



TITAGARH SINGAPORE PTE LIMITED

AUDIT REPORT AS ON 31.03.20

LABH & ASSOCIATES

Chartered Accountants

www.labhassociates.co.in

TO, THE BOARD OF DIRECTORS

TITAGARH WAGONS LIMITED.

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Titagarh Singapore PTE Ltd (the component)**, a subsidiary of Titagarh Wagons Ltd (TWL) which comprise the Balance Sheet as at March 31, 2020, the statement of Profit and Loss, Statement of Change in Equity and Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements") These financial statement are prepared solely to enable TWL to prepare its consolidated financial statement.

In our opinion and to the best of our information and according to the explanations given to us,

- (a) the aforesaid financial statements of the component as at 31st March 2020, gives the information required for the purpose of presentation of Consolidated Financial Statement of the Parent company i.e Titagarh Wagons Limited.;
- (b) the aforesaid financial statement gives a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India.

Basis of Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

Since this is a limited purpose audit and is done solely to enable TWL to prepare its consolidated financial statement, this paragraph is not applicable in this case.



Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We have performed the audit at the request of the Board of Directors of M/S Titagarh Wagons Limited (TWL) for the use by TWL & statutory auditors of TWL for preparation of consolidated financial statement for the year ended March 2020 as stated in paragraph 1 above. The financial statement may, therefore, not be suitable for the other purposes.

For LABH & ASSOCIATES
Chartered Accountants
Firm Reg. No. 324828E



Piyush Lakhotia
(PARTNER)

M. No. 304491

UDIN : 20304491AAAAAQ7552

Place: Kolkata
Date: 07-10-2020

TITAGARH SINGAPORE PTE. LIMITED

BALANCE SHEET

As at 31st March 2020

	Notes	Mar-20 Euro	Mar-19 Euro
I. ASSETS			
Non- Current Assets			
a. Financial Assets			
i. Investment	3	3,730,812	25,020,000
ii. Other Financial Assets	4	-	170,345
		<u>3,730,812</u>	<u>25,190,345</u>
Current Assets			
a. Financial Assets			
i. Loans and Deposits	5	-	4,350,000
ii. Cash and Cash Equivalents	6	316,011	916,033
iii. Other Financial Assets	4	1,585,689	478,195
		<u>1,901,700</u>	<u>5,744,228</u>
TOTAL ASSETS		<u>5,632,512</u>	<u>30,934,573</u>
II. EQUITY AND LIABILITIES			
Equity			
i. Equity Share Capital	7	17,915,420	17,915,420
ii. Other Equity	8	(17,372,940)	(9,009,435)
Total Equity		<u>542,479</u>	<u>8,905,984</u>
Liabilities			
Non-current Liabilities			
a. Financial Liabilities			
i. Borrowings	9	-	12,628,978
ii. Other Financial Liabilities	10	-	240,673
Total Non-current Liabilities		<u>-</u>	<u>12,869,651</u>
Current Liabilities			
a. Financial Liabilities			
i. Borrowings	9	3,000,000	8,060,000
ii. Trade and Other Payables	11	79,841	46,697
iii. Other Financial Liabilities	10	10,192	1,052,241
b. Provisions	12	2,000,000	-
Total Current Liabilities		<u>5,090,033</u>	<u>9,158,938</u>
TOTAL - EQUITY AND LIABILITIES		<u>5,632,512</u>	<u>30,934,573</u>
Summary of significant accounting policies	2		

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



TITAGARH SINGAPORE PTE LTD

LABH & ASSOCIATES
Chartered Accountants
FRN : 324828E

Lakhota

PIYUSH LAKHOTIA
Partner

M. No.-304491

UDIN : 20304491AAAAAQ7552

Date : 07.10.2020

Amal Chandra
Director

Amal

TITAGARH SINGAPORE PTE. LIMITED

STATEMENT OF PROFIT & LOSS ACCOUNT

For the period ended March 2020

	Notes	Mar-20 Euro	Mar-19 Euro
INCOME			
Revenue from Operations	13	-	592,832
Other (losses)/gains	14	(456,091)	459,548
Total Income/(Loss)		(456,091)	1,052,380
EXPENSES			
- Finance Costs	15	682,308	1,196,754
- Other Expenses	16	276,227	144,203
Total Expenses		958,535	1,340,957
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS & TAX		(1,414,627)	(288,577)
Exceptional Items	17	(6,948,878)	(8,016,128)
LOSS BEFORE TAX		(8,363,505)	(8,304,705)
Income tax expense		-	-
Total Tax Expense		-	-
LOSS AFTER TAX AND TOTAL COMPREHENSIVE INCOME		(8,363,505)	(8,304,705)
Summary of significant accounting policies	2		
The accompanying notes form an integral part of these financial statements.			



TITAGARH SINGAPORE PTE LTD

Amr Kumar

Director

Savan

LABH & ASSOCIATES

Chartered Accountants

FRN : 324828E

Lakhotia

PIYUSH LAKHOTIA

Partner

M. No.-304491

UDIN : 20304491AAAAAQ7552

Date : 07.10.2020

TITAGARH SINGAPORE PTE LTD

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

The Company is incorporated and domiciled in Singapore. The address of its registered office is 24 Sin Ming Lane #05-104 Midview City, Singapore- 573970.

The principal activities of the Company are those of business and management consultancy services and investment holdings.

The immediate and ultimate holding company is Titagarh Wagons Limited, a public company incorporated in India.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements are prepared in accordance with the Indian Accounting Standards ("Ind AS") under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Euro, which is the functional currency of the company.

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions.

2.2 Group Accounting

These financial statements are the separate financial statements of Titagarh Singapore Pte. Limited. The Company is exempted from the requirement to prepare consolidated financial statements and from applying equity accounting to its investment in associate as the Company is a wholly-owned subsidiary of Titagarh Wagons Limited, a public listed company incorporated in India, which produces consolidated financial statements available for public use.

The registered office of the immediate and ultimate holding company, Titagarh Wagons Limited where those consolidated financial statements can be obtained, is as follows:-

756, Anandapur
E M Bypass
Kolkata- 700107
India



TITAGARH SINGAPORE PTE LTD

[Signature]

Director

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2.3 Subsidiary Companies

Subsidiaries are all entities (including structured entities) over which the company has control. The Company controls an entity when the Company 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 over the entity.

Investments in subsidiary companies are carried at cost less accumulated impairment losses. On disposal of investments in subsidiary companies, the difference between net disposal proceeds and the carrying amounts of the investments are recognised in profit and loss.

2.4 Associated Companies

Associated companies are entities over which the company has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

As the company meets the exemption criteria in *Ind AS 28 Investment in Associates and Joint Venture*, it does not apply equity method of accounting to its investment in the associated company and only presents the company's separate financial statements.

Investment in an associated company is carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of associated company, the difference between disposal proceeds and the carrying amounts of the investment is recognised in profit or loss.

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the year in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.6 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability that affects neither accounting nor taxable profit nor loss at the time of the transaction.

TITAGARH SINGAPORE PTE LTD



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Director

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

Deferred income tax is measured at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current and deferred income taxes are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a transaction which is recognised directly in equity.

The Company accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.7 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. The Company initially recognises financial assets on the date that they are originated.

(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.

•**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'.

TITAGARH SINGAPORE PTE LTD



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Director

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

•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 Gain / (Losses)' in the period in which it arises.

Equity Instruments

The Company subsequently measures all equity investments (other than investments in subsidiaries and joint venture) 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) Derecognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred. Any interest in transferred financial assets that is created or retained by the company is recognised as a separate asset or liability.

2.8 Loans and Other Receivables

Loans and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

2.9 Cash and Cash Equivalents

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.

2.10 Trade Receivable, Trade Payable & Other Payables

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 fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Trade payables 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.

Other payables are recognised initially at fair value and subsequent measured at amortised cost using the effective interest method.



TITAGARH SINGAPORE PTE LTD

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Director

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2.11 Revenue Recognition

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.

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on the time proportion basis using the effective interest method.

2.12 Derivative financial instruments

Derivative financial instruments are initially recognised at their fair values at the date the derivative contract is entered into and are subsequently re-measured to their fair values at the end of each financial year. The method of recognising the resulting gain or loss depends on whether the derivative is designated and effective as a hedging instrument, and if so, the nature of the item being hedged.

Fair Value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

2.13 Borrowings

Borrowings are presented under current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at their fair values (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.14 Related Parties

A related party is a person or entity that is related to the company.

Parties are considered to be related if (a) a person or a close member of that person's family is related to a reporting entity, if that person (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to a reporting entity if (i) the entity and the reporting entity are members of the same group; (ii) one entity is an associate or joint venture of the other entity; (iii) both entities are joint ventures of the same third party; (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity; (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity; (vi) the entity is controlled or jointly



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Director

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

controlled by a person identified in (a); (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity.

2.15 Financial guarantees

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and the amount initially recognised less cumulative amortisation, where appropriate.

2.16 Impairment of Assets

At each balance sheet, the company reviews the carrying amounts of its assets so as to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time of money and the risks specific to the asset.

If the recoverable amount of an asset(or cash- generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately in the profit or loss statement, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.17 Functional and Presentation Currency

Items included in the standalone 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 Euro, which is the Company's functional and presentation currency.

2.18 Foreign Currency Transactions

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-



[Signature]
Director

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

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.

2.19 Exceptional Items

When items of income and expenses within statement of profit and loss from ordinary activities are of as such size, nature and or incidence that there disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

2.20 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.

2.21 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.

TITAGARH SINGAPORE PTE LTD



A handwritten signature in blue ink, appearing to be "Anand K. S. S.", written over the printed name of the Director.

Director

A handwritten signature in blue ink, appearing to be "S. Anand", located at the bottom right of the page.

TITAGARH SINGAPORE PTE. LIMITED

Notes to the Financial Statements
As at 31st March 2020

3. Investment
Investment in Associate Company:
Unquoted Equity Shares at Cost
Titagarh Firema SPA:

At beginning of financial year (9,820,000 shares of 2.55 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 1.27 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 Investment

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

Aggregate value of Quoted Investment

Aggregate value of Unquoted Investment

Aggregate value of diminution/impairment in Investment

Detail of the Associate Company is as follows:

Name of Associate Company	Country of Incorporation and Operation	Proportion of Ownership Interests		Principal Activities
		Mar-20	Mar-19	
		%	%	
Titagarh Firema SPA*	ITALY	29.38	98.20	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 year, the company has 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 has now become an associate company.

(b) During the 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) 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
Non-current

Unsecured, considered good

Security Deposit

Current

Unsecured, considered good

Receivable from Related Party

Other Receivable

5. Loans and Advances

Unsecured, considered good

Loans to Associate

-Current

Less: Provision for TWAFR Loan [Refer Note 17 (a)]

Total

6. Cash and cash Equivalents

Cash at Bank

Total

7. Equity Share Capital
Equity Shares

At the beginning of the year

Allotment of Equity Shares

Outstanding at the end of the year

No. of shares	Mar-20	No. of shares	Mar-19
	Euro		Euro
20,000,000	17,915,420	20,000,000	17,915,420
20,000,000	17,915,420	20,000,000	17,915,420

The Company's share capital comprises fully paid-up 20,000,000 (2019 : 20,000,000) ordinary shares with no par value, amounting to a total of Euro 17,915,420 (2019: Euro 17,915,420).

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.

TITAGARH SINGAPORE PTE LTD

Shankar J. J. J.
Director



Sanu

8. Other Equity

Retained Earnings

Balance as per the last financial statements	(9,009,435)	(704,730)
Add: Profit/(Loss) for the year	(8,363,505)	(8,304,705)
Total Other Equity	(17,372,940)	(9,009,435)

9. Borrowings

	Mar-20 Euro	Mar-19 Euro
Non-current		
Secured		
Term Loan from ICICI Bank (Note a)	-	13,326,414
Less: Short term maturities classified to Other Financial Liabilities	-	(697,436)
	-	12,628,978
Current		
Short Term Loans from:		
Secured		
- The RBL Bank Limited (Note b)	-	8,060,000
Unsecured		
- Related Party (Note c)	3,000,000	-
	3,000,000	8,060,000

Notes:

a. The Company secured a Foreign currency term loan facility of United States dollar equivalent of Euro 16 million from ICICI Bank based in Dubai, UAE. The loan was repayable over a period of 8 years in eleven structured installments commencing in September 2018 and ending in October 2023. However the same has been prepaid by the Company in full in the month of November, 2019.

The loan facility was secured by way of Deed of Guarantee from the holding company and legal charges on the following:

- (i) Exclusive security interest of 100% shares of the Company held by the Holding Company.
- (ii) Exclusive security interest of 88% shares of the Subsidiary Company held by the Company.
- (iii) Exclusive security interest of 26% shares of the Associated Company held by the Company.
- (iv) Charge over The Debt Service Reserve Account (DSRA).

b. The Company had during the previous financial year taken a short term loan of Euro 8.06 million from The RBL Bank based in India. The loan was a revolving one year facility and carried interest rate of EURIBOR + 4.00% p.a. The loan has been repaid in full in this year. The Loan was secured by creation of corporate guarantee of INR 720 million from the holding company.

c. The Company has taken a short term loan of Euro 6.00 million in tranches from Titagarh Wagons Limited, its holding Company in the month of June 2019 & October 2019, out of which Euro 3.00 million was paid off in December 2019. The loan carries interest rate of 4.00% p.a and is repayable on demand.

10. Other Financial Liabilities

	Mar-20 Euro	Mar-19 Euro
Non-current		
Derivative Financial Instruments	-	240,673
	-	240,673
Current		
Current Maturity of Long-Term Debt	-	697,436
Interest on Borrowings:		
- Related Party #	10,192	354,805
	10,192	1,052,241

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

11. Trade and Other Payables

	Mar-20 Euro	Mar-19 Euro
Other Payables		
- Related Party #	64,800	35,238
- Third Parties	15,041	11,459
	79,841	46,697

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

12. Provisions

	Mar-20 Euro	Mar-19 Euro
Provision for Claim of guarantee issued on behalf of TWAFR [Refer Note 17 (a) (ii)]	2,000,000	-
	2,000,000	-

13. REVENUE FROM OPERATIONS

	Mar-20 Euro	Mar-19 Euro
Interest Income from Subsidiary	-	592,832
	-	592,832

14. OTHER (LOSSES)/GAIN

	Mar-20 Euro	Mar-19 Euro
Gain on foreign exchange fluctuations	579	43,791
Derivative instruments at Fair Value through Profit and Loss	(456,670)	415,757
	(456,091)	459,548



TITAGARH SINGAPORE PTE LTD

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Director

15. FINANCE COSTS

Interest on Borrowings - Banks:
Interest on Borrowings - Other:
Processing Fees on bank loans.
Bank charges

Mar-20 Euro	Mar-19 Euro
309,884	888,912
151,781	-
191,466	134,403
29,178	173,438
682,308	1,196,754

16. OTHER EXPENSES

Auditor's Remuneration
Guarantee Commission
Legal & Professional Fees
Rates & Taxes
Other Expenses

Mar-20 Euro	Mar-19 Euro
7,507	7,020
29,562	72,708
142,206	32,718
96,951	31,209
-	548
276,227	144,203

17. EXCEPTIONAL ITEMS

Loan and other receivable w.r.t. TWA FR [Refer Note a (i) below]
Diminution in the value of Investment in TFA [Refer Note b below]
Provision for Claim of guarantee issued on behalf of TWA FR [Refer Note a (ii) below]

Mar-20 Euro	Mar-19 Euro
1,209,690	8,016,128
3,739,188	-
2,000,000	-
6,948,878	8,016,128

a) In case of Titagarh Wagons AFR:

i) The Commercial Court of Paris vide its judgement dated 13th August, 2019 has approved a plan for transfer of business and assets of TWA FR to another bidder and ordered for liquidation of TWA FR. 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 TWA FR, 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 previous year ended March 31, 2019. Considering the above judgement, the management of the Company has 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.

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 has, as a matter of abundant precaution made provision against the same in the books.

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 1.27 Euro, thereby reducing the value by 1.28 Euro per share. The same has been considered on the basis of the valuation report prepared by Sumit Binani & Associates dated 24th September 2020 on the instruction of the ultimate holding company Titagarh Wagons Ltd.

Diminution in Valuation is as follow:

2,937,647 shares @ 1.28 per share = 3,739,188 Euro approximately

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TITAGARH SINGAPORE PTE. LIMITED

STATEMENT OF CASH FLOWS

For the Period ended March 2020

	31/03/2020	31/03/2019
	Euro	Euro
A. CASH FLOWS FROM OPERATING ACTIVITIES		
PROFIT BEFORE INCOME TAX	(8,363,505)	(8,304,705)
Adjustments for:		
Exceptional Items	6,948,878	8,016,128
Unrealised gain on foreign exchange fluctuations	-	45,752
Interest income from subsidiary	-	(592,832)
Finance expenses	682,308	1,196,754
Fair value (gain) / loss on derivative financial instruments	-	(415,757)
Operating (Loss)/Profit before working capital changes	(732,319)	(54,660)
Changes in working capital:		
Other Financial Asset	(937,150)	889,490
Trade Payable & Other Financial Liabilities	(1,249,579)	(213,898)
Cash used in operations	(2,919,047)	620,932
Interest received	-	592,832
Finance expenses paid	(682,308)	(1,196,754)
Cash used in operations	(3,601,356)	17,010
Income tax paid (Net of refund)	-	-
Net cash used in operating activities	(3,601,356)	17,010
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Sales of Investment in subsidiary	17,550,000	-
Loan refunded by Subsidiaries/Associate	3,350,000	18,700,000
Loans given to Subsidiaries/Associate	(209,690)	(3,550,000)
Net cash used in investing activities	20,690,311	15,150,000
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Borrowings	(23,688,978)	(14,750,000)
Receipt of Borrowing	6,000,000	-
Net cash generated from financing activities	(17,688,978)	(14,750,000)
Net decrease in cash and cash equivalents	(600,023)	417,010
Cash and cash equivalents at beginning of financial year	916,033	499,023
Cash and cash equivalents at end of financial year	316,011	916,033

TITAGARH SINGAPORE PTE LTD



Director

LABH & ASSOCIATES
Chartered Accountants
FRN : 324828E

PIYUSH LAKHOTIA
Partner

M. No. - 304491

UDIN : 20304491AAAAAQ7552

Date : 07.10.2020

TITAGARH SINGAPORE PTE. LIMITED
For the Period ended March 2020

STATEMENT OF CHANGES IN EQUITY	Share Capital	Accumulated Losses	Total Equity
	Euro	Euro	Euro
Mar-20			
Beginning of financial year	17,915,420	(9,009,435)	8,905,985
Profit for the year	-	(8,363,505)	(8,363,505)
Total transactions with owners, recognised directly in equity	-	-	-
End of financial year	17,915,420	(17,372,940)	542,480
2019			
Beginning of financial year	17,915,420	(704,730)	17,210,690
Profit for the year	-	(8,304,705)	(8,304,705)
End of financial year	17,915,420	(9,009,435)	8,905,985



TITAGARH SINGAPORE PTE LTD

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Director

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TITAGARH SINGAPORE PTE. LIMITED
Notes to the Financial Statements
As at 31st March 2020

20 RELATED PARTY TRANSACTIONS

(a) In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and the related parties at terms agreed between the parties:

Related Parties where control exists:

Holding Company: Titagarh Wagons Limited

Other Related Party

Associate Company: Titagarh Firema S.p.A (Subsidiary Company till 14/11/2019)
 Titagarh Wagons AFR [Refer Note 17 a (i)]

Details of transactions between the Company and related parties and outstanding balances as at the year end are given below:

Nature of transactions	Holding Company	Associate Company	Total
	Euro	Euro	Euro
In relation to the Statement of Profit and Loss			
Interest Income on Loans and Advances			
Titagarh Firema S.p.A	-	-	-
	-	(478,195)	(478,195)
Interest Payable on Loans and Advances			
Titagarh Wagons Limited	151,781	-	151,781
	-	-	-
Corporate Guarantee Commission			
Titagarh Wagons Limited	29,562	-	29,562
	(72,708)	-	(72,708)
In relation to the Balance Sheet			
Sale of Investment			
Titagarh Firema S.p.A	17,550,000	-	17,550,000
	-	-	-
Loan Refunded			
Titagarh Firema S.p.A	-	3,350,000	3,350,000
	-	-	-
Loan Taken			
Titagarh Wagons Limited	6,000,000	-	6,000,000
	-	-	-
Loan Repaid			
Titagarh Wagons Limited	3,000,000	-	3,000,000
	-	-	-
Balance outstanding as at the year end - Debit			
Titagarh Firema S.p.A (Loan & Interest)	-	-	-
	-	(3,828,195)	(3,828,195)
Titagarh Firema S.p.A (Investment)	-	3,730,812	3,730,812
[Net of 3,739,188 Euro impairment (March 31, 2019: Nil)].	-	(25,020,000)	(25,020,000)
Balance outstanding as at the year end - Credit			
Titagarh Wagons Limited (Loan, Interest, Other Receivable & Payable)	2,989,303	-	2,989,303
	(35,238)	-	(35,238)

Figures in brackets relate to previous year.

(b) **Key management personnel compensation**

There was no paid compensation to the Board of Directors. Chief Executive Officer and members of the Board of Directors do not have special rights for remuneration, bonus or severance pay by end of duty.

23 IMMEDIATE AND ULTIMATE HOLDING CORPORATION

The immediate and ultimate holding company is Titagarh Wagons Limited, a public company incorporated in India.

TITAGARH SINGAPORE PTE LTD

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 Director



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