

Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Titagarh Rail Systems Limited (Formerly known as Titagarh Wagons Limited)

Report on the Audit of Consolidated Financial Results

Opinion

1. We have audited the consolidated annual financial results of Titagarh Rail Systems Limited (Formerly known as Titagarh Wagons Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate company and joint venture (Refer note 1 to the consolidated annual financial results) for the year ended March 31, 2023 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations') which has been initialed by us for identification purposes.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial information of the subsidiaries, the aforesaid consolidated financial results:

(i) include the annual financial results of the following entities

1.	Titagarh Wagons Limited
	Subsidiaries
2.	Titagarh Singapore Pte Ltd
3.	Titagarh Firema S.p.A upto September 8, 2022 (Refer note 3 of the consolidated annual results)
	Joint Venture
4.	Titagarh Mermec Private Limited
	Associate
5.	Titagarh Firema S.p.A with effect from September 9, 2022 (Refer note 3 of the consolidated annual results)

(ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(iii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Group, its associate company and joint venture for the year ended March 31, 2023 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date.

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 Consolidated Financial Statements" section of our report. We are independent of the Group, its associate company and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained

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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)



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To the Board of Directors of Titagarh Wagons Limited
Report on the Consolidated Financial Results

and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 13 of the Other Matters section below, other than the unaudited financial information as certified by the Board of Directors authorized personnel and referred to in sub-paragraph 4 of Emphasis of Matter and sub-paragraph 14 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to note 3 of the consolidated financial results which describes that the financial information of Titagarh Firema SpA, Italy, an associate company of the Group with effect from September 9, 2022, has been considered based on unaudited financial information for the reasons mentioned therein. The consolidated financial results include the Group's share of loss of Rs. 1,272.63 lacs for the period from September 9, 2022, to March 31, 2023, in respect of the aforesaid associate company, which has resulted in reduction of carrying amount of the investment to Nil as at March 31, 2023. The financial information is unaudited and has been furnished to us by the Management, and our opinion on the consolidated financial results insofar as it relates to the amounts and disclosures included in respect of the associate company, is based solely on unaudited financial information, which is subject to audit by other auditors.

Our opinion on the consolidated financial results is not modified in respect of the above matter with respect to the financial information certified by the Board of Directors authorized personnel.

5. The following Emphasis of Matter (as reproduced) has been communicated to us by the auditors of Titagarh Singapore Pte Ltd, a subsidiary of the Holding Company, vide their report dated May 23, 2023:

"We draw attention to Para 4 of Note No 2.1 of Financial Statement which mentions passing of Board Resolution by shareholders of the company, for voluntary winding up of Titagarh Singapore PTE Ltd and therefore the financial statements are prepared on the basis of liquidation."

Refer Note 4(b) to the consolidated annual financial results in this regard.

Our opinion is not modified in respect of the above matter.

Board of Directors' Responsibilities for the Consolidated Financial Results

6. These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including its associate company and joint venture and the consolidated statement of assets and liabilities and the consolidated statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associate company and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate company and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Titagarh Wagons Limited
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7. In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group and of its associate company and joint venture are responsible for assessing the ability of the Group and its associate company and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group and its associate company and joint venture or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group and of its associate company and joint venture are responsible for overseeing the financial reporting process of the Group and of its associate company and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 16 below)
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate company and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate company and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.



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To the Board of Directors of Titagarh Wagons Limited
Report on the Consolidated Financial Results

- Obtain sufficient appropriate audit evidence regarding the financial financial information of the entities within the Group and its associate company and joint venture to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 12. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

13. We did not audit the financial information of a subsidiary (refer Note 4(b) to the consolidated annual financial results) included in the consolidated financial results, whose financial information reflect total assets of Rs. 1,461.32 lacs and net assets of Rs. 1,453.77 lacs as at March 31, 2023 and total net profit after tax from discontinued operations of Rs. 2,277.83 Lacs and total comprehensive income from discontinued operations of Rs. 2,277.83 Lacs for the year ended March 31, 2023, and cash flows (net) of Rs. 1,367.31 Lacs for the year ended March 31, 2023, as considered in the consolidated financial results. Further, we did not audit the financial information of a subsidiary whose financial information reflects loss after tax from discontinued operations of Rs. 4,675.75 Lacs for the period April 1, 2022 to September 8, 2022, as considered in consolidated annual financial results. These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 12 above.
14. The consolidated financial results also includes the Group's share of net profit after tax of Rs. Nil and total comprehensive income of Rs. Nil for the year ended March 31, 2023, respectively, as considered in the consolidated financial results, in respect of one joint venture, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this joint venture, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Board of Directors authorized representatives.

15. The Consolidated Financial Results include the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter ended December 31, 2022 of the current financial year, which are neither subject to limited review nor audited by us.



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16. The consolidated annual financial results dealt with by this report have been prepared for the express purpose of filing with stock exchanges. These results are based on and should be read with the audited consolidated financial statements of the group, its associate company and joint venture, for the year ended March 31, 2023 on which we have issued an unmodified audit opinion vide our report dated May 24, 2023.

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



Pramit Agrawal
Partner

Membership Number 099903
UDIN: 23099903BGWLOK2577
Place: Kolkata
Date: May 24, 2023

TITAGARH RAIL SYSTEMS LIMITED (FORMERLY TITAGARH WAGONS LIMITED)
CIN NO:- L27320WB1997PLC084819
REGISTERED OFFICE - 756, ANANDAPUR, E M BYPASS, KOLKATA - 700107
TEL: 033-4019 0800/FAX: 033-4019 0823, WEB SITE: WWW.TITAGARH.IN, EMAIL: CORP@TITAGARH.IN
STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

		(Rs. in Lacs)				
Sl. NO.	PARTICULARS	QUARTER ENDED			YEAR ENDED	
		March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
		Unaudited (Refer Note 5 below)	Unaudited	Unaudited	Audited	Audited
1	Revenue from Operations	97,421.55	76,640.28	42,218.74	277,959.04	146,750.42
2	Other Income	698.30	1,044.42	401.37	4,258.30	1,772.84
3	Total Income	98,119.85	77,684.70	42,620.11	282,217.34	148,523.26
4	Expenses					
a)	Cost of Raw Materials & Components Consumed	75,296.10	58,137.22	30,658.15	216,530.39	103,725.80
b)	Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap	(558.41)	2,506.46	(615.68)	(1,536.56)	1,032.25
c)	Employee Benefits Expense	1,689.62	1,417.23	1,302.71	5,652.64	4,542.08
d)	Finance Costs	2,224.95	2,304.11	1,567.56	8,074.67	5,726.80
e)	Depreciation and Amortisation Expense	637.74	541.63	555.38	2,250.35	1,838.34
f)	Other Expenses	11,443.78	7,313.16	6,279.07	30,963.52	20,959.00
5	Total Expenses (a to f)	90,733.78	72,219.81	39,747.19	261,935.01	137,824.27
6	Profit before Share of Loss of Joint Ventures or Associates, Exceptional Items and Tax (3-5)	7,386.07	5,464.89	2,872.92	20,282.33	10,698.99
7	Share of Loss of Joint Ventures or Associate	(370.13)	(736.86)	-	(1,272.63)	-
8	Profit before Exceptional Items and Tax (6-7)	7,015.94	4,728.03	2,872.92	19,009.70	10,698.99
9	Exceptional Items	-	-	-	-	-
10	Profit before Tax from continuing operations (8-9)	7,015.94	4,728.03	2,872.92	19,009.70	10,698.99
11	Tax Expense					
a)	Current tax	1,787.05	1,587.05	189.93	5,305.50	2,632.45
b)	Deferred Tax -Charge/(Credit)	429.36	(45.00)	436.26	240.87	286.88
	Total Tax Expense	2,216.41	1,542.05	626.19	5,546.37	2,919.33
12	Profit for the Period / Year from continuing operations (10-11)	4,799.53	3,185.98	2,246.73	13,463.33	7,779.66
13	Profit / (Loss) from discontinued operations (Refer Note 3 and 4 below)	24.12	69.26	(4,636.22)	(891.70)	(7,803.47)
14	Tax expense of discontinued operations	-	-	(141.10)	-	(44.74)
15	Profit / (Loss) for the Period / Year from discontinued operations (13+14)	24.12	69.26	(4,777.32)	(891.70)	(7,848.21)
16	Profit / (Loss) for the Period / Year (12+15)	4,823.65	3,255.24	(2,530.59)	12,571.63	(68.55)
	Attributable to:					
	Shareholders of the Company	4,823.65	3,255.24	(2,494.88)	13,020.37	(32.84)
	Non-Controlling Interest	-	-	(35.71)	(448.74)	(35.71)
17	Other Comprehensive Income					
a)	Items that will be reclassified to profit or loss:					
i)	Net Gain/(Loss) on Foreign Currency Translation Differences	(124.05)	135.54	25.88	20.42	1.89
ii)	Fair value change of cash flow hedges	145.46	(345.18)	243.72	(1,361.11)	743.00
iii)	Tax expenses on above	(36.61)	86.87	(61.34)	342.56	(187.00)
b)	Items that will not be reclassified to profit or loss:					
i)	Remeasurement gains/(losses) on defined benefit plans	(16.73)	4.88	(11.93)	(2.10)	19.50
ii)	Tax expenses on above	4.21	(1.23)	3.00	0.53	(4.91)
	Total Other Comprehensive Income	(27.72)	(119.12)	199.33	(999.70)	572.48
	Attributable to:					
	Continuing Operations	96.33	(254.66)	173.45	(1,020.12)	570.59
	Discontinued Operations	(124.05)	135.54	25.88	20.42	1.89
18	Total Comprehensive Income for the Period / Year (16+17)	4,795.93	3,136.12	(2,331.26)	11,571.93	503.93
	Attributable to:					
	Continuing Operations	4,895.86	2,931.32	2,420.18	12,443.21	8,350.25
	Discontinued Operations	(99.93)	204.80	(4,751.44)	(871.28)	(7,846.32)
	Attributable to:					
	Shareholders of the Company	4,795.93	3,136.12	(2,295.55)	12,020.67	539.64
	Non-Controlling Interest	-	-	(35.71)	(448.74)	(35.71)
19	Paid-up Equity Share Capital (Face value Rs. 2/- each)	2,391.42	2,391.42	2,391.42	2,391.42	2,391.42
	Other Equity				93,963.75	81,821.40
20	Earnings/(Loss) Per Equity Share (of Rs. 2/- each) (Not Annualised except for March 31, 2023 and March 31, 2022)					
	For Continuing Operations					
	- Basic (Rs.)	4.01	2.67	1.91	10.89	6.54
	- Diluted (Rs.)	4.01	2.67	1.91	10.89	6.54
	For Discontinued Operations					
	- Basic (Rs.)	0.02	0.06	(4.00)	(0.75)	(6.57)
	- Diluted (Rs.)	0.02	0.06	(4.00)	(0.75)	(6.57)
	For Continuing and Discontinued Operations					
	- Basic (Rs.)	4.03	2.72	(2.09)	10.89	(0.03)
	- Diluted (Rs.)	4.03	2.72	(2.09)	10.89	(0.03)



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TITAGARH RAIL SYSTEMS LIMITED (FORMERLY TITAGARH WAGONS LIMITED)						
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TEL: 033-4019 0800/FAX: 033-4019 0823, WEB SITE: WWW.TITAGARH.IN, EMAIL: CORP@TITAGARH.IN						
CONSOLIDATED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES						
SL. NO.	PARTICULARS	QUARTER ENDED			YEAR ENDED	
		March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
		Unaudited (Refer Note 5 below)	Unaudited	Unaudited	Audited	Audited
1	Segment Revenue					
	a) Freight Rail Systems	80,810.11	61,153.24	35,936.40	225,093.47	127,307.51
	b) Passenger Rail Systems	16,611.44	15,487.04	6,282.34	52,865.57	19,442.91
	Revenue from operation/ Income from Operations	97,421.55	76,640.28	42,218.74	277,959.04	146,750.42
2	Segment Results [Profit before Tax]					
	a) Freight Rail Systems	8,527.71	6,288.01	4,719.58	23,570.94	17,302.47
	b) Passenger Rail Systems	1,001.34	511.32	294.89	2,198.13	614.03
	Total	9,529.05	6,799.33	5,014.47	25,769.07	17,916.50
	Less:					
	i Interest Expense - Net	1,427.75	1,274.46	626.26	4,579.70	2,431.12
	ii Unallocable expenditure net of income	1,085.36	796.84	1,515.29	2,179.67	4,786.39
	Total Profit before Tax	7,015.94	4,728.03	2,872.92	19,009.70	10,698.99
	Less: Tax Expenses	2,216.41	1,542.05	626.19	5,546.37	2,919.33
	Total Profit after Tax from continuing operations	4,799.53	3,185.98	2,246.73	13,463.33	7,779.66
	Profit / (Loss) from discontinued operations (Refer Note 3 & 4 below)	24.12	69.26	(4,636.22)	(891.70)	(7,803.47)
	Tax expense of discontinued operations	-	-	(141.10)	-	(44.74)
	Total Profit / (Loss) after Tax from discontinued operations	24.12	69.26	(4,777.32)	(891.70)	(7,848.21)
	Total Profit / (Loss) after Tax	4,823.65	3,255.24	(2,530.59)	12,571.63	(68.55)
3	Segment Assets					
	a) Freight Rail Systems	117,946.10	107,299.67	81,729.87	117,946.10	81,729.87
	b) Passenger Rail Systems	61,689.58	56,678.85	146,729.78	61,689.58	146,729.78
	c) Unallocable	45,171.40	42,647.58	39,431.14	45,171.40	39,431.14
	Total	224,807.08	206,626.10	267,890.79	224,807.08	267,890.79
4	Segment Liabilities					
	a) Freight Rail Systems	63,270.33	51,017.33	33,160.78	63,270.33	33,160.78
	b) Passenger Rail Systems	36,407.46	35,148.44	57,868.53	36,407.46	57,868.53
	c) Unallocable	28,774.12	29,032.94	92,634.25	28,774.12	92,634.25
	Total	128,451.91	115,198.71	183,663.56	128,451.91	183,663.56
5	Geographical Segment Revenue					
	a) India	97,140.75	76,617.75	42,218.74	277,655.71	146,750.42
	b) Rest of the World	280.80	22.53	-	303.33	-
	Total	97,421.55	76,640.28	42,218.74	277,959.04	146,750.42



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CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES

SL No	PARTICULARS	(Rs. in Lacs)	
		March 31, 2023	March 31, 2022
		Audited	Audited
	ASSETS		
1	Non-current Assets		
	a) Property, Plant and Equipment	61,998.03	87,901.56
	b) Right-of-use Assets	10,191.97	5,991.81
	c) Investment Property	821.24	821.24
	d) Capital Work-in-progress	1,227.91	1,518.05
	e) Intangible Assets (Other than Goodwill)	164.09	1,869.40
	f) Intangible Assets under Development	-	4,592.93
	h) Financial Assets		
	(i) Investments	3,179.80	3,015.26
	(ii) Others Financial Assets	6,060.15	3,818.44
	i) Deferred Tax Assets (Net)	-	3,792.36
	j) Non-current Tax Assets (Net)	2,868.68	2,640.77
	k) Contract Assets	87.38	-
	l) Other Non-current Assets	3,991.71	1,762.08
	Sub total - Non-current Assets	90,590.96	117,723.90
2	Current Assets		
	a) Inventories	46,137.13	50,385.63
	b) Financial Assets		
	(i) Trade Receivables	27,914.49	23,256.63
	(ii) Cash and Cash Equivalents	5,540.55	895.85
	(iii) Bank Balances other than (ii) above	4,457.79	3,309.76
	(iv) Others Financial Assets	634.22	8,736.86
	c) Contract Assets	27,080.65	42,650.95
	d) Other Current Assets	22,380.16	20,931.21
	Sub total - Current Assets	134,144.99	150,166.89
3	Asset held for sale	71.13	-
	TOTAL - ASSETS	224,807.08	267,890.79
	EQUITY AND LIABILITIES		
	EQUITY		
	a) Share Capital	2,391.42	2,391.42
	b) Other Equity	93,963.75	81,821.40
	Total Equity - Attributable to Owners of Titagarh Wagons Ltd	96,355.17	84,212.82
	Non - Controlling Interest	-	14.41
	Total Equity	96,355.17	84,227.23
	LIABILITIES		
1	Non-current Liabilities		
	a) Financial Liabilities		
	(i) Borrowings	4,962.50	49,557.75
	(ii) Lease Liabilities	9,945.92	5,665.56
	b) Contract Liabilities	2,826.72	-
	c) Provisions	343.64	340.93
	d) Deferred Tax Liabilities (Net)	1,346.36	1,448.60
	Sub total - Non-current Liabilities	19,425.14	57,012.84
2	Current Liabilities		
	a) Financial Liabilities		
	(i) Borrowings	19,969.91	36,495.29
	(ii) Lease Liabilities	447.69	260.81
	(iii) Trade Payables		
	a) Total Outstanding Dues of Micro Enterprises and Small Enterprises	574.92	686.99
	b) Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises	31,733.41	43,185.84
	(iv) Other Financial Liabilities	751.13	1,182.39
	b) Contract Liabilities	53,863.86	33,790.89
	c) Other Current Liabilities	306.62	680.76
	d) Provisions	772.12	8,778.30
	e) Current Tax Liability (Net)	527.61	1,589.45
	Sub total - Current Liabilities	108,947.27	126,850.72
3	Liabilities Held for sale	79.50	-
	TOTAL - LIABILITIES	128,451.91	183,663.56
	TOTAL - EQUITY AND LIABILITIES	224,807.08	267,890.79



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TITAGARH RAIL SYSTEMS LIMITED (FORMERLY TITAGARH WAGONS LIMITED)
CIN NO:- L27320WB1997PLC084819
REGISTERED OFFICE - 756, ANANDAPUR, E M BYPASS, KOLKATA - 700107
TEL: 033-4019 0800/FAX: 033-4019 0823, WEB SITE: WWW.TITAGARH.IN, EMAIL: CORP@TITAGARH.IN
CONSOLIDATED STATEMENT OF CASH FLOW

		(Rs. in Lacs)	
SL No.	PARTICULARS	YEAR ENDED	
		March 31, 2023	March 31, 2022
		Audited	Audited
1	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit/(Loss) before Tax from:		
	Continuing Operations	19,009.70	10,698.99
	Discontinued Operations	(891.70)	(7,803.47)
	Profit/(Loss) before Tax	18,118.00	2,895.52
	Adjustments for:		
	Depreciation and Amortisation Expense	2,250.35	3,327.48
	Finance Cost	8,074.67	9,339.50
	Employee Stock Option Expenses	-	16.68
	Unrealised Foreign Exchange Fluctuations (Gain)/Loss	(1,464.85)	20.13
	Irrecoverable Debts/ Advances Written Off (net)	2,526.81	2,253.48
	Warranty Claims (net)	-	3,390.93
	Net Gain on Disposal of Property, Plant and Equipment	(17.95)	(290.32)
	Net Gain on Disposal of Investments	-	(24.27)
	Fair Value (Gain)/Loss on Investment in Equity Securities at FVTPL	(164.55)	(183.28)
	Share of Loss of Associates	1,272.63	-
	Unspent Liabilities / Provisions No Longer Required Written Back	(335.99)	(14.20)
	Other Income for Security Deposit of Leases	(16.55)	(6.77)
	Interest Income	(759.41)	(576.38)
	Discontinued operations - non cash portion	(3,481.51)	-
	Operating Profit before Changes in Operating Assets and Liabilities	26,001.65	20,148.50
	Increase in Trade Payables	12,910.09	3,945.38
	Increase in Contract Liabilities	22,899.69	7,211.19
	Increase / (Decrease) in other Non-current and Current Financial and Non-financial Liabilities and Provisions	2,276.08	(3,642.47)
	Increase in Trade Receivables	(10,280.68)	(5,272.04)
	Increase in Inventories	(17,277.43)	(14,182.39)
	Increase in Contract Assets	(17,296.90)	(5,248.88)
	(Increase) / Decrease in other Non-current and Current Financial and Non-financial Assets	(8,545.57)	3,673.46
	Cash Generated From Operations	10,686.93	6,632.75
	Income Taxes Paid (Net of Refund)	(6,595.25)	(1,173.86)
	Net Cash From Operating Activities	4,091.68	5,458.89
2	CASH FLOWS FROM INVESTING ACTIVITIES		
	Payments for Acquisition of Property, Plant and Equipment including Capital Work-in-Progress, Intangible Assets and Intangible Assets under Development	(3,674.09)	(10,217.70)
	Proceeds from Disposal of Property, Plant and Equipment	23.18	612.89
	Proceeds from non current Investment	-	320.22
	Fixed Deposits Made	(7,125.07)	(10,191.89)
	Fixed Deposits Matured	4,053.43	12,079.58
	Interest Received	587.38	448.86
	Net Cash Used in Investing Activities	(6,135.17)	(6,948.04)
3	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from Issue of Equity Shares Pursuant to Employee Stock Option Scheme	-	81.13
	Transactions with Non-controlling Interests	1,656.84	85.78
	Proceeds from Long-term Borrowings	4,962.50	-
	Proceeds from Loan from Related Parties	-	2,000.00
	Repayment of Loan from Related Parties	(2,000.00)	-
	Repayment of Long-term Borrowings	(2,705.02)	(10,325.53)
	Payment of Lease Liabilities	(864.83)	(385.75)
	Receipts/(Payments) of Short-term Borrowings (Net)	10,798.89	9,571.73
	Finance Costs Paid	(5,193.50)	(6,295.23)
	Dividend Paid (including Dividend Distribution Tax) for earlier years	(2.28)	(2.73)
	Net Cash From / (Used in) Financing Activities	6,652.60	(5,270.60)
4	Exchange Differences on Translation of Foreign Currency Cash and Cash Equivalents	35.59	(313.78)
	Net Increase / (Decrease) in Cash and Cash Equivalents (1+2+3+4)	4,644.70	(7,073.53)
	Cash and Cash Equivalents - Opening Balance	895.85	7,969.38
	Cash and Cash Equivalents - Closing Balance	5,540.55	895.85
5	The above Cash flow includes following related to discontinued operation		
	Net Cash Used in Operating Activities	4,061.48	1,623.11
	Net Cash Used in Investing Activities	(1,506.92)	(1,384.24)
	Net Cash Generated from Financing Activities	12,649.17	(2,747.14)
		15,203.73	(2,508.27)

Note:

Non cash transaction arising on loss of control in subsidiary in resulting such investment of Rs. 1,272.63 lacs being classified as associate (Refer note 3) have been excluded from the above Statement of Cash Flows



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TITAGARH RAIL SYSTEMS LIMITED (FORMERLY TITAGARH WAGONS LIMITED)
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TEL: 033-4019 0800/FAX: 033-4019 0823, WEB SITE: WWW.TITAGARH.IN, EMAIL: CORP@TITAGARH.IN
STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

Notes:

- The consolidated financial results of Titagarh Wagons Limited (hereinafter referred to as "the Parent Company") include results of subsidiaries Titagarh Firema S.p.A (upto September 8, 2022) and Titagarh Singapore Pte Limited (TSPL), collectively referred to as "the Group" and one associate and one joint venture namely Titagarh Firema S.p.A (from September 9, 2022) and Titagarh Mermec Private Limited respectively.
- The Hon'ble National Company Law Tribunal (NCLT), Kolkata vide its order dated October 26, 2022 has approved the Scheme of amalgamation ("the Scheme") of Titagarh Bridges and International Private Limited (TBIPIL) - a wholly owned subsidiary with the Parent Company with April 01, 2021 as the Appointed Date. In terms of the Scheme, no consideration has been paid and the equity shares and optionally fully convertible debentures held by the Company in TBIPIL stands cancelled. Since TBIPIL was already consolidated as a subsidiary in these consolidated financial results prior to the amalgamation in accordance with Indian Accounting Standard (IND AS) 110 Consolidated Financial Statements, the amalgamation did not result in any significant impact on the consolidated financial results.
- The equity stake of the Company in Titagarh Firema S.p.A (TFA), an erstwhile subsidiary of the Parent Company, got reduced to 49.70% as on September 8, 2022 on account of issuance of fresh equity shares to new investors by TFA, and this reduction in equity holding along with the change in the corporate structure of TFA resulted in the Company's loss of control in TFA as a subsidiary which since became an associate company w.e.f. September 9, 2022. Accordingly, the financial results of TFA upto September 8, 2022 have been disclosed as discontinued operations (including all prior period presented) which comprises of loss from operations and net gain on loss of control as under:

(Rs. in Lacs)

Particulars	Quarter Ended			Year ended	
	March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
Loss from Discontinued operations after tax	-	-	(4,724.30)	(3,748.08)	(7,783.46)

On September 8, 2022, the accounting for the loss of control of TFA for the period April 1, 2022 to September 8, 2022, which was earlier done as per management accounts has now been subjected to an audit and the audit conclusion resulted in no change in the reported numbers. The carrying value of the investments in TFA, as on the September 9, 2022 was Rs. 1,272.63 lacs.

The financial results of TFA for the period September 9, 2022 to March 31, 2023 have been considered based on management accounts provided by TFA and the proportionate share of loss of TFA under equity method in accordance with Ind AS 28 has resulted in reduction in the net value of investment in TFA in the books of the Parent Company. As a result, the net value of investment in TFA in the books of the Parent Company has reduced to nil as on March 31, 2023. While the audit and approval of financial statement of TFA for the year ended March 31, 2023, will be completed in due course alongwith the audit as per local laws and regulations followed by Italian companies, however considering that the carrying value of said investments as on March 31, 2023 has already been reduced to nil, no significant impact is envisaged due to this in the results of the Parent Company.

- Discontinued operations for the reported period also includes following in addition to the amount included in Note 3 above-

(Rs. in Lacs)

Particulars	Quarter Ended			Year ended	
	March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
Profit from Discontinued operations after tax pertaining to Titagarh Wagons AFR, France (Refer Note a below)	-	-	-	2,761.78	-
Profit / (Loss) from Discontinued operations after tax pertaining to TSPL (Refer Note b below)	24.12	69.26	88.08	94.60	(20.01)

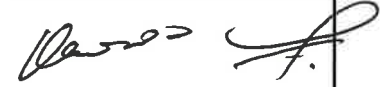
(a) amounts awarded in favour of the Parent Company and its subsidiary amounting to Rs 1,158.02 lacs by the Commercial Court of Paris with respect to its claims relating to Titagarh Wagons AFR (France) and also reversal of provisions amounting to Rs 1,603.76 lacs relating to the same entity (disclosed as discontinued operations in earlier years) which are no longer deemed necessary.

(b) In continued efforts to simplify the Corporate structure, based on the approval by the Board of Directors of the Parent Company, voluntary winding up of TSPL in compliance with the local rules and regulations at Singapore has already been initiated. Accordingly, the financial statements of TSPL has been prepared on liquidation basis (fair value) for the year ended March 31, 2023 and the results for all the period reported has been disclosed as discontinuing operations. Accordingly, following note has been referred to by the auditors of TSPL in their report:

"The shareholders (Titagarh Wagons Limited) of the company passed a Board resolution to voluntary wind up the company. In view of the same the accounts of the company are not prepared on Going Concern basis and has been prepared on Liquidation Basis (Fair Value)".

- Figures for the quarter ended March 31, 2023, represents the difference between audited figures in respect of the full financial year and the published figures of nine months ended December 31, 2022.
- Considering the changes in the overall business activities and internal re-organisation, the chief operating decision maker have reassessed the Operating segments and have decided to merge the "Shipbuilding, Bridges and Defence" (SBD) segment with Freight Rolling Stock. Accordingly, the Operating segment of the Company has been identified as "Freight Rail Systems" (which includes shipbuilding, bridges and defence) and "Passenger Rail Systems". The segment reporting for the comparative periods have been restated for comparability purpose in keeping with the requirements of IND AS 108 - Operating Segment.
- The Board at its meeting held on March 17, 2023 approved change of name of the Parent Company to Titagarh Rail Systems Limited to better reflect the current business activities and after shareholders approval obtained on April 27, 2023 the necessary forms have been filed with MCA. The final approval alongwith fresh certification of incorporation has been received on May 19, 2023.
- The Board of Directors recommended a dividend of ₹0.50/- per Ordinary (Equity) Share of ₹2/- each (25%) to the shareholders of the Company for the FY2022-23. The dividend recommended by the Board of Directors of the Company is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM) of the Company. The dividend, if approved by the shareholders at the AGM, will be paid, subject to deduction of tax at source.
- The above consolidated financial results for the quarter and year ended March 31, 2023, have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 24, 2023.

For and on behalf of the Board of Directors



UMESH CHOWDHARY
Vice-Chairman & Managing Director

Place: Kolkata
Date: May 24, 2023



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Handwritten signature