	26.93	26.93
b) Other Equity	16	2,492.81	2,201.29
Total Equity		2,519.74	2,228.22
Liabilities			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	17	24.93	37.36
ii) Lease Liabilities	6.6	89.47	93.70
iii) Other Financial Liabilities	22	3.43	-
b) Contract Liabilities	23	37.46	122.79
c) Provisions	18	6.11	3.54
d) Deferred Tax Liabilities (Net)	20	18.75	10.64
Total Non-Current Liabilities		180.15	268.03
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	17	504.41	28.90
ii) Lease Liabilities	6.6	7.82	5.76
iii) Trade Payables	21		
a) Total Outstanding Dues of Micro Enterprises and Small Enterprises		43.30	38.00
b) Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises		191.04	281.44
iv) Other Financial Liabilities	22	37.53	26.23
b) Contract Liabilities	23	274.07	315.57
c) Other Current Liabilities	24	6.67	4.00
d) Provisions	18	24.55	16.71
e) Current Tax Liabilities (Net)	19	7.35	13.43
Total Current Liabilities		1,096.74	730.04
TOTAL - LIABILITIES		1,276.89	998.07
TOTAL - EQUITY AND LIABILITIES		3,796.63	3,226.29

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.: 304026E / E-300009

Pramit Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 30, 2025

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

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 30, 2025

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 30, 2025

Atul Ravishanker Joshi
Independent Director
DIN: 03557435
Place: Mumbai
Date: May 30, 2025

Saurav Singhania
Chief Financial Officer
Place: Kolkata
Date: May 30, 2025

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652
Place: Kolkata
Date: May 30, 2025

Anil Kumar Agarwal
Deputy Managing Director
DIN: 01501767
Place: Kolkata
Date: May 30, 2025

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 30, 2025

TITAGARH RAIL SYSTEMS LIMITED
Standalone Statement of Profit and Loss for the year ended March 31, 2025

Particulars	Notes	For the year ended March 31, 2025 Rs. in Crores	For the year ended March 31, 2024 Rs. in Crores
Income			
Revenue from Operations	25	3,865.82	3,853.30
Other Income	26	75.25	45.67
Total Income		3,941.07	3,898.97
Expenses			
Cost of Raw Materials & Components Consumed	27	2,964.91	2,951.70
Changes in Inventories of Finished Goods, Work in progress and Saleable Scrap	28	(36.06)	36.38
Employee Benefits Expense	29	85.89	66.29
Finance Costs	30	73.14	73.45
Depreciation and Amortisation Expense	31	29.50	27.10
Other Expenses	32	412.13	347.00
Total Expenses		3,529.51	3,501.92
Profit before Tax		411.56	397.05
Income Tax Expense	33		
Current Tax (Including Earlier Years)		99.53	102.99
Deferred Tax - Charge / (Credit)		8.60	(2.85)
Total Tax Expense		108.13	100.14
Profit for the Year After Tax		303.43	296.91
Other Comprehensive Income			
Item That Will Not Be Reclassified To Profit Or Loss In Subsequent Periods:			
Remeasurement Gains / (Losses) on Defined Benefit Plans		(1.96)	(0.12)
Income Tax on above		0.49	0.03
Item That Will Be Reclassified To Profit Or Loss In Subsequent Periods:			
Fair Value Changes of Cash Flow Hedges		-	0.21
Income Tax on above		-	(0.06)
Other Comprehensive Income for the Year (Net of Taxes)		(1.47)	0.06
Total Comprehensive Income for the Year		301.96	296.97
Earnings per Equity Share [Nominal Value of Share Rs. 2/- (March 31, 2024: Rs 2/-)]	34		
Basic (in Rs.)		22.53	23.30
Diluted (in Rs.)		22.51	23.30

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.: 304026E / E-300009

Pramit Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 30, 2025

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

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 30, 2025

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 30, 2025

Atul Ravishanker Joshi
Independent Director
DIN: 03557435
Place: Mumbai
Date: May 30, 2025

Saurav Singhania
Chief Financial Officer
Place: Kolkata
Date: May 30, 2025

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652
Place: Kolkata
Date: May 30, 2025

Anil Kumar Agarwal
Deputy Managing Director
DIN: 01501767
Place: Kolkata
Date: May 30, 2025

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 30, 2025

TITAGARH RAIL SYSTEMS LIMITED
Standalone Statement of Cash Flows for the year ended March 31, 2025

Particulars	For the year ended March 31, 2025 Rs. in Crores	For the year ended March 31, 2024 Rs. in Crores
A. Cash Flows from Operating Activities		
Profit before Tax	411.56	397.05
Adjustments for:		
Depreciation and Amortisation Expense	29.50	27.10
Finance Cost	73.14	73.45
Unrealised Foreign Exchange Fluctuations (Gain) / Loss (Net)	(2.24)	0.56
Provision for Doubtful Debts and Advances	5.24	7.92
Guarantee Commission Income	(0.85)	-
Provision for Onerous Contract	8.11	4.42
Irrecoverable Debts / Advances Written Off (Net)	-	0.03
Net (Gain) / Loss on Disposal of Property, Plant and Equipment	(0.23)	-
Fair Value Gain on Investment - FVTPL	(15.38)	(5.19)
Dividend Income from Subsidiary	-	(5.79)
Unspent Liabilities / Provisions No Longer Required Written Back	-	(1.85)
Interest Income	(51.52)	(19.55)
Other Income for Security Deposit of Leases	(0.33)	(0.26)
Employee Stock Option Expenses	0.22	-
Operating Profit before Changes in Operating Assets and Liabilities	457.22	477.89
(Decrease) in Trade Payables	(85.17)	(1.60)
(Decrease) in Contract Liabilities	(126.83)	(128.52)
Increase / (Decrease) in Other Non-current and Current Financial and Non-financial Liabilities and Provisions	(1.11)	19.10
(Increase) in Trade Receivables	(139.20)	(261.04)
(Increase) / Decrease in Inventories	0.40	(78.48)
(Increase) / Decrease in Contract Assets	(106.41)	154.19
(Increase) / Decrease in Other Non-current and Current Financial and Non-financial Assets	(4.36)	11.87
Cash Generated from/ (Used in) Operations	(5.46)	193.41
Income Taxes Paid (Net of Refunds)	(95.71)	(100.61)
Net Cash From / (Used in) Operating Activities	(101.18)	92.80
B. Cash Flows from Investing Activities		
Payments for Acquisition of Property, Plant and Equipment including Capital Work-in-Progress	(219.59)	(163.52)
Payments for Acquisition of Intangible Assets and Intangible Assets under Development	(16.49)	-
Proceeds from Disposal of Property, Plant and Equipment	5.91	-
Investments in Joint Ventures	(109.80)	(163.21)
Fixed Deposits Made	(1,106.58)	(310.35)
Fixed Deposits Matured	836.05	83.72
Dividend Income from Subsidiary	-	5.79
Interest Received	29.63	16.49
Net Cash Used in Investing Activities	(580.87)	(531.08)
C. Cash Flows from Financing Activities		
Proceeds From Issue of Fresh Equity Shares (Net of Share Issue Expenses)	-	974.68
Repayment of Long-Term Borrowings	(12.51)	(33.08)
Principal Payment of Lease Liabilities	(12.64)	(11.90)
Interest Payment of Lease Liabilities	(2.76)	(1.62)
Short Term Borrowings - Receipts / (Payments) (Net)	474.86	(150.33)
Finance Costs Paid	(63.67)	(46.99)
Dividend Paid	(10.77)	(6.38)
Net Cash from Financing Activities	372.52	724.38
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(309.53)	286.10
Cash and Cash Equivalents - Opening Balance (Refer Note 14.1)	326.89	40.79
Cash and Cash Equivalents - Closing Balance (Refer Note 14.1)	17.36	326.89

The above cash flow excludes Rs. 4.93 crores in respect to the Guarantee Commission relating to investment in joint venture which is in the nature of non-cash expense.

- a) 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'.
b) Refer Note 46 for Debt Reconciliation.

The above Standalone Statement of Cash Flows should be read in conjunction with the accompanying notes.

This is the Standalone Statement of Cash Flows 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 30, 2025

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

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 30, 2025

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 30, 2025

Atul Ravishanker Joshi
Independent Director
DIN: 03557435
Place: Mumbai
Date: May 30, 2025

Saurav Singhania
Chief Financial Officer
Place: Kolkata
Date: May 30, 2025

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652
Place: Kolkata
Date: May 30, 2025

Anil Kumar Agarwal
Deputy Managing Director
DIN: 01501767
Place: Kolkata
Date: May 30, 2025

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 30, 2025

TITAGARH RAIL SYSTEMS LIMITED
Standalone Statement of Changes in Equity for the year ended March 31, 2025

A) Equity Share Capital (Refer Note 15)

(Rs. in Crores)

Particulars	Number in Crores	Amount
Balance as at April 1, 2023	11.96	23.91
Shares Issued During The Year On Preferential Basis	0.76	1.52
Shares Issued During The Year Pursuant to Qualified Institutional Placement	0.75	1.50
Balance as at March 31, 2024	13.47	26.93
Changes in Equity Share Capital	-	-
Balance as at March 31, 2025	13.47	26.93

B) Other Equity

(Rs. in Crores)

Particulars	Other Equity (Refer Note 16)						
	Securities Premium Account	General Reserve	Capital Reserve	Hedge Reserve Account	Employee Stock Option Outstanding Account	Retained Earnings	Total
Balance as at April 1, 2023	410.64	54.12	56.92	(0.26)	-	417.62	939.04
Profit for the Year	-	-	-	-	-	296.91	296.91
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	(0.09)	(0.09)
- Remeasurement (Gains) / Losses on Defined Benefit Plans	-	-	-	-	-	-	-
- Fair Value Change of Cash Flow Hedges	-	-	-	0.15	-	-	0.15
Total Comprehensive Income for the Year	-	-	-	0.15	-	296.82	296.97
Issue of Equity Shares on Preferential basis	287.28	-	-	-	-	-	287.28
Issue of Equity Shares Pursuant to Qualified Institutional Placement	698.50	-	-	-	-	-	698.50
Dividend Paid	-	-	-	-	-	(6.38)	(6.38)
Share Issue Expenses	(14.12)	-	-	-	-	-	(14.12)
Balance As at March 31, 2024	1,382.30	54.12	56.92	(0.11)	-	708.06	2,201.29
Profit for the Year	-	-	-	-	-	303.43	303.43
Reclassified To Profit And Loss And Included In Profit For The Year	-	-	-	0.11	-	-	0.11
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	(1.47)	(1.47)
- Remeasurement (Gains) / Losses on Defined Benefit Plans	-	-	-	-	-	-	-
Total Comprehensive Income for the Year	-	-	-	0.11	-	301.96	302.07
Recognition of Share Based Payment	-	-	-	-	0.22	-	0.22
Dividend Paid	-	-	-	-	-	(10.77)	(10.77)
Balance As at March 31, 2025	1,382.30	54.12	56.92	-	0.22	999.25	2,492.81

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 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 30, 2025

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

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 30, 2025

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
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DIN: 00313652
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Date: May 30, 2025

Anil Kumar Agarwal
Deputy Managing Director
DIN: 01501767
Place: Kolkata
Date: May 30, 2025

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 30, 2025

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025

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 30, 2025.

(b) Basis of Preparation

(i) Compliance with Indian Accounting Standards

The standalone financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian 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 realisation 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 September 9, 2024 and September 28, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 1, 2024:

- Insurance Contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

The areas involving critical estimates or judgements are:

a) 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.

b) Employee Benefits (Estimation of Defined Benefit Obligations) — Notes 5.11 and 35

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.

c) 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, 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.

d) Litigations, Claims and Contingencies — Notes 5.13, 5.14 and 38

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.

e) 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 optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

f) 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

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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.

g) Impairment of Investments in Subsidiaries, Associates and Joint Ventures — Notes 4.5 and 7

Determining whether the investments in subsidiaries, 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 subsidiaries, associate and joint ventures.

h) Fair Value Measurements — Notes 5.5(vii) and 43

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

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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.

Designs

Designs represents cost incurred towards development of Aluminium and Stainless steel car body for passenger rail segment and Traction converters.

Amortisation Method and Period

Intangible assets are amortised on a pro-rata basis using the straight-line method over its estimated useful life as mentioned below. 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. Amortisation method and useful lives are reviewed periodically including at each financial year end.

Particulars	Useful Life
Aluminium And Stainless Steel Car Body	10 years
Traction Converters	3 years
Computer Software	5 years

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 expenses in the statement of profit and loss. Short term leases are leases with a lease term of less than 12 months or less.

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)
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 specialised products

Revenue from specialised 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 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 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 as and when they arise. Hedge accounting is discontinued when the hedging instrument expires or is sold,

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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.

4.8 Share Based Payments

Share-based compensation benefits are provided to employees via the Titagarh Rail Systems Limited Employee Stock Option Scheme namely Titagarh Rail Systems Limited Employee Stock Option Scheme 2023. Employees receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in Employee Stock Options Outstanding Account in equity, over the period in which the performance and/or service conditions are fulfilled, in Employee Benefit Expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

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

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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 44(II) details how the Company determines whether there has been a significant increase in credit risk.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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 recognises 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

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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.

5.12 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 substantially 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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

6.1 Property, Plant and Equipment

Particulars	Freehold Land (Refer (a) below]	Leasehold Land (Refer (a) below]	Leasehold Improvement	Buildings [Refer (a) below]	Plant and Equipments	Railway Wagons	Railway Sidings	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Total
Gross Carrying Amount												
As at March 31, 2023	234.18	208.74	0.71	107.30	137.89	4.06	7.72	4.03	2.43	5.16	3.88	716.10
Additions	-	-	-	7.51	29.52	-	-	1.45	1.70	1.14	1.30	42.62
Disposals	0.04	-	-	-	-	-	-	-	-	0.12	-	0.16
As at March 31, 2024	234.14	208.74	0.71	114.81	167.41	4.06	7.72	5.48	4.13	6.18	5.18	758.56
Additions	-	2.45	-	50.44	137.31	-	1.28	1.47	6.37	1.19	4.94	205.45
Disposals	0.09	-	-	-	-	4.06	-	-	-	-	1.90	6.05
Transfer In / (Out) (Refer note (f) below)	(109.19)	109.19	-	-	-	-	-	-	-	-	-	-
As at March 31, 2025	124.86	320.38	0.71	165.25	304.72	-	9.00	6.95	10.50	7.37	8.22	957.96
Accumulated Depreciation												
As at March 31, 2023	-	13.38	0.71	17.03	51.86	0.21	1.74	2.84	1.57	3.83	1.86	95.03
Charge for the Year	-	1.76	-	2.95	7.83	-	0.37	0.41	0.32	0.70	0.45	14.79
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	15.14	0.71	19.98	59.69	0.21	2.11	3.25	1.89	4.53	2.31	109.82
Charge for the Year	-	1.75	-	2.60	9.62	-	0.37	0.49	0.59	0.79	0.71	16.92
Disposals	-	-	-	-	-	0.21	-	-	-	-	0.16	0.37
As at March 31, 2025	-	16.89	0.71	22.58	69.31	-	2.48	3.74	2.48	5.32	2.86	126.37
Impairment												
As at March 31, 2023	-	-	-	-	1.07	-	-	-	-	-	-	1.07
Charge for the Year	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	-	-	-	1.07	-	-	-	-	-	-	1.07
Charge for the Year	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2025	-	-	-	-	1.07	-	-	-	-	-	-	1.07
Net Carrying Amount												
As at March 31, 2024	234.14	193.60	0.00	94.83	106.65	3.85	5.61	2.23	2.24	1.65	2.87	647.67
As at March 31, 2025	124.86	303.49	0.00	142.67	234.34	-	6.52	3.21	8.02	2.05	5.36	830.52

(Rs. in Crores)

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)
6.1 Property, Plant and Equipment (Contd.)

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 Crores)		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, 2025	As at March 31, 2024				
Freehold Land	47.35	47.35	Original copy of title 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 Hon'ble National Company Law Tribunal Board, Kolkata Bench passed on September 30, 2020, erstwhile Cimmco Limited (earlier known as M/S Birla Brothers Ltd. and subsequently Cimmco 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	33.91	33.91	In the name of erstwhile Titagarh Steels Limited, which got merged with the Company	No	April 1, 2009	Pursuant to order of Hon'ble High Court Calcutta passed on September 14, 2009, erstwhile Titagarh Steels Limited got merged with the Company with the appointed date as April 1, 2009. The Company has already submitted an application to the relevant authority for changing the name which is pending.
Freehold Land	1.43	1.52	In the name of erstwhile Titagarh Shipyard Limited, which got merged with the Company	No	April 1, 2015	Pursuant to order of Hon'ble 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]	169.65	169.65	In the name of erstwhile Cimmco 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, erstwhile Cimmco Limited (earlier known as M/S Birla Brothers Ltd. and subsequently Cimmco 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	27.59	27.59	In the name of erstwhile Cimmco 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, erstwhile Cimmco Limited (earlier known as M/S Birla Brothers Ltd. and subsequently Cimmco 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.
Leasehold Land	111.64	-	In the name of Additional District Magistrate and Office of the District Land and Land Reforms Officer on behalf of the Governor of the State of West Bengal	No	July 31, 2024	Pending execution of leasehold rights by Additional District Magistrate and Office of the District Land and Land Reforms Officer on behalf of the Governor of the State of West Bengal. For details, refer note 6.1 (f) below.
Building	1.17	1.17	Mrs. Savitri Devi Chowdhary	Relative of Promoter	March 28, 2001	The Company is yet to initiate the process for transfer of property.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

6.1 Property, Plant and Equipment (Contd.)

- b) Refer Note 37 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 had in earlier years provided Pari Pasu Security of its land at Bharatpur (Gross book value of Rs. 169.65 Crores) 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, the outstanding balance against which is Euro 50.13 million as at March 31, 2025.

- e) The Company was vested with leasehold land having gross and net carrying value as at March 31, 2025 of Rs. 27.59 Crores and Rs. 23.47 Crores (March 31, 2024: Rs. 27.59 Crores and Rs. 23.89 Crores) respectively, through erstwhile Cimmco Birla Limited (subsequently Cimmco 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 petition 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 was decided in favour of the Company by an Order dated August 2, 2024. However, Hon'ble High Court, Madhya Pradesh vide its Order dated September 29, 2024 against a Writ Petition (WP) filed by a third party has restored the status of aforesaid matter pending further hearing. The said WP is scheduled to be heard on June 16, 2025. 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 against which the Company filed a review petition on April 15, 2024 and the hearing is scheduled on July 7, 2025. 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 and that the Company can have its name entered in the record of rights upon disposal of the WP.

- f) The land with the Company admeasuring 25.79 acres was originally part of a larger area of land vested in erstwhile Titagarh Steels Limited (TSL) from Titagarh Paper Mills Company Limited (TPMCL) by an order passed by the Hon'ble BIFR in 1994 sanctioning the Scheme of Rehabilitation pursuant to which TPMCL was amalgamated into TSL. In 2003 - 04, the Company purchased 16.07 acres of land from TSL. Thereafter, in 2006-07, TSL got demerged into three entities namely Titagarh Enterprises Limited (TEL), Titagarh Industries Limited (TIL) and remaining continued as TSL whereby its land holding was also bifurcated as per order dated February 1, 2006 passed by the Hon'ble High Court, Calcutta. Subsequently, in 2009 -10, the Company acquired 9.72 acres from TEL.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

6.1 Property, Plant and Equipment (Contd.)

The Company has been in absolute possession of the said land parcel of 25.79 acres using the land for its business activities (the "said Land") and was appearing in the Company's books as freehold land. During the year, the Government of West Bengal, Department of Land & Land Reforms vide its letter dated May 29, 2024 proposed two options in relation to the aforesaid land to the Company and two other companies namely TEL and TIL, viz. to accept the land parcel on a leasehold basis for a period of 99 years upon payment of salami, annual rent etc. as prescribed under the West Bengal Land Reform Act ("WBLR Act") (hereinafter referred to as "the Consideration"), or to acquire the land parcel on a freehold basis upon payment of land revenue in accordance with Section 23 of the WBLR Act. In June 2024, the Company made payment of Rs. 2.45 Crores towards the consideration for 21.877 acres

of land, while the payment for balance 3.91 acres of land as confirmed by TEL was made by them, which will be settled by the Company on finalisation of the Government's reconciliation and land allocation process. The Company vide its letter dated May 23, 2025 made an application to the State Government, indicating its intention of acquiring freehold rights over the aforesaid land parcel duly reconciled with the records of the Government and the books of the Company after paying the differential payment for such freehold rights upon completion of the necessary formalities. Pending the completion of these formalities, the Company has classified the said land as leasehold in its books of accounts for the current period, while continuing to retain physical possession and utilising the land for business activities.

6.2 Intangible Assets

(Rs. in Crores)

Particulars	Intangible Assets				
	Computer Software	Brand	Designs	Prototype	Total
Gross Carrying Amount					
As at March 31, 2023	7.29	2.28	15.88	8.80	34.25
Additions	0.02	-	1.10	-	1.12
Disposals	-	-	-	-	-
As at March 31, 2024	7.31	2.28	16.98	8.80	35.37
Additions	1.99	-	66.77	-	68.76
Disposals	-	-	-	-	-
As at March 31, 2025	9.30	2.28	83.75	8.80	104.13
Accumulated Amortisation					
As at March 31, 2023	5.85	2.28	15.45	3.96	27.54
Charge for the Year	0.87	-	0.22	-	1.09
Disposals	-	-	-	-	-
As at March 31, 2024	6.72	2.28	15.67	3.96	28.63
Charge for the Year	0.25	-	0.76	-	1.01
Disposals	-	-	-	-	-
As at March 31, 2025	6.97	2.28	16.43	3.96	29.64
Impairment					
As at March 31, 2023	0.23	-	-	4.84	5.07
Charge for the Year	-	-	-	-	-
As at March 31, 2024	0.23	-	-	4.84	5.07
Charge for the Year	-	-	-	-	-
As at March 31, 2025	0.23	-	-	4.84	5.07
Net Carrying Amount					
As at March 31, 2024	0.36	-	1.31	-	1.67
As at March 31, 2025	2.10	-	67.32	-	69.42

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

6.3 Investment Properties

(Rs in Crores)

Particulars	Freehold Land
Carrying Amount As at March 31, 2023	8.21
Additions / (Deletion)	-
Carrying Amount As at March 31, 2024	8.21
Additions / (Deletion)	-
Carrying Amount As at March 31, 2025	8.21

Particulars	Gross Carrying Amount (Rs. in Crores)		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, 2025	As at March 31, 2024				
Investment Properties	8.21	8.21	Original copy of title deeds not available with the Company. Photocopy available in the name of erstwhile Cimmco 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 Cimmco Limited (earlier known as M/S Birla Brothers Ltd. and subsequently Cimmco 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.

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, 2025, fair valuation of the two properties is estimated to be Rs. 13.94 Crores (March 31, 2024: Rs. 12.42 Crores). 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 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 the 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, 2025 and March 31, 2024 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. 0.70 Crores (March 31, 2024: Rs. 0.62 Crores)

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

6.4 Capital Work in Progress

(i) Movement in Capital Work in Progress

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	107.80	12.28
Additions during the year	124.37	131.00
Capitalised during the year	(192.56)	(35.48)
Balance at the end of the year	39.61	107.80

Capital work in progress primarily includes construction of offices and sheds and ongoing installation of new machineries etc. in the factories located in West Bengal in the current year as well as previous year.

(ii) Age Analysis of Capital Work in Progress

As on March 31, 2025

Particulars	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	39.61	-	-	-	39.61
Total	39.61	-	-	-	39.61

As on March 31, 2024

Particulars	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	105.77	2.03	-	-	107.80
Total	105.77	2.03	-	-	107.80

(a) There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025 and March 31, 2024.

6.5 Intangible Assets Under Development

(i) Movement in Intangible Assets Under Development

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	66.91	-
Additions during the year	85.09	66.91
Capitalised during the year	(68.37)	-
Balance at the end of the year	83.63	66.91

(ii) Age Analysis of Intangible Assets Under Development

As on March 31, 2025

Particulars	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	61.43	22.20	-	-	83.63
Total	61.43	22.20	-	-	83.63

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

6.5 Intangible Assets Under Development (Contd.)

As on March 31, 2024

Particulars	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	66.91	-	-	-	66.91
Total	66.91	-	-	-	66.91

(a) There are no intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025 and March 31, 2024.

(b) Intangible assets under development primarily represents designs relating to various products under Passenger Rail Systems segment in the current year as well as previous year.

6.6 Right-of-Use Assets and Leases

The Company's leasing arrangement includes land and building having a fixed lease term of 10 years and 5 years respectively.

(i) Amounts Recognised in Balance Sheet

Particulars	Land	Building	Total
Gross Carrying Amount			
As at March 31, 2023	111.47	-	111.47
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2024	111.47	-	111.47
Additions	-	4.94	4.94
Disposals	-	0.68	0.68
As at March 31, 2025	111.47	4.26	115.73
Accumulated Depreciation			
As at March 31, 2023	9.55	-	9.55
Charge for the Year	11.22	-	11.22
Disposals	-	-	-
As at March 31, 2024	20.77	-	20.77
Charge for the Year	11.19	0.92	12.11
Disposals	-	0.15	0.15
As at March 31, 2025	31.96	0.77	32.73
Net Carrying Amount			
As at March 31, 2024	90.70	-	90.70
As at March 31, 2025	79.51	3.49	83.00
Lease liabilities	Non-Current	Current	Total
As at March 31, 2024	93.70	5.76	99.46
As at March 31, 2025	89.47	7.82	97.29

(ii) Amounts Recognised in the Statement of Profit and Loss

The Statement of Profit and Loss shows the following amounts relating to leases:

Particulars	As at March 31, 2025	As at March 31, 2024
Depreciation charge on right of use assets (Refer Note 31)	11.57	11.22
Interest expense (included in finance costs) (Refer Note 30)	8.77	9.04
Expenses relating to short term leases (included in other expenses, Refer Note 32)	3.62	2.23
Total	23.96	22.49

(iii) The total cash outflow for leases for the year was Rs. 15.40 Crores (March 31, 2024 Rs. 13.52 Crores)

(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.

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)
7 Investments (Non-Current)

Particulars	No of Shares / Units As at March 31,		Face Value Per Share / Unit (Rs.)	As at March 31, 2025	As at March 31, 2024
	2025	2024		Rs. in Crores	Rs. in Crores
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. 48.84 Crores (March 31, 2024: Rs. 48.84 Crores)]					
Titagarh Singapore Pte Limited (*) (a)	10,00,000	10,00,000	USD 1	-	-
[Net of impairment of Rs. 127.44 Crores (March 31, 2024: Rs. 127.44 Crores)]					
Titagarh Firema Engineering Services Private Limited (d)	39,60,000	-	10.00	3.96	-
In Associate Companies (Unquoted) (at Cost)					
Titagarh Firema S.p.A (^), (a) and refer Note 49	1,64,00,000	1,64,00,000	EURO 1	12.73	12.73
In Joint Ventures (Unquoted) (at Cost)					
Titagarh Mermec Private Limited	5,000	5,000	10.00	0.01	0.01
Titagarh Firema Engineering Services Private Limited (d)	-	19,60,000	10.00	-	1.96
Ramkrishna Titagarh Rail Wheels Limited (e)	16,90,48,750	6,12,48,750	10.00	173.98	61.25
Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited) (f) and refer Note 49	10,00,00,000	10,00,00,000	10.00	100.00	100.00
In Others (Quoted) (at FVTPL) (b)					
Orissa Sponge Iron & Steel Limited (#)	550	550	10.00	0.00	0.00
In Others (Unquoted) (at FVTPL) (b) (^)					
Titagarh Enterprises Limited	49,32,960	49,32,960	1.00	50.00	36.57
Titagarh Industries Limited	56,850	56,850	10.00	2.36	0.41
				343.04	212.93
National Savings Certificate (at Amortised Cost) (Unquoted) @				0.00	0.00
				343.04	212.93
Total - Non - Current Investments					
Aggregate book value of quoted investments				0.00	0.00
Aggregate book value of unquoted investments, net of impairment				343.04	212.93
Market value of quoted investments				0.00	0.00
Aggregate amount of impairment in the value of Investments				176.28	176.28

* The voluntary winding up of Titagarh Singapore Pte Limited (TSPL) at Singapore has already been initiated in the earlier years 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 (realisable value).

^ Includes 3 million equity shares pledged by the Company for the loan taken by Titagarh Firema S.p.A (TFA) from Bank of Baroda U.K. 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(b)}:

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)
7 Investments (Non-Current) (Contd.)

Name of Investments	No of Shares / Units As at March 31,		Face Value Per Share / Unit (Rs.)	Amount Pledge March 31, 2025	Amount Pledge March 31, 2024
	2025	2024		Rs. in Crores	Rs. in Crores
Titagarh Enterprises Limited	49,32,960	49,32,960	1	0.49	0.49
Titagarh Industries Limited	56,850	56,850	10	0.06	0.06
				0.55	0.55

@ Pledged with the Commercial Tax Officer, Bharatpur as Security Deposit

(a) Valued at exchange rate prevailing on the date of transaction.

(b) Refer Note 43 for determination of fair values.

(c) Refer Note 44 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 (TFESPL) to carry on the business of research, engineering and design related services to support passenger rail segment business. The Company had invested Rs. 1.96 Crores in TFESPL till March 31, 2024. During the year, the Company has subscribed to the rights issue of equity shares of TFESPL amounting to Rs. 2.00 Crores and has also amended the Joint Venture Agreement (JVA), as a result of which TFESPL has become a subsidiary of the Company w.e.f. February 14, 2025.

(e) On June 9, 2023, the Company and Ramkrishna Forgings Limited ("RKFL") formed a JV, Ramkrishna Titagarh Rail Wheels Limited (RTRWL) for manufacturing and supply of forged wheels under long term agreement under Aatma Nirbhar Bharat. The Company had invested Rs. 61.25 Crores in RTRWL till March 31, 2024. During the year the Company has made further investment of Rs. 107.80 Crores in RTRWL.

Further, during the year, the Company has also given a financial undertaking to the consortium bankers of RTRWL whereby in the event of any default or shortfall in repayment of loans taken by RTRWL, the Company in proportion to its holding, arrange / bring in funds to meet any shortfall in cash flow towards repayment of the facility / payment of interest and any shortfall in cash flow, which at year-end is Rs. 169.74 Crores for Company's share. Accordingly, Rs. 4.93 Crores representing the difference between the fair value of the financial undertaking and the nil fee charged by the Company for such financial undertaking has been recognised as deemed investment.

(f) During the previous year on January 24, 2024, the Company and Sidwal Refrigeration Private Limited, a wholly owned subsidiary of Amber Enterprises India Ltd., entered into a strategic alliance pursuant where to they had invested Rs. 100.00 Crores each in the equity capital of Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited) (SMPL), a joint venture-special purpose vehicle company (Shivaliks / SPV) for making fresh investments into Firema (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. As at March 31, 2025, SMPL held 34.59% (March 31, 2024: 35.12%) of the equity share capital of Firema. Further, post such infusion in the previous year, the Company held 25.43% equity shares in Firema. 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 became a joint venture of the Company with effect from February 13, 2024, the date on which final subscription money was paid by the Company.

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)
8 Trade Receivables (At Amortised Cost)

Particulars	Current	
	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
Trade Receivables		
Trade receivables from contract with customers	672.13	538.34
Trade receivables from contract with customers – related parties (Refer Note 42)	7.09	0.98
	679.22	539.32
Less: Loss allowance [Refer Note 44(II) (c)]	8.13	6.80
Total Receivables	671.09	532.52
Break-up of Security Details		
Trade receivables considered good – secured	-	-
Trade receivables considered good – unsecured	679.22	539.32
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total	679.22	539.32
Loss Allowances [Refer Note 44(II) (c)]	8.13	6.80
Total Trade Receivables	671.09	532.52

Trade Receivable Ageing Schedule

Particulars	Outstanding As at March 31, 2025					
	Less than 6 months	6 months - 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Undisputed Trade Receivables						
Considered Good	142.35	107.25	78.72	22.10	5.16	355.58
Disputed Trade Receivables						
Considered Good	-	-	-	-	6.41	6.41
Total	142.35	107.25	78.72	22.10	11.57	361.99
Undisputed Not Due						-
Disputed Not Due						-
Undisputed Unbilled - Considered Good						317.23
Disputed Unbilled						-
Total						679.22
Loss Allowances						8.13
Total						671.09

Particulars	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	336.04	14.65	32.28	5.01	0.25	388.23
Disputed Trade Receivables						
Considered Good	-	-	-	-	6.25	6.25
Total	336.04	14.65	32.28	5.01	6.50	394.48
Undisputed Not Due						-
Disputed Not Due						-
Undisputed Unbilled - Considered Good						144.84
Disputed Unbilled						-
Total						539.32
Loss Allowances						6.80
Total						532.52

- a) Refer Note 17 for information on trade receivables pledged as security by the Company and Note 44 for information about credit risk and market risk on trade receivables.
- b) There are no outstanding receivables due from directors or other officers of the Company.

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)
9 Other Financial Assets

(Unsecured, Considered Good Unless Stated Otherwise) (Measured at Amortised Cost)	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores	Rs. in Crores	Rs. in Crores
Security Deposits*	4.81	4.38	1.75	1.91
Bank Deposits @	73.95	44.79	79.35	-
Receivable from Related Parties (Refer Note 42)				
Considered Good	-	-	0.07	-
Considered Doubtful	-	-	2.36	2.36
	-	-	2.43	2.36
Less: Provision for Doubtful Recoverable from Related Parties	-	-	2.36	2.36
	-	-	0.07	-
Interest Accrued on:				
Fixed Deposits with Banks	0.98	3.68	21.13	5.21
Loans to Subsidiaries (Refer Note 42)				
Considered Good	-	-	-	-
Considered Doubtful	-	-	1.40	1.40
	-	-	1.40	1.40
Less: Provision for Doubtful Interest Accrued on Loan to Subsidiaries	-	-	1.40	1.40
	-	-	-	-
Balance with Government Authorities	-	-	8.95	-
Charges Recoverable (Refer Note (a) below)	-	-	7.95	6.02
Others (Refer Note (b) below)	0.48	-	23.09	-
Total	80.22	52.85	142.29	13.14

* Includes security deposit given to related parties Rs. 3.36 Crores (March 31, 2024: Rs. 3.08 Crores) (Refer Note 42)

@ Includes deposits of Rs. 46.66 Crores (March 31, 2024: Rs. 44.79 Crores) held as margin money whose receipts are lying with banks as security against loans, guarantees / letters of credits issued by them.

- (a) Includes Rs. Nil (March 31, 2024: Rs. 0.25 Crores) as charges recoverable from joint ventures. Also Refer Note 42.
- (b) Mainly comprises of receivables of Rs. 11.47 Crores from a customer on account of labour cess deducted under the provisions of the Building and the Other Construction Workers Welfare Cess Act, 1996, and claims receivable of Rs. 9.51 Crores (including interest of Rs. 7.56 Crores for the period from January 2002 to December 2024) from another customer against an arbitration award in favour of the Company which has also been upheld by the Honb'le Supreme Court of India in Company's favour.

10 Tax Assets (Net)

Particulars	Non-Current	
	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
Advance Tax (Including Tax Deducted at Source)	24.58	34.46
(Net of provision for tax Rs. 395.04 Crores ; March 31, 2024: Rs. 288.47 Crores)		
	24.58	34.46

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

11 Contract Assets

(Unsecured, Considered Good Unless Stated Otherwise)	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores	Rs. in Crores	Rs. in Crores
Retention money held by customers	3.41	0.98	0.86	5.36
Unbilled revenue	-	-	204.16	95.68
	3.41	0.98	205.02	101.04

12 Other Assets

(Unsecured, Considered Good Unless Stated Otherwise)	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores	Rs. in Crores	Rs. in Crores
Capital Advances	38.51	10.92	-	-
Security Deposits	4.21	4.80	-	-
Advances Recoverable in Cash or in Kind				
Considered Good - Related Parties [Refer Note (a) below]	-	-	0.30	0.30
Considered Good - Others	-	-	115.16	134.35
Considered Doubtful - Others	-	-	3.50	3.25
	-	-	118.96	137.90
Less: Provision for Doubtful Advances - Others	-	-	3.50	3.25
	-	-	115.46	134.65
Balance with Government Authorities	-	-	15.42	54.94
Prepaid expenses	17.49	6.21	38.68	13.16
Total	60.21	21.93	169.56	202.75

a) Represents Rs. 0.30 Crores (March 31, 2024: Rs. 0.30 Crores) recoverable from Directors of the Company. Also Refer Note 42.

13 Inventories

(Valued At Lower Of Cost And Net Realisable Value)	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
Raw materials and components [Includes goods in transit Rs. 12.97 Crores (March 31, 2024: Rs. 16.97 Crores)]	412.01	460.80
Work in progress	68.78	36.55
Saleable scrap	11.54	7.71
Stores and spares	31.00	18.66
Total	523.33	523.72

- 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. Nil (March 31, 2024: Rs. 4.34 Crores)
- c) Value of inventories of raw materials and stores and spares is stated after provisions (net of reversal) of Rs. 4.12 Crores (March 31, 2024: Rs. 5.99 Crores) for write-down to net realisable value which resulted in net reversal of provision in Statement of Profit and Loss of Rs. 1.87 Crores during the year (March 31, 2024: net reversal of Rs. 0.42 Crores).

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

14 Cash and Bank Balances

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
14.1 Cash and Cash Equivalents		
Balances With Banks:		
On Current Accounts	16.56	35.80
Bank Deposits With Original Maturity Of Less Than Three Months #	-	290.30
Cheques In Hand	-	0.63
Cash On Hand	0.80	0.16
	17.36	326.89
14.2 Other Bank Balances		
Balances with Banks:		
On Unpaid Dividend Accounts	0.10	0.10
On Unpaid Fractional Share Entitlement Accounts	0.09	0.09
Bank Deposits With Maturity Of More Than Three Months But Less Than Twelve Months #	441.94	279.93
	442.13	280.12
Total	459.49	607.01

Includes deposits of Rs. 243.25 Crores (March 31, 2024: Rs. 100.66 Crores) 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

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares in Crores	Rs. in Crores	No. of shares in Crores	Rs. in Crores
Authorised Shares				
Equity Shares of Rs. 2/- each (March 31, 2024: Rs. 2/- each)	129.05	258.10	129.05	258.10
Preference Shares of Rs. 10/- each (March 31, 2024: Rs.10/- each)	12.70	127.00	12.70	127.00
		385.10		385.10
Issued, Subscribed and Paid-up Shares				
Equity Shares of Rs. 2/- (March 31, 2024: Rs. 2/-) each, fully paid-up	13.47	26.93	13.47	26.93
	13.47	26.93	13.47	26.93

a) Reconciliation Of The Shares Outstanding At The Beginning And At The End Of The Reporting Period

Particulars	2024-25		2023-24	
	No. of shares in Crores	Rs. in Crores	No. of shares in Crores	Rs. in Crores
Equity Shares				
Outstanding at the beginning of the year	13.47	26.93	11.96	23.91
Shares issued on preferential basis @	-	-	0.76	1.52
Shares issued pursuant to Qualified Institutions Placement @	-	-	0.75	1.50
Outstanding at the end of the year	13.47	26.93	13.47	26.93

@ During the previous year, following new equity shares were issued:

- 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

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

15 Equity Share Capital (Contd.)

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.

- 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 IND 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 current and previous 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	Utilised during FY 2024 - 25	Balance yet to be spent
Share Issue Expenses	0.67	0.67	-	-
General Corporate Purpose	64.00	64.00	-	-
Working Capital for Business Purpose	224.13	224.13	-	-
Total	288.80	288.80	-	-

ii) Shares Issued through Qualified Institutional Placement (QIP)

Particulars	Proposed to be utilised	Utilised during FY 2023 - 24	Utilised during FY 2024 - 25	Balance yet to be spent
Repayment / Prepayment of Loan	200.00	200.00	-	-
Share Issue Expenses	13.45	13.45	-	-
General Corporate Purpose *	169.25	154.52	14.73	-
Working Capital for Business Purpose	317.30	238.15	79.15	-
Total	700.00	606.12	93.88	-

* Includes investments made in Joint Ventures of Rs. 114.15 Crores in FY 2023-24.

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, 2024: 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.

c) Details of Shareholders Holding More Than 5% Shares in the Company

Name of the Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs 2/- (March 31, 2024: Rs. 2/-) each fully paid				
Titagarh Capital Management Services Private Limited	2,40,71,588	17.87%	2,40,71,588	17.87%
Jagdish Prasad Chowdhary (Trustee of Chowdhary Foundation)	1,82,01,875	13.52%	1,82,01,875	13.52%
Rashmi Chowdhary	1,01,22,630	7.52%	1,28,16,105	9.52%
Smallcap World Fund Inc.	-	-	75,60,365	5.61%
HDFC Large and Midcap Fund	-	-	62,17,978	4.62%

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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

15 Equity Share Capital (Contd.)

d) Details of Shareholding of Promoters

Promoter Name	As at March 31, 2025			As at March 31, 2024		
	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%	0.00%	2,40,71,588	17.87%	-2.26%
Jagdish Prasad Chowdhary (Trustee of Chowdhary Foundation)	1,82,01,875	13.52%	0.00%	1,82,01,875	13.52%	-1.70%
Jagdish Prasad Chowdhary	70,700	0.05%	0.00%	70,700	0.05%	-0.01%
Umesh Chowdhary	77,530	0.06%	0.00%	77,530	0.06%	0.00%
Rashmi Chowdhary	1,01,22,630	7.52%	-2.00%	1,28,16,105	9.52%	-1.20%
Sumita Kandoi	-	0.00%	0.00%	-	0.00%	0.00%
Vinita Bajoria	32,051	0.02%	0.00%	32,051	0.02%	0.00%
Bimla Devi Kajaria	2,000	0.00%	0.00%	2,000	0.00%	0.00%
Titagarh Logistics Infrastructures Pvt. Ltd.	19,08,487	1.42%	0.00%	19,08,487	1.42%	-0.18%

16 Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
a. Securities Premium Account (Refer Note 16.1)		
Balance At The Beginning Of The Year	1,382.30	410.64
Issue of Equity Shares on Preferential basis [Refer Note 15(a)]	-	287.28
Issue of Equity Shares Pursuant to Qualified Institutions Placement [Refer Note 15(a)]	-	698.50
Share Issue Expenses	-	(14.12)
Balance At The End Of The Year	1,382.30	1,382.30
b. General Reserve (Refer Note 16.2)		
Balance At The Beginning Of The Year	54.12	54.12
Movement During The Year	-	-
Balance At The End Of The Year	54.12	54.12
c. Capital Reserve		
Balance At The Beginning Of The Year	56.92	56.92
Movement During The Year	-	-
Balance At The End Of The Year	56.92	56.92
d. Employee Stock Options (ESOPs) Outstanding Account (Refer Note 16.6 and 36)		
Balance At The Beginning Of The Year	-	-
Recognition of Share Based Payment (Refer Note 29)	0.22	-
Balance At The End Of The Year	0.22	-
e. Retained Earnings (Refer Note 16.3)		
Balance At The Beginning Of The Year	708.06	417.62
Profit for the Year	303.43	296.91
Item of Other Comprehensive Income Recognised Directly in Retained Earnings		
- Remeasurements Gains on Defined Benefit Plan (Net of Tax)	(1.47)	(0.09)
Dividend Paid	(10.77)	(6.38)
Net Surplus In The Statement Of Profit And Loss	999.25	708.06
f. Cash Flow Hedge Reserve Account (Refer Note No. 16.4 and 16.5)		
Balance At The Beginning Of The Year	(0.11)	(0.26)
Changes In Fair Value Recognised During The Year	-	0.21
Tax impact on above	-	(0.06)
Reclassified To Profit And Loss And Included In Profit For The Year	0.11	-
Balance At The End Of The Year	-	(0.11)
Total Other Equity	2,492.81	2,201.29

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)
16 Other Equity (Contd.)

- 16.1 Securities Premium Account:-** Premium received on Equity Shares issued are recognised in the Securities Premium Account. This reserve is to be utilised in accordance with the provisions of Section 52 of the Act.
- 16.2 General Reserve:-** 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. 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 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 date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earning includes Remeasurements (Gain) / Loss on defined benefit plan, net of taxes that will not be reclassified to Statement of Profit and Loss.
- 16.4 Cash Flow Hedge Reserve Account:-** 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. 0.11 Crores (March 31, 2024: 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. Nil (March 31, 2024: Rs. (0.11) Crores)
 - later than one year: gain Rs. Nil (March 31, 2024: Rs. Nil)
- 16.6 Employee Stock Options (ESOPs) Outstanding Account:-** Employee Stock Options Outstanding Account relates to stock options granted by the Company to the employees under the Company's ESOP Scheme. This Account is transferred to Securities Premium or Retained Earnings on exercise or lapse of vested options.

17 Borrowings

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores	Rs. in Crores	Rs. in Crores
Secured				
Indian Rupee Term Loan from banks	24.93	37.36	12.42	12.39
Cash Credits and Working Capital Demand Loans	-	-	301.74	-
Supplier Finances	-	-	89.66	-
Buyers Credit	-	-	100.59	16.51
	24.93	37.36	504.41	28.90

Notes:

- (a) Term Loan of Rs. 37.35 Crores (March 31, 2024: Rs. 49.75 Crores) carrying interest @ 9.40% p.a. (March 31, 2024: 9.05% p.a.) linked to 1 year MCLR has been availed in the earlier years and is repayable in 16 equal quarterly installments from June 2024 to March 2028. Above term loan was secured by way of first Pari Passu charge over movable fixed assets, both present and future and immovable properties at Uttarpara (34.84 acres), Titagarh (16.07 acres) and Anandapur (19.38 Cottah). Negative lien on all that pieces and parcels of land measuring about 9.56 Acres & 9.72 Acres, at Mouza; Titagarh.
- (b) Cash Credits and Working Capital Demand Loans of Rs. 301.74 Crores (March 31, 2024: Rs. Nil) were secured by:
- 1) First charge over entire stocks of raw materials, semi-finished and finished goods, including book debts, bills, receivables, both present and future, ranking Pari Passu with other participating banks.

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)
17 Borrowings (Contd.)

- 2) Second charge over movable fixed assets, both present and future and immovable properties at Uttarpara (34.84 acres), Titagarh (16.07 acres) and Anandapur (19.38 Cottah). Negative lien on all that pieces and parcels of land measuring about 9.56 Acres & 9.72 Acres, at Mouza; Titagarh. The above facilities have also been secured by way of first pari passu pledge & charge on investment in 49,32,940 equity shares of Titagarh Enterprises Limited and 56,850 equity shares of Titagarh Industries Limited. All the mortgages and charges created in favour of the above lenders rank Pari Passu with consortium member banks.
- (c) Cash Credits is repayable on demand and carry an interest rate ranging between 8.05% to 11.25% p.a. (March 31, 2024: 8.45% to 11.50%) linked with MCLR.
- (d) Working Capital Demand Loans carry interest ranging from 7.55% to 10.25% p.a. (March 31, 2024: 5.75% to 11.50% p.a.) and are repayable on demand.
- (e) Buyers Credit carry an interest rate ranging from 4.95% to 5.14% p.a. (March 31, 2024: 6.78% p.a.) and is linked to Secured Overnight Financing Rate (SOFR). The same is repayable over a period of 3 to 6 months.
- (f) Supplier Finances carry an interest rate ranging from 7.75% to 8.10% p.a. (March 31, 2024: Nil). The same is repayable over a period of 3 to 6 months.
- (g) As at March 31, 2025, 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.
- (h) Term Loans obtained in earlier years have been applied for the purpose for which it has been obtained.
- (i) Refer Note 44 for information about market risk and liquidity risk on borrowings.

18 Provisions

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores	Rs. in Crores	Rs. in Crores
Provisions for Employee Benefits:				
Gratuity [Refer Note 35 (i)]	6.11	3.54	1.56	1.54
Leave Benefits [Refer Note 35 (iii)]	-	-	3.65	1.90
	6.11	3.54	5.21	3.44
Other Provisions:				
Warranties [Refer (a) below for Movement]	-	-	13.62	6.53
Loss on Onerous Contract	-	-	3.84	4.42
Litigations, Claims and Contingencies [Refer (a) below for Movement] & 38(i)]	-	-	1.88	2.32
	-	-	19.34	13.27
Total	6.11	3.54	24.55	16.71

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

18 Provisions (Contd.)

a) Movement Of Provisions For Warranty, Loss On Onerous Contracts And Litigation, Claims And Contingencies Are As Follows:

Particulars	Warranties		Loss on Onerous Contract		Litigations, Claims and Contingencies	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Rs. in Crores	Rs. in Crores	Rs. in Crores	Rs. in Crores	Rs. in Crores	Rs. in Crores
At the beginning of the year	6.53	2.83	4.42	-	2.32	2.27
Made during the year	7.57	8.12	8.11	4.42	-	0.04
Unused amounts reversed during the year	(0.48)	(1.04)	-	-	-	-
Amounts utilised during the year	-	(3.38)	(8.69)	-	(0.44)	-
At the end of the year	13.62	6.53	3.84	4.42	1.88	2.32

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

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
Provision for Income Tax	7.35	13.43
(Net of Advance Tax and TDS Rs. 90.49 Crores; March 31, 2024 Rs. 89.79 Crores)		
Total	7.35	13.43

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

20 Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
Deferred Tax Liabilities		
Arising out of temporary difference in Property, Plant and Equipments and Intangible Assets	79.00	62.09
Arising out of temporary difference in respect of Right-of-Use Assets	21.78	23.60
Unrealised Gain on Fair Value Through Profit And Loss (FVTPL) Equity Securities	6.78	5.07
Gross Deferred Tax Liabilities	107.56	90.76
Deferred Tax Assets		
Provision for Fall in Value of Investment	52.83	47.50
Provision for Doubtful Debts and Advances	4.66	3.38
Provision for Litigations, Claims and Contingencies	0.47	0.58
Provision for Employee Benefits	3.19	1.97
Provision for Onerous Contract	0.94	1.11
Fair Valuation of Derivative Assets	0.13	0.05
Lease Liabilities	24.49	25.03
Disallowance under section 43B(h) of the Income Tax Act, 1961	2.10	0.50
Gross Deferred Tax Assets	88.81	80.12
Net Deferred Tax Liabilities	18.75	10.64

The movement in deferred tax assets and liabilities during the year ended March 31, 2025 and March 31, 2024:

Particulars	As at April 1, 2023 Deferred Tax Asset / (Liability)	Credit / (Charge) in Statement of Profit and Loss #	As at March 31, 2024 Deferred Tax Asset / (Liability)	Credit / (Charge) in Statement of Profit and Loss #	As at March 31, 2025 Deferred Tax Asset / (Liability)
Arising out of temporary difference in Property, Plant and Equipments and Intangible Assets	(63.47)	1.38	(62.09)	(16.91)	(79.00)
Arising out of temporary difference in respect of Right-of-Use Assets	(26.59)	2.99	(23.60)	1.82	(21.78)
Unrealised Gain on Fair Value Through Profit And Loss (FVTPL) equity securities	(4.05)	(1.02)	(5.07)	(1.71)	(6.78)
Total Deferred Tax Liabilities	(94.11)	3.35	(90.76)	(16.80)	(107.56)
Provision for Fall In Value Of Investment	49.67	(2.17)	47.50	5.33	52.83
Provision for Doubtful Debts and Advances	1.71	1.67	3.38	1.28	4.66
Provision for Liquidated Damages	0.40	(0.40)	-	-	-
Provision for Litigations, Claims and Contingencies	0.57	0.01	0.58	(0.11)	0.47
Provision for Employee Benefits	1.84	0.13	1.97	1.22	3.19
Provision for Onerous Contract	-	1.11	1.11	(0.17)	0.94
Fair Valuation Of Derivative Assets	0.10	(0.05)	0.05	0.08	0.13
Lease Liabilities	26.36	(1.33)	25.03	(0.54)	24.49
Disallowance under section 43B(h) of the Income Tax Act, 1961	-	0.50	0.50	1.60	2.10
Total Deferred Tax Assets	80.65	(0.53)	80.12	8.69	88.81
Net Deferred Tax Assets / (Liabilities)	(13.46)	2.82	(10.64)	(8.11)	(18.75)

Includes income tax impact on remeasurement gains / (losses) on defined benefit plan amounting to Rs. 0.49 Crores [March 31, 2024: Rs. 0.03 Crores] and income tax impact on fair value change of cash flow hedges amounting to Rs. Nil [March 31, 2024: Rs. (0.06) Crores] included in Other Comprehensive Income.

Deferred tax asset against capital loss for provision for fall in value of Investment in the previous year has been recognised to the extent of identifiable capital gains against which corresponding deferred tax liability is recognised.

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)
21 Trade Payables

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
Trade Payables		
Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 39)	43.30	38.00
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	191.04	281.44
	234.34	319.44

Trade Payables Ageing Schedule

Particulars	Outstanding as at March 31, 2025				
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Undisputed Trade Payables					
Micro Enterprises And Small Enterprises	21.32	0.36	0.01	-	21.69
Others	73.71	4.64	0.35	-	78.70
Disputed Trade Payables					
Micro Enterprises And Small Enterprises	2.05	-	-	-	2.05
Others	-	-	-	-	-
Total	97.08	5.00	0.36	-	102.44
Undisputed Not Due					
Micro Enterprises And Small Enterprises	-	-	-	-	17.90
Others	-	-	-	-	65.13
Disputed Not Due					
Micro Enterprises And Small Enterprises	-	-	-	-	1.31
Others	-	-	-	-	-
Undisputed Unbilled					
Micro Enterprises And Small Enterprises	-	-	-	-	-
Others	-	-	-	-	47.21
Disputed Unbilled					
Micro Enterprises And Small Enterprises	-	-	-	-	0.35
Others	-	-	-	-	-
Total	-	-	-	-	234.34

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	31.36	0.02	-	-	31.38
Others	180.81	0.80	0.14	-	181.75
Disputed Trade Payables					
Micro Enterprises And Small Enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	212.17	0.82	0.14	-	213.13
Undisputed Not Due					
Micro Enterprises And Small Enterprises	-	-	-	-	6.62
Others	-	-	-	-	42.26
Disputed Not Due					
Micro Enterprises And Small Enterprises	-	-	-	-	-
Others	-	-	-	-	-
Undisputed Unbilled					
Micro Enterprises And Small Enterprises	-	-	-	-	-
Others	-	-	-	-	57.43
Disputed Unbilled					
Micro Enterprises And Small Enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	319.44

(a) Trade Payables include dues to related parties of Rs. 2.63 Crores (March 31, 2024: Rs. 0.46 Crores). Refer Note 42 for details.

(b) Refer Note 44 for information about market risk and liquidity risk on trade payables.

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)
22 Other Financial Liabilities

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores	Rs. in Crores	Rs. in Crores
Measured at Amortised Cost				
Interest Accrued And Not Due On Borrowings	-	-	1.83	1.31
Investor Education And Protection Fund Will Be Credited By Following Amounts (As And When Due)				
Unpaid Dividends	-	-	0.10	0.10
Unpaid Fractional Share	-	-	0.09	0.09
Measured at Fair Value through OCI				
Derivative Liabilities #	-	-	1.76	0.17
Others (Measured at Amortised Cost)				
Employee Related Liabilities	-	-	4.36	3.60
Payable for Purchase of Property, Plant and Equipment:				
Dues to Micro enterprises and Small enterprises	-	-	4.58	0.38
Dues to Other than Micro Enterprises and Small Enterprises	-	-	9.09	5.58
Deferred Guarantee Income	3.43	-	0.72	-
Other Liabilities [Refer Note (a) below]	-	-	15.00	15.00
Total	3.43	-	37.53	26.23

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.

(a) Arbitration was invoked following the dispute between Cimmco 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. 15.00 Crores 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. 15.00 Crores in the previous year. In view of the ongoing litigation, the amount of Rs. 15.00 Crores withdrawn against deposit of bank guarantee has been considered as a liability.

23 Contract Liabilities

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores	Rs. in Crores	Rs. in Crores
Advance from Customers	37.46	122.79	274.07	315.57
	37.46	122.79	274.07	315.57

24 Other Liabilities

Particulars	Current	
	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
Statutory Dues	6.67	4.00
	6.67	4.00

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

25 Revenue from Operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. in Crores	Rs. in Crores
Revenue from Contract with Customers:-		
Sale of Products		
Finished Goods	3,793.30	3,768.17
Raw Materials and Components	9.85	37.14
Other Operating Revenues		-
Scrap Sales	61.96	44.35
Others	0.71	3.64
Total	3,865.82	3,853.30

Disaggregation of revenue from operation between timing of revenue recognition is given below:-

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. in Crores	Rs. in Crores
Revenue Recognised At A Point In Time	3,588.70	3,336.81
Revenue Recognised Over Time	277.12	516.49
	3,865.82	3,853.30

Reconciliation of revenue recognised with contract price:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. in Crores	Rs. in Crores
Contract price	3,667.81	3,774.95
Adjustment for:		
Liquidated Damages	(13.37)	(37.01)
Escalation	211.38	115.36
Revenue from Operations	3,865.82	3,853.30

26 Other Income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. in Crores	Rs. in Crores
26.1 Interest Income		
From Financial Assets at Amortised Cost		
Bank Deposits	42.86	17.65
Interest Unwinding In Respect of Security Deposit for Leases	0.33	0.26
Others #	8.66	1.90
	51.85	19.81
26.2 Others		
Net Foreign Exchange Fluctuations and Fair Value (Gain) / Loss on Derivatives Not Designated as Hedges ##	2.99	9.58
Unspent Liabilities / Provisions No Longer Required Written Back	-	1.85
Dividend Income on Non-Current Investments	-	5.79
Net Gain on Disposal of Property, Plant and Equipment	0.23	-
Guarantee Commission	0.85	-
Irrecoverable Debts Written Off In Earlier Years, Now Recovered	1.23	1.92
Insurance Claim	0.06	0.21
Other Non-Operating Income*	2.66	1.32
	8.02	20.67
26.3 Other Gains / (Losses)		
Fair Value Gain on Investment Carried at FVTPL	15.38	5.19
	15.38	5.19
Total	75.25	45.67

Includes interest income against claims receivable of Rs. 7.56 Crores [refer Note 9(b)], interest on income tax refund of Rs. 0.58 Crores etc. In respect of the previous year, Others includes interest income from supplier for early payment of related outstandings of Rs. 1.76 Crores, etc.

Foreign Exchange Fluctuations includes Rs. 1.27 Crores (March 31, 2024: Rs. 4.65 Crores) on account of cancellation of forward contracts during the year.

* Includes claims receivable for the year ended March 31, 2025 of Rs. 1.95 Crores [refer Note 9(b)] etc. In respect of the previous year, the amount comprises mainly of recoveries against dues charged off in earlier periods of Rs 1.29 Crores, etc.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

27 Cost of Raw Materials and Components Consumed

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. in Crores	Rs. in Crores
Inventories At The Beginning Of The Year	460.80	364.90
Add: Purchases	2,916.12	3,047.60
	3,376.92	3,412.50
Less: Inventories At The End Of The Year	412.01	460.80
Cost Of Raw Materials And Components Consumed	2,964.91	2,951.70

28 Changes in Inventories of Finished Goods, Work-in-Progress and Saleable Scrap

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. in Crores	Rs. in Crores
Inventories At The Beginning Of The Year		
Work-in-Progress	36.55	69.97
Saleable Scrap	7.71	10.67
(A)	44.26	80.64
Inventories At The End Of The Year		
Work-in-Progress	68.78	36.55
Saleable Scrap	11.54	7.71
(B)	80.32	44.26
(Increase) / Decrease	(36.06)	36.38

29 Employee Benefits Expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. in Crores	Rs. in Crores
Salaries, Wages and Bonus*	74.99	59.05
Employee Stock Option Expenses (Refer Note 36)	0.22	-
Contribution to Provident and Other Funds* [Refer Note 35 (ii) and 48.1]	4.26	3.07
Gratuity Expense [Refer Note 35 (i)]	1.10	0.86
Staff Welfare Expenses	5.32	3.31
Total	85.89	66.29

* Presented net of Rs. 16.11 Crores (March 31, 2024: Rs. 6.89 Crores) capitalised to Intangible assets/ Intangible asset under development.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

30 Finance Costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. in Crores	Rs. in Crores
Interest Expenses on Financial Liabilities Carried at Amortised Cost - Borrowings, etc. (Refer Note (a) below)	43.01	46.43
Interest & Finance Charges on Lease Liabilities (Refer Note (b) below)	8.77	9.04
Bank Charges, Other Borrowing Costs etc.	21.36	17.98
Total	73.14	73.45
a) Interest Expenses on Financial Liabilities Carried at Amortised Cost - Borrowings, etc includes Rs. 2.69 Crores (March 31, 2024: Rs. 16.13 Crores) representing cost of financing component @ 9% against long term advance from customer.		
b) Presented net of Rs. 0.19 Crores (March 31, 2024: Rs. Nil) capitalised to Intangible assets / Intangible asset under development.		

31 Depreciation and Amortisation Expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. in Crores	Rs. in Crores
Depreciation of Property, Plant and Equipments (refer Note 6.1)	16.92	14.79
Depreciation of Right of Use Assets* (refer Note 6.6)	11.57	11.22
Amortisation of Intangible Assets (refer Note 6.2)	1.01	1.09
Total	29.50	27.10

*Presented net of Rs. 0.54 Crores (March 31, 2024: Rs. Nil) capitalised to Intangible assets / Intangible asset under development.

32 Other Expenses (Refer Note 32.3)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. in Crores	Rs. in Crores
Consumption of Stores And Spares	117.51	108.54
Job Processing And Other Machining Charges (Including Contract Labour Charges)	132.07	101.15
Power and Fuel	59.54	50.46
Design and Development Expenses	2.30	0.78
Repairs :-		-
Plant and Machinery	5.23	2.13
Buildings	2.53	2.06
Others	0.65	0.62
Rent and Hire Charges	3.62	2.23
Rates and Taxes	4.09	2.84
Insurance	2.69	2.51
Security Services	2.88	3.49
Advertising and Sales Promotion	3.30	1.60
Brokerage and Commission	1.14	1.70
Travelling and Conveyance	11.24	9.45
Legal and Professional Fees	11.88	11.00

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

32 Other Expenses (Refer Note 32.3) (Contd.)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. in Crores	Rs. in Crores
Commission To Non-Whole Time Directors	0.60	0.70
Directors Sitting Fees	0.55	0.75
Payment to Statutory Auditors		
As Auditors #		
Audit Fee	0.68	0.68
Limited Review	0.27	0.25
Tax Audit Fee	-	0.05
Other Certification Services	0.03	0.18
Reimbursement of Expenses	0.12	0.13
Warranty Claims (Net)	7.57	10.46
Less: Adjusted with Provision	0.48	3.38
Irrecoverable Debts / Advances / Other Receivables Written Off	0.06	0.03
Less: Adjusted with Provision	-	-
Provision for Doubtful Debts And Advances	1.58	6.71
Corporate Social Responsibility Expenses (Refer Note 32.1)	3.77	1.30
Donation (Refer Note 32.2)	4.54	4.66
Provision for Onerous Contracts	8.11	4.42
Miscellaneous Expenses	24.06	19.50
Total	412.13	347.00

Payment to Statutory auditors of Rs. 1.78 Crores in the previous year in respect of work relating to qualified institutional placement is included under share issue expenses which has been adjusted against securities premium account.

32.1 Corporate Social Responsibility Expenses

(a) Amount required to be spent during the year	3.77	1.30
(b) Amount spent during the year on		
(i) Construction / acquisition of an asset	-	-
(ii) On purposes other than (i) above (fully paid)	3.77	1.30
Total	3.77	1.30

32.2 Donation includes Rs. 4.50 Crores (March 31, 2024: Rs. 4.50 Crores) 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.

32.3 Presented net of Rs. 54.38 Crores (March 31, 2024: Rs. 59.07 Crores) capitalised to Intangible assets / Intangible asset under development. The detail of such expenses are as follow:

Design and development expenses	48.64	54.35
Consumption of stores and spares	-	0.47
Power and fuel	1.81	0.58
Job processing and other machining charges (including contract labour charges)	0.47	-
Legal and professional fees	0.10	1.60
Travelling and conveyance	1.03	1.45
Miscellaneous expenses	2.33	0.62
Total	54.38	59.07

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)
33 Income Tax Expense / (Benefit)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. in Crores	Rs. in Crores
(A) Amount Recognised in the Statement of Profit and Loss		
Current Tax (including earlier years)	99.53	102.99
Deferred Tax	8.60	(2.85)
Total Income Tax Expense Recognised in Statement of Profit and Loss	108.13	100.14
(B) Numerical Reconciliation of Income Tax Expense to Tax Payable		
Accounting Profit / (Loss) before Tax	411.56	397.05
At India's Statutory Income Tax Rate of 25.168% (March 31, 2024: 25.168%)	103.58	99.93
Adjustments:		
Expenses Not Allowed As Deductions	3.01	1.82
Impact Of Lower Tax Rate (Capital Gains Tax Rate) On The Sale Of Capital Assets	0.03	-
Dividend From Subsidiary	-	(1.46)
Tax Pertaining To Earlier Years	0.64	-
Others	0.87	(0.15)
	108.13	100.14

34 Earnings Per Equity Share

Particulars	For the Year Ended	For the Year Ended
	March 31, 2025	March 31, 2024
(A) Basic		
(i) Number of Equity Shares at the Beginning of the Year	13,46,73,768	11,95,71,089
(ii) Number of Equity Shares at the End of the Year	13,46,73,768	13,46,73,768
(iii) Weighted Average Number of Equity Shares Outstanding During The Year	13,46,73,768	12,74,11,785
(iv) Face Value of Each Equity Share (Rs.)	2.00	2.00
(v) Profit after Tax Available for Equity Shareholders	303.43	296.91
(vi) Basic Earnings per Equity Share (Rs.) [(v)/(iii)]	22.53	23.30
(B) Diluted		
(i) Dilutive Potential Equity Shares on Account of Employee Stock Options Outstanding	1,29,443	-
(i) Weighted Average Number of Equity Shares Outstanding During The Year for Diluted Earnings per Equity Share	13,48,03,211	12,74,11,785
(ii) Diluted Earnings per Equity Share (Rs.) [A(v)/B(i)]	22.51	23.30

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)
35 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.

The following tables sets forth the particulars in respect of the gratuity plan.

(Rs. in Crores)

Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Statement of Profit and Loss				
Net Employee Benefits Expense Recognised in the Employee Cost				
Current Service Cost	0.04	0.03	0.69	0.49
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	0.01	0.05	0.36	0.29
Total	0.05	0.08	1.05	0.78
Expenses Recognised in Other Comprehensive Income (OCI)				
Remeasurements (Gains) / Losses	(0.05)	(0.68)	2.01	0.80
Total	(0.05)	(0.68)	2.01	0.80
Net Liability Recognised in Balance Sheet				
Benefit liability				
Present Value of Defined Benefit Obligation	0.41	0.44	7.58	4.99
Fair Value of Plan Assets	0.32	0.35	-	-
Net Liability	0.09	0.09	7.58	4.99
Bifurcation of Net Liability at the End Of The Year As Per Revised Schedule III of the Companies Act, 2013				
Current Liability (Short-Term)	-	-	1.56	1.54
Non-Current Liability (Long-Term)	0.09	0.09	6.02	3.45
	0.09	0.09	7.58	4.99
Changes in the Present Value of the Defined Benefit Obligation Are As Follows:				
Opening Defined Benefit Obligation	0.44	1.12	4.99	4.04
Current Service Cost	0.04	0.03	0.69	0.49
Interest Cost	0.04	0.08	0.36	0.29
Benefits Paid	(0.06)	(0.11)	(0.47)	(0.63)
Remeasurement (Gains) / Losses				
Financial Assumptions Changes	0.06	0.00	1.26	0.02
Demographic Assumptions	0.03	-	0.37	-
Experience Variance	(0.14)	(0.68)	0.38	0.78
Closing Defined Benefit Obligation	0.41	0.44	7.58	4.99
Changes in the Fair Value of Plan Assets Are As Follows:				
Fair Value Of Plan Assets At The Beginning Of The Year	0.35	0.47	-	-
Return on Plan Assets	-	(0.04)	-	-
Investment Income	0.03	0.03	-	-
Benefits Paid	(0.06)	(0.11)	-	-
Fair Value Of Plan Assets At The End Of The Year	0.32	0.35	-	-

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

35 Employee Benefits (Contd.)

Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
	For the Year Ended	For the Year Ended	For the Year Ended	For the Year Ended
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
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	6 years	3 years	5 years	3 years
Expected Benefit Payments for the Year Ending				
Not Later Than 1 Year	0.04	0.15	1.56	1.54
Later Than 1 Year And Not Later Than 5 Years	0.21	0.27	3.49	3.01
Later Than 5 Year And Not Later Than 10 Years	0.18	0.11	3.41	1.52
More than 10 Years	0.25	0.03	3.08	0.51
The Principal Assumptions Used In Determining Gratuity Obligation Are Shown Below:				
Discount Rate	6.55%	7.15%	6.50%	7.15%
Rate of Increase in Salary	10.00%	6.50%	10.00%	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. 0.17 Crores (March 31, 2024: Rs.0.13 Crores) 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:

(Rs. in Crores)

Sensitivity level	Gratuity (Funded)				Gratuity (Unfunded)			
	As at March 31, 2025		As at March 31, 2024		As at March 31, 2025		As at March 31, 2024	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	0.44	0.38	0.46	0.43	8.02	7.19	5.17	4.82
Salary Growth Rate (- / + 1%)	0.39	0.43	0.43	0.46	7.24	7.96	4.83	5.15

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:

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 have no further obligations under the plan beyond its monthly contributions.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

35 Employee Benefits (Contd.)

The amounts paid to Defined Contribution Plans are as follows:

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
	Rs. in Crores	Rs. in Crores
Provident Fund (Refer Note 48.1)	3.94	2.73
ESI	0.32	0.34
Total	4.26	3.07

(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. 2.11 Crores (March 31, 2024: Rs. 1.02 Crores). 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, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
Leave provision not expected to be settled within the next 12 months	2.69	1.22

(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.

36 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 Option Scheme 2023" for the employees. Subsequently, on April 26, 2023, the shareholders, by way of postal ballot approved the said Scheme. During the current year, the total number of options granted under the Scheme is 500,000 options which will be granted in one or more tranches over a period of 5 years. Each option when exercised will be converted into 1 equity share of Rs. 2 each fully paid up. Other terms are -

Tranche 1 - First Allotment

Vesting period	As stated below
Exercise period	Within a period of 6 months from the date of vesting
Grant date	February 3, 2025
Exercise price	Rs. 860.00
Market price at February 3, 2025	Rs. 956.00

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

36 (Contd.)

The vesting schedule of the options is as follows:

At the end of first year from the date of grant	10%
At the end of second year from the date of grant	15%
At the end of third year from the date of grant	20%
At the end of fourth year from the date of grant	25%
At the end of fifth year from the date of grant	30%

The movement of the option is summarised below:	For the year ended March 31, 2025		For the year ended March 31, 2024	
	No. of Options	Weighted Average Exercise Price (WAEP) (Rs.)	No. of Options	Weighted Average Exercise Price (WAEP) (Rs.)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	46,225	860	-	-
Lapsed during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	46,225	860	-	-
Exercisable at the end of the year	-	-	-	-

The weighted average fair value of the option as on the grant date is Rs. 459.10 (March 31, 2024: Nil) and weighted average contractual life of the option as at March 31, 2025 is 3.75 years (March 31, 2024: Nil years).

The Black-Scholes valuation model has been used for computing the weighted average fair value considering the below mentioned inputs.

Particulars	Grant Date- February 3, 2025
Share price (Rs.)	956.00
Exercise price (Rs.)	860.00
Risk-free interest rate	6.30%
Expected volatility	52.20%
Dividend yield	0.08%
Expected life of the options	5 years

37 Commitments

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
a) Estimated amount of contracts remaining to be executed on capital accounts and not provided for [net of advances Rs. 38.51 Crores (March 31, 2024: Rs. Nil)]	77.41	137.15

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

38 Contingent Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
(i) Claims Against The Company Not Acknowledged As Debt		
Disputed Claims Contested By The Company And Pending At Various Courts / Arbitration*	40.71	50.12
Matters Under Appeal With:		-
Sales Tax Authorities	22.93	25.10
Income Tax Authorities	45.12	44.63
Customs and Excise Authorities	47.67	51.28
Goods and Service Tax Authorities	30.02	5.09
Custom Duty On Import of Equipments And Spare Parts Under EPCG Scheme	-	7.76
	186.45	183.98

* Includes Rs. 13.60 Crores (March 31, 2024: Rs. 13.60 Crores) which in terms of BIFR order, even if decided against the Company, would stand at Rs. 1.36 Crores (March 31, 2024: Rs 1.36 Crores) only.

In respect of above cases based on favourable 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.

Also, refer Note 7(e) for financial undertaking given by the Company in respect of borrowings of RTRWL, one of its joint venture.

(ii) Further:

- Erstwhile Cimmco Limited (Since merged with the 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.
- SBI Caps has raised a claim of Rs. 11.29 Crores on erstwhile Cimmco 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 Cimmco 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 Cimmco 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 Favourable 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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

39 Information Relating to Micro and Small Enterprises (MSEs):

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
(a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end *	44.66	37.20
(b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2.04	0.12
(c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	44.95	30.27
(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	0.57	0.57
(g) Interest accrued and remaining unpaid at the end of the accounting year	3.22	1.18
(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.		

40 List of Subsidiaries, Associate and Joint Venture 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 have been recognised at cost.

Name of the Subsidiary	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest	
		March 31, 2025	March 31, 2024
Titagarh Singapore Pte. Limited (TSPL)*	Singapore	100.00%	100.00%
Titagarh Firema Engineering Services Private Limited ("TFESPL") (w.e.f February 14, 2025) [Refer Note 7(d)]	India	66.00%	-
Titagarh Wagons AFR (TWA) **	France	100.00%	100.00%

*The voluntary winding up of Titagarh Singapore Pte Limited (TSPL) at Singapore has already been initiated in the earlier years 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 (realisable 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, the 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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

40 List of Subsidiaries, Associate and Joint Venture of the Company (Contd.)

Name of the Associate	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest	
		March 31, 2025	March 31, 2024
Titagarh Firema S.p.A (TFA)	Italy	25.43%	25.43%

Name of the Joint Venture	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest	
		March 31, 2025	March 31, 2024
Titagarh Mermec Private Limited	India	50.00%	50.00%
Ramkrishna Titagarh Rail Wheels Limited [Refer Note 7(e)]*	India	49.00%	49.00%
Titagarh Firema Engineering Services Private Limited (upto February 13, 2024) [Refer Note 7(d)]*	India	-	49.00%
Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited) [Refer Note 7(f)]*	India	44.63%	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.

41 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".

- 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.
- 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 (including finance costs to the extent not allocable to segments), 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

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

41 Segment Information (Contd.)

Information About Operating Segments

For the year ended and as at March 31, 2025

	Freight Rail Systems	Passenger Rail Systems	Total
Revenue From Operations			
Segment Revenue (External)	3,610.27	255.55	3,865.82
Major Costs			
Cost of Raw Materials & Components Consumed	2,795.71	169.20	2,964.91
Segment Profit	437.64	21.14	458.78
Unallocated (Income) / Expenses			
Finance Costs			58.72
Interest Income			(51.06)
Interest Expense - Net			7.66
Depreciation and Amortisation Expense			2.44
Other Corporate Income			(16.99)
Other Corporate Expenses			54.11
Unallocable Expenditure Net of Income			39.56
Profit / (Loss) before taxes			411.56
Tax Expenses / (Credit)			108.13
Profit / (Loss) for the Year			303.43
Material Non-Cash (Income) / Expenses:			
Depreciation and Amortisation Expense	21.34	5.72	27.06
Provision for Doubtful Debts and Advances	1.58	-	1.58
Provision for Onerous Contract	8.11	-	8.11
Segment Assets	1,734.35	902.28	2,636.63
Unallocated Assets			
Investments			343.04
Cash And Cash Equivalents			17.36
Other Bank Balances			442.13
Tax Assets (Net)			24.58
Other Unallocated Assets			332.89
Total Assets			3,796.63
Segment Liabilities	405.53	261.14	666.67
Unallocated Liabilities			
Deferred Tax Liabilities (Net)			18.75
Borrowings			529.34
Current Tax Liabilities (Net)			7.35
Other Unallocated Liabilities			54.78
Total Liabilities			1,276.89

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

41 Segment Information (Contd.)

For the year ended and as at March 31, 2024

(Rs. in Crores)

	Freight Rail Systems	Passenger Rail Systems	Total
Revenue from Operations			
Segment Revenue (External)	3,417.57	435.73	3,853.30
Major Costs			
Cost of Raw Materials & Components Consumed	2,636.15	315.55	2,951.70
Segment Profit	443.24	13.15	456.39
Unallocated (Income) / Expenses			
Finance Costs			46.26
Interest Income			(17.80)
Interest Expense - Net			28.46
Depreciation and Amortisation Expense			2.74
Other Corporate Income			(19.29)
Other Corporate Expenses			47.43
Unallocable Expenditure Net of Income			30.88
Profit / (Loss) before Taxes			397.05
Tax Expenses / (Credit)			100.14
Profit / (Loss) for the Year			296.91
Material Non-Cash (Income) / Expenses:			
Depreciation and Amortisation Expense	20.48	3.88	24.36
Unspent Liabilities / Provisions No Longer Required Written Back	1.62	-	1.62
Provision for Doubtful Debts and Advances	6.52	0.19	6.71
Provision for Onerous Contract	4.42	-	4.42
Irrecoverable Debts / Advances Written Off (net)	0.00	0.00	0.00
Segment Assets	1,551.62	592.58	2,144.20
Unallocated Assets			
Investments			212.93
Cash and Cash Equivalents			326.89
Other Bank Balances			280.12
Tax Assets (Net)			34.46
Other Unallocated Assets			227.69
Total Assets			3,226.29
Segment Liabilities	669.94	201.87	871.81
Unallocated Liabilities			
Deferred Tax Liabilities (Net)			10.64
Borrowings			66.26
Current Tax Liabilities (Net)			13.43
Other Unallocated Liabilities			35.93
Total Liabilities			998.07

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

41 Segment Information (Contd.)

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, 2025	For the Year Ended March 31, 2024
	Rs. in Crores	Rs. in Crores
India	3,859.99	3,850.85
Rest of the World	5.83	2.45
Total	3,865.82	3,853.30

- (b) All non-current assets (excluding Financial Assets) of the Company are located in India.

- (c) "Total revenue from external customers which represents more than 10% of the total revenue of the Company is as follows:

- 1) Customer 1 - Rs 2,576.16 Crores (March 31, 2024: Rs. 1,710.31 Crores)
- 2) Customer 2 - Rs 2.34 Crores (March 31, 2024: Rs. 665.17 Crores)
- 3) Customer 3 - Rs 62.50 Crores (March 31, 2024: Rs. 417.75 Crores)

42 Related Party Disclosures

Names of Related Parties and Related Party Relationship

Related parties where control exists:

Subsidiary Company:	Titagarh Singapore Pte. Limited (Refer note 40)
	Titagarh Wagons AFR (Refer note 40)
	Titagarh Firema Engineering Services Private Limited (w.e.f February 14, 2025)
Joint Venture Companies:	Titagarh Mermec Private Limited
	Titagarh Firema Engineering Services Private Limited (w.e.f September 16, 2023 and upto February 13, 2025)
	Ramkrishna Titagarh Rail Wheels Limited (w.e.f June 09, 2023)
	Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited) (w.e.f February 13, 2024)
Associate Company:	Titagarh Firema S.p.A, Italy
Other related parties with whom transactions have taken place during the period:	
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 & CEO (FTRS) (w.e.f December 20, 2023 and upto February 2, 2025)
	Mr. Anil Kumar Agarwal - Deputy Managing Director (w.e.f. February 3, 2025)
	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. Saket Kandoi - Director (Freight Rolling Stock) (upto February 2, 2025)
	Mr. Saket Kandoi - Director & CEO (Shipbuilding & Maritime Systems) (w.e.f. February 3, 2025)
	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 and upto May 14, 2024)
	Mr. Prithish Chowdhary - Deputy Managing Director (w.e.f May 15, 2024)
	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
Close Family Members of the KMPs:	Mrs. Vinita Bajoria, Daughter of Mr. J P Chowdhary
	Mrs. Sumita Kandoi, Daughter of Mr. J P Chowdhary
	Mrs. 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
	Nicco Eastern Private Limited
	Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited) (upto February 12, 2024)
	Indistrokes Private Limited
	Titagarh Logistics Infrastructure Private Limited
	Chowdhary Foundation

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

42 Related Party Disclosures (Contd.)

Details of transactions between the Group and Related Parties and outstanding balances as at the year end are given below:

(Rs. in Crores)

Nature of transactions	Year	Subsidiary Companies	Joint Venture	Associate	Enterprise over which KMP / shareholders / relatives have significant influence	KMPs	Relatives of KMPs	Total
In Relation to the Statement of Profit and Loss								
Sale of Products								
Titagarh Firema S.p.A	2024 - 25	-	-	5.83	-	-	-	5.83
	2023 - 24	-	-	1.01	-	-	-	1.01
Unspent Liabilities No Longer Required Written Back								
Titagarh Firema S.p.A	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	0.34	-	-	-	0.34
Purchase of Raw Materials and Components								
Titagarh Firema S.p.A	2024 - 25	-	-	0.94	-	-	-	0.94
	2023 - 24	-	-	24.30	-	-	-	24.30
Nicco Eastern Private Limited	2024 - 25	-	-	-	0.18	-	-	0.18
	2023 - 24	-	-	-	4.24	-	-	4.24
Indistrokes Private Limited	2024 - 25	-	-	-	0.86	-	-	0.86
	2023 - 24	-	-	-	-	-	-	-
Design and Development Expenses								
Titagarh Firema Engineering Services Private Limited	2024 - 25	1.06	5.33	-	-	-	-	6.39
	2023 - 24	-	3.01	-	-	-	-	3.01
Titagarh Firema S.p.A	2024 - 25	-	-	0.19	-	-	-	0.19
	2023 - 24	-	-	-	-	-	-	-
Purchase of Design in respect of Intangible assets / Intangible assets under development								
Titagarh Firema S.p.A	2024 - 25	-	-	9.09	-	-	-	9.09
	2023 - 24	-	-	-	-	-	-	-
Reimbursement of Expenses Recieved								
Titagarh Enterprises Limited	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	0.36	-	-	0.36
Titagarh Firema Engineering Services Private Limited	2024 - 25	-	0.22	-	-	-	-	0.22
	2023 - 24	-	0.10	-	-	-	-	0.10
Ramkrishna Titagarh Rail Wheels Limited	2024 - 25	-	0.08	-	-	-	-	0.08
	2023 - 24	-	-	-	-	-	-	-
Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited)	2024 - 25	-	0.24	-	-	-	-	0.24
	2023 - 24	-	-	-	-	-	-	-
Reimbursement of Expenses Paid								
Ramkrishna Titagarh Rail Wheels Limited	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	0.15	-	-	-	-	0.15
Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited)	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	0.10	-	-	-	-	0.10
Titagarh Firema Engineering Services Private Limited	2024 - 25	-	0.39	-	-	-	-	0.39
	2023 - 24	-	2.54	-	-	-	-	2.54
Titagarh Enterprises Limited	2024 - 25	-	-	-	0.11	-	-	0.11
	2023 - 24	-	-	-	-	-	-	-
Payment for Lease Rental (Refer Note 6.6)								
Titagarh Enterprises Limited	2024 - 25	-	-	-	14.29	-	-	14.29
	2023 - 24	-	-	-	13.52	-	-	13.52

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

42 Related Party Disclosures (Contd.)

Details of transactions between the Group and Related Parties and outstanding balances as at the year end are given below: (Contd.)

(Rs. in Crores)

Nature of transactions	Year	Subsidiary Companies	Joint Venture	Associate	Enterprise over which KMP / shareholders / relatives have significant influence	KMPs	Relatives of KMPs	Total
Remuneration (Excluding Employee Stock Option Expense) [Refer (b) below]								
Mr. J. P. Chowdhary	2024 - 25	-	-	-	-	3.57	-	3.57
	2023 - 24	-	-	-	-	3.63	-	3.63
Mr. Umesh Chowdhary	2024 - 25	-	-	-	-	3.57	-	3.57
	2023 - 24	-	-	-	-	3.63	-	3.63
Mr. Prithish Chowdhary	2024 - 25	-	-	-	-	1.02	-	1.02
	2023 - 24	-	-	-	-	0.57	-	0.57
Mr. Anil Kumar Agarwal	2024 - 25	-	-	-	-	1.94	-	1.94
	2023 - 24	-	-	-	-	0.97	-	0.97
Mr. Saket Kandoi	2024 - 25	-	-	-	-	0.83	-	0.83
	2023 - 24	-	-	-	-	0.68	-	0.68
Mr. Saurav Singhanian	2024 - 25	-	-	-	-	0.96	-	0.96
	2023 - 24	-	-	-	-	0.69	-	0.69
Mr. Dinesh Arya	2024 - 25	-	-	-	-	0.48	-	0.48
	2023 - 24	-	-	-	-	0.43	-	0.43
Sitting Fees to Directors								
Mr. Manoj Mohanka	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	-	0.15	-	0.15
Mr. Atul Ravishanker Joshi	2024 - 25	-	-	-	-	0.10	-	0.10
	2023 - 24	-	-	-	-	0.12	-	0.12
Mrs. Rashmi Chowdhary	2024 - 25	-	-	-	-	0.04	-	0.04
	2023 - 24	-	-	-	-	0.06	-	0.06
Mr. Sunirmal Talukdar	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	-	0.14	-	0.14
Mr. Sushil Kumar Roongta	2024 - 25	-	-	-	-	0.08	-	0.08
	2023 - 24	-	-	-	-	0.08	-	0.08
Mr. Krishan Kumar Jalan	2024 - 25	-	-	-	-	0.13	-	0.13
	2023 - 24	-	-	-	-	0.07	-	0.07
Ms. Nayantara Palchoudhri	2024 - 25	-	-	-	-	0.06	-	0.06
	2023 - 24	-	-	-	-	0.07	-	0.07
Mr. Bontha Prasada Rao	2024 - 25	-	-	-	-	0.12	-	0.12
	2023 - 24	-	-	-	-	0.05	-	0.05
Mr. Debanjan Mandal	2024 - 25	-	-	-	-	0.02	-	0.02
	2023 - 24	-	-	-	-	0.01	-	0.01
Commission to non - whole time directors								
Mr. Atul Ravishanker Joshi	2024 - 25	-	-	-	-	0.11	-	0.11
	2023 - 24	-	-	-	-	0.10	-	0.10
Mr. Sunirmal Talukdar	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	-	0.10	-	0.10
Mr. Sushil Kumar Roongta	2024 - 25	-	-	-	-	0.11	-	0.11
	2023 - 24	-	-	-	-	0.10	-	0.10
Mr. Krishan Kumar Jalan	2024 - 25	-	-	-	-	0.11	-	0.11
	2023 - 24	-	-	-	-	0.10	-	0.10
Ms. Nayantara Palchoudhri	2024 - 25	-	-	-	-	0.11	-	0.11
	2023 - 24	-	-	-	-	0.10	-	0.10
Mr. Manoj Mohanka	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	-	0.10	-	0.10
Mr. Bontha Prasada Rao	2024 - 25	-	-	-	-	0.11	-	0.11
	2023 - 24	-	-	-	-	0.05	-	0.05
Mr. Debanjan Mandal	2024 - 25	-	-	-	-	0.05	-	0.05
	2023 - 24	-	-	-	-	0.05	-	0.05

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

42 Related Party Disclosures (Contd.)

Details of transactions between the Group and Related Parties and outstanding balances as at the year end are given below: (Contd.)

(Rs. in Crores)

Nature of transactions	Year	Subsidiary Companies	Joint Venture	Associate	Enterprise over which KMP / shareholders / relatives have significant influence	KMPs	Relatives of KMPs	Total
Payment of Dividend								
Mr. J. P. Chowdhary	2024 - 25	-	-	-	-	0.01	-	0.01
	2023 - 24	-	-	-	-	0.00	-	0.00
Mr. Umesh Chowdhary	2024 - 25	-	-	-	-	0.01	-	0.01
	2023 - 24	-	-	-	-	0.00	-	0.00
Mrs. Rashmi Chowdhary	2024 - 25	-	-	-	-	0.81	-	0.81
	2023 - 24	-	-	-	-	0.64	-	0.64
Mr. Anil Kumar Agarwal	2024 - 25	-	-	-	-	0.01	-	0.01
	2023 - 24	-	-	-	-	0.01	-	0.01
Mr. Saket Kandoi	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	-	0.00	-	0.00
Mr. Saurav Singhanian	2024 - 25	-	-	-	-	0.00	-	0.00
	2023 - 24	-	-	-	-	0.00	-	0.00
Mr. Dinesh Arya	2024 - 25	-	-	-	-	0.00	-	0.00
	2023 - 24	-	-	-	-	0.00	-	0.00
Mrs. Bimla Devi Kajaria	2024 - 25	-	-	-	-	-	0.00	0.00
	2023 - 24	-	-	-	-	-	0.00	0.00
Mrs. Sumita Kandoi	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	-	-	0.00	0.00
Mrs. Vinita Bajoria	2024 - 25	-	-	-	-	-	0.00	0.00
	2023 - 24	-	-	-	-	-	0.00	0.00
Titagarh Capital Management Services Private Limited	2024 - 25	-	-	-	1.93	-	-	1.93
	2023 - 24	-	-	-	1.20	-	-	1.20
Titagarh Logistics Infrastructure Private Limited	2024 - 25	-	-	-	0.15	-	-	0.15
	2023 - 24	-	-	-	0.10	-	-	0.10
Chowdhary Foundation	2024 - 25	-	-	-	1.46	-	-	1.46
	2023 - 24	-	-	-	0.91	-	-	0.91
In relation to Balance Sheet Item								
Investments made								
Ramkrishna Titagarh Rail Wheels Limited [Refer note 7(e)]	2024 - 25	-	112.73	-	-	-	-	112.73
	2023 - 24	-	61.24	-	-	-	-	61.24
Titagarh Firema Engineering Services Private Limited [Refer note 7(d)]	2024 - 25	2.00	-	-	-	-	-	2.00
	2023 - 24	-	1.96	-	-	-	-	1.96
Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited)	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	100.00	-	-	-	-	100.00
Balances outstanding as at the year end								
Trade Receivables								
Titagarh Firema S.p.A	2024-25	-	-	7.09	-	-	-	7.09
	2023-24	-	-	0.98	-	-	-	0.98
Trade Payables								
Titagarh Firema S.p.A	2024 - 25	-	-	1.12	-	-	-	1.12
	2023 - 24	-	-	-	-	-	-	-
Titagarh Enterprises Limited	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	0.00	-	-	0.00
Nicco Eastern Private Limited	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	0.46	-	-	0.46
Indistrokes Private Limited	2024 - 25	-	-	-	0.38	-	-	0.38
	2023 - 24	-	-	-	-	-	-	-
Titagarh Firema Engineering Services Private Limited	2024 - 25	1.13	-	-	-	-	-	1.13
	2023 - 24	-	-	-	-	-	-	-

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

42 Related Party Disclosures (Contd.)

Details of transactions between the Group and Related Parties and outstanding balances as at the year end are given below: (Contd.)

(Rs. in Crores)

Nature of transactions	Year	Subsidiary Companies	Joint Venture	Associate	Enterprise over which KMP / shareholders / relatives have significant influence	KMPs	Relatives of KMPs	Total
Charges Recoverable								
Ramkrishna Titagarh Rail Wheels Limited	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	0.15	-	-	-	-	0.15
Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited)	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	0.10	-	-	-	-	0.10
Receivable from Related Parties								
Titagarh Wagons AFR [Net of Rs. 2.36 Crores being provision for doubtful receivables (March 31, 2024 Rs. 2.36 Crores)]	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	-	-	-	-
Titagarh Firema Engineering Services Private Limited	2024 - 25	0.07	-	-	-	-	-	0.07
	2023 - 24	-	-	-	-	-	-	-
Interest Accrued on Loans								
Titagarh Wagons AFR [Net of Rs. 1.40 Crores being provision for doubtful interest accrued on loans (March 31, 2024 Rs. 1.40 Crores)]	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	-	-	-	-
Advances Recoverable in Cash or Kind								
Mr. Anil Kumar Agarwal	2024 - 25	-	-	-	-	0.30	-	0.30
	2023 - 24	-	-	-	-	0.30	-	0.30
Commission Payable To Non Whole Time Directors								
Mr. Atul Ravishanker Joshi	2024 - 25	-	-	-	-	0.11	-	0.11
	2023 - 24	-	-	-	-	0.10	-	0.10
Mr. Sunirmal Talukdar	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	-	0.10	-	0.10
Mr. Sushil Kumar Roongta	2024 - 25	-	-	-	-	0.11	-	0.11
	2023 - 24	-	-	-	-	0.10	-	0.10
Mr. Krishan Kumar Jalan	2024 - 25	-	-	-	-	0.11	-	0.11
	2023 - 24	-	-	-	-	0.10	-	0.10
Ms. Nayantara Palchoudhri	2024 - 25	-	-	-	-	0.11	-	0.11
	2023 - 24	-	-	-	-	0.10	-	0.10
Mr. Manoj Mohanka	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	-	0.10	-	0.10
Mr. Bontha Prasada Rao	2024 - 25	-	-	-	-	0.11	-	0.11
	2023 - 24	-	-	-	-	0.05	-	0.05
Mr. Debanjan Mandal	2024 - 25	-	-	-	-	0.05	-	0.05
	2023 - 24	-	-	-	-	0.05	-	0.05
Security Deposit								
Titagarh Enterprises Limited	2024 - 25	-	-	-	3.36	-	-	3.36
	2023 - 24	-	-	-	3.08	-	-	3.08
Investments								
Titagarh Wagons AFR [Net of Rs. 48.84 Crores impairment (March 31, 2024: Rs. 48.84 Crores)]	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	-	-	-	-
Titagarh Singapore Pte Limited [Net of Rs. 127.44 Crores impairment (March 31, 2024: Rs. 127.44 Crores)]	2024 - 25	-	-	-	-	-	-	-
	2023 - 24	-	-	-	-	-	-	-
Titagarh Firema S.p.A	2024 - 25	-	-	12.73	-	-	-	12.73
	2023 - 24	-	-	12.73	-	-	-	12.73
Titagarh Enterprises Limited	2024 - 25	-	-	-	50.00	-	-	50.00
	2023 - 24	-	-	-	36.57	-	-	36.57
Titagarh Mermec Private Limited	2024 - 25	-	0.01	-	-	-	-	0.01
	2023 - 24	-	0.01	-	-	-	-	0.01
Titagarh Industries Limited	2024 - 25	-	-	-	2.36	-	-	2.36
	2023 - 24	-	-	-	0.41	-	-	0.41

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

42 Related Party Disclosures (Contd.)

Details of transactions between the Group and Related Parties and outstanding balances as at the year end are given below: (Contd.)

(Rs. in Crores)

Nature of transactions	Year	Subsidiary Companies	Joint Venture	Associate	Enterprise over which KMP / shareholders / relatives have significant influence	KMPs	Relatives of KMPs	Total
Investments (Contd.)								
Titagarh Firema Engineering Services Private Limited [Refer note 7(d)]	2024 - 25	3.96	-	-	-	-	-	3.96
	2023 - 24	-	1.96	-	-	-	-	1.96
Ramkrishna Titagarh Rail Wheels Limited [Refer note 7(e)]	2024 - 25	-	173.98	-	-	-	-	173.98
	2023 - 24	-	61.25	-	-	-	-	61.25
Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited)	2024 - 25	-	100.00	-	-	-	-	100.00
	2023 - 24	-	100.00	-	-	-	-	100.00

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-Term Employee Benefits	11.86	9.73
Contribution to Provident and Other Funds	0.51	0.49
Employee Stock Options Expense	0.05	-
	12.42	10.22

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 and Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited).

d) Also refer Note 6.1(d) to the standalone financial statements.

43 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, 2025 and March 31, 2024.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

43 Fair Values (Contd.)

The following table provides the fair value measurement hierarchy of the Company's assets:

(Rs. in Crores)

Quantitative Disclosures Fair Value Measurement Hierarchy:	Date of Valuation	Level 1	Level 2	Level 3	Total
Assets Measured at Fair Value:					
Investments	March 31, 2025	-	-	52.36	52.36
	March 31, 2024	-	-	36.98	36.98
Total Financial Assets	March 31, 2025	-	-	52.36	52.36
	March 31, 2024	-	-	36.98	36.98
Derivative Financial Liabilities	March 31, 2025	-	1.76	-	1.76
	March 31, 2024	-	0.17	-	0.17
Total Financial Liabilities	March 31, 2025	-	1.76	-	1.76
	March 31, 2024	-	0.17	-	0.17

(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, 2025 and March 31, 2024 are as shown below:

(Rs. in Crores)

Significant Unobservable Input - Weighted Average Cost of Capital / Discounting Rate *	March 31, 2025	March 31, 2024
Impact of 1% Increase	(1.23)	(3.54)
Impact of 1% Decrease	1.29	4.82

Significant Unobservable Input - Circle Rate for Land Owned by The Respective Investee Company #	March 31, 2025	March 31, 2024
Impact of 5% Increase	0.66	0.50
Impact of 5% Decrease	(0.66)	(0.50)

* 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 Crores)

Particulars	Investment in unquoted equity shares
Closing Balance As on March 31, 2023	31.79
Re-measurement recognised in Statement of Profit and Loss	5.19
Closing Balance As on March 31, 2024	36.98
Re-measurement recognised in Statement of Profit and Loss	15.38
Closing Balance As on March 31, 2025	52.36

(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, 2024.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

43 Fair Values (Contd.)

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.

44 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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

44 Financial Risk Management Objectives and Policies (Contd.)

The Company's foreign currency exposure at the end of the reporting period are as follows:

(Rs. in Crores)

PARTICULARS	March 31, 2025						March 31, 2024					
	JPY	NPR	USD	EURO	CNY	GBP	JPY	NPR	USD	EURO	CNY	GBP
Financial Assets												
Trade Receivables	13.93	-	20.08	75.24	-	-	26.12	2.22	6.25	47.72	-	-
Cash and Cash Equivalents	-	2.99	-	-	-	-	-	2.14	-	-	-	-
Other Financial Assets	-	-	-	3.76	-	-	-	-	-	3.76	-	-
Derivative Assets												
Foreign Exchange Forward Contracts	(19.47)	-	-	(73.44)	-	-	-	-	-	-	-	-
Net Exposure to Foreign Currency Risk (Assets)	(5.54)	2.99	20.08	5.56	-	-	26.12	4.36	6.25	51.48	-	-
Financial Liabilities												
Trade Payables	-	-	1.35	3.86	1.47	0.65	19.50	-	74.37	13.33	2.44	-
Other Financial Liabilities	-	-	-	-	-	-	-	-	0.42	-	-	-
Borrowings	1.35	-	100.59	-	-	-	-	-	16.51	-	-	-
Derivative Liabilities												
Foreign Exchange Forward Contracts	-	-	(161.69)	-	-	-	-	-	(38.55)	-	-	-
Net Exposure to Foreign Currency Risk (Liabilities)	1.35	-	(59.75)	3.86	1.47	0.65	19.50	-	52.75	13.33	2.44	-
Net Exposure to Foreign Currency Risk (Assets Less Liabilities)	(6.89)	2.99	79.83	1.70	(1.47)	(0.65)	6.62	4.36	(46.50)	38.15	(2.44)	-

PARTICULARS	March 31, 2025	March 31, 2024
	SEK	SEK
Financial Assets		
Trade Receivables	-	-
Cash and Cash Equivalents *	-	-
Other Financial Assets	-	-
Net Exposure to Foreign Currency Risk (Assets)	-	-
Financial Liabilities		
Trade Payables	0.17	-
Other Financial Liabilities	-	-
Borrowings	-	-
Derivative Liabilities		
Foreign Exchange Forward Contracts	-	-
Net Exposure to Foreign Currency Risk (Liabilities)	0.17	-
Net Exposure to Foreign Currency Risk (Assets less Liabilities)	(0.17)	-

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

44 Financial Risk Management Objectives and Policies (Contd.)

Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in JPY, NPR, USD, EURO, CNY, GBP and SEK 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.

Particulars	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 Crores	Rs. in Crores	%	Rs. in Crores	Rs. in Crores	%	Rs. in Crores	Rs. in Crores
March 31, 2025	5%	(6.89)	(0.34)	5%	2.99	0.15	5%	79.83	3.99
	-5%		0.34	-5%		(0.15)	-5%		(3.99)
March 31, 2024	5%	6.62	0.33	5%	4.36	0.22	5%	(46.50)	(2.32)
	-5%		(0.33)	-5%		(0.22)	-5%		2.32

Particulars	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	Changes in GBP Rate	Foreign Currency (Payable) / Receivable (Net)	Effect on Profit before Tax
	%	Rs. in Crores	Rs. in Crores	%	Rs. in Crores	Rs. in Crores	%	Rs. in Crores	Rs. in Crores
March 31, 2025	5%	1.70	0.09	5%	(1.47)	(0.07)	5%	(0.65)	(0.03)
	-5%		(0.09)	-5%		0.07	-5%		0.03
March 31, 2024	5%	38.15	1.91	5%	(2.44)	(0.12)	5%	-	-
	-5%		(1.91)	-5%		0.12	-5%		-

Particulars	Changes in SEK rate	Foreign Currency (Payable) / Receivable (Net)	Effect on Profit before Tax
	%	Rs. in Crores	Rs. in Crores
March 31, 2025	5%	(0.17)	(0.01)
	-5%		0.01
March 31, 2024	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 Company only invests in the equity shares of the subsidiaries, associates, 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, associates, 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 43(ii).

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

44 Financial Risk Management Objectives and Policies (Contd.)

(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 monitors 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	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
Variable Rate Borrowings	529.34	66.26
Total Borrowings	529.34	66.26

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, 2025	March 31, 2024
	Rs. in Crores	Rs. in Crores
Interest Rates - Increase by 100 Basis Points *	(5.29)	(0.66)
Interest Rates - Decrease by 100 Basis Points *	5.29	0.66

* 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 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, 2025 and March 31, 2024 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 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 (historical default rates) 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. As the risk profiles of the receivables is diverse, to calculate expected credit loss, the Company groups its trade receivables and contract assets by category of customers i.e. passenger rolling stock, freight rolling stock, shipbuilding, bridges and defence and related parties. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. This change did not have a material impact on the profit for the year ended March 31, 2025.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

44 Financial Risk Management Objectives and Policies (Contd.)

For the current year, the Company has evaluated that the historical loss rate for passenger rolling stock and related party receivables is Nil. In respect of the previous year, the historical loss rate for passenger rolling stock, freight rolling stock and related party receivables was Nil. The historical loss rate for the other receivables are given below:

March 31, 2025

Freight rolling stock	Unbilled	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Gross Debtors	317.23	-	128.14	13.96	6.80	0.97	-	467.10
Contract Assets	-	-	-	-	-	-	-	-
Historical Loss Rates	0.02%	0.00%	0.05%	0.93%	7.21%	100.00%	-	
Loss Allowance	0.06	-	0.06	0.13	0.49	0.97	-	1.71

Shipbuilding, bridges and defence	Unbilled	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Gross Debtors	-	-	-	-	16.08	3.14	6.70	25.92
Contract Assets	97.66	1.72	-	-	-	-	-	99.38
Historical Loss Rates	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.67% - 100.00%	
Loss Allowance	0.00	-	-	-	0.00	0.00	6.42	6.42

March 31, 2024

Shipbuilding, bridges and defence	Unbilled	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Gross Debtors	-	-	0.89	-	19.59	3.14	6.65	30.27
Contract Assets	24.58	1.37	-	-	-	-	-	25.95
Historical Loss Rates	0.01%	0.00%	0.02%	0.00%	0.13%	3.81%	100.00%	
Loss Allowance	0.00	-	0.00	-	0.03	0.12	6.65	6.80

(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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

44 Financial Risk Management Objectives and Policies (Contd.)

(c) Reconciliation of loss allowance of trade receivables, contract assets and other financial assets:

(Rs. in Crores)

Particulars	Trade Receivables	Other Financial Assets
Opening balance as at March 31, 2023	1.02	3.76
Provision made during the year ended March 31, 2024	6.61	-
Provision adjusted with corresponding receivable balance during the year ended March 31, 2024	-	-
Provision written back during the year ended March 31, 2024	(0.83)	
Closing balance as at March 31, 2024	6.80	3.76
Provision made during the year ended March 31, 2025	1.71	-
Provision written back during the year ended March 31, 2025	(0.38)	
Closing balance as at March 31, 2025	8.13	3.76

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.

Movement of Liquidated Damages:

Particulars	Rs. in Crores
Opening balance as at March 31, 2023	1.61
Provision made during the year ended March 31, 2024	37.01
Provision utilised / reversed during the year ended March 31, 2024	(38.62)
Closing balance as at March 31, 2024	-
Provision made during the year ended March 31, 2025	13.37
Provision utilised / reversed during the year ended March 31, 2025	(13.37)
Closing balance as at March 31, 2025	-

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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

44 Financial Risk Management Objectives and Policies (Contd.)

Maturity profile of Financial Liabilities

Maturity profile of all financial liabilities is as under:

(Rs. in Crores)

Particulars	March 31, 2025					March 31, 2024				
	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) *	531.17	536.42	509.18	27.24	-	67.57	76.84	34.34	29.47	13.03
Trade Payables	234.34	234.34	234.34	-	-	319.44	319.44	319.44	-	-
Lease Liabilities	97.29	133.96	16.13	35.97	81.86	99.46	143.96	14.33	31.28	98.35
Other Financial Liabilities #	34.98	34.98	34.98	-	-	24.92	24.92	24.92	-	-
Total Financial Liabilities	897.78	939.70	794.63	63.21	81.86	511.39	565.16	393.03	60.75	111.38

* Includes transaction cost adjustment on borrowings and contractual interest payment based on interest rate prevailing at the end of the reporting period.

Excludes deferred guarantee income recognised during the year as there would be no contractual cash outflow.

44.1 The Company has made provision for material foreseeable losses on long-term contracts including derivative contracts in keeping with Company's accounting policy.

45 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	As at
	March 31, 2025	March 31, 2024
	Rs. in Crores	Rs. in Crores
Total Borrowings	529.34	66.26
Less: Cash and Cash Equivalents	17.36	326.89
Net Debt	511.98	(260.63)
Equity	2,519.74	2,228.22
Total Capital (Equity + Net Debt)	3,031.72	1,967.59
Net Debt to Equity Ratio *	20.32%	N.A.

* N.A in previous year denotes negative debt-equity ratio.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

45 Capital Management (Contd.)

(b) Dividends on Equity Shares

	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
	Rs. in Crores	Rs. in Crores
Dividend Declared and Paid During the Year		
Final Dividend for the Year Ended March 31, 2024 Paid of Rs. 0.80 (March 31, 2023 - Rs. 0.50) Per Fully Paid Share	10.77	6.38
Proposed Dividend		

The Board of Directors of the Company recommended a dividend of Rs.1/- per Ordinary (Equity) Share of Rs. 2/- each (50%) to the shareholders of the Company for the financial year 2024-25. 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.

46 Debt Reconciliation

This section sets out an analysis of debt and the movement in debt during the year.

(Rs. in Crores)

Particulars	March 31, 2025	March 31, 2024
Non-Current Borrowings	24.93	37.36
Current Maturities of Long-Term Debt	12.42	12.39
Current Borrowings	491.99	16.51
Interest Accrued and Not Due On Borrowings	1.83	1.31
Lease Liabilities	97.29	99.46
Total	628.46	167.03

(Rs. in Crores)

Particulars	Non-Current Borrowings	Current Borrowings	Lease Liabilities	Total
Debt as at March 31, 2023	82.50	167.19	103.94	353.63
Finance Costs	22.38	42.03	9.04	73.45
Finance Cost Capitalised in Inventory	(16.13)	-	-	(16.13)
Cash Flows				
Principal Repayment of Leases	-	-	(13.52)	(13.52)
Repayment of Long-Term Borrowings from Banks	(33.08)	-	-	(33.08)
Short-Term Borrowings - Receipts / (Payments)	-	(150.33)	-	(150.33)
Finance Costs Paid	(5.92)	(41.07)	-	(46.99)
Debt as at March 31, 2024	49.75	17.82	99.46	167.03
New Leases	-	-	4.46	4.46
Finance Costs	4.36	60.01	8.77	73.14
Repayment of Leases	-	-	(15.40)	(15.40)
Repayment of Long-Term Borrowings from Banks	(12.51)	-	-	(12.51)
Short-Term Borrowings - Receipts / (Payments)	-	475.41	-	475.41
Finance Costs Paid	(4.25)	(59.42)	-	(63.67)
Debt As at March 31, 2025	37.35	493.82	97.29	628.46

* Includes Rs. 0.55 Crores (March 31, 2024: Rs Nil) on account of unrealised foreign exchange gain / loss.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

47 Revenue recognised in relation to contract liability

	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
Revenue recognised that was included in the contract liability balance at the beginning of the period	250.16	227.93

47.1 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. 6,189.65 Crores (March 31, 2024 : Rs. 6,598.66 Crores) and the entity will recognise 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.

48.1 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-I/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.

48.2 (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.

vi) Utilisation of borrowed funds and share premium:-

(A) During the current year, 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.

(B) During the current year, 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.**

In respect of the previous year, the Company had invested Rs. 100.00 Crores in Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited) (SMPL) for onward investments in Titagarh Firema S.p.A (TFA) of which Rs. 90.13 Crores had been invested by SMPL in TFA by year ended March 31, 2024. This arrangement was in accordance with the Share Subscription Agreement dated January 24, 2024 between Sidwal Refrigeration Industries Private Limited, Titagarh Rail Systems Limited, Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited) and Shri. Umesh Chowdhary.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

48 (Contd.)

(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 has one unregistered Core Investment Company [Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited)] as a part of the group.

49 The Company has made investments in Titagarh Firema SpA (Firema), an associate company based in Italy (directly and indirectly through Shivalik Mercantile Limited, a joint venture Company owning 40.86% equity in Firema), having a carrying value of Rs. 112.73 Crores as at balance sheet date. The Government of Italy, through its investment agency, Invitalia owns 30.30% equity shares of Firema. Post recapitalisation in February 2024 by both the shareholders and owing to a healthy order book, Firema was in the process of revival by ramping up its operations, however, due to completely unexpected and unforeseen developments which were outside and beyond the control of Firema, including disputes raised by one of the largest customer of Firema who interalia suspended payments of all invoices, resulted in a severe cash crunch causing significant operational and financial problems for Firema.

Firema with the support of the Ministry of Enterprise, Government of Italy, have been actively trying to find a resolution to the aforesaid problems. Ministry of Enterprise, vide its minutes of meeting dated May 5, 2025, has indicated possibility of inducting new equity investors including acquisition of the majority stake of Firema by private and/or governmental entities, including the State Railways of Italy.

Meanwhile, in compliance with the relevant laws of Italy regulating companies in financial difficulties, the Board of Directors of Firema, approved the initiation of necessary protection procedures under the Italian Crisis Code - Composizione Negoziata della Crisi (CNC) and also formulated a restructuring plan, which was filed on May 14, 2025 with the Chamber of Commerce and was also admitted by the Court of Naples on May 27, 2025. Pursuant to the above, an independent expert has been appointed by the relevant authority to evaluate the possibility of the restructuring and revival under the CNC process. Despite the risks and uncertainties associated with such a process, including the ongoing discussion with the Ministry of Enterprise and in view of the facts stated above, pending final outcome, it is not possible to ascertain potential impairment, if any, on the direct and indirect investment by the Company into Firema as at the balance sheet date.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)

50 Ratios

Particulars	March 31, 2025	March 31, 2024	Change %	Remarks
Current Ratio (times)	1.98	2.71		
<i>(Current Assets / Current Liabilities)</i>				
Current Assets	2,170.78	1,980.18	-27.03%	Variation is due to increase in both current assets and current liabilities, with the latter experiencing a larger rise. This is largely due to the Company's increased utilisation of its working capital limits at the end of the period.
Current Liabilities	1,096.74	730.04		

Net Debt-Equity Ratio (times)	0.20	N.A		
<i>(Total Debt / Equity)</i>				
Net Debt	511.98	(260.63)	100.00%	Variation is mainly due to increase of debt and decrease in Cash and Cash Equivalents during the current year. Further, N.A in previous year denotes negative debt-equity ratio.
<i>[Net Debt = Total Debts - Cash & Cash Equivalents]</i>				
Equity	2,519.74	2,228.22		

Debt Service Coverage Ratio (times)	4.37	4.31		
<i>(Earnings available for debt service / Debt service)</i>				
Earnings available for debt service	400.62	403.10	1.57%	
<i>[Earning for Debt Service = Net Profit after taxes + Depreciation and Amortisation Expense+ Non Cash Items + Finance Costs]</i>				
Debt service	91.57	93.59		
<i>[Debt service = Finance Costs + Scheduled Principal Repayments of Long Term Borrowings including Lease payments]</i>				

Return on Equity Ratio (%)	12.78%	18.61%		
<i>(Net profit after tax/ Shareholders equity)</i>				
Net profit after tax	303.43	296.91	-31.31%	Variation is mainly due to increase in profitability during the current year and equity shares issued during the previous year.
Average Shareholders equity	2,373.99	1,595.57		

Inventory Turnover Ratio (in no. of days)	65.24	60.17		
<i>(COGS / Average Inventory)</i>			8.44%	
COGS	2,928.85	2,988.08		
Average Inventory	523.53	492.55		

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)
50 Ratios (Contd.)

Particulars	March 31, 2025		March 31, 2024		Change %	Remarks
Trade receivables turnover ratio (in no. of days)		56.82		38.44	47.81%	Variation is mainly due to increase in trade receivables during the current year.
<i>(Revenue from Operations / Average Trade Receivables)</i>						
Revenue from Operations	3,865.82		3,853.30			
Average Trade Receivables	601.81		405.84			

Trade payables turnover ratio (in no. of days)		30.44		34.71	-12.30%	
<i>(Purchase / Average Trade Payables)</i>						
Purchase	3,320.15		3,377.98			
<i>[Purchase = Purchase of Raw Materials + Purchase of Stores and Spares + Other Expenses]</i>						
Average Trade Payables	276.89		321.22			

Net capital turnover ratio (in no. of days)		101.41		118.42	-14.36%	
<i>(Revenue from Operations / Working Capital)</i>						
Revenue from Operations	3,865.82		3,853.30			
Working Capital	1,074.04		1,250.14			
<i>[Working Capital = Current Assets - Current Liabilities]</i>						

Net profit ratio (%)		7.85%		7.71%	1.86%	
<i>(Profit After Tax / Revenue from Operations)</i>						
Profit After Tax	303.43		296.91			
Revenue from Operations	3,865.82		3,853.30			

Return on capital employed (%)		15.80%		20.41%	-22.59%	
<i>(EBIT/Capital Employed)</i>						
EBIT	484.70		470.50			
<i>[EBIT = Profit before taxes + Finance Costs]</i>						
Capital Employed	3,067.83		2,305.12			
<i>[Capital Employed = Total Equity + Non Current Borrowings + Current Borrowings + Deferred Tax Liability]</i>						

TITAGARH RAIL SYSTEMS LIMITED
Notes to Standalone Financial Statements as at and for the year ended March 31, 2025 (Contd.)
50 Ratios (Contd.)

Particulars	March 31, 2025		March 31, 2024		Change %	Remarks
Return on Investment (%)		13.80%		17.91%	-22.95%	
<i>(EBIT / Average Total Assets)</i>						
EBIT	484.70		470.50			
<i>[EBIT = Profit before Taxes + Finance Costs]</i>						
Average Assets	3,511.46		2,626.36			

- 51** Research and Development expenditure of revenue nature recognised in Profit and Loss during the year amounts to Rs. Nil (March 31, 2024: 1.44 crores).
- 52** 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.
- 53** Rs. 0.00 across the standalone financial statements represents figures below rounding off norm.
- 54** 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.: 304026E / 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)	
Pramit Agrawal Partner Membership No. 099903 Place: Kolkata Date: May 30, 2025	Anand Prakash Partner Membership No. 056485 Place: Kolkata Date: May 30, 2025	J. P. Chowdhary Executive Chairman DIN: 00313685 Place: Kolkata Date: May 30, 2025	Umesh Chowdhary Vice Chairman and Managing Director DIN: 00313652 Place: Kolkata Date: May 30, 2025
		Atul Ravishanker Joshi Independent Director DIN: 03557435 Place: Mumbai Date: May 30, 2025	Anil Kumar Agarwal Deputy Managing Director DIN: 01501767 Place: Kolkata Date: May 30, 2025
		Saurav Singhania Chief Financial Officer Place: Kolkata Date: May 30, 2025	Dinesh Arya Company Secretary Place: Kolkata Date: May 30, 2025

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

Qualified Opinion

- We have jointly 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 subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate company and joint ventures (refer Note 1 to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2025, 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, including 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, except for the indeterminate effect as laid out in the Basis for Qualified Opinion section of our Report below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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, 2025, 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 Qualified Opinion

- We draw attention to Note 35 to the consolidated financial statements in respect of investments (directly and indirectly through Shivalik Mercantile Limited, a joint venture company) in Titagarh Firema SpA ("Firema"), an associate company of the Group based in Italy, having a carrying value of net equity investments of Rs 74.58 crores (March 31, 2024: Rs 97.92 crores) as at balance sheet date. Firema has encountered significant

operational and financial difficulties due to an ongoing dispute with one of its largest customers which has severely impacted its liquidity position. Firema has filed for protection under Italian Crisis Code - Composizione Negoziata della Crisi (CNC) along with a restructuring plan on May 14, 2025 with Chamber of Commerce, which was also admitted by the Court of Naples on May 27, 2025. Pending the outcome of the CNC process and approval by the Court, the possible impairment loss on the carrying value of net equity investments in Firema as stated above and its consequential impact on the profit for the year and the net worth of the Group as at March 31, 2025 is currently not determinable.

- 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 is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matter

- 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 qualified opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition - appropriateness of estimation of contract cost and contract revenue. (Refer to Note 2.4(e) and 2.5(i) – "Revenue Recognition", Refer Note 2.3(a) – "Critical Estimates and Judgements – Accounting for revenue from contracts wherein Group satisfies performance obligation and recognises revenue over time" and Note 22 – "Revenue from operations") 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. 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. 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.	Our audit procedures included the following in respect of the Holding Company: - 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.

Other Information

- The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our qualified 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 term of the requirements of the Act that give a true and fair view of the consolidated financial position, financial performance and 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 Indian 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.

8. 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 the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. 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

10. 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.

11. 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)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to 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 consolidated 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.
12. 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.
 13. 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.
 14. 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 Matter

15. The financial statements of one subsidiary (which was

a joint venture till February 13, 2025) included in the consolidated financial statements, which constitute total assets of Rs 5.29 crores and net assets of Rs 2.91 crores as at March 31, 2025, total revenue of Rs. 2.05 crores, total comprehensive income (comprising of loss and other comprehensive income) of Rs 4.34 crores for the period February 14, 2025 to March 31, 2025 and net cash flows (net) amounting to Rs 1.24 crores for the period from February 14, 2025 to March 31, 2025; and the Group's net share of profit after tax of Rs. 0.49 crores and total comprehensive income of Rs. 0.49 crores for the period and year ended February 13, 2025 and March 31, 2025 respectively, as considered in the consolidated financial statements in respect of two joint ventures (including one joint venture which became a subsidiary with effect from February 14, 2025) 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 accordingly, opinion of Salarpuria & Partners, the other joint auditor of the Holding Company on 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 on the reports issued by Price Waterhouse & Co Chartered Accountants LLP one of the joint auditors of the Holding Company and the procedures performed by us.

16. The consolidated financial statements include the Group's net share of loss after tax of Rs. 24.40 crores and total comprehensive loss of Rs. 24.40 crores for the year ended March 31, 2025, as considered in the consolidated financial statements in respect of one associate company and two joint ventures, whose financial statements / financial information have not been audited by us. The financial statements / financial information of these associate company and joint ventures have been audited by other auditors whose reports have been furnished to us by the Holding Company's management and other auditors, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these associate company 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 associate company and joint ventures, is based

on the reports of the other auditors and the procedures performed by us.

17. We did not audit the financial information of one subsidiary whose financial information reflect total assets of Rs 6.71 crores and net assets of Rs 6.65 crores as at March 31, 2025, total revenue of Rs. Nil and total comprehensive income from discontinued operations (comprising of loss and other comprehensive income) of Rs 0.01 crores for the year ended March 31, 2025 and net cash flows amounting to Rs 4.58 crores for the year ended on that date, as considered in the consolidated financial statements. The financial information of the subsidiary is unaudited and 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 this subsidiary 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, 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 reports of the other auditors and the financial statements / financial information certified by the management.

Report on Other Legal and Regulatory Requirements

18. 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 matters specified in paragraph 3(xxi) of CARO 2020.
19. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and except for the matter described in the paragraph 3 of Basis for Qualified Opinion section of our report 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, except as described in the Basis for Qualified Opinion section of our Report above, 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 other auditors / one of the joint auditors of the Holding Company except for the following instances and the matters stated in paragraph 19(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended):
- (i) in respect of one subsidiary (which was a joint venture till February 13, 2025), in the absence of sufficient appropriate audit evidence, we are unable to verify whether the backup of certain 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.
- (ii) in respect of one joint venture, 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.
- (iii) 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 daily basis on server physically located in India.
- (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 Indian 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, 2025 taken on record by the Board of Directors of the Holding Company and the reports

of the statutory auditors of its subsidiary, and 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, 2025 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 19(b) above on reporting under Section 143(3)(b) and paragraph 19(h)(vi) below on reporting under Rule 11(g) of the Rules.
- (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 on long-term contracts including derivative contracts as at March 31, 2025 – Refer Note 16 and Note 17.1 to the consolidated financial statements in respect of such items as it relates to the Group, 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 its subsidiary and 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, 2025.

- iv. (a) The respective managements of the Holding Company and its subsidiary and 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 subsidiary and joint ventures respectively that, to the best of their knowledge and belief, as disclosed in Note 48(vi)(A) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary and 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, whether 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 subsidiary and 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 subsidiary and 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 subsidiary and joint ventures respectively that, to the best of their knowledge and belief, as disclosed in the Notes 48(vi)(B) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary and 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 subsidiary and joint ventures 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.

(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 subsidiary and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors’ 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 by the Holding Company during the year and until the date of this audit report is in compliance with Section 123 of the Act. In case of subsidiary and 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 subsidiary and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, the Group and its joint ventures have used accounting software for maintaining their books of account which have 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 for the following instances:

(a) in case of Holding Company and its subsidiary (which was a joint venture till February 13, 2025) incorporated in India for an accounting software, the audit trail feature was not enabled for the period April 1, 2024 to May 2, 2024 at the application level for modification, if any, by certain users with specific access and for the period April 1, 2024 to May 13, 2024 for direct database changes and the audit log of modification does not contain the pre-modified values at the database level;

(b) in case of a subsidiary company (which was a joint venture till February 13, 2025) incorporated in India, for another accounting software, which is operated by a third party service provider for maintaining its books of account and in the absence of the independent service auditor’s report, we are unable to comment on whether the audit trail feature of the aforesaid software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

(c) in case of a joint venture incorporated in India, the accounting software used for maintain its books and accounts has a feature of recording audit trail facility which has operated for the part of year from November 12, 2024 onwards for recording all relevant transactions.

(d) in case of a joint venture incorporated in India, the accounting software used by the company did not have a feature of audit trail (edit log) facility.

During the course of our audit and those performed by respective auditors of the subsidiary and joint ventures, except for the aforesaid instances where we and the other auditors are unable to comment upon, we and the other auditors did not notice any instance of the audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Holding Company, its subsidiary and joint ventures incorporated in India except for the below mentioned instances as per the statutory requirements for record retention.

In case of a subsidiary company (which was a joint venture till February 13, 2025) incorporated in India, for an accounting software, which is operated by a third party service provider for maintaining its books of account in respect of which the audit trail was not maintained in the prior year. Further, in respect of one joint venture incorporated in India, the audit trail facility was not enabled throughout the

previous year for accounting software used for maintaining its books of accounts and for an another joint venture incorporated in India, the accounting software used did not have a feature of audit trail facility in the prior year, hence the question of our and other auditors commenting on whether the audit trail was preserved by the Holding Company and its subsidiary and joint ventures incorporated in India as per the statutory requirements for record retention do not arise.

20. 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. Further, the reporting under Section 197(16) of the Act is not applicable to the subsidiary (which was a joint venture till February 13, 2025) and one joint venture incorporated in India as these entities are not public companies. 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, 2025 and in respect of another joint venture, no managerial remuneration has been paid/provided for during the year.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Pramit Agrawal

Partner

Membership Number: 099903

UDIN: 25099903BMOUPP1144

Place: Kolkata

Date: May 30, 2025

For Salarpuria & Partners

Firm Registration Number: 302113E

Chartered Accountants

Anand Prakash

Partner

Membership Number: 056485

UDIN: 25056485BMOCLQ4021

Place: Kolkata

Date: May 30, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 19(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 as of and for the year ended March 31, 2025

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, 2025, 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 two joint ventures, which are companies 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 one subsidiary (which was a joint venture till February 13, 2025) and one joint venture incorporated in India namely Titagarh Firema Engineering Services Private Limited and Titagarh Mermec Private Limited respectively, 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 ventures 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 Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified 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 Matters paragraph below is sufficient and appropriate to provide a basis for our qualified 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 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 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.

Basis for Qualified Opinion

8. According to the information and explanations given to us and based on our audit, in respect of the Holding Company, material weakness has been identified in the operating effectiveness of the Holding Company's internal financial controls with respect to impairment assessment of investments in an associate company and a joint venture company as at March 31, 2025, pursuant to significant developments, as explained in Note 35 to the consolidated financial statements, which could potentially result in possible impairment loss not being recognised, with consequential impact on profit for the year and the carrying value of equity accounted investments, and the net worth of the Group, its associate company and joint ventures as at March 31, 2025.
9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Group's annual financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

10. In our opinion, except for the possible effects of the material weakness described in the Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Holding Company and its joint ventures, which are companies incorporated in India have maintained, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to financial statements were operating effectively as of March 31, 2025, 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.
11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group, its associate company and joint ventures for the year ended March 31, 2025, and the material weakness has affected our opinion on the consolidated financial

statements of the Group, its associate company and joint ventures for the year ended on that date and we have issued a qualified opinion on the consolidated financial statements. (Refer paragraph 3 of the main audit report).

Other Matter

12. 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 consolidated financial statements insofar as it relates to two joint ventures, which are companies incorporated in India, is based on the corresponding report of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Pramit Agrawal

Partner
Membership Number: 099903

UDIN: 25099903BMOUPP1144
Place: Kolkata
Date: May 30, 2025

For Salarpuria & Partners

Firm Registration Number: 302113E
Chartered Accountants

Anand Prakash

Partner
Membership Number: 056485

UDIN: 25056485BMOCLQ4021
Place: Kolkata
Date: May 30, 2025

Annexure B to Independent Auditors’ Report

Referred to in paragraph 18 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, 2025

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:

Sl. 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 30, 2025	(i)(c)
2.	Ramkrishna Titagarh Rail Wheels Limited	U25910WB2023PLC262716	Joint Venture	May 2, 2025	(xvii)
3.	Shivaliks Mercantile Limited	U52110WB1997PTC082919	Joint Venture	May 13, 2025	(iii)(c), (iii)(e) and (xvii)

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Pramit Agrawal

Partner
Membership Number: 099903

UDIN: 25099903BMOUPP1144
Place: Kolkata
Date: May 30, 2025

For Salarpuria & Partners

Firm Registration Number: 302113E
Chartered Accountants

Anand Prakash

Partner
Membership Number: 056485

UDIN: 25056485BMOCLQ4021
Place: Kolkata
Date: May 30, 2025

TITAGARH RAIL SYSTEMS LIMITED
Consolidated Balance Sheet as at March 31, 2025

Particulars	Notes	As at March 31, 2025 Rs. In Crores	As at March 31, 2024 Rs. In Crores
I. ASSETS			
Non-current Assets			
Property, Plant and Equipment	4.1	830.82	647.64
Right-of-use Assets	4.6	83.35	90.70
Capital Work-in-progress	4.4	39.61	107.80
Investment Properties	4.3	8.21	8.21
Intangible Assets (Other than Goodwill)	4.2	69.42	1.68
Intangible Assets Under Development	4.5	82.37	65.76
Equity Accounted Investments	5.2	246.82	160.60
Financial Assets			
i) Investments	5.1	52.38	36.99
ii) Other Financial Assets	7	80.22	52.85
Deferred Tax Assets (Net)	18	1.72	-
Non-current Tax Assets (Net)	8	24.58	34.46
Contract Assets	9	3.41	0.98
Other Non-current Assets	10	60.20	21.93
Total Non-current Assets		1,583.11	1,229.60
Current Assets			
Inventories	11	523.33	523.72
Financial Assets			
i) Trade Receivables	6	670.85	532.52
ii) Cash and Cash Equivalents	12.1	25.27	328.98
iii) Bank Balances other than (ii) above	12.2	442.13	280.12
iv) Other Financial Assets	7	142.46	17.68
Contract Assets	9	205.02	101.04
Other Current Assets	10	170.12	202.75
Total Current Assets		2,179.18	1,986.81
TOTAL - ASSETS		3,762.29	3,216.41
II. EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	13	26.93	26.93
Other Equity	14	2,456.05	2,191.40
Total Equity Attributable to Owners of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)		2,482.98	2,218.33
Non-controlling Interest	3 (b)	1.18	-
Total Equity		2,484.16	2,218.33
LIABILITIES			
Non-current Liabilities			
Financial Liabilities			
i) Borrowings	15	24.93	37.36
ii) Lease Liabilities	4.6	89.47	93.70
iii) Other Financial Liabilities	16	3.43	-
Contract Liabilities	20	37.46	122.79
Provisions	17.1	6.49	3.54
Deferred Tax Liabilities (Net)	18	18.75	10.64
Total Non-current Liabilities		180.53	268.03
Current Liabilities			
Financial Liabilities			
i) Borrowings	15	504.41	28.90
ii) Lease Liabilities	4.6	8.20	5.76
iii) Trade Payables	19		
a) Total Outstanding Dues of Micro Enterprises and Small Enterprises		43.34	38.00
b) Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises		191.65	281.44
iv) Other Financial Liabilities	16	36.80	26.24
Contract Liabilities	20	274.07	315.57
Other Current Liabilities	21	6.99	4.00
Provisions	17.1	24.79	16.71
Current Tax Liabilities (Net)	17.2	7.35	13.43
Total Current Liabilities		1,097.60	730.05
TOTAL - LIABILITIES		1,278.13	998.08
TOTAL - EQUITY AND LIABILITIES		3,762.29	3,216.41

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/E-300009

Pramit Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 30, 2025

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

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 30, 2025

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 30, 2025

Atul Ravishanker Joshi
Independent Director
DIN: 03557435
Place: Mumbai
Date: May 30, 2025

Saurav Singhania
Chief Financial Officer
Place: Kolkata
Date: May 30, 2025

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652
Place: Kolkata
Date: May 30, 2025

Anil Kumar Agarwal
Deputy Managing Director
DIN: 01501767
Place: Kolkata
Date: May 30, 2025

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 30, 2025

TITAGARH RAIL SYSTEMS LIMITED
Consolidated Statement of Profit and Loss for the year ended March 31, 2025

Particulars	Notes	For the year ended March 31, 2025 Rs. In Crores	For the year ended March 31, 2024 Rs. In Crores
Income			
Revenue from Operations	22	3,867.75	3,853.30
Other Income	23	75.35	39.81
Total Income		3,943.10	3,893.11
Expenses			
Cost of Raw Materials and Components Consumed	24	2,964.91	2,951.70
Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap	25	(36.06)	36.38
Employee Benefits Expense	26	86.89	66.29
Finance Costs	27	73.15	73.46
Depreciation and Amortisation Expense	28	29.58	27.10
Other Expenses	29	418.97	347.00
Total Expenses		3,537.44	3,501.93
Profit before Share of Net Profit/ (Loss) of Joint Ventures and Associate and Tax		405.66	391.18
Share of Profit/ (Loss) of Joint Ventures and Associate accounted for using Equity Method	3 (c)	(23.92)	(2.61)
Profit before Tax from continuing operations		381.74	388.57
Tax Expense	30		
Current Tax (including earlier years)		99.63	102.99
Deferred Tax Charge/ (Credit)		7.05	(2.85)
Total Tax Expense		106.68	100.14
Profit for the Year after Tax from continuing operations		275.06	288.43
Discontinued operations	46		
Loss from discontinued operations before tax		(0.14)	(2.29)
Tax expense of discontinued operations		-	-
Loss for the Year after Tax from discontinued operations		(0.14)	(2.29)
Profit for the Year after Tax		274.92	286.14
Attributable to:			
Owners of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)		276.39	286.14
Non-controlling Interest		(1.47)	-
Other Comprehensive Income			
Item that will not be Reclassified to Profit or Loss in Subsequent Periods:			
Remeasurement gain / (losses) on defined benefit plans		(1.96)	(0.12)
Tax on above		0.49	0.03
Item that will be Reclassified to Profit or Loss in Subsequent Periods:			
Exchange differences on Translation of on Foreign Operations		0.15	0.26
Fair value change of cash flow hedges		-	0.21
Tax on above		-	(0.06)
Other Comprehensive Income for the Year (Net of Tax)		(1.32)	0.32
Attributable to:			
Owners of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)		(1.32)	0.32
Non-controlling Interest		0.00	-
Total Comprehensive Income for the Year		273.60	286.46
Attributable to:			
Owners of Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)		275.07	286.46
Non-controlling Interest		(1.47)	-
Arising from:			
Continuing operations		273.59	288.49
Discontinued operations		0.01	(2.03)
Earnings/(Loss) per Equity Share [Nominal Value per Share Rs. 2/- (March 31, 2024: Rs 2/-)]	31		
For continuing operations			
Basic (In Rs.)		20.42	22.64
Diluted (In Rs.)		20.40	22.64
For discontinued operations			
Basic (In Rs.)		(0.01)	(0.18)
Diluted (In Rs.)		(0.01)	(0.18)
For continuing and discontinued operations			
Basic (In Rs.)		20.41	22.46
Diluted (In Rs.)		20.39	22.46

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/E-300009

Pramit Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 30, 2025

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

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 30, 2025

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 30, 2025

Atul Ravishanker Joshi
Independent Director
DIN: 03557435
Place: Mumbai
Date: May 30, 2025

Saurav Singhania
Chief Financial Officer
Place: Kolkata
Date: May 30, 2025

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652
Place: Kolkata
Date: May 30, 2025

Anil Kumar Agarwal
Deputy Managing Director
DIN: 01501767
Place: Kolkata
Date: May 30, 2025

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 30, 2025

TITAGARH RAIL SYSTEMS LIMITED
Consolidated Statement of Cash Flows for the year ended March 31, 2025

Particulars	For the year ended March 31, 2025 Rs. In Crores	For the year ended March 31, 2024 Rs. In Crores
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before Tax from:		
Continuing Operations	381.74	388.57
Discontinued Operations	(0.14)	(2.29)
Profit before Tax	381.60	386.28
Adjustments for:		
Depreciation and Amortisation Expense	29.58	27.10
Finance Cost	73.15	73.45
Unrealised Foreign Exchange Fluctuations (Gain)/Loss (net)	(2.26)	0.56
Irrecoverable Debts/ Advances Written Off (Net)	-	0.03
Guarantee Commission Income	(0.85)	-
Provision for Doubtful Debts and Advances	11.33	7.92
Provision for Onerous Contract	8.11	4.42
Net Gain on Disposal of Property, Plant and Equipment	(0.23)	-
Fair value (gain)/loss on investment - FVTPL	(15.38)	(5.19)
Share of Loss of a Associate and Joint Ventures	23.92	2.61
Unspent Liabilities / Provisions No Longer Required Written Back	-	(1.85)
Other Income from Security Deposit of Leases	(0.33)	(0.26)
Interest Income	(51.54)	(19.55)
Employee Stock Option Expenses	0.22	-
Operating Profit before Changes in Operating Assets and Liabilities	457.33	475.52
(Decrease) in Trade Payables	(85.97)	(1.68)
(Decrease) in Contract Liabilities	(126.83)	(128.54)
Increase/(Decrease) in Other Non-current and Current Financial and Non-financial Liabilities and Provisions	(0.83)	19.10
(Increase) in Trade Receivables	(139.71)	(261.04)
(Increase)/Decrease in Inventories	0.40	(78.48)
(Increase)/Decrease in Contract Assets	(106.41)	154.19
Increase in Other Non-current and Current Financial and Non-financial Assets	0.39	7.32
Cash Generated from / (used in) Operations	(1.63)	186.39
Income Taxes Paid (net of refunds)	(95.78)	(100.61)
Net Cash Generated from / (used in) Operating Activities	(97.41)	85.78
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for Acquisition of Property, Plant and Equipment including Capital Work-in-Progress	(219.53)	(163.52)
Payments for Acquisition of Intangible Assets and Intangible Assets under Development	(16.49)	-
Proceeds from Disposal of Property, Plant and Equipment	5.91	-
Investment in Joint Ventures	(107.80)	(163.21)
Fixed Deposits Made	(1,106.58)	(310.35)
Fixed Deposits Matured	836.05	83.73
Interest Received	29.63	16.49
Net Cash Used in Investing Activities	(578.80)	(536.86)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of fresh equity shares (net of share issue expenses)	-	974.68
Repayment of Long-term Borrowings	(12.51)	(33.08)
Principal Payment of Lease Liabilities	(12.80)	(11.90)
Interest Payment of Lease Liabilities	(2.77)	(1.62)
Short-term Borrowings - Receipts/(Payments) (net)	474.86	(150.33)
Finance Costs Paid	(63.66)	(46.99)
Dividend paid	(10.77)	(6.38)
Net Cash From / (Used in) Financing Activities	372.35	724.38
D. Exchange Differences on Translation of Foreign Currency Cash and Cash Equivalents	0.15	0.26
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C+D)	(303.71)	273.57
Cash and Cash Equivalents - Opening Balance (Refer Note 12.1)	328.98	55.41
Cash and Cash Equivalents - Closing Balance (Refer Note 12.1)	25.27	328.98
E. The above Cash flow includes following related to discontinued operation		
Net Cash Used in Operating Activities	4.42	(6.91)
Net Cash Used in Investing Activities	-	-
Net Cash Generated from Financing Activities	-	(5.86)
	4.42	(12.77)

(a) The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
(b) Refer Note 44 for Debt Reconciliation.
(c) The above cash flow excludes Rs 4.93 crores in respect to the Gurantee Commission relating to investment in joint venture which is in the nature of non cash expense.

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.: 304026E/E-300009

Pramit Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 30, 2025

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

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 30, 2025

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 30, 2025

Atul Ravishanker Joshi
Independent Director
DIN: 03557435
Place: Mumbai
Date: May 30, 2025

Saurav Singhania
Chief Financial Officer
Place: Kolkata
Date: May 30, 2025

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652
Place: Kolkata
Date: May 30, 2025

Anil Kumar Agarwal
Deputy Managing Director
DIN: 01501767
Place: Kolkata
Date: May 30, 2025

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 30, 2025

TITAGARH RAIL SYSTEMS LIMITED
Consolidated Statement of Changes in Equity for the year ended March 31, 2025

A) Equity Share Capital (Refer Note 13)

(Rs. in Crores)

Particulars	Number in Crores	Amount
Balance as at April 1, 2023	11.96	23.91
Shares Issued on preferential basis	0.76	1.52
Shares Issued on pursuant to Qualified Institutional Placement	0.75	1.50
Balance as at March 31, 2024	13.47	26.93
Changes in Equity Share Capital	-	-
Balance as at March 31, 2025	13.47	26.93

B) Other Equity

(Rs. in Crores)

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	Employee Stock Options (ESOPs) Out-standing Account	Retained Earnings	Foreign Currency Trans-lation Reserve	Hedge Reserve Account			
Balance as at April 1, 2023	410.64	54.12	74.43	-	391.82	8.91	(0.26)	939.66	-	939.66
Profit/(Loss) for the Year	-	-	-	-	286.14	-	-	286.14	-	286.14
Other Comprehensive Income (Net of Tax) -Remeasurement Gains/(Losses) on Defined Benefit Plans & Exchange Difference and Fair value change of cash flow hedges	-	-	-	-	(0.09)	0.26	0.15	0.32	-	0.32
Total Comprehensive Income for the year	-	-	-	-	286.05	0.26	0.15	286.46	-	286.46
Premium on Issue of Equity Shares on Prefer-ential basis	287.28	-	-	-	-	-	-	287.28	-	287.28
Premium on Issue of Equity Shares Pursuant to Qualified Institutional Placement	698.50	-	-	-	-	-	-	698.50	-	698.50
Share Issue Expenses	(14.12)	-	-	-	-	-	-	(14.12)	-	(14.12)
Dividends	-	-	-	-	(6.38)	-	-	(6.38)	-	(6.38)
Balance as at March 31, 2024	1,382.30	54.12	74.43	-	671.49	9.17	(0.11)	2,191.40	-	2,191.40
Conversion of joint venture to subsidiary	-	-	-	-	-	-	-	-	2.65	2.65
Profit/(Loss) for the Year	-	-	-	-	276.39	-	-	276.39	(1.47)	274.92
Reclassified to profit and loss and included in profit for the year	-	-	-	-	-	-	0.11	0.11	-	0.11
Other Comprehensive Income (Net of Tax) -Remeasurement Gains/(Losses) on Defined Benefit Plans & Exchange Difference and Fair value change of cash flow hedges	-	-	-	-	(1.47)	0.15	-	(1.32)	0.00	(1.32)
Total Comprehensive Income for the year	-	-	-	-	274.92	0.15	0.11	275.18	1.18	276.36
Recognition of Share Based Payments	-	-	-	0.22	-	-	-	0.22	-	0.22
Dividends paid	-	-	-	-	(10.77)	-	-	(10.77)	-	(10.77)
Balance as at March 31, 2025	1,382.30	54.12	74.43	0.22	935.64	9.32	-	2,456.05	1.18	2,457.23

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 30, 2025

For Salarpuria & Partners
Firm Registration Number: 302113E
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Membership No. 056485
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For and on behalf of the Board Of Directors of Titagarh Rail Systems Limited
(formerly Titagarh Wagons Limited)

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Executive Chairman
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Place: Kolkata
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Place: Kolkata
Date: May 30, 2025

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 30, 2025

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025

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 30, 2025.

(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, 2025	March 31, 2024	
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
Titagarh Firema Engineering Services Private Limited (w.e.f. February 14, 2025) @	India	66%	-	Engaged in the business of research, engineering and design related services to support passenger rail segment business

* 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 earlier years. Accordingly, the financial statements of TSPL has been prepared on liquidation basis (realisable value) for the year ended March 31, 2025 and March 31, 2024.

**The Parent Company holds 100% equity in TWA together with TSPL. On June 4, 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.

@ During the year, the Parent Company has subscribed to the rights issue of equity shares by (TFESPL), a Joint Venture amounting to Rs 2.00 crores and has also amended the Joint Venture Agreement (JVA) as a result of which TFESPL has become a subsidiary of the Company w.e.f. February 14, 2025.

Name of the Associate	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest		Principal Business Activities
		March 31, 2025	March 31, 2024	
Titagarh Firema S.p.A (TFA)	Italy	25.43%	25.43%	Engaged in manufacture of passenger trains, metros, hi-speed trains, train electrical, locomotives etc.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

Name of the Joint Venture	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest		Principal Business Activities
		March 31, 2025	March 31, 2024	
Titagarh Mermec Private Limited	India	50.00%	50.00%	Engaged in development and manufacture of cost effective diagnostic solutions for signalling and safety.
Ramkrishna Titagarh Rail Wheels Limited *	India	49.00%	49.00%	Engaged in manufacturing and supply of forged wheels.
Titagarh Firema Engineering Services Private Limited (up to February 13, 2025) @	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%	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.

(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 aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian 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

(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 September 9, 2024 and September 28, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 1, 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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:

- a) **Accounting for revenue from contracts wherein Group satisfies performance obligation and recognises revenue over time- Notes 2.4(e) and 22**
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.

b) **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.

c) **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.

d) **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 legal

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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.

e) **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.

f) **Warranties and Liquidated Damages— Notes 2.5(m) 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.

g) **Impairment of Investments in Subsidiaries, Associate and Joint Ventures — Notes 5.2**

Determining whether the investments in

subsidiaries, 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 subsidiaries, associate and joint ventures.

h) **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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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.

(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.

Designs

Design represents cost incurred towards development of Aluminium and Stainless steel car body for passenger rail segment and Traction converters.

Amortisation Method and Period

Intangible assets are amortised on a pro-rata basis using the straight-line method over its estimated useful life as mentioned below. 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. Amortisation method and

useful lives are reviewed periodically including at each financial year end.

Particulars	Useful Life
Aluminium and Stainless steel car body	10 years
raction converters	3 years
Computer Software	5 years

(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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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 (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 fulfilment 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-

TITAGARH RAIL SYSTEMS LIMITED
Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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) Share Based Payments

Share-based compensation benefits are provided to employees via the Titagarh Rail Systems Limited Employee Stock Option Scheme namely Titagarh Rail System Limited Employee Stock Option Scheme 2023. Employees receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in Employee Stock Options Outstanding Account in equity, over the period in which the performance and/or service conditions are fulfilled, in Employee Benefit Expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Parent Company's best estimate of the number

of equity instruments that will ultimately vest. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Parent Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(h) 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 gains on transactions between the group and its joint venture are eliminated to the extent of the group's interest in these entities. Unrealised gains/ (losses) are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

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

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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.

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.

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

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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 group 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. 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.

(e) Investments (other than Investments in Associate and Joint Ventures) 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.

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

(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:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- 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.

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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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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 substantially 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 2.5(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.

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)
(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'.

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)
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, 2025							
	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 Crores)	As % of Consolidated Profit or Loss	Amount (Rs in Crores)	As % of Consolidated Other Comprehen- sive Income	Amount (Rs in Crores)	As % of Consolidated Total Com- prehensive Income	Amount (Rs in Crores)
Parent								
Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)	101.43%	2,519.74	110.37%	303.43	111.29%	(1.47)	110.38%	301.96
Subsidiaries								
Foreign								
Titagarh Singapore Pte Limited	0.26%	6.65	-	-	-	-	-	-
Indian								
Titagarh Firema Engineering Services Private Limited (With effect from February 14, 2025)	0.12%	2.91	-1.04%	(2.86)	0.07%	(0.00)	-1.05%	(2.86)
Non-controlling Interests in all Subsidiaries	0.05%	1.18	-0.53%	(1.47)	0.00%	0.00	-0.54%	(1.47)
Adjustment due to consolidation	-1.86%	(46.32)	-0.04%	(0.12)	-	-	-0.05%	(0.12)
Discontinued Operations	-	-	-0.05%	(0.14)	-11.36%	0.15	0.00%	0.01
Joint Venture/Associate (Investments as per the Equity Method)								
Indian								
Titagarh Mermec Private Limited	-	-	-	-	-	-	-	-
Ramkrishna Titagarh Rail Wheels Limited	-	-	-0.39%	(1.06)	-	-	-0.39%	(1.06)
Titagarh Firema Engineering Services Private Limited (Up to February 13, 2025)	-	-	0.17%	0.48	-	-	0.18%	0.48
Shivaliks Mercantile Limited (Formerly Shivaliks Mercantile Private Limited)	-	-	-8.49%	(23.34)	-	-	-8.53%	(23.34)
TOTAL	100.00%	2,484.16	100.00%	274.92	100.00%	(1.32)	100.00%	273.60

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

3 Interest in Other Entities (contd.)

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 Crores)	As % of Consolidated Profit or Loss	Amount (Rs in Crores)	As % of Consolidated Other Comprehensive Income	Amount (Rs in Crores)	As % of Consolidated Total Comprehensive Income	Amount (Rs in Crores)
Parent								
Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)	100.45%	2,228.21	103.76%	296.91	19.15%	0.06	103.67%	296.97
Subsidiaries								
Foreign								
Titagarh Singapore Pte Limited	0.30%	6.64	-	-	-	-	-	-
Adjustment due to consolidation (other than exceptional item)	-0.75%	(16.52)	-2.05%	(5.87)	80.85%	0.26	-1.96%	(5.61)
Discontinued Operations			-0.80%	(2.29)	-	-	-0.80%	(2.29)
Joint Venture/Associate (Investments as per the Equity Method)								
Indian								
Titagarh Mermec Private Limited	-	-	-	-	-	-	-	-
Ramkrishna Titagarh Rail Wheels Limited	-	-	-0.23%	(0.67)	-	-	-0.23%	(0.67)
Titagarh Firema Engineering Services Private Limited	-	-	0.05%	0.14	-	-	0.05%	0.14
Shivaliks Mercantile Limited (Formerly Shivaliks Mercantile Private Limited)	-	-	-0.73%	(2.08)	-	-	-0.73%	(2.09)
TOTAL	100.00%	2,218.33	100.00%	286.14	100.00%	0.32	100.00%	286.46

(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.

(Rs. in Crores)

Summarised Balance Sheet	Titagarh Firema Engineering Services Private Limited	
	March 31, 2025	March 31, 2024
Current Assets	2.89	-
Current Liabilities	2.01	-
Net Current Assets / (Liabilities)	0.88	-
Non-current Assets	2.40	-
Non-current Liabilities	0.38	-
Net Non-current Assets	2.02	-
Net Assets	2.90	-
Accumulated NCI	1.18	-

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

3 Interest in Other Entities (contd.)

(Rs. in Crores)

Summarised Statement of Profit and Loss	Titagarh Firema Engineering Services Private Limited	
	From February 14, 2025 to March 31, 2025	March 31, 2024
Revenue	2.14	-
Loss for the Year	(4.33)	-
Other Comprehensive Income	(0.00)	-
Total Comprehensive Loss	(4.33)	-
Loss allocated to NCI	(1.47)	-

Summarised Cash Flows	Titagarh Firema Engineering Services Private Limited	
	From February 14, 2025 to March 31, 2025	March 31, 2024
Cash Flows From Operating Activities	0.11	-
Cash Flows Used in Investing Activities	(0.32)	-
Cash Flows Used in Financing Activities	1.45	-
Increase in Cash and Cash Equivalents	1.24	-

(c) Interests in Joint Ventures and Associate

Joint Venture

The Group has four Joint Venture Companies.

- (i) A Joint Venture company named Ramkrishna Titagarh Rail Wheels Limited ("RTRWL") was incorporated on June 9, 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 had invested Rs. 61.25 Crores in RTRWL till March 31, 2024. During the year the Company has made further investment of Rs. 107.80 Crores in RTRWL.

Further, during the year, the Parent Company has also given a financial undertaking to the consortium bankers of RTRWL whereby in the event of any default or shortfall in repayment of loans taken by RTRWL, the Parent Company in proportion to its holding, arrange/bring in funds to meet any shortfall in cash flow towards repayment of the facility/payment of interest and any shortfall in cash flow, which at year-end is Rs. 169.74 Crores for Parent Company's share. Accordingly, Rs. 4.93 Crores representing the difference between the fair value of the financial undertaking and the nil fee charged by the Parent Company for such financial undertaking has been recognized as deemed investment.

- (ii) 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 carries on the business of research, engineering and design related services to support passenger rail segment business. The Parent Company had invested Rs. 1.96 Crores in TFESPL till March 31, 2024. During the year, the Parent Company has subscribed to the rights issue of equity shares of TFESPL amounting to Rs 2.00 Crores and has also amended the Joint Venture Agreement (JVA), as a result of which TFESPL has become a subsidiary of the Parent Company w.e.f. February 14, 2025 which has resulted in corresponding NCI Rs. 2.65 Crores.

- (iii) 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. 100 Crores each in the equity capital of Shivaliks Mercantile Limited (Formerly 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. As at March 31, 2025, SMPL held 34.59% (March 31, 2024: 35.12%) of the equity share capital of Titagarh Firema SPA. 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 the 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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

3 Interest in Other Entities (contd.)

(Rs. In Crores)

Summarised Balance Sheet	Shivaliks Mercantile Lim- ited (Formerly Shivaliks Mer- cantile Private Limited)	Ramkrishna Titagarh Rail Wheels Limited	Titagarh Firema Engi- neering Ser- vices Private Limited	Titagarh Firema S.p.A	Titagarh Mermec Pri- vate Limited
	As at March 31, 2025 (Consolidated)	As at March 31, 2025 (Standalone)	Up to Febru- ary 13, 2025 (Standalone) (Refer note (c)(ii))	As at March 31, 2025 (Standalone)	As at March 31, 2025 (Standalone)
	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)
Non-Current Assets					
Property, Plant and Equipments	-	0.68	0.35	297.74	-
Intangible Asset	-	-	-	23.38	-
Capital Work in Progress	-	260.54	-	16.86	-
Intangible Asset under development	-	-	-	126.87	-
Right-of-Use Assets	-	14.94	0.41	-	-
Intangible Assets	-	0.60	-	-	-
Equity accounted investment	141.92	-	-	-	-
Financial Assets					
Investments	0.21	-	-	2.95	-
Others	-	2.52	-	-	-
Other Not Current Assets	-	449.87	-	-	-
Deferred Tax Asset	-	0.67	0.15	41.69	-
Non-current Tax Assets (Net)	-	-	0.05	-	-
Total (A)	142.13	729.82	0.96	509.49	-
Current Assets					
Inventories	-	-	-	285.10	-
Financial Assets					
Investments	-	21.21	-	-	-
Trade receivables	-	-	6.40	1,039.11	-
Cash and bank balances	0.15	3.29	0.09	63.36	0.74
Loans	115.41	-	-	85.01	-
Others	2.44	-	0.20	9.36	-
Other Non Financial Assets	0.56	4.79	0.77	138.20	-
Current Tax Assets	0.04	-	-	-	-
Assets classified as held for sale	-	-	-	14.22	-
Total (B)	118.60	29.29	7.46	1,634.36	0.74
GRAND TOTAL (C=A+B)	260.73	759.11	8.42	2,143.85	0.74
Non-current liabilities					
Financial Liabilities					
Long term borrowings	-	339.03	-	151.03	-
Other Financial Liabilities	-	17.85	-	-	-
Other Non Current liabilities	-	19.71	-	389.66	-
Provisions	-	-	0.35	-	-
Total (D)	-	376.59	0.35	540.69	-
Current Liabilities					
Financial Liabilities					
Short term borrowings	-	-	-	515.21	-
Lease Liabilities	-	-	0.42	-	-
Trade Payables	0.06	1.23	1.56	591.86	2.41
Other Financial Liabilities	102.52	38.35	0.61	39.64	-
Provisions	-	0.31	0.22	15.84	-
Other non-financial liabilities	2.01	1.15	0.03	282.23	-
Current Tax Liabilities	-	-	-	-	-
Total (E)	104.59	41.04	2.84	1,444.78	2.41
GRAND TOTAL (F=D+E)	104.59	417.63	3.19	1,985.47	2.41
Net Assets (C-F)	156.14	341.48	5.23	158.38	(1.67)

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

3 Interest in Other Entities (contd.)

Summarised Statement of Profit and Loss	Shivaliks Mercantile Limited (Formerly 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, 2025 (Consolidated)	As at March 31, 2025 (Standalone)	Up to February 13, 2025 (Standalone) (Refer note (c)(ii))	As at March 31, 2025 (Standalone)	As at March 31, 2025 (Standalone)
	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)
Income					
Revenue from Operation	-	-	10.61	494.07	-
Other Income	4.88	1.45	0.06	17.47	0.02
	4.88	1.45	10.67	511.54	0.02
Expenses					
Cost of raw materials & components consumed	-	-	-	257.11	-
Capitalised internal construction costs	-	-	-	(49.60)	-
Employee Benefits Expense	-	0.53	5.94	164.69	-
Finance Costs	2.80	0.23	0.10	56.12	-
Depreciation and amortization expenses	-	0.35	0.58	17.59	-
Other Expenses	1.39	2.72	2.70	218.92	0.02
Total Expenses	4.19	3.83	9.32	664.83	0.02
Profit / (Loss) before Share of Net Loss of Associate Accounted for Using the Equity Method, Exceptional Items and Tax	0.68	(2.38)	1.35	(153.29)	-
Share of Profit / (Loss) of Associate Accounted for Using the Equity Method	(52.90)	-	-	-	-
Profit / (Loss) before Exceptional Items and Tax	(52.22)	(2.38)	1.35	(153.29)	-
Exceptional Item	-	-	-	-	-
Loss before taxes	(52.22)	(2.38)	1.35	(153.29)	-
Tax expenses					
Current tax	-	-	0.42	-	-
Income Tax related to earlier years	0.08	-	-	-	-
Deferred Tax	-	(0.21)	(0.06)	-	-
Total tax expenses	0.08	(0.21)	0.36	-	-
Profit/ (Loss) for the year	(52.30)	(2.17)	0.99	(153.30)	-
Other Comprehensive Income for the period/ year	0.17	0.00	(0.01)	-	-
Total Comprehensive Income for the period/year	(52.13)	(2.17)	0.98	(153.30)	-
Group Share in %	44.63	49.00	49.00	25.43	50.00
Group Share of Profit / (Loss) for the Period/Year accounted for	(23.34)	(1.06)	0.48	-	-

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

3 Interest in Other Entities (contd.)

Summarised Balance Sheet	Shivaliks Mercantile Limited (Formerly 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) (Refer note (c)(ii))	As at March 31, 2024 (Standalone)	As at March 31, 2024 (Standalone)
	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)
Non-Current Assets					
Property, Plant and Equipments	-	0.07	0.24	293.42	-
Intangible Asset	-	-	-	24.83	-
Capital Work in Progress	-	2.74	-	9.76	-
Intangible Asset under development	-	-	-	27.34	-
Right-of-Use Assets	-	14.64	0.78	-	-
Equity accounted investment	194.82	-	-	-	-
Financial Assets					
Investments	0.04	-	-	2.84	-
Others	-	1.07	-	-	-
Other Not Current Assets	-	94.45	-	-	-
Deferred Tax Asset	-	0.46	0.08	40.61	-
Non-current Tax Assets (Net)	-	-	0.12	-	-
Total (A)	194.86	113.43	1.22	398.80	-
Current Assets					
Inventories	-	-	-	208.07	-
Financial Assets					
Trade receivables	-	-	1.70	790.09	-
Cash and bank balances	23.48	11.19	2.21	198.92	0.01
Loans	-	-	-	99.82	-
Others	0.11	-	0.96	4.63	-
Other Non Financial Assets	-	0.13	0.36	163.59	-
Current Tax Assets	0.07	-	-	-	-
Assets classified as held for sale	-	-	-	13.85	-
Total (B)	23.66	11.32	5.23	1,478.97	0.01
GRAND TOTAL (C=A+B)	218.52	124.75	6.45	1,877.77	0.01
Non-current liabilities					
Financial Liabilities					
Long term borrowings	-	-	-	177.83	-
Lease Liabilities	-	-	0.38	-	-
Other Non Current liabilities	-	-	-	379.61	-
Provisions	-	-	0.19	-	-
Total (D)	-	-	0.57	557.44	-
Current Liabilities					
Financial Liabilities					
Short term borrowings	-	-	-	371.77	-
Lease Liabilities	-	-	0.44	-	-
Trade Payables	7.74	0.52	0.11	468.12	0.02
Other Financial Liabilities	0.77	0.36	0.29	31.16	-
Provisions	-	0.09	0.11	13.04	-
Other non-financial liabilities	1.73	0.14	0.66	138.86	-
Current Tax Liabilities	0.02	-	-	-	-
Total (E)	10.26	1.11	1.61	1,022.95	0.02
GRAND TOTAL (F=D+E)	10.26	1.11	2.18	1,580.39	0.02
Net Assets (C-F)	208.26	123.64	4.27	297.38	(0.01)

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

3 Interest in Other Entities (contd.)

Summarised Statement of Profit and Loss	Shivaliks Mercantile Limited (Formerly 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 (Stand-alone)	As at March 31, 2024 (Stand-alone) (Refer note (c)(ii))	As at March 31, 2024 (Stand-alone)	As at March 31, 2024 (Stand-alone)
	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)
Income					
Revenue from Operation	-	-	4.65	686.15	-
Other Income	0.12	0.00	-	19.38	0.12
	0.12	0.00	4.65	705.53	0.12
Expenses					
Cost of raw materials & components consumed	-	-	-	381.82	-
Capitalised internal construction costs	-	-	-	(22.33)	-
Employee Benefits Expense	-	0.16	2.58	153.90	-
Finance Costs	0.01	-	0.06	71.05	-
Depreciation and amortization expenses	-	0.02	0.27	20.82	-
Other Expenses	0.51	1.64	1.36	174.07	0.02
Total Expenses	0.52	1.82	4.27	779.33	0.02
Profit / (Loss) before Share of Net Loss of Associate Account- ed for Using the Equity Method, Exceptional Items and Tax	(0.40)	(1.82)	0.38	(73.80)	0.10
Share of Profit / (Loss) of Associate Accounted for Using the Equity Method	(4.25)	-	-	-	-
Profit / (Loss) before Exceptional Items and Tax	(4.65)	(1.82)	0.38	(73.80)	0.10
Tax expenses					
Current tax	-	-	0.17	1.64	-
Income Tax related to earlier years	0.02	-	-	-	-
Deferred Tax	-	(0.46)	(0.08)	(2.27)	-
Total tax expenses	0.02	(0.46)	0.09	(0.63)	-
Loss for the year	(4.67)	(1.36)	0.29	(73.18)	0.10
Other Comprehensive Income for the period/ year					-
Total Comprehensive Income for the period/year	(4.67)	(1.36)	0.29	(73.18)	0.10
Group Share in %	44.63	49.00	49.00	25.43	50.00
Group Share of Profit / (Loss) for the Period/Year	(2.08)	(0.67)	0.14	-	-

TITAGARH RAIL SYSTEMS LIMITED
Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

3 Interest in Other Entities (contd.)

(Rs. In Crores)					
Reconciliation to Carrying Amounts	Shivaliks Mercantile Limited (Formerly 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, 2025 (Consolidated)	As at March 31, 2025 (Stand-alone)	Up to February 13, 2025 (Stand-alone) (Refer note (c)(ii))	As at March 31, 2025 (Stand-alone)	As at March 31, 2025 (Stand-alone)
	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)
Group Share in %	44.63	49.00	49.00	25.43	50.00
Cost of Investments as at the beginning of the Year (A)	97.92	173.30	2.10	-	-
Group Share of Profit / (Loss) for the Year (B)	(23.34)	(1.06)	0.48	-	-
Carrying Amount as at the end of the Year (A+ B)	74.58	172.24	-	-	-

Reconciliation to Carrying Amounts	Shivaliks Mercantile Limited (Formerly 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 (Stand-alone)	As at March 31, 2024 (Stand-alone)	As at March 31, 2024 (Consolidated)	As at March 31, 2024 (Stand-alone)
	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)	(Rs in Crores)
Group Share in %	44.63	49.00	49.00	25.43	50.00
Cost of Investments as at beginning of the Period/ Year (A)	100.00	61.25	1.96	-	-
Group Share of Profit / (Loss) for the Period/Year accounted for (B)	(2.08)	(0.67)	0.14	-	-
Carrying Amount as at the end of the Year (A+ B)	97.92	60.58	2.10	-	-

The Group has no contingent liability and capital commitments relating to its interest in aforesaid joint ventures.

TITAGARH RAIL SYSTEMS LIMITED
Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

4.1 Property, Plant and Equipment

Particulars	Freehold Land	Leasehold Land	Leasehold Improvement	Buildings	Plant and Equipments	Railway Wagons	Railway Sidings	Furniture and Fixtures	Office Equip-ments	Computers	Vehicles	Total
(Rs. in Crores)												
Gross Carrying Amount												
As at March 31, 2023	234.18	208.74	0.71	107.30	136.81	4.06	7.72	4.03	2.43	5.14	3.88	715.00
Additions	-	-	-	7.51	29.52	-	-	1.45	1.70	1.14	1.30	42.62
Disposals	0.04	-	-	-	-	-	-	-	-	0.12	-	0.16
As at March 31, 2024	234.14	208.74	0.71	114.81	166.33	4.06	7.72	5.48	4.13	6.16	5.18	757.46
Conversion of joint venture to subsidiary (Refer note 3 (c)(iii))	-	-	-	-	-	-	-	-	-	0.56	-	0.56
Additions	-	2.45	-	50.44	137.31	-	1.28	1.47	6.37	1.19	4.94	205.45
Disposals	0.09	-	-	-	-	4.06	-	-	-	-	1.90	6.05
Transfer In/(Out) (Refer note (f) below)	(109.19)	109.19	-	-	-	-	-	-	-	-	-	-
As at March 31, 2025	124.86	320.38	0.71	165.25	303.64	-	9.00	6.95	10.50	7.91	8.22	957.42
Accumulated Depreciation												
As at March 31, 2023	-	13.38	0.71	17.03	51.84	0.21	1.74	2.84	1.57	3.83	1.86	95.01
Charge for the year	-	1.76	-	2.95	7.83	-	0.37	0.41	0.32	0.70	0.45	14.79
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	15.14	0.71	19.98	59.67	0.21	2.11	3.25	1.89	4.53	2.31	109.80
Conversion of joint venture to subsidiary (Refer note 3 (c)(iii))	-	-	-	-	-	-	-	-	-	0.20	-	0.20
Charge for the year	-	1.75	-	2.60	9.62	-	0.37	0.49	0.59	0.82	0.71	16.95
Disposals	-	-	-	-	-	0.21	-	-	-	-	0.16	0.37
As at March 31, 2025	-	16.89	0.71	22.58	69.29	-	2.48	3.74	2.48	5.55	2.86	126.58
Impairment												
As at March 31, 2023	-	-	-	-	0.02	-	-	-	-	-	-	0.02
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	-	-	-	0.02	-	-	-	-	-	-	0.02
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2025	-	-	-	-	0.02	-	-	-	-	-	-	0.02
Net Carrying Amount												
As at March 31, 2024	234.14	193.60	0.00	94.83	106.64	3.85	5.61	2.23	2.24	1.63	2.87	647.64
As at March 31, 2025	124.86	303.49	0.00	142.67	234.33	-	6.52	3.21	8.02	2.36	5.36	830.82

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

4.1 Property, Plant and Equipment (Contd.)

- Refer Note 36 for disclosure of contractual commitments for acquisition of Property, Plant and Equipment.
- Refer Note 15 for information on Property, Plant and Equipment pledged as security by the Group.
- Assets pledged as security for term loans availed by an associate company.

The Parent Company had in earlier years provided pari pasu security of its land at Bharatpur (Gross book value of Rs. 169.65 Crores) 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, the outstanding balance against which is Euro 50.13 million as at March 31, 2025.

- The Parent Company was vested with leasehold land having gross and net carrying value as at March 31, 2025 of Rs. 27.59 Crores and Rs. 23.47 Crores (March 31, 2024: Rs 27.59 Crores and Rs. 23.89 Crores) respectively, through erstwhile Cimmco Birla Limited (subsequently Cimmco Limited), since merged with the Parent Company pursuant to order dated September 30, 2020 of Hon'ble National Parent 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 petition 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 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 was decided in favour of the Parent Company by an order dated August 2, 2024. However, Hon'ble High Court, Madhya Pradesh vide its order dated September 29, 2024 against a Writ Petition (WP) filed by a third party has restored the status of aforesaid matter pending further hearing. The said WP is scheduled to be heard on June 16, 2025. 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 against which the Parent Company filed a review petition on April 15, 2024 and the hearing is scheduled on July 7, 2025. 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 and that the Parent Company can have its name entered in the record of rights upon disposal of the WP.

- The land with the Parent Company admeasuring 25.79 acres was originally part of a larger area of land vested in erstwhile Titagarh Steels Limited (TSL) from Titagarh Paper Mills Company Limited (TPMCL) by an order passed by the Hon'ble BIFR in 1994 sanctioning the Scheme of Rehabilitation pursuant to which TPMCL was amalgamated into TSL. In 2003-04, the Parent Company purchased 16.07 acres of land from TSL. Thereafter,

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

4.1 Property, Plant and Equipment (Contd.)

in 2006-07, TSL got demerged into three entities namely Titagarh Enterprises Limited (TEL), Titagarh Industries Limited (TIL) and remaining continued as TSL whereby its land holding was also bifurcated as per order dated February 1, 2006 passed by the Hon'ble High Court, Calcutta. Subsequently, in 2009-10, the Parent Company acquired 9.72 acres from TEL. The Parent Company has been in absolute possession of the said land parcel of 25.79 acres using the land for its business activities (the "said Land") and was appearing in the Parent Company's books as freehold land. During the year, the Government of West Bengal, Department of Land & Land Reforms vide its letter dated May 29, 2024 proposed two options in relation to the aforesaid land to the Parent Company and two other companies namely TEL and TIL, viz. to accept the land parcel on a leasehold basis for a period of 99 years upon payment of salami, annual rent etc. as prescribed under the West Bengal Land Reform Act ("WBLR Act") (hereinafter referred to as "the Consideration"), or to acquire the

land parcel on a freehold basis upon payment of land revenue in accordance with Section 23 of the WBLR Act. In June 2024, the Parent Company made payment of Rs. 2.45 Crores towards the consideration for 21.877 acres of land, while the payment for balance 3.91 acres of land as confirmed by TEL was made by them, which will be settled by the Parent Company on finalization of the Government's reconciliation and land allocation process. The Parent Company vide its letter dated May 23, 2025 made an application to the State Government, indicating its intention of acquiring freehold rights over the aforesaid land parcel duly reconciled with the records of the Government and the books of the Parent Company after paying the differential payment for such freehold rights upon completion of the necessary formalities. Pending the completion of these formalities, the Parent Company has classified the said Land as leasehold in its books of accounts for the current period, while continuing to retain physical possession and utilising the land for business activities.

4.2 Intangible Assets

(Rs. in Crores)

Particulars	Intangible Assets				
	Computer Software	Brand	Designs	Prototype	Total
Gross Carrying Amount					
As at March 31, 2023	7.29	2.28	15.88	8.80	34.25
Additions	0.02	-	1.10	-	1.12
As at March 31, 2024	7.31	2.28	16.98	8.80	35.37
Additions	1.99	-	66.77	-	68.76
As at March 31, 2025	9.30	2.28	83.75	8.80	104.13
Accumulated Amortisation					
As at March 31, 2023	5.85	2.28	15.45	3.96	27.54
Charge for the year	0.87	-	0.22	-	1.09
As at March 31, 2024	6.72	2.28	15.67	3.96	28.63
Charge for the year	0.25	-	0.76	-	1.01
As at March 31, 2025	6.97	2.28	16.43	3.96	29.64
Impairment					
As at March 31, 2023	0.23	-	-	4.84	5.07
Charge for the year	-	-	-	-	-
As at March 31, 2024	0.23	-	-	4.84	5.07
Charge for the year	-	-	-	-	-
As at March 31, 2025	0.23	-	-	4.84	5.07
Net Carrying Amount					
As at March 31, 2024	0.37	-	1.31	-	1.68
As at March 31, 2025	2.10	-	67.32	-	69.42

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

4.3 Investment Properties

(Rs in Crores)

Particulars	Freehold Land
Carrying Amount as at March 31, 2023	8.21
Additions/(Deletion)	-
Carrying Amount as at March 31, 2024	8.21
Additions/(Deletion)	-
Carrying Amount as at March 31, 2025	8.21

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, 2025, fair valuation of the two properties is estimated to be Rs. 13.94 Crores (March 31, 2024: Rs. 12.42 Crores). 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 categorised within Level-3.

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 the Investment 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, 2025 and March 31, 2024 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 0.70 Crores (March 31, 2024: Rs 0.62 Crores)

4.4 Capital work in progress

(i) Movement in Capital work in progress

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	107.80	12.28
Additions during the year	124.37	131.00
Capitalised during the year	(192.56)	(35.48)
Balance at the end of the year	39.61	107.80

Capital work in progress primarily includes construction of offices and sheds and ongoing installation of new machineries etc. in the factories located in West Bengal in the current year as well as previous year.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

4.4 Capital work in progress (Contd.)

(ii) Age analysis of Capital work in progress

As on March 31, 2025

Particulars	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	39.61	-	-	-	39.61
Total	39.61	-	-	-	39.61

As on March 31, 2024

Particulars	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	105.77	2.03	-	-	107.80
Total	105.77	2.03	-	-	107.80

(a) There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025 and March 31, 2024.

4.5 Intangible Assets Under Development

(i) Movement in Capital work in progress

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	65.76	-
Additions during the year	84.98	65.76
Capitalised during the year	(68.37)	-
Balance at the end of the year	82.37	65.76

(ii) Age analysis of Intangible Assets Under Development

As on March 31, 2025

Particulars	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	61.32	21.05	-	-	82.37
Total	61.32	21.05	-	-	82.37

As on March 31, 2024

Particulars	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	65.76	-	-	-	65.76
Total	65.76	-	-	-	65.76

(a) There are no intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025 and March 31, 2024.

(b) Intangible assets under development primarily represents designs relating to various products under Passenger Rail Systems segment in the current year as well as previous year.

TITAGARH RAIL SYSTEMS LIMITED
Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)
4.6 Right-of-use Assets and Leases

The Parent Company's leasing arrangement includes land and building having a fixed lease term of 10 years and 5 years respectively. Further, in respect of a Subsidiary Company, leasing arrangement includes office space having a lease term of 2.25 years. The lease arrangement can be further renewed to 5 years.

(i) Amounts recognised in balance sheet

Particulars	Land	Building	Total
Gross Carrying Amount			
As at March 31, 2023	111.47	-	111.47
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2024	111.47	-	111.47
Conversion of joint venture to subsidiary (Refer note 3 (c)(ii))	-	1.06	1.06
Additions	-	4.94	4.94
Disposals	-	0.68	0.68
As at March 31, 2025	111.47	5.32	116.79
Accumulated Depreciation			
As at March 31, 2023	9.55	-	9.55
Charge for the year	11.22	-	11.22
Disposals	-	-	-
As at March 31, 2024	20.77	-	20.77
Conversion of joint venture to subsidiary (Refer note 3 (c)(ii))	-	0.66	0.66
Charge for the year	11.19	0.97	12.16
Disposals	-	0.15	0.15
As at March 31, 2025	31.96	1.48	33.44
Net Carrying Amount			
As at March 31, 2024	90.70	-	90.70
As at March 31, 2025	79.51	3.84	83.35
Lease liabilities	Non-current	Current	Total
As at March 31, 2024	93.70	5.76	99.46
As at March 31, 2025	89.47	8.20	97.67

(ii) Amounts recognised in the Statement of Profit and Loss

The Statement of Profit and Loss shows the following amounts relating to leases:

Particulars	As at March 31, 2025	As at March 31, 2024
Depreciation charge on right of use assets (Refer note 28)	11.62	11.22
Interest expense (included in finance costs) (Refer note 27)	8.78	9.04
Expenses relating to short term leases (included in other expenses, Refer note 29)	3.62	2.23
Total	24.02	22.49

(iii) The total cash outflow for leases for the year was Rs. 15.57 Crores (March 31, 2024 Rs. 13.52 Crores)

(iv) Extension and Termination options :

Extension and termination options are included in the Group's lease contract. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The extension and termination options held are exercisable by mutual consent of both the lessor and the lessee.

TITAGARH RAIL SYSTEMS LIMITED
Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)
5.1 Investments (Non-current)

Particulars	No of Shares/Units As at March 31,		Face value per share/ unit (Rs.)	As at March 31, 2025	As at March 31, 2024
	2025	2024		Rs. In Crores	Rs. In Crores
Investment in Equity Shares					
In Others (Quoted) (at FVTPL) (a)					
Orissa Sponge Iron & Steel Limited (#)	550	550	10.00	0.00	0.00
In Others (Unquoted) (at FVTPL) * (a)					
Titagarh Enterprises Limited	49,32,960	49,32,960	1.00	50.00	36.57
Titagarh Industries Limited	56,850	56,850	10.00	2.36	0.41
National Savings Certificate (at Amortised Cost) (Unquoted) @				0.00	0.00
Total				52.38	36.99
Aggregate book value of quoted investments				0.00	0.00
Aggregate book value of unquoted investments				52.38	36.99
Market value of quoted investments				0.00	0.00

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 Pledge March 31, 2025	Amount Pledge March 31, 2024
	2025	2024		Rs. In Crores	Rs. In Crores
Titagarh Enterprises Limited	49,32,960	49,32,960	1.00	0.49	0.49
Titagarh Industries Limited	56,850	56,850	10.00	0.06	0.06
				0.55	0.55

@ 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

Particulars	No of Shares/Units As at March 31,		Face value per share/ unit (Rs.)	As at March 31, 2025	As at March 31, 2024
	2025	2024		Rs. In Crores	Rs. In Crores
Titagarh Firema S.p.A. [refer note 35]	1,64,00,000	1,64,00,000	EURO 1	-	-
Titagarh Mermec Private Limited	5,000	5,000	10.00	-	-
Titagarh Firema Engineering Services Private Limited	-	19,60,000	10.00	-	2.10
Ramkrishna Titagarh Rail Wheels Limited	16,90,48,750	6,12,48,750	10.00	172.24	60.58
Shivaliks Mercantile Limited (Formerly Shivaliks Mercantile Private Limited) [refer note 35]	10,00,00,000	10,00,00,000	10.00	74.58	97.92
				246.82	160.60

Refer Note 3(c) for details of the Joint Ventures and Associate

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

6 Trade Receivables (At Amortised Cost)

Particulars	Current	
	As at March 31, 2025	As at March 31, 2024
	Rs. In Crores	Rs. In Crores
Trade Receivables		
Trade receivables from contract with customers	671.89	538.34
Trade receivables from contract with customers – related parties (Refer Note 40)	13.18	0.98
	685.07	539.32
Less: Loss allowance [Refer Note 42(II) (c)]	14.22	6.80
Total receivables	670.85	532.52
Break-up of security details		
Trade receivables considered good – secured	-	-
Trade receivables considered good – unsecured	678.98	539.32
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	6.09	-
Total	685.07	539.32
Loss Allowances [Refer Note 42(II) (c)]	14.22	6.80
Total trade receivables	670.85	532.52

Trade Receivable Ageing Schedule

Particulars	Outstanding as at March 31, 2025					
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Receivables						
Considered Good	147.05	107.62	78.72	22.11	5.15	360.65
Disputed Trade Receivables						
Considered Good	-	-	-	-	6.41	6.41
Total	147.05	107.62	78.72	22.11	11.56	367.06
Undisputed Not Due						-
Disputed Not Due						-
Undisputed Unbilled - Considered Good						318.01
Disputed Unbilled						-
Total						685.07
Loss Allowances						14.22
Total						670.85

Particulars	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	336.04	14.65	32.28	5.01	0.25	388.23
Disputed Trade Receivables						
Considered Good	-	-	-	-	6.25	6.25
Total	336.04	14.65	32.28	5.01	6.50	394.48
Undisputed Not Due						-
Disputed Not Due						-
Undisputed Unbilled - Considered Good						144.84
Disputed Unbilled						-
Total						539.32
Loss Allowances						6.80
Total						532.52

- a) 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.
- b) There are no outstanding receivables due from directors or other officers of the Group.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

7 Other Financial Assets

(Unsecured, Considered Good unless stated otherwise) (Measured at Amortised Cost)	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Rs. In Crores	Rs. In Crores	Rs. In Crores	Rs. In Crores
Security Deposits*	4.81	4.38	1.95	1.91
Bank Deposits @	73.95	44.79	79.35	-
Interest Accrued on:				
Fixed Deposits with Banks	0.98	3.68	21.13	5.21
Charges Recoverable (Refer Note (a) below)	-	-	7.95	10.56
Balance with Government authorities	-	-	8.95	-
Others (Refer Note (b) below)	0.48	-	23.13	-
Total	80.22	52.85	142.46	17.68

* Includes security deposit given to related parties Rs.3.36 Crores (March 31, 2024: Rs. 3.08 Crores) (Refer Note 40)

@ Includes deposits of Rs. 46.66 Crores (March 31, 2024: Rs. 44.79 Crores) held as margin money whose receipts are lying with banks as security against loans, guarantees/letters of credits issued by them.

- (a) Includes Rs. Nil (March 31, 2024: Rs. 0.25 Crores) as charges recoverable from joint ventures. Also Refer Note 40.
- (b) Mainly comprises of receivables of Rs. 11.47 Crores from a customer of the Parent Company on account of labour cess deducted under the provisions of the Building and the Other Construction Workers Welfare Cess Act, 1996, and claims receivable of Rs. 9.51 Crores (including interest of Rs. 7.56 Crores for the period from January 2002 to December 2024) from another customer of the Parent Company against an arbitration award in favour of the Parent Company which has also been upheld by the Honb'le Supreme Court of India in Parent Company's favour.

8 Tax Assets (Net)

Particulars	Non-Current	
	As at March 31, 2025	As at March 31, 2024
	Rs. In Crores	Rs. In Crores
Advance Tax (Including Tax Deducted at Source)	24.58	34.46
(Net of provision for tax Rs. 395.04 Crores ; March 31, 2024: Rs. 288.47 Crores)		
	24.58	34.46

9 Contract Assets

(Unsecured, considered good unless stated otherwise)	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Rs. In Crores	Rs. In Crores	Rs. In Crores	Rs. In Crores
Retention money held by customers	3.41	0.98	0.86	5.36
Unbilled revenue	-	-	204.16	95.68
	3.41	0.98	205.02	101.04

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

10 Other Assets

(Unsecured, considered good unless stated otherwise)	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Rs. In Crores	Rs. In Crores	Rs. In Crores	Rs. In Crores
Capital Advances	38.51	10.92	-	-
Security Deposits	4.21	4.80	-	-
Advances Recoverable in Cash or in Kind				
Considered Good - Related Parties [Refer Note (a) below]	-	-	0.30	0.30
Considered Good - Others	-	-	115.16	134.35
Considered Doubtful - Others	-	-	3.50	3.25
	-	-	118.96	137.90
Less: Provision for doubtful advances - Others	-	-	3.50	3.25
	-	-	115.46	134.65
Balance with Government Authorities	-	-	15.42	54.94
Prepaid expenses	17.48	6.21	39.24	13.16
Total	60.20	21.93	170.12	202.75

a) Represents Rs. 0.30 Crores (March 31, 2024: Rs. 0.30 Crores) recoverable from Directors of the Parent Company. Also Refer Note 40.

11 Inventories

(Valued at lower of cost and net realisable value)	As at March 31, 2025	As at March 31, 2024
	Rs. In Crores	Rs. In Crores
Raw materials and components [Includes Goods in transit Rs. 12.97 Crores (March 31, 2024: Rs 16.97 Crores)]	412.01	460.80
Work in progress	68.78	36.55
Saleable scrap	11.54	7.71
Stores and spares	31.00	18.66
Total	523.33	523.72

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. Nil (March 31, 2024: Rs.4.34 Crores)

c) Value of inventories of raw materials and stores and spares is stated after provisions (net of reversal) of Rs. 4.12 Crores (March 31, 2024: Rs. 5.99 Crores) for write-down to net realisable value which resulted in net reversal of provision in Statement of Profit and Loss of Rs. 1.87 Crores during the year (March 31, 2024: net reversal of Rs. 0.42 Crores).

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

12 Cash and Bank Balances

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. In Crores	Rs. In Crores
12.1 Cash and cash equivalents		
Balances with banks:		
On current accounts	24.47	37.89
Bank deposits with original maturity of less than three months @	-	290.30
Cheques in hand	-	0.63
Cash on hand	0.80	0.16
	25.27	328.98
12.2 Other Bank Balances		
Balances with Banks:		
On Unpaid Dividend Accounts	0.10	0.10
On Unpaid Fractional Share Entitlement Accounts	0.09	0.09
Bank deposits with maturity of more than three months but less than twelve months @	441.94	279.93
	442.13	280.12
Total	467.40	609.10

@ Includes deposits of Rs. 243.25 Crores (March 31, 2024: Rs. 100.66 Crores) held as Margin money whose receipts are lying with banks as security against loans, guarantees/letters of credits issued by them.

13 Equity Share Capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares in Crores	Rs. In Crores	No. of shares in Crores	Rs. In Crores
Authorised Shares				
Equity Shares of Rs. 2/- each (March 31, 2024: Rs. 2/- each)	129.05	258.10	129.05	258.10
Preference Shares of Rs. 10/- each (March 31, 2024: Rs.10/- each)	12.70	127.00	12.70	127.00
		385.10		385.10
Issued, Subscribed and Paid-up Shares				
Equity Shares of Rs. 2/- (March 31, 2024: Rs. 2/-) each, fully paid-up	13.47	26.93	13.47	26.93
	13.47	26.93	13.47	26.93

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	2024-25		2023-24	
	No. of shares in Crores	Rs. In Crores	No. of shares in Crores	Rs. In Crores
Equity Shares				
Outstanding at the beginning of the year	13.47	26.93	11.96	23.91
Shares issued on preferential basis @	-	-	0.76	1.52
Shares issued pursuant to Qualified Institutions Placement @	-	-	0.75	1.50
Outstanding at the end of the year	13.47	26.93	13.47	26.93

@ During the previous 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

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

13 Equity Share Capital (Contd.)

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.

- 2) 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.

Proceeds from issue of equity shares made during the previous as well as current 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	Balance yet to be spent
Share issue expenses	0.67	0.67	-	-
General corporate purpose	64.00	64.00	-	-
Working Capital for Business purpose	224.13	224.13	-	-
Total	288.80	288.80	-	-

ii) Shares issued through Qualified Institutional Placement (QIP)

Particulars	Proposed to be utilised	Utilised during FY 2023-24	Utilised during FY 2024-25	Balance yet to be spent
Repayment / Prepayment of Loan	200.00	200.00	-	-
Share issue expenses	13.45	13.45	-	-
General corporate purpose *	169.25	154.52	14.73	-
Working Capital for Business purpose	317.30	238.15	79.15	-
Total	700.00	606.12	93.88	-

* Includes investments made in Joint Ventures of Rs. 114.15 Crores in FY 2023-24.

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, 2024: 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

Name of the Shareholders	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs 2/- (March 31, 2024: Rs. 2/-) each fully paid				
Titagarh Capital Management Services Private Limited	2,40,71,588	17.87%	2,40,71,588	17.87%
Jagdish Prasad Chowdhary (Trustee of Chowdhary Foundation)	1,82,01,875	13.52%	1,82,01,875	13.52%
Rashmi Chowdhary	1,01,22,630	7.52%	1,28,16,105	9.52%
Smallcap World Fund Inc	-	-	75,60,365	5.61%
HDFC Large and Midcap Fund	-	-	62,17,978	4.62%

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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

13 Equity Share Capital (Contd.)

d) Details of Shareholding of Promoters

Promoter Name	As at March 31, 2025			As at March 31, 2024		
	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%	0.00%	2,40,71,588	17.87%	-2.26%
Jagdish Prasad Chowdhary (Trustee of Chowdhary Foundation)	1,82,01,875	13.52%	0.00%	1,82,01,875	13.52%	-1.70%
Jagdish Prasad Chowdhary	70,700	0.05%	0.00%	70,700	0.05%	-0.01%
Umesh Chowdhary	77,530	0.06%	0.00%	77,530	0.06%	0.00%
Rashmi Chowdhary	1,01,22,630	7.52%	-2.00%	1,28,16,105	9.52%	-1.20%
Sumita Kandoi	-	0.00%	0.00%	-	0.00%	0.00%
Vinita Bajoria	32,051	0.02%	0.00%	32,051	0.02%	0.00%
Bimla Devi Kajaria	2,000	0.00%	0.00%	2,000	0.00%	0.00%
Titagarh Logistics Infrastructures Pvt. Ltd.	19,08,487	1.42%	0.00%	19,08,487	1.42%	-0.18%

14 Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. In Crores	Rs. In Crores
A. Securities Premium Account (Refer note 14.1)		
Balance at the beginning of the year	1,382.30	410.64
Issue of Equity Shares on Preferential basis [Refer Note 13(a)@]	-	287.28
Issue of Equity Shares Pursuant to Qualified Institutions Placement [Refer Note 13(a)@]	-	698.50
Share Issue Expenses	-	(14.12)
Balance at the end of the year	1,382.30	1,382.30
B. General Reserve (Refer Note 14.2)		
Balance at the beginning of the year	54.12	54.12
Movement during the year	-	-
Balance at the end of the year	54.12	54.12
C. Capital Reserve		
Balance at the beginning of the year	74.43	74.43
Movement during the year	-	-
Balance at the end of the year	74.43	74.43
D. Employee Stock Options (ESOPs) Outstanding Account (Refer note 14.6 and 34)		
Balance at the beginning of the year	-	-
Recognition of Share Based Payment (Refer Note 26)	0.22	-
Balance at the end of the year	0.22	-
E. Retained Earnings (Refer Note 14.3)		
Balance at the beginning of the year	671.49	391.82
Profit for the Year	276.39	286.14
Item of Other Comprehensive Income recognised directly in Retained Earnings		
- Remeasurements Losses on Defined Benefit Plan (Net of Tax)	(1.47)	(0.09)
Dividend paid	(10.77)	(6.38)
Net surplus in the statement of profit and loss	935.64	671.49
F. Foreign Currency Translation Reserve (FCTR) (Refer Note 14.7)		
Balance at the beginning of the year	9.17	8.91
Exchange Differences on Translation of Foreign Operations during the year	0.15	0.26
Balance at the end of the year	9.32	9.17
G. Cash Flow Hedge Reserve Account (Refer Note No. 14.4 and 14.5)		
Balance at the beginning of the year	(0.11)	(0.26)
Changes in fair value recognised during the year	-	0.21
Tax impact on above	-	(0.06)
Reclassified to profit and loss and included in profit for the year	0.11	-
Balance at the end of the year	-	(0.11)
Total Other Equity (A+B+C+D+E+F+G)	2,456.05	2,191.40

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

14 Other Equity (Contd.)

- 14.1 Securities Premium Account:-** Premium received on Equity Shares issued are recognised in the Securities Premium Account. This reserve is to 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 earning 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 Account:-** 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. 0.11 Crores (March 31, 2024: 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. Nil (March 31, 2024: Rs. (0.11) Crores) - later than one year: gain Rs. Nil (March 31, 2024: Rs. Nil)
- 14.6 Employee Stock Options (ESOPs) Outstanding Account:-** Employee Stock Options Outstanding Account relates to stock options granted by the Parent Company to the employees under the Parent Company's ESOP Scheme. This Account is transferred to Securities Premium Account or Retained Earnings on exercise or lapse of vested options.
- 14.7 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]] and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss on disposal of the net investment.

15 Borrowings

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Rs. In Crores	Rs. In Crores	Rs. In Crores	Rs. In Crores
Secured				
Indian Rupee Term Loan from Banks [Refer (a) below]	24.93	37.36	12.42	12.39
Cash Credits & Working Capital Demand Loan [Refer (b) below]	-	-	301.74	-
Supplier Finances	-	-	89.66	-
Buyers Credit	-	-	100.59	16.51
Total	24.93	37.36	504.41	28.90

Notes:

(a) Term Loan from Banks

- A) Term Loan of Rs. 37.35 Crores (March 31, 2024: Rs. 49.75 Crores) carrying interest @ 9.40 % p.a. (March 31, 2024: 9.05 % p.a.) linked to 1 year MCLR has been availed in the earlier years and is repayable in 16 equal quarterly installments from June 2024 to March 2028. Above term loan was secured by way of first pari passu charge over Parent Company's movable fixed assets, both present and future and Parent Company's immovable properties at Uttarpara (34.84 acres), Titagarh (16.07 acres) and Anandapur (19.38 Cottah). Negative lien on all that pieces and parcels of land measuring about 9.56 Acres & 9.72 Acres, at Mouza; Titagarh.

b) Cash Credits, Working Capital Demand Loan and Buyers Credit from Banks:

- A) Cash Credits and Working Capital Demand Loans of Rs. 301.74 Crores (March 31, 2024: Rs. Nil) were secured by:
- 1) First charge over entire stocks of raw materials, semi-finished and finished goods, including book debts, bills, receivables, both present and future, ranking pari passu with other participating banks.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

15 Borrowings (Contd.)

- 2) Second charge over Parent Company's movable fixed assets, both present and future and Parent Company's immovable properties at Uttarpara (34.84 acres), Titagarh (16.07 acres) and Anandapur (19.38 Cottah). Negative lien on all that pieces and parcels of land measuring about 9.56 Acres & 9.72 Acres, at Mouza; Titagarh. The above facilities have also been secured by way of first pari passu pledge & charge on Parent Company's investment in 4,932,940 equity shares of Titagarh Enterprises Limited and 56,850 equity shares of 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 8.05% to 11.25% p.a. (March 31, 2024: 8.45% to 11.50%) linked with MCLR.
- C) Working Capital Demand Loans carry interest ranging from 7.55% to 10.25% p.a. (March 31, 2024: 5.75% to 11.50% p.a.) and are repayable on demand.
- D) Buyers Credit carry an interest rate ranging from 4.95 % to 5.14% p.a. (March 31, 2024: 6.78 % p.a.) and is linked to Secured Overnight Financing Rate (SOFR). The same is repayable over a period of 3 to 6 months.
- E) Supplier Finances carry an interest rate ranging from 7.75% to 8.10% p.a. (March 31, 2024: Nil). The same is repayable over a period of 3 to 6 months.
- c) As at March 31, 2025, 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.
- 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

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Rs. In Crores	Rs. In Crores	Rs. In Crores	Rs. In Crores
Measured at Fair Value through OCI				
Derivative Liabilities #	-	-	1.76	0.17
Measured at Amortised Cost				
Interest accrued and not due on Borrowings	-	-	1.83	1.31
Investor Education and Protection Fund will be credited by following amounts (as and when due)				
Unpaid Dividends	-	-	0.10	0.10
Unpaid fractional share	-	-	0.09	0.09
Others (Measured at Amortised Cost)				
Employee Related Liabilities	-	-	4.63	3.60
Payable for Purchase of Property, Plant and Equipment:				
Dues to Micro enterprises and Small enterprises	-	-	4.58	0.37
Dues to Others than Micro enterprises and Small enterprises	-	-	8.09	5.60
Deferred Guarantee Income	3.43	-	0.72	-
Other Liabilities [Refer (a) below]	-	-	15.00	15.00
Total	3.43	-	36.80	26.24

- # 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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

16 Other Financial Liabilities (Contd.)

- (a) Arbitration was invoked following the dispute between Cimmco Limited (since merged into 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. 15.00 Crores 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. 15.00 Crores in the previous year. In view of the ongoing litigation, the amount of Rs. 15.00 Crores withdrawn against deposit of bank guarantee has been considered as a liability.

17.1 Provisions

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Rs. In Crores	Rs. In Crores	Rs. In Crores	Rs. In Crores
Provisions for Employee Benefits:				
Gratuity [Refer Note 32 (i)]	6.49	3.54	1.56	1.54
Leave Benefits [Refer Note 32 (iii)]	-	-	3.89	1.90
	6.49	3.54	5.45	3.44
Other Provisions:				
Warranties [Refer (a) below for movement]	-	-	13.62	6.53
Loss on Onerous Contract [Refer (b) below for movement]	-	-	3.84	4.42
Litigation, Claims and Contingencies [Refer (a) below for movement & 37 (i)]	-	-	1.88	2.32
	-	-	19.34	13.27
Total	6.49	3.54	24.79	16.71

- a) Movement of provisions for warranties and litigation, claims and contingencies are as follows:

Particulars	Warranties		Litigations, Claims and Contingencies	
	2024-25	2023-24	2024-25	2023-24
	Rs. In Crores	Rs. In Crores	Rs. In Crores	Rs. In Crores
At the beginning of the year	6.53	2.83	2.32	2.28
Made during the year	7.57	8.12	-	0.04
Unused amounts reversed during the year	(0.48)	(1.04)	-	-
Amounts utilized during the year	-	(3.38)	(0.44)	-
At the end of the year	13.62	6.53	1.88	2.32

- b) Movement of provisions for loss on onerous contract are as follows:

Particulars	Loss on Onerous Contract	
	2024-25	2023-24
	Rs. In Crores	Rs. In Crores
At the beginning of the year	4.42	-
Made during the year	8.11	4.42
Amounts utilized during the year	(8.69)	-
At the end of the year	3.84	4.42

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

17.1 Provisions (Contd.)

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.

17.2 Current Tax Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. In Crores	Rs. In Crores
Provision for Income Tax	7.35	13.43
(Net of Advance Tax and TDS Rs. 90.49 Crores; March 31, 2024 Rs. 89.79 Crores)		
Total	7.35	13.43

18. Deferred Tax (Assets)/Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. In crores	Rs. In crores
Deferred Tax Liabilities		
Arising out of temporary differences in Property, Plant & Equipment and Intangible assets	79.01	62.09
Arising out of temporary differences in right-of-use assets	21.92	23.60
Unrealised Gain on Fair value through Profit & Loss (FVTPL) Equity Securities	6.78	5.07
Gross Deferred Tax Liabilities (A)	107.71	90.76
Deferred Tax Assets		
Provision for fall in value of Investments	52.83	47.50
Provision for Doubtful Debts and Advances	6.19	3.38
Provision for Litigations, Claims and Contingencies	0.47	0.58
Provision for Employee Benefits	3.41	1.97
Provision for Onerous Contract	0.94	1.11
Lease Liabilities	24.59	25.03
Fair valuation of derivative assets	0.13	0.05
Disallowance under section 43B(h) of the Income Tax Act, 1961	2.12	0.50
Preliminary Expenses u/s 35D of Subsidiary Company	0.00	-
Deferred Tax Assets (B)	90.68	80.12
Net Deferred Tax Liabilities (A-B)	17.03	10.64
Reflected in the Consolidated Balance Sheet as:		
Deferred Tax Assets	1.72	-
Deferred Tax Liabilities	18.75	10.64
Net Deferred Tax Liabilities	17.03	10.64

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

18. Deferred Tax (Assets)/Liabilities (Contd.)

The movement in deferred tax assets and liabilities during the year ended March 31, 2025 and March 31, 2024:

Particulars	As at April 1, 2023 Deferred tax asset / (Liability)	(Credit) / Charge in State-ment of Profit and Loss #	As at March 31, 2024 Deferred tax asset / (Liability)	Acquired through Business Combination	(Credit) / Charge in State-ment of Profit and Loss #	As at March 31, 2025 Deferred tax asset / (Liability)
Arising out of temporary differences in Property, Plant & Equipment and Intangible assets	(63.48)	1.39	(62.09)	(0.01)	(16.91)	(79.01)
Arising out of temporary differences in right-of-use assets	(26.59)	2.99	(23.60)	(0.14)	1.82	(21.92)
Unrealised Gain on Fair value through Profit & Loss (FVTPL) Equity Securities	(4.05)	(1.02)	(5.07)	-	(1.71)	(6.78)
Total Deferred Tax Liabilities	(94.12)	3.36	(90.76)	(0.15)	(16.80)	(107.71)
Provision for fall in value of Investments	49.67	2.17	47.50	-	(5.33)	52.83
Provision for Doubtful Debts and Advances	1.71	(1.67)	3.38	-	(2.81)	6.19
Provision for Liquidated Damages	0.40	0.40	-	-	-	-
Provision for Litigations, Claims and Contingencies	0.57	(0.01)	0.58	-	0.11	0.47
Provision for Employee Benefits	1.85	(0.12)	1.97	0.20	(1.24)	3.41
Provision for Onerous Contract	-	(1.11)	1.11	-	0.17	0.94
Lease Liabilities	26.36	1.33	25.03	0.12	0.56	24.59
Preliminary Expenses u/s 35D of Subsidiary Company	-	-	-	0.00	0.00	0.00
Disallowance under section 43B(h) of the Income Tax Act, 1961	-	(0.50)	0.50	-	(1.62)	2.12
Fair valuation of derivative assets	0.10	0.05	0.05	-	(0.08)	0.13
Total Deferred Tax Assets	80.66	0.54	80.12	0.32	(10.24)	90.68
Deferred Tax Asset / (Liabilities) (Net)	(13.46)	(2.82)	(10.64)	0.17	6.56	(17.03)

Includes income tax impact on remeasurement gains/(losses) on defined benefit plan amounting to Rs. 0.49 Crores [March 31, 2024 Rs. 0.03 Crores] and income tax impact on Fair value change of cash flow hedges amounting to Rs. Nil [March 31, 2024 Rs. (0.06) Crores] included in Other Comprehensive Income.

Deferred tax asset against capital loss for provision for fall in value of Investment in the previous year has been recognised to the extent of identifiable capital gains against which corresponding deferred tax liability is recognised.

19 Trade Payables

Particulars	As at March 31, 2025 Rs. In Crores	As at March 31, 2024 Rs. In Crores
Trade Payables		
Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 38)	43.34	38.00
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	191.65	281.44
	234.99	319.44

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

19 Trade Payables (Contd.)

Trade Payables Ageing Schedule

Particulars	Outstanding as on March 31, 2025				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Payables					
Micro enterprises and small enterprises	21.35	0.36	0.01	-	21.72
Others	73.81	4.64	0.35	-	78.80
Disputed Trade Payables					
Micro enterprises and small enterprises	2.05	-	-	-	2.05
Others	-	-	-	-	-
Total	97.21	5.00	0.36	-	102.57
Undisputed Not Due					
Micro enterprises and small enterprises	-	-	-	-	17.91
Others	-	-	-	-	64.77
Disputed Not Due					
Micro enterprises and small enterprises	-	-	-	-	1.31
Others	-	-	-	-	-
Undisputed Unbilled					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	48.08
Disputed Unbilled					
Micro enterprises and small enterprises	-	-	-	-	0.35
Others	-	-	-	-	-
Total	-	-	-	-	234.99

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	31.36	0.02	-	-	31.38
Others	180.81	0.80	0.14	-	181.75
Disputed Trade Payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	212.17	0.82	0.14	-	213.13
Undisputed Not Due					
Micro enterprises and small enterprises	-	-	-	-	6.62
Others	-	-	-	-	42.26
Disputed Not Due					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Undisputed Unbilled					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	57.43
Disputed Unbilled					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	319.44

(a) Trade Payables include dues to related parties of Rs. 1.50 Crores (March 31, 2024: Rs. 0.46 Crores). Refer Note 40 for details.

(b) Refer Note 42 for information about market risk and liquidity risk on trade payables.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

20 Contract Liabilities

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Rs. In Crores	Rs. In Crores	Rs. In Crores	Rs. In Crores
Advance from customers	37.46	122.79	274.07	315.57
	37.46	122.79	274.07	315.57

21 Other Liabilities

Particulars	Current	
	As at March 31, 2025	As at March 31, 2024
	Rs. In Crores	Rs. In Crores
Statutory Dues	6.99	4.00
	6.99	4.00

22 Revenue from Operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. In Crores	Rs. In Crores
Revenue from Contract with Customers:-		
Sale of products		
Finished Goods	3,793.30	3,768.17
Raw Materials and Components	9.85	37.14
Sale of Services		
Design Engineering services	1.93	-
Other operating revenues		
Scrap sales	61.96	44.35
Others	0.71	3.64
Total	3,867.75	3,853.30

Disaggregation of revenue from operation between timing of revenue recognition is given below:-

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. In Crores	Rs. In Crores
Revenue recognised at a point in time	3,588.70	3,336.81
Revenue recognised over time	279.05	516.49
	3,867.75	3,853.30

Reconciliation of revenue recognised with contract price:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. In Crores	Rs. In Crores
Contract price	3,669.74	3,774.95
Adjustment for:		
Liquidated Damages	(13.37)	(37.01)
Escalation	211.38	115.36
Revenue from operations	3,867.75	3,853.30

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

23 Other Income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. In Crores	Rs. In Crores
23.1 Interest Income		
From Financial Assets at Amortised Cost		
Bank Deposits	42.86	17.65
Interest unwinding in respect of Security Deposit for Leases	0.37	0.26
Others #	8.66	1.90
	51.89	19.81
23.2 Others		
Net Foreign Exchange Fluctuations and Fair Value (Gain)/ Loss on Derivatives Not Designated as Hedges ##	3.05	9.51
Unspent Liabilities / Provisions No Longer Required Written Back	-	1.85
Irrecoverable debts written off in earlier years, now recovered	1.23	1.91
Net Gain on Disposal of Property, Plant and Equipment	0.23	-
Guarantee Commission	0.85	-
Insurance Claim Received	0.06	0.22
Other Non-operating Income *	2.66	1.32
	8.08	14.81
23.3 Other Gains / (Losses)		
Fair Value Gain on Investment carried at FVTPL	15.38	5.19
	15.38	5.19
Total	75.35	39.81

Includes interest income against claims receivable of Rs. 7.56 Crores [refer note 7(b)], interest on income tax refund of Rs. 0.58 Crores etc. In respect of the previous year, others includes interest income from supplier for early payment of related outstandings of Rs. 1.76 Crores, etc.

Foreign Exchange Fluctuations includes Rs. 1.27 Crores (March 31, 2024: Rs. 4.65 Crores) on account of cancellation of forward contracts during the year.

* Includes claims receivable for the year ended March 31, 2025 of Rs. 1.95 Crores [refer note 7(b)] etc. In respect of the previous year, the amount comprises mainly of recoveries against dues charged off in earlier periods of Rs 1.29 Crores, etc.

24 Cost of Raw Materials and Components Consumed

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. In Crores	Rs. In Crores
Inventories at the beginning of the year	460.80	364.90
Add: Purchases	2,916.12	3,047.60
	3,376.92	3,412.50
Less: Inventories at the end of the year	412.01	460.80
Cost of raw materials and components consumed	2,964.91	2,951.70

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

25. Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. In Crores	Rs. In Crores
Inventories at the beginning of the year		
Work-in-Progress	36.55	69.97
Saleable Scrap	7.71	10.67
(A)	44.26	80.64
Inventories at the end of the year		
Work-in-Progress	68.78	36.55
Saleable Scrap	11.54	7.71
(B)	80.32	44.26
(Increase) / Decrease	(36.06)	36.38

26. Employee Benefits Expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. In Crores	Rs. In Crores
Salaries, Wages and Bonus *	75.91	59.05
Employee Stock Options Expense (Refer Note 34)	0.22	-
Contribution to Provident & Other Funds * [Refer Note 32(ii) and 47]	4.32	3.07
Gratuity Expense [Refer Note 32(ii)]	1.12	0.86
Staff Welfare Expenses	5.32	3.31
Total	86.89	66.29

*Presented net of Rs. 16.11 Crores (March 31, 2024: Rs. 6.89 Crores) capitalized to Intangible assets / Intangible asset under development during the year.

27. Finance Costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. In Crores	Rs. In Crores
Interest Expenses on Financial Liabilities Carried at Amortised Cost - Borrowings, etc. [Refer (a) below]	43.01	46.43
Interest & Finance Charge on Lease Liabilities [Refer (b) below]	8.78	9.04
Bank charges, Other Borrowing Costs etc.	21.36	17.99
Total	73.15	73.46

- a) Interest Expenses on Financial Liabilities Carried at Amortised Cost - Borrowings, etc includes Rs. 2.69 Crores (March 31, 2024: Rs. 16.13 Crores) representing cost of financing component @ 9% against long term advance from customer.
- b) Presented net of Rs. 0.19 Crores (March 31, 2024: Rs. Nil) capitalized to Intangible assets/ Intangible asset under development.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

28. Depreciation and Amortisation Expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. In Crores	Rs. In Crores
Depreciation of Property, Plant and Equipments (Refer Note 4.1)	16.95	14.79
Depreciation of Right of use Assets* (Refer Note 4.6)	11.62	11.22
Amortisation of Intangible Assets (Refer Note 4.2)	1.01	1.09
Total	29.58	27.10

*Presented net of Rs. 0.54 Crores (March 31, 2024: Rs. Nil Crores) capitalized to Intangible assets/ Intangible asset under development during the year.

29. Other Expenses (Refer note 29.3)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. In Crores	Rs. In Crores
Consumption of Stores and Spares	117.51	108.54
Job Processing and other machining charges (including contract labour charges)	132.07	101.15
Power and Fuel	59.54	50.46
Design and Development Expenses	2.59	0.78
Repairs		
Plant and Machinery	5.23	2.13
Buildings	2.53	2.06
Others	0.65	0.62
Rent and Hire Charges	3.62	2.23
Rates and Taxes	4.10	2.84
Insurance	2.69	2.51
Security Services	2.88	3.49
Advertising and Sales Promotion	3.30	1.60
Brokerage and Commission	1.14	1.70
Travelling and Conveyance	11.38	9.45
Legal and Professional Fees	11.89	11.00
Commission to non-whole time directors	0.60	0.70
Directors Sitting Fees	0.55	0.75
Payment to Auditors:		
As Auditors #		
Audit Fee	0.74	0.68
Limited Review	0.27	0.25
Tax Audit Fee	-	0.05
Other Certification Services	0.03	0.18
Reimbursement of Expenses	0.12	0.13
Warranty Claims (net)	7.57	10.63
Less: Adjusted with Provision	0.48	3.55
Irrecoverable debts/ advances/ other receivables written off	0.06	0.03
Less: Adjusted with Provision	-	-
Provision for Doubtful Debts and Advances	7.67	6.71
Provision for Onerous Contracts	8.11	4.42
Corporate Social Responsibility Expenses (Refer Note 29.1)	3.77	1.30
Donation (Refer Note 29.2)	4.54	4.66
Miscellaneous Expenses	24.30	19.50
Total	418.97	347.00

Payment to Statutory auditors of Parent Company amounting to Rs. Nil [March 31, 2024: Rs. 1.78 Crores] 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

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

29.1 Corporate Social Responsibility Expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. In Crores	Rs. In Crores
(a) Amount required to be spent by the Parent Company during the year	3.77	1.30
(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)	3.77	1.30
Total	3.77	1.30

29.2 Donation includes Rs. 4.50 Crores (March 31, 2024: Rs. 4.50 Crores) 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.

29.3 Presented net of Rs. 54.38 Crores (March 31, 2024: Rs. 59.07 Crores) capitalized to Intangible assets/ Intangible asset under development during the year. The detail of such expenses are as follow:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. In Crores	Rs. In Crores
Design and development expenses	48.64	54.35
Consumption of stores and spares	-	0.47
Power and Fuel	1.81	0.58
Job Processing and other machining charges (including contract labour charges)	0.47	-
Legal and professional fees	0.10	1.60
Travelling and conveyance	1.03	1.45
Miscellaneous expenses	2.33	0.62
Total	54.38	59.07

30. Income Tax Expense / (Benefit)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. In Crores	Rs. In Crores
(A) Amount Recognised in the Statement of Profit and Loss		
Current Tax (including earlier years)	99.63	102.99
Deferred Tax	7.05	(2.85)
Total Income Tax Expense Recognised in Statement of Profit and Loss	106.68	100.14
(B) Numerical Reconciliation of Income Tax Expense to Tax Payable		
Accounting Profit /(Loss) before Tax including Discontinued Operations	381.60	386.28
At India's Statutory Income Tax Rate of 25.168% (March 31, 2024: 25.168%)	96.04	97.22
Adjustments:		
Expenses not allowed as deductions	3.01	1.82
Impact of lower tax rate (Capital Gains tax rate) on the sale/ fair valuation of capital assets	0.03	1.36
Impact of Discontinued Operations & Joint Ventures	6.02	(0.26)
Tax pertaining to earlier years	0.64	-
Others	0.94	-
	106.68	100.14

Refer Note 18

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

31 Earnings/(Loss) Per Equity Share

(Rs. In Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) Basic		
(i) Number of Equity Shares at the Beginning of the Year	13,46,73,768	11,95,71,089
(ii) Number of Equity Shares at the End of the Year	13,46,73,768	13,46,73,768
(iii) Weighted Average Number of Equity Shares Outstanding during the year	13,46,73,768	12,74,11,785
(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 Crores):		
From Continuing Operation (Rs.in Crores)	275.06	288.43
From Discontinuing Operation (Rs.in Crores)	(0.14)	(2.29)
From Continuing and Discontinuing Operation (Rs.in Crores)	274.92	286.14
(vi) Basic Earnings/(Loss) per Equity Share (Rs.) [(v)/(iii)]		
From Continuing Operation	20.42	22.64
From Discontinuing Operation	(0.01)	(0.18)
From Continuing and Discontinuing Operation	20.41	22.46
(B) Diluted		
(i) Dilutive Potential Equity Shares on account of Employee Stock Options Outstanding	1,29,443	-
(ii) Weighted Average Number of Equity Shares Outstanding during the year for Diluted Earnings per Equity Share	13,48,03,211	12,74,11,785
(iii) Diluted Earnings/(Loss) per Equity Share (Rs) [A(v)/B(ii)]		
From Continuing Operation	20.40	22.64
From Discontinuing Operation	(0.01)	(0.18)
From Continuing and Discontinuing Operation	20.39	22.46

32 Employee Benefits:

(i) Post-employment Defined Benefit Plans:

Gratuity

The Parent Company and a Subsidiary Company has a defined benefit gratuity plan which is unfunded (except for one unit of Parent Company 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.

(Rs.in Crores)

Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Statement of Profit and Loss				
Net Employee Benefits Expense recognised in the Employee Cost				
Current Service Cost	0.04	0.03	0.71	0.49
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	0.01	0.05	0.36	0.29
Total	0.05	0.08	1.07	0.78
Expenses Recognised in Other Comprehensive Income (OCI)				
Remeasurements (Gains) / Losses	(0.05)	(0.68)	2.01	0.80
Total	(0.05)	(0.68)	2.01	0.80
Net Liability Recognised in Balance Sheet				
Benefit liability				
Present value of Defined Benefit Obligation	0.41	0.44	7.96	4.99
Fair value of Plan Assets	0.32	0.35	-	-
Net Liability	0.09	0.09	7.96	4.99

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

32 Employee Benefits: (Contd.)

(Rs.in Crores)

Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Bifurcation of Net Liability at the end of the year as per revised Schedule III of the Companies Act, 2013				
Current Liability (Short term)	-	-	1.56	1.54
Non-Current Liability (Long term)	0.09	0.09	6.40	3.45
	0.09	0.09	7.96	4.99
Changes in the Present Value of the Defined Benefit Obligation are as follows:				
Opening Defined Benefit Obligation	0.44	1.12	4.99	4.04
Conversion of joint venture to subsidiary (Refer note 3 (c)(ii))	-	-	0.34	-
Current Service Cost	0.04	0.03	0.71	0.49
Interest Cost	0.04	0.08	0.36	0.29
Benefits Paid	(0.06)	(0.11)	(0.46)	(0.64)
Remeasurement (Gains)/ Losses				
Financial Assumptions Changes	0.06	0.00	1.27	0.02
Demographic Assumptions	0.03	-	0.37	-
Experience Variance	(0.14)	(0.68)	0.38	0.79
Closing Defined Benefit Obligation	0.41	0.44	7.96	4.99
Changes in the Fair Value of Plan Assets are as follows:				
Fair value of plan assets at the beginning of the year	0.35	0.47		
Return on Plan Assets	-	(0.01)		
Investment Income	0.03	0.03		
Benefits Paid	(0.06)	(0.14)		
Fair Value of Plan Assets at the end of the year	0.32	0.35		

(Rs.in Crores)

Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
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	6 years	3 years	5 years/ 21 years	3 years
Expected Benefit Payments for the year ending				
Not later than 1 year	0.04	0.15	1.56	1.54
Later than 1 year and not later than 5 years	0.21	0.27	3.50	3.01
Later than 5 year and not later than 10 years	0.18	0.11	3.45	1.52
More than 10 years	0.25	0.03	4.79	0.51
The principal assumptions used in determining gratuity obligation are shown below:				
Discount Rate	6.55%	7.15%	6.5%/ 6.9%	7.15%
Rate of increase in Salary	10.00%	6.50%	10.00%	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. 0.17 Crores (March 31, 2024: Rs. 0.13 Crores) to the funded gratuity plans during the next financial year.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

32 Employee Benefits: (Contd.)

A quantitative sensitivity analysis of impact on defined benefit obligations for significant assumption on the gratuity plan is as shown below:

(Rs. in Crores)

Sensitivity level	Gratuity (Funded)			
	As at March 31, 2025		As at March 31, 2024	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	0.44	0.38	0.46	0.43
Salary Growth Rate (- / + 1%)	0.39	0.43	0.43	0.46

Sensitivity level	Gratuity (Unfunded)			
	As at March 31, 2025		As at March 31, 2024	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	8.48	7.50	5.17	4.82
Salary Growth Rate (- / + 1%)	7.55	8.41	4.83	5.15

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:

Provident Fund and Employee State Insurance Scheme (ESI)

Certain categories of employees of the Parent Company and a Subsidiary 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 and a Subsidiary Company have no further obligations under the plan beyond its monthly contributions.

The amounts paid to Defined Contribution Plans are as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. in Crores	Rs. in Crores
Provident Fund (refer note 47)	4.00	2.73
ESI	0.32	0.34
Total	4.32	3.07

(iii) Leave Benefits

The Parent Company and a subsidiary 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 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. 2.13 Crores (March 31, 2024: Rs. 1.02 Crores). 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.

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
Leave provision not expected to be settled within the next 12 months	2.91	1.22

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

32 Employee Benefits: (Contd.)

(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. Nil (March 31, 2024 : 1.44 Crores).

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 System Limited Employees Stock Option Scheme 2023" for the employees. Subsequently, on April 26, 2023, the shareholders, by way of postal ballot approved the said Scheme. During the current year, the total number of options granted under the scheme is 500,000 options which will be granted in one or more tranches over a period of 5 years. Each option when exercised will be converted into 1 equity share of Rs. 2 each fully paid up. Other terms are -

Tranche 1 - First Allotment

Vesting period	As stated below
Exercise period	Within a period of 6 months from the date of vesting
Grant Date	February 3, 2025
Exercise price	Rs 860.00
Market price at February 3, 2025	Rs 956.00

The vesting schedule of the options is as follows:

At the end of first year from the date of grant	10%
At the end of second year from the date of grant	15%
At the end of third year from the date of grant	20%
At the end of fourth year from the date of grant	25%
At the end of fifth year from the date of grant	30%

The movement of the option is summarised below:

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	No. of Options	Weighted Average Exercise Price (WAEP) (Rs)	No. of Options	Weighted Average Exercise Price (WAEP) (Rs)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	46,225	860	-	-
Lapsed during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	46,225	860	-	-
Exercisable at the end of the year	-	-	-	-

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

34 (Contd.)

The weighted average fair value of the option as on the grant date is Rs. 459.10 (March 31, 2024: Nil) and weighted average contractual life of the option as at March 31, 2025 is 3.75 years (March 31, 2024: Nil years).

The Black-Scholes valuation model has been used for computing the weighted average fair value considering the below mentioned inputs.

Particulars	Grant Date- February 3, 2025
Share price (Rs)	956.00
Exercise price (Rs)	860.00
Risk-free interest rate	6.30%
Expected volatility	52.20%
Dividend yield	0.08%
Expected life of the options	5 years

35 The Group has net equity investment value aggregating Rs 74.58 crores as at balance sheet date in Titagarh Firema SpA (Firema), an associate company based in Italy (directly and indirectly through Shivalik Mercantile Limited, a joint venture Company owning 40.86% equity in Firema). The Government of Italy, through its investment agency, Invitalia owns 30.30% equity shares of Firema. Post recapitalisation in February 2024 by both the shareholders and owing to a healthy order book, Firema was in the process of revival by ramping up its operations, however, due to completely unexpected and unforeseen developments which were outside and beyond the control of Firema, including disputes raised by one of the largest customer of Firema who interalia suspended payments of all invoices, resulted in a severe cash crunch causing significant operational and financial problems for Firema.

Firema with the support of the Ministry of Enterprise, Government of Italy, have been actively trying to find a resolution to the aforesaid problems. Ministry of Enterprise, vide its minutes of meeting dated May 5, 2025, has indicated possibility of inducting new equity investors including acquisition of the majority stake of Firema by private and/or governmental entities, including the State Railways of Italy.

Meanwhile, in compliance with the relevant laws of Italy regulating companies in financial difficulties, the Board of Directors of Firema, approved the initiation of necessary protection procedures under the Italian Crisis Code - Composizione Negoziata della Crisi (CNC) and also formulated a restructuring plan, which was filed on May 14, 2025 with the Chamber of Commerce and was also admitted by the Court of Naples on May 27, 2025.

Pursuant to the above, an independent expert has been appointed by the relevant authority to evaluate the possibility of the restructuring and revival under the CNC process. Despite the risks and uncertainties associated with such a process, including the ongoing discussion with the Ministry of Enterprise and in view of the facts stated above, pending final outcome, it is not possible to ascertain potential impairment, if any, on the direct and indirect investment by the Group into Firema and thereby corresponding impact to the net equity investments as at the balance sheet date.

36 Commitments

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
Estimated amount of contracts remaining to be executed on capital accounts and not provided for [net of advances Rs. 38.51 Crores (March 31, 2024: Rs. Nil)]	77.41	137.15

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

37 Contingent Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
(i) Claims against the Group not acknowledged as debt		
Disputed claims contested by the Group and pending at various courts/arbitration*	40.71	50.12
Matters under appeal with:		
Sales tax authorities	22.93	25.10
Income tax authorities	45.12	44.63
Customs and Excise Authorities	47.67	51.28
Goods and service tax Authorities	30.02	5.09
Custom Duty on import of equipments and spare parts under EPCG scheme	-	7.76
	186.45	183.98

* Includes Rs 13.60 Crores (March 31, 2024: Rs. 13.60 Crores) which in terms of BIFR order, even if decided against the Group, would stand at Rs 1.36 Crores (March 31, 2024 : Rs 1.36 Crores) 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.

Also, refer note 3(c)(i).

(ii) Further:

- Erstwhile Cimmco 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 contingent liability towards custom duty saved on unfulfilled export obligations and penal interest if any, is presently unascertainable.
- SBI Caps has raised a claim of Rs. 11.29 Crores on erstwhile Cimmco 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 Cimmco Limited (since merged with the Parent 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 Cimmco 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

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

38 Information relating to Micro and Small Enterprises (MSEs):

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. in Crores	Rs. in Crores
(a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end *	44.67	37.20
(b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2.04	0.12
(c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	45.40	30.27
(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	0.60	0.57
(g) Interest accrued and remaining unpaid at the end of the accounting year	3.25	1.18
(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 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".

- 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.
- 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 (including finance costs to the extent not allocable to segments), 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.

TITAGARH RAIL SYSTEMS LIMITED
Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)
39 Segment Information (Contd.)
Information about Operating Segments

For the year ended March 31, 2025

(Rs. in Crores)

Particulars	Freight Rail Systems	Passenger Rail Systems	Total
Revenue from Operations			
Segment Revenue (External)	3,610.27	257.48	3,867.75
Major cost			
Cost of Raw Materials & Components Consumed	2,795.71	169.20	2,964.91
Segment Profit (a)	437.64	15.24	452.88
Unallocated (Income) / Expenses			
Finance Costs			58.72
Interest Income			(51.06)
Interest Expense - Net (b)			7.66
Depreciation and Amortisation Expense			2.44
Other Corporate Income			(16.98)
Other Corporate Expenses			54.10
Unallocable expenditure net of income (c)			39.56
Share of Profit/(Loss) of Joint Ventures and Associate (d)			(23.92)
Profit before Taxes (a-b-c+d)			381.74
Tax Expenses /(Credit)			106.68
Profit for the year from continuing operations			275.06
Loss for the Year after Tax from discontinued operations			(0.14)
Profit for the Year after Tax			274.92
Material Non-cash (Income) / Expenses:			
Depreciation and Amortisation Expense	21.34	5.80	27.14
Provision for Doubtful Debts and Advances	1.58	6.09	7.67
Provision for Onerous Contract	8.11	-	8.11
Segment Assets	1,734.35	907.57	2,641.92
Unallocated Assets			
Investments			52.38
Cash and Cash Equivalents			25.27
Other Bank Balances			442.13
Tax Assets (Net)			24.58
Deferred Tax Assets (Net)			1.72
Other Unallocated Assets			574.29
Total Assets			3,762.29
Segment Liabilities	405.53	263.52	669.05
Unallocated Liabilities			
Deferred Tax Liabilities (Net)			18.75
Borrowings			529.34
Tax Liabilities (Net)			7.35
Other Unallocated Liabilities			53.64
Total Liabilities			1,278.13

TITAGARH RAIL SYSTEMS LIMITED
Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)
39 Segment Information (Contd.)
Information about Operating Segments

For the year ended March 31, 2024

(Rs. in Crores)

Particulars	Freight Rail Systems	Passenger Rail Systems	Total
Revenue from Operations			
Segment Revenue (External)	3,417.57	435.73	3,853.30
Major cost			
Cost of Raw Materials & Components Consumed	2,636.15	315.55	2,951.70
Segment Profit (a)	443.24	13.15	456.39
Unallocated (Income) / Expenses			
Finance Costs			46.26
Interest Income			(17.80)
Interest Expense - Net (b)			28.46
Depreciation and Amortisation Expense			2.74
Other Corporate Income			(13.50)
Other Corporate Expenses			47.51
Unallocable expenditure net of income (c)			36.75
Share of Profit/(Loss) of Joint Ventures and Associate (d)			(2.61)
Profit before Taxes (a-b-c+d)			388.57
Tax Expenses /(Credit)			100.14
Profit for the year			288.43
Loss for the Year after Tax from discontinued operations			(2.29)
Profit for the Year after Tax			286.14
Material Non-cash (Income) / Expenses:			
Depreciation and Amortisation Expense	20.48	3.88	24.36
Unspent Liabilities / Provisions No Longer Required Written Back	1.62	-	1.62
Provision for Doubtful Debts and Advances	6.52	0.19	6.71
Provision for Onerous Contract	4.42	-	4.42
Irrecoverable Debts/ Advances Written Off (net)	0.00	0.00	0.00
Segment Assets	1,551.62	592.58	2,144.20
Unallocated Assets			
Investments			36.99
Cash and Cash Equivalents			328.98
Other Bank Balances			280.12
Tax Assets (Net)			34.46
Other Unallocated Assets			391.65
Total Assets			3,216.40
Segment Liabilities	669.94	201.87	871.81
Unallocated Liabilities			
Deferred Tax Liabilities (Net)			10.64
Borrowings			66.26
Current Tax Liabilities (Net)			13.43
Other Unallocated Liabilities			35.94
Total Liabilities			998.08

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

39 Segment Information (Contd.)

Geographic Wise 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:-

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs.in Crores	Rs.in Crores
India	3,859.99	3,850.85
Rest of the World	7.76	2.45
Total	3,867.75	3,853.30

- (b) All non-current assets (excluding Financial Assets) of the Company are located in India.
- (c) Total revenue from external customers which represents more than 10% of the total revenue of the Group is as follows:
- Customer 1 - Rs 2,576.16 Crores (March 31, 2024: Rs 1,710.31 Crores)
 - Customer 2 - Rs 2.34 Crores (March 31, 2024: Rs 665.17 Crores)
 - Customer 3 - Rs 62.50 Crores (March 31, 2024: Rs 417.75 Crores)

40 Related Party Disclosures

Names of Related Parties and Related Party Relationship

Related parties where control exists:

Subsidiary Company:	Titagarh Firema Engineering Services Private Limited (w.e.f February 14, 2025) [Refer note 3(c)(iii)]
Joint Venture Companies:	Titagarh Mermec Private Limited Titagarh Firema Engineering Services Private Limited (w.e.f September 16, 2023 and upto February 13, 2025) Ramkrishna Titagarh Rail Wheels Limited (w.e.f June 09, 2023) Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited) (w.e.f February 13, 2024)
Associate Company:	Titagarh Firema S.p.A, Italy
Other related parties with whom transactions have taken place during the period:	
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 & CEO (FTRS) (w.e.f December 20, 2023 and upto February 2, 2025) Mr. Anil Kumar Agarwal - Deputy Managing Director (w.e.f. February 3, 2025) 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. Saket Kandoi - Director (Freight Rolling Stock) (upto February 2, 2025) Mr. Saket Kandoi - Director & CEO (Shipbuilding & Maritime Systems) (w.e.f. February 3, 2025) 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 and upto May 14, 2024) Mr. Prithish Chowdhary - Deputy Managing Director (w.e.f May 15, 2024) 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 Compliance Officer
Close Family Members of the KMPs:	Mrs. Vinita Bajoria, Daughter of Mr. J P Chowdhary Mrs. Sumita Kandoi, Daughter of Mr. J P Chowdhary Mrs. Bimla Devi Kajarla, 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 Nicco Eastern Private Limited Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited) (upto February 12, 2024) Indistrokes Private Limited Titagarh Logistics Infrastructures Private Limited Chowdhary Foundation

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

40 Related Party Disclosures (Contd.)

Details of transactions between the Group and Related Parties and outstanding balances as at the year end are given below:

(Rs. in Crores)

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 & Services							
Titagarh Firema S.p.A	2024-25	-	7.02	-	-	-	7.02
	2023-24	-	1.01	-	-	-	1.01
Unspent Liabilities No Longer Required Written Back							
Titagarh Firema S.p.A	2024-25	-	-	-	-	-	-
	2023-24	-	0.34	-	-	-	0.34
Purchase of Raw Materials and Components							
Titagarh Firema S.p.A	2024-25	-	0.94	-	-	-	0.94
	2023-24	-	24.30	-	-	-	24.30
Nicco Eastern Private Limited	2024-25	-	-	0.18	-	-	0.18
	2023-24	-	-	4.24	-	-	4.24
Indistrokes Private Limited	2024-25	-	-	0.86	-	-	0.86
	2023-24	-	-	-	-	-	-
Design & Development Expenses							
Titagarh Firema Engineering Services Private Limited [Refer note 3(c)(ii)]	2024-25	5.33	-	-	-	-	5.33
	2023-24	3.01	-	-	-	-	3.01
Titagarh Firema S.p.A	2024-25	-	0.19	-	-	-	0.19
	2023-24	-	-	-	-	-	-
Reimbursement of Expenses Received							
Titagarh Enterprises Limited	2024-25	-	-	-	-	-	-
	2023-24	-	-	0.36	-	-	0.36
Titagarh Firema Engineering Services Private Limited [Refer note 3(c)(ii)]	2024-25	0.22	-	-	-	-	0.22
	2023-24	0.10	-	-	-	-	9.90
Reimbursement of Expenses Received							
Ramkrishna Titagarh Rail Wheels Limited	2024-25	0.08	-	-	-	-	0.08
	2023-24	-	-	-	-	-	-
Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited)	2024-25	0.24	-	-	-	-	0.24
	2023-24	-	-	-	-	-	-
Reimbursement of Expenses Paid							
Ramkrishna Titagarh Rail Wheels Limited	2024-25	-	-	-	-	-	-
	2023-24	0.15	-	-	-	-	0.15
Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited)	2024-25	-	-	-	-	-	-
	2023-24	0.10	-	-	-	-	0.10
Titagarh Firema Engineering Services Private Limited [Refer note 3(c)(ii)]	2024-25	0.39	-	-	-	-	0.39
	2023-24	2.54	-	-	-	-	2.54
Titagarh Enterprises Limited	2024-25	-	-	0.11	-	-	0.11
	2023-24	-	-	-	-	-	-
Payment for Lease Rental							
Titagarh Enterprises Limited	2024-25	-	-	14.29	-	-	14.29
	2023-24	-	-	13.52	-	-	13.52
Purchase of Design in respect of Intangible assets/Intangible assets under development							
Titagarh Firema S.p.A	2024-25	-	9.09	-	-	-	9.09
	2023-24	-	-	-	-	-	-

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

40 Related Party Disclosures (Contd.)

Details of transactions between the Group and Related Parties and outstanding balances as at the year end are given below:

(Rs. in Crores)

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 (Contd.)							
Remuneration (Excluding Employee Stock Option Expense) [Refer (b) below]							
Mr. J P Chowdhary	2024-25	-	-	-	3.57	-	3.57
	2023-24	-	-	-	3.63	-	3.63
Mr. Umesh Chowdhary	2024-25	-	-	-	3.57	-	3.57
	2023-24	-	-	-	3.63	-	3.63
Mr. Prithish Chowdhary	2024-25	-	-	-	1.02	-	1.02
	2023-24	-	-	-	0.57	-	0.57
Mr. Saket Kandoi	2024-25	-	-	-	0.83	-	0.83
	2023-24	-	-	-	0.68	-	0.68
Mr. Anil Kumar Agarwal	2024-25	-	-	-	1.94	-	1.94
	2023-24	-	-	-	0.97	-	0.97
Mr. Dinesh Arya	2024-25	-	-	-	0.48	-	0.48
	2023-24	-	-	-	0.04	-	0.04
Mr. Saurav Singhanian	2024-25	-	-	-	0.96	-	0.96
	2023-24	-	-	-	0.69	-	0.69
Sitting Fees to Directors							
Mr. Sunirmal Talukdar	2024-25	-	-	-	-	-	-
	2023-24	-	-	-	0.14	-	0.14
Mr. Manoj Mohanka	2024-25	-	-	-	-	-	-
	2023-24	-	-	-	0.15	-	0.15
Mr. Atul Ravishanker Joshi	2024-25	-	-	-	0.10	-	0.10
	2023-24	-	-	-	0.12	-	0.12
Mr. Sushil Kumar Roongta	2024-25	-	-	-	0.08	-	0.08
	2023-24	-	-	-	0.08	-	0.08
Ms. Nayantara Palchoudhri	2024-25	-	-	-	0.06	-	0.06
	2023-24	-	-	-	0.07	-	0.07
Mr. Krishna Kumar Jalan	2024-25	-	-	-	0.13	-	0.13
	2023-24	-	-	-	0.07	-	0.07
Mr. Bontha Prasada Rao	2024-25	-	-	-	0.12	-	0.12
	2023-24	-	-	-	0.05	-	0.05
Mr. Debanjan Mandal	2024-25	-	-	-	0.02	-	0.02
	2023-24	-	-	-	0.01	-	0.01
Mrs. Rashmi Chowdhary	2024-25	-	-	-	0.04	-	0.04
	2023-24	-	-	-	0.06	-	0.06
Commission to non-whole time directors							
Mr. Manoj Mohanka	2024-25	-	-	-	-	-	-
	2023-24	-	-	-	0.10	-	0.10
Mr. Atul Ravishanker Joshi	2024-25	-	-	-	0.11	-	0.11
	2023-24	-	-	-	0.10	-	0.10
Mr. Sunirmal Talukdar	2024-25	-	-	-	-	-	-
	2023-24	-	-	-	0.10	-	0.10
Ms. Nayantara Palchoudhuri	2024-25	-	-	-	0.11	-	0.11
	2023-24	-	-	-	0.10	-	0.10
Mr. Krishan Kumar Jalan	2024-25	-	-	-	0.11	-	0.11
	2023-24	-	-	-	0.10	-	0.10
Mr. Sushil Kumar Roongta	2024-25	-	-	-	0.11	-	0.11
	2023-24	-	-	-	0.10	-	0.10
Mr. Bontha Prasada Rao	2024-25	-	-	-	0.11	-	0.11
	2023-24	-	-	-	0.05	-	0.05
Mr. Debanjan Mandal	2024-25	-	-	-	0.05	-	0.05
	2023-24	-	-	-	0.05	-	0.05

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

40 Related Party Disclosures (Contd.)

Details of transactions between the Group and Related Parties and outstanding balances as at the year end are given below:

(Rs. in Crores)

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 (Contd.)							
Payment of Dividend							
Mr. J P Chowdhary	2024-25	-	-	-	0.01	-	0.01
	2023-24	-	-	-	0.00	-	0.00
Mr. Umesh Chowdhary	2024-25	-	-	-	0.01	-	0.01
	2023-24	-	-	-	0.00	-	0.00
Mrs. Rashmi Chowdhary	2024-25	-	-	-	0.81	-	0.81
	2023-24	-	-	-	0.64	-	0.64
Mr. Anil Kumar Agarwal	2024-25	-	-	-	0.01	-	0.01
	2023-24	-	-	-	0.01	-	0.01
Mr. Saket Kandoi	2024-25	-	-	-	-	-	-
	2023-24	-	-	-	0.00	-	0.00
Mr. Saurav Singhanian	2024-25	-	-	-	0.00	-	0.00
	2023-24	-	-	-	0.00	-	0.00
Mr. Dinesh Arya	2024-25	-	-	-	0.00	-	0.00
	2023-24	-	-	-	0.00	-	0.00
Mrs. Bimla Devi Kajaria	2024-25	-	-	-	-	0.00	0.00
	2023-24	-	-	-	-	0.00	0.00
Mrs. Sumita Kandoi	2024-25	-	-	-	-	-	-
	2023-24	-	-	-	-	0.00	0.00
Mrs. Vinita Bajoria	2024-25	-	-	-	-	0.00	0.00
	2023-24	-	-	-	-	0.00	0.00
Titagarh Capital Management Services Private Limited	2024-25	-	-	1.93	-	-	1.93
	2023-24	-	-	1.20	-	-	1.20
Titagarh Logistics Infrastructures Private Limited	2024-25	-	-	0.15	-	-	0.15
	2023-24	-	-	0.10	-	-	0.10
Chowdhary Foundation	2024-25	-	-	1.46	-	-	1.46
	2023-24	-	-	0.91	-	-	0.91
In relation to the Consolidated Balance Sheet							
Investments made							
Ramkrishna Titagarh Rail Wheels Limited [Refer note 3(c)(i)]	2024-25	111.66	-	-	-	-	111.66
	2023-24	60.58	-	-	-	-	60.58
Titagarh Firema Engineering Services Private Limited [Refer note 3(c)(ii)]	2024-25	-	-	-	-	-	-
	2023-24	2.10	-	-	-	-	2.10
Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited) (Share of Loss: Rs. 23.34 Crores (March 31, 2024 : Rs. 2.08 Crores) [Refer note 3(c)(iii)]	2024-25	(23.34)	-	-	-	-	(23.34)
	2023-24	97.92	-	-	-	-	97.92
Balances Outstanding as at the Year end							
Trade Receivables							
Titagarh Firema S.p.A	2024-25	-	7.09	-	-	-	7.09
	2023-24	-	0.98	-	-	-	0.98
Trade Payables							
Nicco Eastern Private Limited	2024-25	-	-	-	-	-	-
	2023-24	-	-	0.46	-	-	0.46
Titagarh Enterprises Limited	2024-25	-	-	-	-	-	-
	2023-24	-	-	0.00	-	-	0.00
Titagarh Firema S.p.A	2024-25	-	1.12	-	-	-	1.12
	2023-24	-	-	-	-	-	-
Indistrokes Private Limited	2024-25	-	-	0.38	-	-	0.38
	2023-24	-	-	-	-	-	-
Charges Recoverable							
Ramkrishna Titagarh Rail Wheels Limited	2024-25	-	-	-	-	-	-
	2023-24	0.15	-	-	-	-	0.15
Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited)	2024-25	-	-	-	-	-	-
	2023-24	0.10	-	-	-	-	0.10

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

40 Related Party Disclosures (Contd.)

Details of transactions between the Group and Related Parties and outstanding balances as at the year end are given below:

(Rs. in Crores)

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 (Contd.)							
Advances Recoverable in Cash or Kind							
Mr. Anil Kumar Agarwal	2024-25	-	-	-	0.30	-	0.30
	2023-24	-	-	-	0.30	-	0.30
Titagarh Firema S.p.A	2024-25	-	-	-	-	-	-
	2023-24	-	-	-	-	-	-
Commission payable to non whole time directors							
Mr. Atul Ravishanker Joshi	2024-25	-	-	-	0.11	-	0.11
	2023-24	-	-	-	0.10	-	0.10
Mr. Sunirmal Talukdar	2024-25	-	-	-	-	-	-
	2023-24	-	-	-	0.10	-	0.10
Mr. Sushil Kumar Roongta	2024-25	-	-	-	0.11	-	0.11
	2023-24	-	-	-	0.10	-	0.10
Mr. Krishan Kumar Jalan	2024-25	-	-	-	0.11	-	0.11
	2023-24	-	-	-	0.10	-	0.10
Ms. Nayantara Palchoudhri	2024-25	-	-	-	0.11	-	0.11
	2023-24	-	-	-	0.10	-	0.10
Mr. Manoj Mohanka	2024-25	-	-	-	-	-	-
	2023-24	-	-	-	0.10	-	0.10
Mr. Bontha Prasada Rao	2024-25	-	-	-	0.11	-	0.11
	2023-24	-	-	-	0.05	-	0.05
Mr. Debanjan Mandal	2024-25	-	-	-	0.05	-	0.05
	2023-24	-	-	-	0.05	-	0.05
Investments							
Titagarh Firema S.p.A (Net of Loss: Rs. 12.73 Crores)	2024-25	-	-	-	-	-	-
	2023-24	-	-	-	-	-	-
Titagarh Mermec Private Limited (Net of Loss: Rs. 0.01 Crores)	2024-25	-	-	-	-	-	-
	2023-24	-	-	-	-	-	-
Ramkrishna Titagarh Rail Wheels Limited [Net of Loss: Rs. 1.06 Crores (March 31, 2024 : Rs. 0.67 Crores) *]	2024-25	172.24	-	-	-	-	172.24
	2023-24	60.58	-	-	-	-	60.58
Titagarh Firema Engineering Services Private Limited [Including Profit: Rs. 0.48 Crores up to February 14, 2025 (March 31, 2024: Rs. 0.14 Crores)] [Refer note 3(c)(ii)]	2024-25	-	-	-	-	-	-
	2023-24	2.10	-	-	-	-	2.10
Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited) [Net of Loss: Rs. 23.34 Crores (March 31, 2024 : Rs. 2.08 Crores)] [Refer note 3(c)(iii)]	2024-25	74.58	-	-	-	-	74.58
	2023-24	97.92	-	-	-	-	97.92
Titagarh Enterprises Limited	2024-25	-	-	50.00	-	-	50.00
	2023-24	-	-	36.57	-	-	36.57
Titagarh Industries Limited	2024-25	-	-	2.36	-	-	2.36
	2023-24	-	-	0.41	-	-	0.41
Security Deposit							
Titagarh Enterprises Limited	2024-25	-	-	3.36	-	-	3.36
	2023-24	-	-	3.08	-	-	3.08

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-term employee benefits	11.86	9.73
Contribution to provident and other funds	0.51	0.49
Employee Stock Options Expense	0.05	-
	12.42	10.22

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 Parent Company has provided letter of Financial support to two joint ventures namely Titagarh Mermec Private Limited. Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited).

d) There are no loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties.

e) Also, refer note 3(c)(i) for financial undertaking given by the Company in respect of borrowings of RTRWL, one of its joint venture.

f) Also, refer Note 4.1 (c) to the consolidated financial statements.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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, 2025 and March 31, 2024.

The following table provides the fair value measurement hierarchy of the Group's assets:

(Rs. in Crores)

Particulars		Level 1	Level 2	Level 3	Total
Quantitative disclosures Fair Value Measurement hierarchy:	Date of Valuation				
Assets Measured at Fair Value:					
Investments	March 31, 2025	-	-	52.38	52.38
	March 31, 2024	-	-	36.99	36.99
Total Financial Assets	March 31, 2025	-	-	52.38	52.38
	March 31, 2024	-	-	36.99	36.99
Derivative financial Liabilities	March 31, 2025	-	1.76	-	1.76
	March 31, 2024	-	0.17	-	0.17
Total Financial Liabilities	March 31, 2025	-	1.76	-	1.76
	March 31, 2024	-	0.17	-	0.17

(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, 2025 and March 31, 2024 are as shown below:

(Rs. In Crores)

Significant Unobservable Input - Weighted Average Cost of Capital / Discounting Rate *	March 31, 2025	March 31, 2024
Impact of 1% Increase	(1.23)	(3.54)
Impact of 1% Decrease	1.29	4.82

Significant Unobservable Input - Circle Rate for land owned by the respective Investee Company #	March 31, 2025	March 31, 2024
Impact of 5% Increase	0.66	0.50
Impact of 5% Decrease	(0.66)	(0.50)

* For FVTPL assets in unquoted equity shares

For FVTPL assets in unquoted equity shares

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

41 Fair Values (Contd.)

(iii) Reconciliation of fair value measurement of financial instruments classified as FVTPL assets:

(Rs. In Crores)

Particulars	Investment in unquoted equity shares
Closing Balance as on March 31, 2023	31.80
Re-measurement recognised in Consolidated Statement of Profit and Loss	5.19
Closing Balance as on March 31, 2024	36.99
Re-measurement recognised in Consolidated Statement of Profit and Loss	15.38
Closing Balance as on March 31, 2025	52.38

(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, 2024.

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, 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

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

42 Financial Risk Management Objectives and Policies (Contd.)

The Group's foreign currency exposure at the end of the reporting period are as follows:

(Rs. in Crores)

Particulars	March 31, 2025						
	NPR	GBP	USD	EURO	JPY	CNY	SEK
Financial Assets							
Trade Receivables	-	-	20.08	81.33	13.93	-	-
Cash & Cash Equivalents	2.99	-	-	-	-	-	-
Other Financial Assets	-	-	-	3.76	-	-	-
Derivative Assets							
Foreign exchange forward contracts	-	-	-	(73.44)	(19.47)	-	-
Net exposure to Foreign Currency Risk (Assets)	2.99	-	20.08	11.65	(5.54)	-	-
Financial Liabilities							
Trade Payables	-	0.65	1.35	3.86	-	1.47	0.17
Other Financial Liabilities	-	-	-	-	-	-	-
Borrowings	-	-	100.59	-	1.35	-	-
Derivative Liabilities							
Foreign Exchange Forward Contracts	-	-	(161.69)	-	-	-	-
Net exposure to Foreign Currency Risk (Liabilities)	-	0.65	(59.75)	3.86	1.35	1.47	0.17
Net exposure to Foreign Currency Risk (Assets less Liabilities)	2.99	(0.65)	79.83	7.79	(6.89)	(1.47)	(0.17)

(Rs. in Crores)

Particulars	March 31, 2024						
	NPR	GBP	USD	EURO	JPY	CNY	SEK
Financial Assets							
Trade Receivables	2.22	-	6.25	47.72	26.12	-	-
Cash & Cash Equivalents	2.14	-	-	-	-	-	-
Other Financial Assets	-	-	-	3.76	-	-	-
Derivative Assets							
Foreign exchange forward contracts	-	-	-	-	-	-	-
Net exposure to Foreign Currency Risk (Assets)	4.36	-	6.25	51.48	26.12	-	-
Financial Liabilities							
Trade Payables	-	-	74.37	13.33	19.50	2.44	-
Other Financial Liabilities	-	-	0.42	-	-	-	-
Borrowings	-	-	16.51	-	-	-	-
Derivative Liabilities							
Foreign Exchange Forward Contracts	-	-	(38.55)	-	-	-	-
Net exposure to Foreign Currency Risk (Liabilities)	-	-	52.75	13.33	19.50	2.44	-
Net exposure to Foreign Currency Risk (Assets less Liabilities)	4.36	-	(46.50)	38.15	6.62	(2.44)	-

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

42 Financial Risk Management Objectives and Policies (Contd.)

Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD, Euro, NPR, JPY, GBP, SEK & 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.

Particulars	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 Crores	Rs in Crores	%	Rs in Crores	Rs in Crores
March 31, 2025	5%	7.79	0.39	5%	79.83	3.99
	-5%		(0.39)	-5%		(3.99)
March 31, 2024	5%	38.15	1.91	5%	(46.50)	(2.32)
	-5%		(1.91)	-5%		2.32

Particulars	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 Crores	Rs in Crores	%	Rs in Crores	Rs in Crores
March 31, 2025	5%	2.99	0.15	5%	(6.89)	(0.34)
	-5%		(0.15)	-5%		0.34
March 31, 2024	5%	4.36	0.22	5%	6.62	0.33
	-5%		(0.22)	-5%		(0.33)

Particulars	Changes in CNY rate	Foreign currency (Payable) / Receivable (net)	Effect on profit before tax	Changes in GBP rate	Foreign currency (Payable) / Receivable (net)	Effect on profit before tax
	%	Rs in Crores	Rs in Crores	%	Rs in Crores	Rs in Crores
March 31, 2025	5%	(1.47)	(0.07)	5%	(0.65)	(0.03)
	-5%		0.07	-5%	-	0.03
March 31, 2024	5%	(2.44)	(0.12)	5%	-	-
	-5%		0.12	-5%	-	-

Particulars	Changes in SEK rate	Foreign currency (Payable) / Receivable (net)	Effect on profit before tax
	%	Rs in Crores	Rs in Crores
March 31, 2025	5%	(0.17)	(0.01)
	-5%		0.01
March 31, 2024	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 alongwith 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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

42 Financial Risk Management Objectives and Policies (Contd.)

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 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:

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs in Crores	Rs in Crores
Variable Rate Borrowings	529.34	66.26
Total Borrowings	529.34	66.26

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, 2025	March 31, 2024
	Rs in Crores	Rs in Crores
Interest Rates - Increase by 100 basis points *	(5.29)	(0.66)
Interest Rates - Decrease by 100 basis points *	5.29	0.66

* 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 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, 2025 and March 31, 2024 is their carrying amounts except for the financial guarantees.

(a) Trade receivables and contract assets

Customer credit risk is managed by the Group through established policy and procedures and controls relating to customer credit risk management. The Parent Company applies the simplified approach to determine the expected credit loss (ECL) for trade and other receivables by considering historical credit loss (historical default rates) experience further adjusted for forward looking information. In addition Parent 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. As the risk profiles of the receivables is diverse, to calculate expected credit loss, the Parent Company groups its trade receivables and contract assets by category of customers i.e. passenger rolling stock, freight rolling stock, shipbuilding, bridges and defence and related parties. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. This change did not have a material impact on the profit for the year ended March 31, 2025.

For the current year, the Parent Company has evaluated that the historical loss rate for passenger rolling stock and related party receivables is Nil. In respect of the previous year, the historical loss rate for passenger rolling stock, freight rolling stock and related party receivables was Nil. The historical loss rate for the other receivables are given below.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

42 Financial Risk Management Objectives and Policies (Contd.)

Further, during the year, in respect of a Subsidiary Company, allowance for credit losses for trade receivables amounting to Rs. 6.09 Crores has been considered based on specific identification method.

March 31, 2025

Freight rolling stock	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross Debtors	317.23	-	128.14	13.96	6.80	0.97	-	467.10
Contract Assets	-	-	-	-	-	-	-	-
Historical Loss Rates	0.02%	0.00%	0.05%	0.93%	7.21%	100.00%	-	-
Loss Allowance	0.06	-	0.06	0.13	0.49	0.97	-	1.71

Shipbuilding, bridges and defence	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross Debtors	-	-	-	-	16.08	3.14	6.70	25.92
Contract Assets	97.66	1.72	-	-	-	-	-	99.38
Historical Loss Rates	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.67% - 100.00%	-
Loss Allowance	0.00	-	-	-	0.00	0.00	6.42	6.42

March 31, 2024

Shipbuilding, bridges and defence	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross Debtors	-	-	0.89	-	19.59	3.14	6.65	30.27
Contract Assets	24.58	1.37	-	-	-	-	-	25.95
Historical Loss Rates	0.00%	0.00%	0.02%	0.00%	0.13%	3.81%	100.00%	-
Loss Allowance	0.00	-	0.00	-	0.03	0.12	6.65	6.80

(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 Crores)

Particulars	Trade Receivables
Opening Balance as at March 31, 2023	1.02
Provision made during the year ended March 31, 2024	6.61
Provision written back during the year ended March 31, 2024	(0.83)
Closing Balance as at March 31, 2024	6.80
Provision made during the year ended March 31, 2025	7.80
Provision written back during the year ended March 31, 2025	(0.38)
Closing Balance as at March 31, 2025	14.22

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.

Movement of Liquidated Damages:

Particulars	(Rs. In Lacs)
Opening Balance as at March 31, 2023	1.61
Provision made during the year ended March 31, 2024	37.01
Provision utilized / reversed during the year ended March 31, 2024	(38.62)
Opening Balance as at March 31, 2024	-
Provision made during the year ended March 31, 2025	13.37
Provision utilized / reversed during the year ended March 31, 2025	(13.37)
Closing Balance as at March 31, 2025	-

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

42 Financial Risk Management Objectives and Policies (Contd.)

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:

(Rs. In Lacs)

As at March 31, 2025	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) *	531.17	536.42	509.18	27.24	-
Lease Liabilities	97.67	134.35	16.52	35.97	81.86
Trade Payables	234.99	234.99	234.99	-	-
Other Financial Liabilities #	34.25	34.25	34.25	-	-
Total Financial Liabilities	898.08	940.01	794.94	63.21	81.86

As at March 31, 2024	Carrying Amount	Contractual Cash flows	Upto 1 year	2-3 years	More than 3 years
Non-derivative Financial Liabilities					
Borrowings (including interest accrued and not due on borrowings) *	67.56	76.84	34.34	29.46	13.03
Lease Liabilities	99.46	143.95	14.33	31.28	98.35
Trade Payables	319.44	319.44	319.44	-	-
Other Financial Liabilities	24.93	24.93	24.93	-	-
Total Financial Liabilities	511.39	565.16	393.04	60.74	111.38

* Includes transaction cost adjustment on borrowings and contractual interest payment based on interest rate prevailing at the end of the reporting period.

Excludes deferred guarantee income recognised during the year as there would be no contractual cash outflow.

42.1 The Group has made provision for material foreseeable losses on long term contracts including derivative contracts in keeping with Group's accounting policy.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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:

Particulars	As at March 31, 2025	As at March 31, 2024
	(Rs. in Crores)	(Rs. in Crores)
Total Borrowings	529.34	66.26
Less: Cash and Cash Equivalents	25.27	328.98
Net Debt	504.07	-262.72
Equity	2,482.98	2,218.33
Total Capital (Equity + Net Debt)	2,987.05	1,955.61
Net Debt to Equity Ratio *	20.30%	NA

* NA in previous year denotes negative debt-equity ratio.

(b) Dividends on Equity Shares

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	(Rs. in Crores)	(Rs. in Crores)
Dividend Declared and Paid during the year		
Final Dividend for the year ended March 31, 2024 of Rs. 0.80 (March 31, 2023 - Rs. 0.50) per fully paid share	10.77	6.38

Proposed Dividend

The Board of Directors of the Parent Company recommended a dividend of Rs.1/- per Ordinary (Equity) Share of Rs. 2/- each (50%) to the shareholders of the Parent Company for the financial year 2024-25. 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, 2025	As at March 31, 2024
	(Rs. in Crores)	(Rs. in Crores)
Non-current Borrowings	24.93	37.36
Current Maturities of Long-term Debt	12.42	12.39
Current Borrowings	491.99	16.51
Interest accrued and not due on Borrowings	1.83	1.31
Lease Liabilities	97.67	99.46
Total	628.84	167.03

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

44 Debt Reconciliation (Contd.)

(Rs. in Crores)

Particulars	Non-current Borrowings	Current Borrowings	Lease Liabilities	Total
Debt as at March 31, 2023	82.50	167.19	103.94	353.63
Finance Costs	22.38	42.03	9.04	73.45
Finance cost Capitalised in Inventory	(16.13)	-	-	(16.13)
Cash Flows				
Principal repayment of Leases	-	-	(13.52)	(13.52)
Repayment of Long-term Borrowings from Banks	(33.08)	-	-	(33.08)
Short-term Borrowings - Receipts/(Payments)	-	(150.33)	-	(150.33)
Finance Costs Paid	(5.92)	(41.07)	-	(46.99)
Debt as at March 31, 2024	49.75	17.82	99.46	167.03
New Leases	-	-	4.46	4.46
Conversion of joint venture to subsidiary (Refer note 3 (c)(ii))	-	-	0.54	0.54
Finance Costs	4.36	60.01	8.78	73.15
Cash Flows				
Repayment of Leases	-	-	(15.57)	(15.57)
Repayment of Long-term Borrowings from Banks	(12.51)	-	-	(12.51)
Short-term Borrowings - Receipts/(Payments)	-	475.40	-	475.40
Finance Costs Paid	(4.25)	(59.41)	-	(63.66)
Debt as at March 31, 2025	37.35	493.82	97.67	628.85

* Includes Rs. 0.55 Crores (March 31, 2024: Rs Nil) on account of unrealised foreign exchange gain/loss.

45 Revenue recognised in relation to contract liability

Particulars	As at March 31, 2025	As at March 31, 2024
	(Rs. in Crores)	(Rs. in Crores)
Revenue recognised that was included in the contract liability balance at the beginning of the period	250.16	227.93

45.1 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. 6,189.65 Crores (March 31, 2024: Rs. 6,598.66 Crores) 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) In continued efforts to simplify the corporate structure, based on approval of the Board of Directors of the Parent Company, the voluntary winding up of Titagarh Singapore Pte Limited (TSPL) at Singapore has already been initiated in the earlier years 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 (realisable value) for the year ended March 31, 2025 and March 31, 2024 and has been disclosed as discontinued operations.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

46 Discontinued Operations (Contd.)

(b) The results of discontinued operations (without elimination) in respect of TSPL are set out below:

Rs. in Crores

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
	TSPL	TSPL
Income		
Revenue from Operations	-	-
Other Income	0.00	0.13
Total Income	0.00	0.13
Expenses		
Cost of Raw Materials and Components Consumed	-	-
Changes in Inventories of Finished Goods, Work-in-progress, Trading Goods and Saleable Scrap	-	-
Employee Benefits Expense	-	-
Finance Costs	0.00	0.01
Depreciation and Amortisation Expense	-	-
Other Expenses	0.14	2.41
Total Expenses	0.14	2.42
Profit before exceptional items & tax from discontinued operation	(0.14)	(2.29)
Exceptional Items	-	-
Profit / (Loss) before Tax	(0.14)	(2.29)
Tax Expense:		
Current Tax	-	-
Deferred Tax	-	-
Total Tax Expense	-	-
Profit / (Loss) after tax from discontinued operations	(0.14)	(2.29)
Other Comprehensive Income		
Item that will be Reclassified to Profit or Loss in Subsequent Periods:		
Exchange Differences on Translation of Foreign Operations	0.15	0.26
Income tax relating to above	-	-
Other Comprehensive Income for the Year (Net of Tax)	0.15	0.26
Total Comprehensive Income for the Year from discontinued operations	0.01	(2.03)

(c) Discontinued operations comprises the following:

Particulars	Year Ended	
	March 31, 2025	March 31, 2024
Loss from Discontinued operations after tax pertaining to TSPL	(0.14)	(2.29)
	(0.14)	(2.29)

47 The Parent Company has evaluated the impact 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-I/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.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

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.

(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,

(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 Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

In respect of the previous year, the Parent Company had invested Rs. 100.00 Crores in Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited) (SMPL) for onward investments in Titagarh Firema S.p.A (TFA) of which Rs. 90.13 Crores had been invested by SMPL in TFA by the year ended March 31, 2024. This arrangement was in accordance with the Share Subscription agreement dated January 24, 2024 between Sidwal Refrigeration Industries Private Limited, Titagarh Rail Systems Limited (Parent Company), Shivaliks Mercantile Limited (formerly 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 has one unregistered Core Investment Company [Shivaliks Mercantile Limited (formerly Shivaliks Mercantile Private Limited)] as a part of the group.

TITAGARH RAIL SYSTEMS LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2025 (Contd.)

- 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 Amount Rs. 0.00 represents amount below rounding off norms across the Consolidated Financial Statements.
- 51 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

Pramit Agrawal
Partner
Membership No. 099903
Place: Kolkata
Date: May 30, 2025

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

Anand Prakash
Partner
Membership No. 056485
Place: Kolkata
Date: May 30, 2025

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 30, 2025

Atul Ravishanker Joshi
Independent Director
DIN: 03557435
Place: Mumbai
Date: May 30, 2025

Saurav Singhania
Chief Financial Officer
Place: Kolkata
Date: May 30, 2025

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652
Place: Kolkata
Date: May 30, 2025

Anil Kumar Agarwal
Deputy Managing Director
DIN: 01501767
Place: Kolkata
Date: May 30, 2025

Dinesh Arya
Company Secretary
Place: Kolkata
Date: May 30, 2025



NOTICE OF
ANNUAL GENERAL
MEETING

TITAGARH RAIL SYSTEMS LIMITED

CIN: L27320WB1997PLC084819

Regd. Office: 10th Floor, Poddar Point, 113 Park Street, Kolkata-700016

Corp. Office: 756 Anandapur, E.M. Bypass, Kolkata-700107

Phone: 91 33 4019 0800; E-mail: corp@titagarh.in; Website: www.titagarh.in

NOTICE

NOTICE is hereby given that the **28th ANNUAL GENERAL MEETING ('AGM')** of the Members of **TITAGARH RAIL SYSTEMS LIMITED** ("the Company") will be held on **Monday, 15th September, 2025 at 11.30 A.M. (IST)** through video conferencing ('VC')/other audio-visual means ('OAVM') [Deemed venue: 756 Anandapur, E.M. Bypass, Kolkata-700107] to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - (a) The Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2025, together with the Reports of the Board of Directors and the Auditors thereon; and
 - (b) The Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2025, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Jagdish Prasad Chowdhary (DIN: 00313685), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Prithish Chowdhary (DIN: 08509158), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.
4. To declare final dividend of Re. 1 (Rupees One only) (50%) per equity share of Rs. 2/- (Rupees Two only) each for the financial year ended 31st March, 2025.

SPECIAL BUSINESSES:

5. **To approve Payment of Remuneration to Independent/ Non-Executive Directors of the Company 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 Sections 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V thereto (including any statutory modification(s), or re-enactment thereof for the time being in force), SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 (as amended), without prejudice to the approval of shareholders

accorded while approving their appointment and remuneration recommended by the Nomination & Remuneration Committee (NRC) in accordance with the Remuneration Policy of the Company and endorsed by the Board, general permission by the shareholders be and is hereby given to the Company to pay the Independent/Non-Executive Directors of the Company (i.e. directors other than Managing Director and/or the Whole-time Directors) remuneration (in addition to the sitting fees for attending the meetings of the Board of Directors or Committees thereof), during their respective term as may be applicable, in such manner as the Board of Directors may from time to time determine, not exceeding in aggregate 1 (one) percent of the net profits of the Company for each financial year, as computed in accordance with the provisions of Section 198 of the Act, subject to such approvals, if any as may be applicable.

RESOLVED FURTHER THAT the Board of Directors (which term shall include a Committee thereof) be and is hereby authorized to take all steps and do acts, deeds and things as may be deemed necessary for giving effect to this Resolution."

6. **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, if any, 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 2025-26 be and is hereby ratified.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company (including any Committee thereof) 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."

7. **To appoint Secretarial Auditor of the Company for a term of 5 (five) consecutive years and in this regard to consider and if thought fit, to pass, the following resolution, as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013 ('Act') and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Regulation 24A of the Securities and Exchange Board of India (Listing

Registered Office:

Poddar Point, 10th Floor,
113, Park Street Kolkata-700016

August 11, 2025

NOTES

1. Ministry of Corporate Affairs ("MCA") has vide its General Circulars dated 19th September 2024, 25th September, 2023, 28th December, 2022, 5th May 2022, 14th December, 2021, 8th December, 2021, 13th January, 2021, 5th May, 2020, 13th April 2020, 8th April 2020, and (collectively referred to as 'MCA Circulars') and SEBI vide its Circulars dated 3rd October 2024, 7th October, 2023, 5th January, 2023, 13th May, 2022, 15th January, 2021 and 12th May, 2020 (collectively referred to as 'SEBI Circulars') SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/ PoD-2/P/CIR/2023/4 dated January 5, 2023, SEBI/HO/CFD/CFD/PoD-2/P/CIR/2023/167 dated October 7, 2023 and SEBI/HO/CFD/CFD-PoD2/P/ CIR/2024/133 dated October 3, 2024 (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

Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and basis the recommendation of the Board of Directors of the Company, M/s. Prateek Kohli & Associates, peer reviewed firm of Company Secretaries in Practice (Firm Registration No. P2017WB059700), be and is hereby appointed as the Secretarial Auditor of the Company, for a term of 5 (five) consecutive years commencing from 1st April, 2025 and ending on 31st March 2030, on such terms and conditions including remuneration as detailed in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable for giving effect to this resolution."

By Order of the Board

Sd/-

Aditya Purohit

Company Secretary & Compliance Officer
M. No. ACS 27825

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, (as amended) ("Listing Regulations") and MCA Circulars, the 28th AGM of the Company shall be conducted through VC / OAVM.

2. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations and relevant MCA Circulars, the Company is providing facility of voting by electronic means i.e. remote voting and voting at the AGM to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with **National Securities Depository Limited** (NSDL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.

3. The Company will conduct the AGM through VC/ OAVM from its Corporate Office i.e., Titagarh Towers, 756 Anandapur, E.M. Bypass, Kolkata-700107, which shall be deemed to be venue of the meeting. Since the AGM is being held through VC / OAVM, the route map is not annexed hereto. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Act, read with relevant MCA Circulars.
4. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 5 to 7 of the Notice, is annexed hereto. Further, the relevant details pursuant to Regulation 36(3) of the Listing Regulations, and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment/ variation in terms of remuneration at this AGM are also annexed.
5. In compliance with the MCA Circulars and SEBI Circulars, Notice of the 28th AGM along with the Annual Report for the financial year 2024-25 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.
6. In compliance with the MCA Circulars and SEBI Circulars, only the electronic copy of the Notice of the 28th 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.
7. Members may please note that the Notice of the 28th Annual General Meeting and the Annual Report for 2024-25 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 e-voting facility) at www.evoting.nsdl.com.
8. 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.
9. 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.
10. 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, this 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 28th AGM of the Company.
11. 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.) are 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 csskgoyal@gmail.com with a copy marked to secretarial@titagarh.in and evoting@nsdl.com.
12. The attendance of the Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
13. Cut-off date for e-voting or record date for payment of dividend - Monday, September 8, 2025.
14. 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., Monday, September 8, 2025. 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 during the AGM. Those who are not Members on the cut-off date should accordingly treat this Notice as for information purposes only.
15. 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 Tuesday, September 9, 2025 to Monday, September 15, 2025 (both days inclusive).
16. Final Dividend for FY 2024-25: No interim dividend has been declared during the FYE 31.03.2025. The Board of Directors at its meeting held on May 30, 2025 has recommended dividend subject to approval of 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 - Monday, September 8, 2025 and to those whose names will appear as Beneficial Owners as at the close of the business hours on Monday, September 8, 2025 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.
17. 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, 2025 shall be sent separately to the Members. The said communication will also be made available on the Company's website www.titagarh.in
18. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024) 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.
19. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.
 - a. For shares held in electronic form: to their Depository Participants ("DPs")
 - b. For shares held in physical form: The following details/ documents should be sent to the Company/RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023.

To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details.

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.
20. 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. The Company has also arranged to send an intimation to the physical shareholders whose email ids are not registered with Company/RTA/Depository Participant.

21. As per the provisions of Section 72 of the Act and SEBI Circulars, 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 DPs 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, quoting their folio number.
22. Remote e-voting will commence at 9 A.M. on Thursday, September 11, 2025 and will end at 5 P.M. on Sunday, September 14, 2025. The remote e-voting module shall be disabled by NSDL for voting thereafter.
23. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.
24. 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.
25. **Special window:** The Securities and Exchange Board of India (SEBI) has mandated that securities of listed company can be transferred only in dematerialized form w.e.f. April 1, 2019. Accordingly, the Company has stopped accepting any fresh lodgment of transfer of shares in physical form. In view of the above and to avail various benefits of dematerialization, members are requested to dematerialize shares held by them in physical form. Further, SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 2nd July, 2025, decided to open a special window for a period of six months, from 7th July, 2025 to 6th January, 2026 only for re-lodgment of transfer deeds, which were lodged prior to April 01, 2019 and rejected/returned/not attended to due to deficiency in the documents/process/ or otherwise. Eligible shareholders are requested to contact the Company's Registrar and Transfer Agent ('RTA') i.e. Maheshwari Datamatics Private Limited at mdpldc@yahoo.com, Tel: 033-22482248 or the Company at investors@titagarh.in for further assistance.

26. Members are requested to note that dividends if 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, are liable to 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 2017-2018 will be transferred to the IEPF Authority on becoming due on November 4, 2025. 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.

The due date for transfer of unpaid dividend amount to IEPF for these years are:

Year	Due Date
2017-18	04/11/2025
2018-19	25/10/2026
2022-23	04/11/2030
2023-24	02/10/2031

Those who have not yet claimed their dividend for the last seven years may apply directly to Maheshwari Datamatics Private Limited (MDPL), RTA of the Company, at mdpldc@yahoo.com and stake their claim.

27. 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.
28. SEBI has mandated submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company's RTA.
29. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/

Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website www.titagarh.in.

30. The Board of Directors has, at its meeting held on August 11, 2025, appointed Shri Sushil Kumar Goyal of Sushil Goyal & Co; Company Secretaries, having Certificate of Practice No. 8289, as the scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.

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?

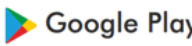
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

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.

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.	1. 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.
	2. 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
	3. 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.
	4. Shareholders/Members can also download NSDL Mobile App " NSDL Speede " facility by scanning the QR code mentioned below for seamless voting experience.
NSDL Mobile App is available on  App Store  Google Play  	

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	- 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.
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.com or call at 022-48867000
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 toll free no. 1800-21-09911

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?
- 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, 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:	<table> <tr> <th>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</th><th>Your User ID is:</th></tr> <tr> <td>a) For Members who hold shares in demat account with NSDL.</td><td>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*****.</td></tr> <tr> <td>b) For Members who hold shares in demat account with CDSL.</td><td>16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****</td></tr> <tr> <td>c) For Members holding shares in Physical Form.</td><td>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***</td></tr> </table>	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***
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:	- If you are already registered for e-Voting, then you can user your existing password to login and cast your vote. - 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. - How to retrieve your ‘initial password’? - 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’. - 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:	- 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. “Physical User Reset Password?”(If you are holding shares in physical mode) option available on www.evoting.nsdl.com. - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc. - 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?
- 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. - 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”. - Now you are ready for e-Voting as the Voting page opens. - 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. - Upon confirmation, the message “Vote cast successfully” will be displayed. - You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page. - 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 csskgoyal@gmail.com with a copy marked to evoting@nsdl.com.
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 send through e-mail and holding shares as of the cut-off date i.e. Monday, 8th September, 2025, may obtain the login ID and password by sending a request at evoting@nsdl.com 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. Monday, 8th September, 2025, 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.com.

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.com 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 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. Members 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 01:00 p.m. (IST) on Friday, 12th day of September, 2025.
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 appear 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 at the AGM.
10. Members who need assistance before or during the AGM, can contact Mr. Amit Vishal, NSDL at the designated email ID: www.evoting.nsdl.com or call 1800 1020 990 / 1800 22 44 30.
31. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after 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 as per the MCA circulars. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters/Promoter Groups, 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-serve basis. The members will be able to view the proceedings on National Securities Depository Limited ('NSDL') e-voting website at www.evoting.nsdl.com.
32. 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
33. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and e-voting at the AGM and 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.

34. Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting i.e. September 15, 2025.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ('the Act')

Item No. 5:

The members of the Company have from time to time accorded approval to the appointment and remuneration of the Independent/Non-Executive Directors (ID/NED) as recommended by the Nomination & Remuneration Committee (NRC) in accordance with the Company's Remuneration Policy and in endorsement thereof placed before the shareholders by the Board. Such remuneration may include commission not exceeding in aggregate 1% of the net profits of the Company computed as per the provisions of the Section 198 of the Companies Act, 2013 payable during the term of the respective ID/NED in such manner as the NRC/Board may decide.

Notwithstanding the approval accorded by the shareholders to the appointment of each individual ID/NED, it is proposed to obtain a general permission of the members for payment of remuneration including profit linked commission to such ID/NEDs within the stipulated limit of 1% of the net profits of the Company computed as per the Section 198 of the Act.

Taking into consideration all relevant aspects including the skills, knowledge, experience and expertise of the members of the Board and complexities of directing the business involved in the case of listed entities, the NRC and Board have approved payment of remuneration/commission to Independent/Non-executive Directors during their respective term subject to the applicable compliances, as set out in the resolution at Item No. 5. The Company has not paid commission to Non-executive Director, if any who is part of the promoter group.

The Directors recommend passing the aforesaid Special Resolution at Item No. 5. None of the Directors or Key Managerial Personnel (KMP) or their relatives, except the ID/ NEDs upto the extent of remuneration/commission as may be payable to them in terms of this resolution, is in any way concerned or interested in the Resolution.

Item No. 6:

Pursuant to the recommendation of Audit Committee and approval of the Board at their respective meetings held on 30th May 2025, M/s M. R. Vyas and Associates, Cost Accountants have been appointed as Cost Auditor of the Company for the financial year 2025-2026 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.

The Board recommends the resolution set out at Item No. 6, under Section 148 of the Companies Act, 2013 as an Ordinary Resolution for your approval.

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. 6 of the Notice.

Item No. 7:

In terms of the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ('the Act') and pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), every listed company shall undertake Secretarial Audit by a Peer Reviewed Company Secretary in practice and annex with its Board report, the secretarial audit given by the Secretarial Auditor who shall be appointed by the shareholders of the Company, on recommendation of the Board of Directors for a period of five consecutive years.

The Board of Directors at its meeting held on August 11, 2025 has on the recommendation of the Audit Committee, approved the appointment of M/s Prateek Kohli & Associates, Practicing Company Secretaries (Firm Registration Number:

P2017WB059700) as the Secretarial Auditor of the Company for a term of five (5) consecutive years, commencing from April 1, 2025 to March 31, 2030, subject to approval of the Members at this Annual General Meeting. While recommending the appointment of abovenamed firm, the Audit Committee and Board have, taken into consideration all the relevant aspects including their experience, expertise etc. and the same is now placed before the members for their approval.

In terms of provisions of Listing Regulations, the abovenamed firm of M/s Prateek Kohli & Associates, Practicing Company Secretaries has submitted its consent to act as Secretarial Auditor, if so appointed; confirmed that (a) its appointment shall be in conformity with the applicable provisions of the Act & Listing Regulations, (b) it is a peer reviewed firm by the Institute of Company Secretaries of India, (c) holds a valid peer review certificate, (d) it is not disqualified from being appointed as Secretarial Auditor; and (e) has no conflict of interest. M/s. Prateek Kohli & Associates has also furnished a declaration that they have not taken up any prohibited non-secretarial

audit assignments for the Company, its holding and/or subsidiary companies.

The terms and conditions of the appointment of M/s Prateek Kohli & Associates, Practicing Company Secretaries include a tenure of five (5) consecutive years, commencing from April 1, 2025 upto March 31, 2030 at a remuneration of Rs. 75,000/- (Rupee Seventy-Five Thousand only) for FY25-26 and as may be mutually agreed between the Board and the Secretarial Auditors for subsequent years.

Additional fees for statutory certifications and other professional services as permissible will be determined separately by the management, in consultation with M/s Prateek Kohli & Associates and will be subject to approval by the Board of Directors and/or the Audit Committee.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 7 of this Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

By Order of the Board
Sd/-

Aditya Purohit

Company Secretary & Compliance Officer
M. No. ACS 27825

Registered Office:

Poddar Point, 10th Floor,
113, Park Street Kolkata-700016

August 11, 2025

Details of Directors seeking Appointment/ Re-appointment/ variation in terms of remuneration at the Annual General Meeting:

Particulars		Shri Jagdish Prasad Chowdhary	Shri Prithish Chowdhary
Director Identification Number (DIN)		00313685	08509158
Designation and Category of Director		Executive Chairman Executive Director	Deputy Managing Director Executive Director
Date of Birth and age		23/09/1940 (84 years)	31/05/2001 (24 years)
Date of Appointment as Director		24/09/1999	01/01/2021
Qualifications		B. Com	B.com, Qualified International Baccalaureate from Le Rosey Institut, Geneva
Expertise in Specific Functional Areas		Management leadership with experience of about 62 years in the railways sector/heavy engineering industry. Promoted the Company and has successfully led the Group from a small wagon manufacturer set up in 1997 to the leading mobility solutions provider in the country.	He is a young entrepreneur with leadership skills and experience in the industry. Starting his corporate journey with the Company, with hands on the job experience he has already gained insight into all the areas of the Company's business and has demonstrated excellent business development and marketing acumen contributing significantly to the rapid growth the Company has achieved since his induction on the Board.
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
Remuneration last drawn (Rs.) [During FY 2024-25]		Refer Corporate Governance Report	Refer Corporate Governance Report
Remuneration proposed to be paid (Rs.)		Entitled to remuneration as approved by the Nomination and Remuneration Committee and the Board of Directors of the Company, from time to time within the overall limits as per the Companies Act, 2013 and/ or as approved by the shareholders from time to time, applicable for his current term as Chairman cum Managing Director designated as Executive Chairman till 7th January, 2027. No change in remuneration is being sought and the re-appointment is a technical requirement of Section 152 of the Act.	Entitled to remuneration as approved by the Nomination and Remuneration Committee and the Board of Directors of the Company, from time to time within the overall limits as per the Companies Act, 2013 and/ or as approved by the shareholders from time to time, applicable for his current term as Deputy Managing Director till 27th August, 2027. No change in remuneration is being sought and the re-appointment is a technical requirement of Section 152 of the Act.
Number of Meetings of the Board attended	During 2024-25	9/9	7/9
	During 2025 -26 (till date)	4/4	4/4

Details of Directors seeking Appointment/ Re-appointment/ variation in terms of remuneration at the Annual General Meeting: (Contd.)

Particulars	Shri Jagdish Prasad Chowdhary	Shri Prithish Chowdhary
Directorship held in other companies (excluding foreign companies)	1. Titagarh Capital Management Services Private Limited	1. Titagarh Capital Management Services Private Limited
		2. Titagarh Logistics Infrastructures Private Limited
		3. Ramkrishna Titagarh Rail Wheels Limited
		4. Titagarh Enterprises Limited
		5. Indian Chamber of Commerce Calcutta
Memberships/ Chairmanships of Committees of other companies (includes only Audit Committee and Stakeholders Relationship Committee)	Nil	Nil
Name of listed entities from which the person has resigned in the past three years (excluding foreign companies)	Nil	Nil
Disclosure of relationships between directors	Shri J.P. Chowdhary is related to Shri Umesh Chowdhary, Vice Chairman & Managing Director, and Smt. Rashmi Chowdhary, Non-Executive Director and Shri Prithish Chowdhary, Deputy Managing Director	Shri Prithish Chowdhary is related to Shri J.P. Chowdhary, Executive Chairman, Shri Umesh Chowdhary, Vice Chairman & Managing Director, and Smt. Rashmi Chowdhary, Non-Executive Director
No. of shares held in the Company (as on 11th August, 2025)	70,700 equity shares	Nil

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TITAGARH RAIL SYSTEMS LIMITED

CIN: L27320WB1997PLC084819

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