

Price Waterhouse & Co Chartered Accountants LLP

Independent Auditor's Report

To the Members of Titagarh Mermec Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Titagarh Mermec Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2022, and total comprehensive income (comprising of profit/ loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's 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.



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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E300009 (ICAI registration number before conversion was 304026E)

Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Titagarh Mermec Private Limited
Report on Audit of the Financial Statements

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

5. 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the 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 financial statements.
8. 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 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 but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern



Price Waterhouse & Co Chartered Accountants LLP

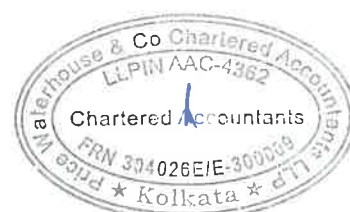
INDEPENDENT AUDITOR'S REPORT

To the Members of Titagarh Mermec Private Limited
Report on Audit of the Financial Statements

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. 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.

Report on other legal and regulatory requirements

10. This report does not contain a statement on the matters specified in paragraphs 3 and 4 of 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 as, in our opinion, and according to the information and explanations given to us, the Order is not applicable in the case of the Company.
11. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) Clause (i) of Section 143(3) on internal financial controls with reference to financial statements is not applicable pursuant to notification G.S.R 583(E) dated 13 June 2017.
 - (g) 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 does not have any pending litigations which would impact its financial position in its financial statements
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.



Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT


To the Members of Titagarh Mermec Private Limited
Report on Audit of the Financial Statements

- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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 (Refer Note 19(iv)(A) to the financial statements);
- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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 (Refer Note 19(iv)(B) to the financial statements); 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 Company has not declared or paid any dividend during the year.

12. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

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


Avijit Mukerji
Partner
Membership Number 056155

UDIN: 22056155AJXCBJ4135
Place: Kolkata
Date: May 30, 2022

Titagarh Mermec Private Limited
Balance Sheet as at March 31, 2022


	Note No.	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
Assets			
Current assets			
(i) Financial assets			
(a) Cash and cash equivalents	3	0.76	0.77
Total assets		0.76	0.77
Equity and liabilities			
Equity			
Equity share capital	4	1.00	1.00
Other equity	5	(9.87)	(7.45)
Total equity		(8.87)	(6.45)
Current liabilities			
(i) Financial liabilities			
(a) Trade payables			
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises			
(i) Total outstanding dues of creditors other than micro and small enterprises.	6	2.41	7.22
(b) Other financial liabilities		7.22	-
Total liabilities		9.63	7.22
Total equity and liabilities		0.76	0.77

The accompanying notes are an integral part of the financial statements

This is the Balance Sheet referred to in our Report of even date.


For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

For and on behalf of the Board of Directors of
Titagarh Mermec Private Limited


Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date: May 30, 2022


Shri Dimesh Arya
Director
DIN: 00168213
Place: Kolkata
Date: May 30, 2022


Shri Saurav Singhania
Director
DIN: 08303149
Place: Caserta, Italy
Date: May 30, 2022

Titagarh Mermec Private Limited
Statement of Profit and Loss for the year ended March 31, 2022

	Note No.	For the year ended March 31, 2022 (Rs. in Lakhs)	For the year ended March 31, 2021 (Rs. in Lakhs)
Income			
Revenue from Operations		-	-
Total income		-	-
Expenses			
Finance cost	7	0.01	0.23
Other expenses	8	2.41	2.98
Total expenses		2.42	3.21
Loss before tax		(2.42)	(3.21)
Tax expenses		-	-
Loss for the year		(2.42)	(3.21)
Other Comprehensive Income for the year		-	-
Total comprehensive income for the year		(2.42)	(3.21)
Loss per equity share [Nominal value of Share Rs. 10/-] (March 31, 2021: Rs. 10/-) Basic & Diluted (In Rs.)	9	(24.24)	(32.12)

The accompanying notes are an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our Report of even date.

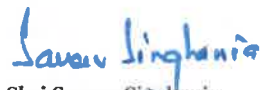
For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009


Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date: May 30, 2022

For and on behalf of the Board of Directors of
Titagarh Mermec Private Limited


Shri Dinesh Arya
Director
DIN: 00168213
Place: Kolkata
Date: May 30, 2022


Shri Saurav Singhania
Director
DIN: 08303149
Place: Caserta, Italy
Date: May 30, 2022

Titagarh Mermec Private Limited**Statement of Changes in Equity as at March 31, 2022****Equity Share Capital****(Rs. in Lakhs)**

Particulars	Number	Amount
Balance as at March 31, 2020	10,000	1.00
Issue of Equity Shares during the year	-	-
Balance as at March 31, 2021	10,000	1.00
Issue of Equity Shares during the year	-	-
Balance at March 31, 2022	10,000	1.00

Other Equity**(Rs. in Lakhs)**

Particulars	Other Equity	
	Retained Earnings	Total
Balance as at March 31, 2020	(4.24)	(4.24)
Loss for the period	(3.21)	(3.21)
Balance as at March 31, 2021	(7.45)	(2.22)
Loss for the period	(2.42)	(2.42)
Balance at March 31, 2022	(9.87)	(9.87)

The accompanying Notes form an integral part of the Financial Statement

This is the 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


Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date : May 30, 2022

For and on behalf of the Board of Directors of
Titagarh Mermec Private Limited


Shri Binesh Arya
Director
DIN: 00168213
Place: Kolkata
Date: May 30, 2022


Shri Saurav Singhania
Director
DIN: 08303149
Place: Caserta, Italy
Date: May 30, 2022

Titagarh Mermec Private Limited
Statement of Cash flows for the year ended March 31, 2022

PARTICULARS	For the year ended March 31, 2022 (Rs. in lakhs)	For the year ended March 31, 2021 (Rs. in lakhs)
A. Cash Flow From Operating Activities		
Loss before tax	(2.42)	(3.21)
Operating Loss before Changes in Operating Assets and Liabilities	(2.42)	(3.21)
Movements In Working Capital :		
Increase/(Decrease) in Trade Payable	(4.81)	2.98
Increase in other financial liabilities	7.22	-
Cash used in o	(0.01)	(0.23)
Income Taxes (Paid)/ Refund (Net)	-	-
Net cash used in operating activities	(0.01)	(0.23)
B. Cash flow from investing activities :		
Net Cash Generated / (Used) in investing activities	-	-
C. Cash flow from financing activities		
Net cash generated / (used) from financing activities	-	-
Net Increase/ (Decrease) in Cash and cash equivalents (A+B+C)	(0.01)	(0.23)
Cash and Cash Equivalents at the beginning of the year	0.77	1.00
Cash and Cash Equivalents at end of the year	0.76	0.77

This is the Cash Flow Statement referred to in our Report of even date.

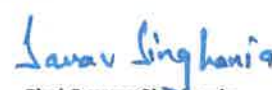
For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009


Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date : May 30, 2022

For and on behalf of the Board of Directors of
Titagarh Mermec Private Limited


Shri Dinesh Arya
Director
DIN: 00168213
Place: Kolkata
Date: May 30, 2022


Shri Saurav Singhania
Director
DIN: 08303149
Place: Caserta, Italy
Date: May 30, 2022

TITAGARH MERMEC PRIVATE LIMITED
Notes to Financial Statements as at and for the year ended March 31, 2022

1 Corporate Information

The Company was incorporated on 18th July, 2018 as a Joint Venture Company (JVC) between Mermec SPA, Italy and Titagarh Wagons Limited with fifty percent (equal) stake each with the object of carrying on the business of assembling, marketing, manufacturing and selling diagnostic systems for railway infrastructure and rolling stock, wayside signalling subsystems and auxiliary products and equipment parts related thereto in India and any other market/territories as may be agreed between the Parties.

The financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on May 30, 2022.

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

(i) Compliance with Indian Accounting Standards

The financial statements comply in all material aspects with 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 financial statements have been prepared on a historical cost basis.

(iii) Current versus Non-current Classification

The company presents assets and liabilities in the Balance Sheet based on current/non-current classification. An asset is classified as current when it is:

- a) expected to be realised or intended to be sold or consumed in the normal operating cycle,
 - b) held primarily for the purpose of trading,
 - c) expected to be realised within twelve months after the reporting period, or
 - d) cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is classified as current when:

- a) it is expected to be settled in the normal operating cycle,
 - b) it is held primarily for the purpose of trading,
 - c) it is due to be settled within twelve months after the reporting period, or
 - d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

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

(iv) New and amended standards adopted by the company

The company has applied the following amendments to Ind AS for the first time for its annual reporting period commencing 1 April 2021:

- i) Extension of COVID-19 related concessions – amendments to Ind AS 116
- ii) Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases

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

(v) New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

(vi) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimals thereof (Rs. 00,000.00) as per the requirement of Schedule III to the Act, unless otherwise stated.

2.2 Investments and Other Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

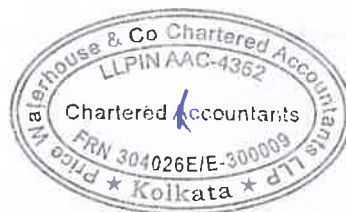
- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

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.



TITAGARH MERMEC PRIVATE LIMITED
Notes to Financial Statements as at and for the year ended March 31, 2022

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

• **Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired.

• **Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Other Income/Other Expenses'.

• **Fair Value through Profit or Loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within 'Other Income'/'Other Expenses' in the period in which it arises.

(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.

(iv) 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.

(v) Income Recognition

Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

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.

(vi) 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.

2.3 Trade Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. These are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.4 Other Financial Liabilities

Other financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Other financial liabilities are initially measured at the fair value and subsequently measured at amortised cost using the effective interest method.

2.5 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.



2.6 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.

2.7 Foreign Currency Transactions and Translation

(i) Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (Rupees or Rs.), which is the Company's functional and presentation currency.

(ii) Transactions and Balances

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 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.

2.8 Income Taxes

The income tax expense 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 financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

2.9 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.

2.10 Earnings Per Equity Share

(i) Basic Earnings Per Equity Share

Basic earnings per equity share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

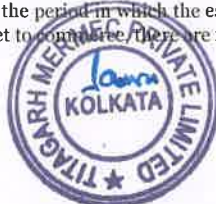
(ii) Diluted Earnings Per Equity Share

Diluted earnings per equity share adjusts the figures used in the determination of basic earnings per equity share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.11 Critical Estimates and Judgements

The preparation of 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 at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Currently considering the fact that commercial operations are yet to commence, there are not critical estimates and judgements.



Titagarh Mermec Private Limited
Notes to the Financial Statement as at and for the year ended March 31, 2022

3. Cash and cash equivalents	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
Balance with banks		
On current account	0.76	0.77
	0.76	0.77

4. Equity Share Capital	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
Authorised Shares		
10,000 Equity shares of Rs. 10/- each	1.00	1.00
	1.00	1.00
Issued, Subscribed and Paid-up Shares		
10,000 Equity shares of Rs. 10/- each	1.00	1.00
	1.00	1.00

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	No. of shares	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
Equity Shares			
At the beginning of the year	10,000	1.00	1.00
Issued during the year	-	-	-
Outstanding at the end of the year	10,000	1.00	1.00

b) Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share (March 31, 2021: Rs. 10/- per share). Each holder of equity shares will be 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.

c) Details of Shareholders holding more than 5% shares in the Company

	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% holding	No. of shares	% holding
Titagarh Wagons Limited	5,000	50%	5,000	50%
Mermec SpA	5,000	50%	5,000	50%

d) Shareholder held by promoter at the end of the year March 31, 2022

	Number of Shares held	% of Share	% Change during the Year
Titagarh Wagons Limited	5,000	50%	-
Mermec SpA	5,000	50%	-

e) Shareholder held by promoter at the end of the year March 31, 2021

	Number of Shares held	% of Share	% Change during the Year
Titagarh Wagons Limited	5,000	50%	-
Mermec SpA	5,000	50%	-

5. Other equity	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
Retained earnings		
Opening balance	(7.45)	(4.24)
Loss for the period	(2.42)	(3.21)
Total retained earnings	(9.87)	(7.45)
Total other equity	(9.87)	(7.45)



Titagarh Mermec Private Limited
Notes to the Financial Statement as at and for the year ended March 31, 2022

6. Trade payables	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	2.41	7.22
	2.41	7.22

Trade payables ageing schedule

Particulars	Outstanding as at March 31, 2022			
	Less than 1 year	1-2 Years	More than 3 years	Total
Others - Undisputed	-	-	-	-
Others - Disputed	-	-	-	-
Total	-	-	-	-
Not Due				
Others				-
Unbilled				
Others				2.41
Total	-	-	-	2.41

Particulars	Outstanding as at March 31, 2021			
	Less than 1 year	1-2 Years	More than 3 years	Total
Others - Undisputed	2.41	2.40	-	4.81
Others - Disputed	-	-	-	-
Total	2.41	2.40	-	4.81
Not Due				
Others				-
Unbilled				
Others				2.41
Total	-	-	-	4.82

7. Other financial liabilities	For the year ended March 31, 2022 (Rs. in Lakhs)	For the year ended March 31, 2021 (Rs. in Lakhs)
Others (due to related parties) (Refer note 13)	7.22	-
	7.22	-

8. Finance cost	For the year ended March 31, 2022 (Rs. in Lakhs)	For the year ended March 31, 2021 (Rs. in Lakhs)
Bank Charges	0.01	0.23
	0.01	0.23

9. Other expenses	For the year ended March 31, 2022 (Rs. in Lakhs)	For the year ended March 31, 2021 (Rs. in Lakhs)
Payment to Auditors		
Audit fee	2.00	2.00
Reimbursement of expense including applicable taxes	0.41	0.98
	2.41	2.98



Titagarh Mermec Private Limited
Notes to the Financial Statement as at and for the year ended March 31, 2022

10 Earnings per Share (EPS)

	For the year ended March 31, 2022 (Rs. in Lakhs)	For the year ended March 31, 2021 (Rs. in Lakhs)
Basic and Diluted		
(i) Number of Equity Shares at the Beginning of the Year	10,000	10,000
(ii) Number of Equity Shares at the End of the Year	10,000	10,000
(iii) Weighted Average Number of Equity Shares Outstanding during the year	10,000	10,000
(iv) Face Value of Each Equity Share (Rs)	10	10
(v) Profit / (Loss) after Tax Available for Equity Shareholders		
Profit / (Loss) (Rs. in Lakhs)	(2.42)	(3.21)
(vi) Basic and Diluted Earnings per Equity Share (Rs.) [(v)/(iii)]	(24.24)	(32.12)

Note: There are no potential dilutive equity shares.

11 Retirement and Other Employee Benefit Plans

The Retirement and other employee benefit plans are not applicable to the Company in the current period as there are no employees.

12 Capital & other Commitments

	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
--	--	--

Estimated amount of capital commitments (net of advances) remaining to be executed

13 Related Party Disclosures

Name of Related Parties and their relationship

Titagarh Wagons Limited	Joint Venturer
Mermec SpA	Joint Venturer
Angelo Petrosillo	Director
Ruggiero Delcuratolo	Director
Dinesh Arya	Director
Saurav Singhania	Director

Details of Transactions between Company and the Related Parties

	For the year ended March 31, 2022 (Rs. in Lakhs)	For the year ended March 31, 2021 (Rs. in Lakhs)
Nature of Transaction		
Expenses paid on behalf of the company		
Titagarh Wagons Limited	7.22	-
Balances outstanding as at the year end		
Other Financial Liabilities		
Titagarh Wagons Limited	7.22	-

14 The Company's Board of Directors, being the chief operating decision maker have identified that the Company is a single segment company based on current status.

15 Fair Values

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 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.

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.

The methods and assumptions were used to estimate the fair values:

a) The management assessed that the fair values of financial assets and liabilities at amortised cost approximate to their carrying amounts largely due to the short-term maturities of these instruments.

b) For financial assets / liabilities carried at fair value, the carrying amounts are equal to their fair values.

16 Financial Risk Management Objectives and Policies

The Company's financial liabilities comprise trade payables and other financial liabilities. The Company's financial assets include other cash and bank balances.

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. The Company is yet to commence operations and hence currently the risks are minimal.

17 The company is presently not engaged in any business operations. However the Financial statements has been prepared on going concern basis, since the Joint Venturer (i.e Titagarh Wagons Limited) has committed to provide unconditional financial support to the Company to pay its dues falling due in next 12 months from the date financial report of the company is signed.



18 Ratios

	March 31, 2022	March 31, 2021	Change %	Remarks
Current Ratio (times) (Current Assets/Current Liabilities)	0.08	0.11		
Current Assets	0.76	0.77	-26.41%	The variation is primarily due to increase in trade payables.
Current Liabilities	9.63	7.22		
Return on equity ratio (%) (Net profit after tax/Shareholders equity)	27.32%	49.77%		
Net profit after tax	-2.42	-3.21	-45.11%	The variation is primarily due to loss during the year.
Shareholders equity	-8.87	-6.45		
Return on capital employed (%) (EBIT/Capital Employed)	27.32%	49.77%		
EBIT	-2.42	-3.21	-45.11%	The variation is primarily due to loss during the year.
Capital Employed	-8.87	-6.45		
[Capital Employed = Total Equity]				
Return on investment (%) (EBIT/Closing Total Assets)	-320.58%	-416.65%		
EBIT	-2.42	-3.21	-23.06%	
Closing Total Assets	0.76	0.77		

Notes:

(i) Debt equity ratio and Debt service coverage ratio are not applicable since the Company does not have any debt outstanding as on March 31, 2022 and March 31, 2021.

(ii) Inventory turnover ratio, trade receivables turnover ratio, trade payables turnover ratio, net capital turnover ratio and net profit ratio are not applicable since the Company does not have any turnover for the year ended March 31, 2022 and March 31, 2021.

19 (i) Willful Defaulter

The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(ii) 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.

(iii) 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.

(iv) Utilisation of borrowed funds and share premium

(A) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(B) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Date : May 30, 2022

For and on behalf of the Board of Directors of
Titagarh Mermec Private Limited

Shri Dinesh Arya
Director
DIN: 00168213
Place: Kolkata
Date: May 30, 2022

Shri Saurav Singhania
Director
DIN: 08303149
Place: Caserta, Italy
Date: May 30, 2022

TITAGARH SINGAPORE PTE. LIMITED
BALANCE SHEET
As at 31st December 2021

	Notes	Dec-21 Euro	Mar-21 Euro
I. ASSETS			
Non- Current Assets			
a. Financial Assets			
i. Investment	3	690,481	2,585,130
ii. Investment in Associate Company		-	-
iii. Loans and Advances to a Subsidiary		-	-
ii. Other Financial Assets	4	-	-
		<u>690,481</u>	<u>2,585,130</u>
Current Assets			
a. Financial Assets			
i. Loans and Deposits	5	-	-
ii. Cash and Cash Equivalents	6	19,924	58,694
iii. Other Financial Assets	4	166,769	164,019
		<u>186,693</u>	<u>222,713</u>
TOTAL ASSETS		<u>877,173</u>	<u>2,807,843</u>
II. EQUITY AND LIABILITIES			
Equity			
i. Equity Share Capital	7	895,771	895,771
ii. Other Equity	8	(2,039,079)	(1,612,973)
Total Equity		<u>(1,143,308)</u>	<u>(717,202)</u>
Liabilities			
Current Liabilities			
a. Financial Liabilities			
i. Borrowings	9	-	1,500,000
ii. Trade and Other Payables	11	20,480	20,480
iii. Other Financial Liabilities	10	0.00	4,565
b. Provisions	12	2,000,000	2,000,000
Total Current Liabilities		<u>2,020,480</u>	<u>3,525,045</u>
TOTAL - EQUITY AND LIABILITIES		<u>877,173</u>	<u>2,807,843</u>
Summary of significant accounting policies	2		

The accompanying notes form an integral part of these financial statements.



Titagarh Singapore Pte Ltd

[Signature]

Director

[Signature]

TITAGARH SINGAPORE PTE. LIMITED
STATEMENT OF PROFIT & LOSS ACCOUNT
For the period ended 30th September 2021

	Notes	Dec-21 Euro	Mar-21 Euro
INCOME			
Revenue from Operations	13	-	-
Other (losses)/gains	14	568	(2,357)
Total Income/(Loss)		568	(2,357)
EXPENSES			
- Finance Costs	15	19,597	99,100
- Other Expenses	16	12,515	12,541
Total Expenses		32,112	111,641
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS & TAX		(31,546)	(113,999)
Exceptional Items	17	(394,560)	(1,145,682)
LOSS BEFORE TAX		(426,106)	(1,259,681)
Income tax expense		-	-
Total Tax Expense		-	-
LOSS AFTER TAX AND TOTAL COMPREHENSIVE INCOME		(426,106)	(1,259,681)
Summary of significant accounting policies	2		

The accompanying notes form an integral part of these financial statements.



Titagarh Singapore Pte Ltd

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Director

[Handwritten signature]

TITAGARH SINGAPORE PTE. LIMITED
As at 31st December 2021
3. Investment
Investment in Associate Company:
Unquoted Equity Shares at Cost
Titagarh Firema SPA:

At beginning of financial year (29,37,647 shares of 1.27 Euro each)

Sale of Shares [Refer Note (a) below]

Diminution in the value of investments [Refer Note 17 (b)]

At end of financial year (29,37,647 shares of 0.88 Euro each)

Titagarh Wagons AFR: [Refer Note (b) below]

At beginning of financial year (4,100,000 shares of 1.32 Euro each)

Provision for Impairment

At end of financial year (4,100,000 shares of 1.32 Euro each)

	Dec-21 Euro	Mar-21 Euro
At beginning of financial year (29,37,647 shares of 1.27 Euro each)	2,585,130	3,730,812
Sale of Shares [Refer Note (a) below]	(1,500,089)	-
Diminution in the value of investments [Refer Note 17 (b)]	(394,560)	(1,145,682)
At end of financial year (29,37,647 shares of 0.88 Euro each)	690,481	2,585,130
At beginning of financial year (4,100,000 shares of 1.32 Euro each)	5,402,742	5,402,742
Provision for Impairment	(5,402,742)	(5,402,742)
At end of financial year (4,100,000 shares of 1.32 Euro each)	-	-
	690,481	2,585,130
Aggregate value of Quoted Investment	-	-
Aggregate value of Unquoted Investment	690,481	2,585,130
Aggregate value of diminution/impairment in Investment	5,797,302	6,548,424

Detail of the Associate Company is as follows:

Name of Associate Company	Country of Incorporation and Operation	Proportion of Ownership Interests		Principal Activities
		Dec-21	Mar-21	
		%	%	
Titagarh Firema SPA*	ITALY	11.06	22.60	Passenger/Metro Coaches, High Speed/ Semi High Speed Trains and Equipment
Titagarh Wagons AFR [Refer Note (b) below]	FRANCE	36.93	36.93	Railway Wagons and related accessories

Notes:

(a) During the last year, the company had sold 68,82,353 shares out of 98,20,000 shares of TFA to Titagarh Wagons Ltd thereby reducing its holding in the company from 98.2% to 29.38%. Hence, TFA is no longer a subsidiary to the company instead it had become an associate company.

(b) During the last year, the company has shown the carrying value of Investment in Titagarh Wagons AFR (TWA) as Nil Euro as the same has been impaired in full last year due to approval of the rehabilitation procedure of TWA by the Commercial court of Paris on 04th June, 2019.

(c) During the year the Company has shown the carrying value of its Investment in Titagarh Firema SpA as per the valuation report received by MSKA & Associates dated 03.06.2021 which leads to impairment in the value of investment in the equity shares of Titagarh Firema SpA held by Titagarh Singapore Pte Ltd.

(d) The financial statements of the associate have not been consolidated with the Company's financial statements as the Company itself is a wholly-owned subsidiary of Titagarh Wagons Limited, incorporated in India, which prepares consolidated financial statements which are available for public use and kept at its registered office at Titagarh Towers, 756, Anandapur, EM Bypass, Kolkata- 700107, India

*Audited by PricewaterhouseCoopers SpA, Italy

4. Other Financial Assets
Current

 Unsecured, considered good
 Receivable from Related Party
 Other Receivable

	Dec-21 Euro	Mar-21 Euro
Receivable from Related Party	166,769	164,019
Other Receivable	-	-
	166,769	164,019

5. Loans and Advances

 Unsecured, considered good
 Loans to Associate
 -Current
 Less: Provision for TWA FR Loan [Refer Note 17 (a)]
Total

	Dec-21 Euro	Mar-21 Euro
Loans to Associate -Current	-	-
Less: Provision for TWA FR Loan [Refer Note 17 (a)]	-	-
Total	-	-

6. Cash and cash Equivalents

 Cash at Bank
Total

	Dec-21 Euro	Mar-21 Euro
Cash at Bank	19,924	58,694
Total	19,924	58,694

7. Equity Share Capital
Equity Shares

At the beginning of the year

Allotment of Equity Shares

Reduction of Capital

Outstanding at the end of the year

	No. of shares	Dec-21 Euro	No. of shares	Mar-21 Euro
At the beginning of the year	1,000,000	895,771	20,000,000	17,915,420
Allotment of Equity Shares	-	-	-	-
Reduction of Capital	-	-	(19,000,000)	(17,019,649)
Outstanding at the end of the year	1,000,000	895,771	1,000,000	895,771

7.1 During the Year the Company has reduced its Share Capital from 20,000,000 fully paid-up ordinary shares with par value USD 1 per share amounting to Euro 17,915,420 to 1,000,000 shares with par value USD 1 per share amounting to Euro 895,771 pursuant to filing of Special Resolution under S78E.

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.



8. Other Equity**Retained Earnings**

Balance as per the last financial statements	(1,612,973)	(17,372,940)
Add: Profit/(Loss) for the year	(426,106)	(1,259,681)
Add: Accumulated loss reduction on account of Capital Reduction	-	17,019,649
Total Other Equity	(2,039,079)	(1,612,973)

9. Borrowings

	Dec-21 Euro	Mar-21 Euro
Current		
Short Term Loans from:		
Unsecured		
- Related Party (Note a)	-	1,500,000
	-	1,500,000

Notes:

a. Outstanding balance of Euro 1.50 Mn corresponds to the short term loan taken by the Company from the ultimate holding company, Titagarh Wagons Limited during the FY 2019-20. The loan carries interest rate of 4.00% p a and is repayable on demand.

10. Other Financial Liabilities

	Dec-21 Euro	Mar-21 Euro
Current		
Interest on Borrowings:		
- Related Party #	-	-
Withholding Tax payable	0	4,565
	0	4,565

The interest amount represent due to the holding company and are non-trade, unsecured and repayable on demand.

11. Trade and Other Payables

	Dec-21 Euro	Mar-21 Euro
Other Payables		
- Related Party #	20,480	20,480
During the period		
- Third Parties	0.00	0
During the period		
	20,480	20,480

The amounts represents due to the holding company and are non-trade, unsecured and repayable on demand.

12. Provisions

	Dec-21 Euro	Mar-21 Euro
Provision for Claim of guarantee issued on behalf of TWAFR [Refer Note 17 (a) (ii)]	2,000,000	2,000,000.00
	2,000,000	2,000,000.00

13. REVENUE FROM OPERATIONS

	Dec-21 Euro	Mar-21 Euro
Interest Income	-	-
	-	-

14. OTHER (LOSSES)/GAIN

	Dec-21 Euro	Mar-21 Euro
Gain on foreign exchange fluctuations	568	(8,393)
Derivative instruments at Fair Value through Profit and Loss	-	-
Tax Refund	-	2,710
Write Back of Liabilities	-	3,326
	568	(2,357)



for

15. FINANCE COSTS

	Dec-21 Euro	Mar-21 Euro
Interest on Borrowings - Banks:	-	-
Interest on Borrowings - Other:	18,082	69,207
Processing Fees on bank loans	-	-
Bank charges	1,175	5,417
Withholding Tax	340	24,477
	<u>19,597</u>	<u>99,100</u>

16. OTHER EXPENSES

	Dec-21 Euro	Mar-21 Euro
Auditor's Remuneration	-	-
Guarantee Commission	-	-
Legal & Professional Fees	6,728	12,541
Rates & Taxes	-	-
Tender Fees	5,788	-
	<u>12,515</u>	<u>12,541</u>

17. EXCEPTIONAL ITEMS

	Dec-21 Euro	Mar-21 Euro
Loan and other receivable w.r.t. TWAFR [Refer Note a (i) below]	-	-
Provision for Claim of guarantee issued on behalf of TWAFR [Refer Note a (ii) below]	-	-
Diminution in the value of Investment in TFA [Refer Note b below]	394,560	1,145,682
	<u>394,560</u>	<u>1,145,682</u>

a) In case of Titagarh Wagons AFR:

i) The Commercial Court of Paris vide its judgement dated 13th August, 2019 had approved a plan for transfer of business and assets of TWAFR to another bidder and ordered for liquidation of TWAFR. On 4th June 2019, the Commercial Court of Paris has approved the start of the Rehabilitation Procedure and from the said date, Titagarh Wagons Limited (the ultimate Parent Company) was no longer in control of TWAFR, under French Law. Titagarh Singapore Pte Ltd (the Company), had already provided for its investments and other receivables upto Euro 8,016,128 in the year ended March 31, 2019. Considering the above judgement, the management of the Company had, during the last year decided to make provision for the balance entire carrying value of its receivables for Euro 1,209,690 under Exceptional items in Profit & Loss Account in the financial year ended 31st March 2020.

ii) The Company has in the past issued certain comfort letter / guarantees ("guarantees") on behalf of Titagarh Wagons AFR (TWA), guaranteeing certain obligations (performance and financial) to be met by TWA. Although the obligations against some of the guarantees has been completed but there are certain obligations that is still continuing. Due to passing of the liquidation order of TWA by the Commercial court of Paris dated 13th August 2019, the Company had, as a matter of abundant precaution made provision against the same in the books during the financial year ended 31st March 2020.

b) In case of Titagarh Firema SPA:

The company has made diminution in the value of Investment of its Associate company as per the IND AS 113 and has measured the value per share at 0.88 Euro, thereby reducing the value by 0.39 Euro per share. The same has been considered on the basis of the valuation report prepared by MSKA & Associates dated 03.06.2021 which was done as per the request of the holding Company Titagarh Bridges and International Private Limited.

Diminution in Valuation is as follow:

2,937,647 shares @ 0.39 per share = 1,145,682 Euro approximately



Sanon