

Price Waterhouse & Co Chartered Accountants LLP

Independent Auditor's Report

To the Members of Titagarh Firema Engineering Services Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Titagarh Firema Engineering Services Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, 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 material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of 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.



Price Waterhouse & Co Chartered Accountants LLP, Plot No. 56 & 57, Block DN, Sector V, Salt Lake
Kolkata - 700 091, India
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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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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 Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, 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, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. 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

8. 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.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the 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



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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.

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. 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, except that in the absence of sufficient appropriate audit evidence, we are unable to verify whether the backup of certain books of account and other books and papers maintained in electronic mode has been maintained on a daily basis on servers physically located in India during the year and for the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (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 financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under Section 143(3)(b) and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (g) 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.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:



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- i. The Company does not have any pending litigations which would impact its financial position
- ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contracts. The Company did not have any derivative contracts as at March 31, 2025.
- 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, 2025.
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 37(vi)(A) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 37(vi)(B) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail feature was not enabled for the period April 1, 2024 to May 2, 2024 at the application level for modification, if any, by certain users with specific access and for the period April 1, 2024 to May 13, 2024 for direct database changes and the audit log of modification does not contain the pre-modified values at the database level. During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.

Further, the Company has used another accounting software, which is operated by a third party service provider for maintaining its books of account and in the absence of the independent service auditor's report, we are unable to comment on whether the audit trail feature of the aforesaid software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with. Further, the audit trail was not maintained in the prior year and hence the question of our commenting on whether the audit trail was preserved by the Company as per the statutory requirements for record retention does not arise.



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13. 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



Pramit Agrawal
Partner

Membership Number: 099903

UDIN: 25099903BMOUPT2340

Place: Kolkata

Date: May 30, 2025

Price Waterhouse & Co Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Titagarh Firema Engineering Services Private Limited on the financial statements as of and for the year ended March 31, 2025

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

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

(B) The Company does not have any Intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 6.2(iv) to the financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) does not arise.
- (e) No proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The Company is in the business of rendering services and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. (a) The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.



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- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax and professional tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other statutory dues, as applicable, with the appropriate authorities. However, there are no arrears of statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.
(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.



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Annexure A to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Titagarh Firema Engineering Services Private Limited on the financial statements as of and for the year ended March 31, 2025

- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.
- xiv. In our opinion, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.



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Annexure A to Independent Auditors' Report

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- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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



Pratik Agrawal
Partner

Membership Number: 099903

UDIN: 25099903BMOUPT2340

Place: Kolkata

Date: May 30, 2025

TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED
Balance Sheet as at March 31, 2025

	Notes	As at March 31, 2025 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs
I. ASSETS			
Non-current Assets			
a) Property, Plant and Equipment	6.1	32.90	23.63
b) Right-of-Use Assets	6.2	35.46	78.44
c) Deferred Tax Assets (Net)	7	170.51	8.49
d) Non-current Tax Assets (Net)	8	1.41	12.12
Total Non-current Assets		240.28	122.68
Current Assets			
a) Financial Assets			
i) Trade Receivables	9	88.39	170.09
ii) Cash and Cash Equivalents	10	124.04	220.93
iii) Other Financial Assets	11	20.16	96.37
b) Other Current Assets	12	56.10	36.08
Total Current Assets		288.69	523.47
TOTAL - ASSETS		528.97	646.15
II. EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	13	600.00	400.00
b) Other Equity	14	(309.39)	28.80
Total Equity		290.61	428.80
Liabilities			
Non-current Liabilities			
a) Financial Liabilities			
i) Lease Liabilities	6.2	-	37.88
b) Provisions	15	37.60	18.78
Total Non-current Liabilities		37.60	56.66
Current Liabilities			
a) Financial Liabilities			
i) Lease Liabilities	6.2	37.88	43.79
ii) Trade Payables	16		
a) Total Outstanding Dues of Micro Enterprises and Small Enterprises		3.61	-
b) Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises		69.81	11.04
ii) Other Financial Liabilities	17	33.95	28.93
b) Other Current Liabilities	18	31.95	66.18
c) Provisions	15	23.56	10.75
Total Current Liabilities		200.76	160.69
TOTAL - LIABILITIES		238.36	217.35
TOTAL - EQUITY AND LIABILITIES		528.97	646.15

Summary of material accounting policies 2

The above Balance Sheet should be read in conjunction with the accompanying notes

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


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

For and on behalf of the Board of Directors of
TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED


Saurav Singhania
Director
DIN: 08303149
Place: Kolkata
Dated : May 30, 2025


Vijay Subramanian
Director
DIN: 08443525
Place: Kolkata
Dated : May 30, 2025

TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED
Statement of Profit and Loss for the year ended March 31, 2025

	Notes	For the year ended March 31, 2025 Rs. In Lacs	For the period September 16, 2023 to March 31, 2024 Rs. In Lacs
Income			
Revenue from Operations	19	1,265.65	465.03
Other Income	20	15.63	-
Total Income		1,281.28	465.03
Expenses			
Employee Benefits Expense	21	694.79	258.05
Finance Costs	22	11.20	6.02
Depreciation and Amortization Expense	23	65.88	26.63
Other Expenses	24	953.78	136.18
Total Expenses		1,725.65	426.88
Profit before tax		(444.37)	38.15
Tax Expense	25		
Current Tax		52.09	17.93
Deferred Tax- Credit		(161.79)	(8.49)
Total Tax Expense		(109.70)	9.44
Profit for the Period after Tax		(334.67)	28.71
Other Comprehensive Income			
Item that will not be reclassified to Profit or Loss in subsequent periods :			
Remeasurement Gains / (Losses) on Defined Benefit Plans		(0.97)	-
Income Tax on above		0.24	-
Other Comprehensive Income for the year (Net of taxes)		(0.73)	-
Total Comprehensive Income for the Period		(335.40)	28.71
Earnings per Equity Share			
[Nominal Value of Share Rs. 10/-]	26		
Basic and Diluted (In Rs.)		(7.87)	3.31
Summary of Material Accounting Policies	2		
The above Statement of Profit and Loss should be read in conjunction with the accompanying notes			


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


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

For and on behalf of the Board of Directors of
TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED


Saurav Singhania
Director
DIN: 08303149
Place: Kolkata
Dated : May 30, 2025


Vijay Subramanian
Director
DIN: 08443525
Place: Kolkata
Dated : May 30, 2025

TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED

Statement of Changes in Equity as at March 31, 2025 and for the year ended April 1, 2024 to March 31, 2025

A) Equity Share Capital (Refer Note 13)

Particulars	(Rs in Lacs)	
	Number in Lacs	Amount
Balance as at September 16, 2023	-	-
Changes in Equity Share Capital	40.00	400.00
Balance as at March 31, 2024	40.00	400.00
Changes in Equity Share Capital	20.00	200.00
Balance as at March 31, 2025	60.00	600.00

B) Other Equity

(Rs. in Lacs)

Particulars	Other Equity (Refer Note 14)		
	Retained Earnings	Share Application Money Pending Allotment	Total Other Equity
Balance as at September 16, 2023	-	-	-
Profit for the Period	28.71	-	28.71
Other Comprehensive Income	-	-	-
Share Application Money Pending Allotment	-	0.09	0.09
Balance as at March 31, 2024	28.71	0.09	28.80
Profit for the Year	(334.67)	-	(334.67)
Other Comprehensive Income (Net of Tax)	-	-	-
-Remeasurements Losses on Defined Benefit Plan	(0.73)	-	(0.73)
Total Comprehensive Income for the year	(0.73)	-	(0.73)
Share issue expenses	(2.70)	-	(2.70)
Refund of Share Application Money Pending Allotment	-	(0.09)	(0.09)
Balance as at March 31, 2025	(309.39)	-	(309.39)

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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

 For and on behalf of the Board of Directors of
 TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED



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



 Saurav Singhania
 Director
 DIN: 08303149
 Place: Kolkata
 Dated : May 30, 2025



 Vijay Subramanian
 Director
 DIN: 08443525
 Place: Kolkata
 Dated : May 30, 2025

TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED
Statement of Cash Flows for the year ended March 31, 2025

	For the year ended March 31, 2025 Rs. In Lacs	For the period September 16, 2023 to March 31, 2024 Rs. In Lacs
A. Cash Flows from Operating Activities		
Profit before Tax	(444.37)	38.15
Adjustments for:		
Depreciation and Amortisation Expense	65.88	26.63
Finance Cost	11.20	6.02
Interest on Security Deposits	(3.56)	-
Unrealised Foreign Exchange Fluctuations (Gain)/ Loss (net)	(11.10)	0.68
Provision for doubtful debts	609.28	-
Operating Profit before Changes in Operating Assets and	227.33	71.48
Increase/(Decrease) in Non-current and Current Financial and Non-financial Liabilities and Provisions	1.45	103.70
Increase/(decrease) in Trade Payables	59.17	11.04
(Increase)/ Decrease in Trade Receivables	(516.47)	(170.77)
(Increase)/Decrease in Non-current and Current Financial and Non-financial Assets	59.66	(119.15)
Cash Generated From (Used in) Operations	(168.86)	(103.70)
Income Taxes Paid (Net of Refunds)	(41.38)	(30.05)
Net Cash From (Used in) Operating Activities	(210.24)	(133.75)
B. Cash Flows from Investing Activities		
Payments for Acquisition of Property, Plant and Equipment	(26.92)	3.32
Payments for Acquisition of Business	-	(23.64)
Payments for Acquisition of Right-of-use assets	(5.25)	-
Net Cash From (Used in) Investing Activities	(32.17)	(20.32)
C. Cash Flows from Financing Activities		
Proceeds from issue of Equity Shares (net of share issue expenses)	197.30	400.00
Proceeds from Share application money received pending allotment	-	0.09
Payment of Principal amount of Lease Liabilities	(43.79)	(23.90)
Payment of Interest on Lease Liabilities	(7.65)	(0.87)
Finance Costs Paid	(0.34)	(0.32)
Net Cash From (Used in) Financing Activities	145.52	375.00
Cash and Cash Equivalents - Opening Balance	220.93	-
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(96.89)	220.93
Cash and Cash Equivalents - Closing Balance	124.04	220.93

- a) The above Statement of Cash Flows have been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
b) Refer Note 35 for Debt Reconciliation.

The above Statement of Cash Flows accompanying notes are an integral part of the financial statements

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

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

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

For and on behalf of the Board of Directors of
TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED

Saurav Singhania
Director
DIN: 08303149
Place: Kolkata
Dated : May 30, 2025

Vijay Subramanian
Director
DIN: 08443525
Place: Kolkata
Dated : May 30, 2025

TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED

Notes to Financial Statements as at March 31, 2025 and for the year ended April 1, 2024 to March 31, 2025

1 (a) Corporate Information

Titagarh Firema Engineering Services Private Limited (the 'Company') is a private limited company incorporated and domiciled in India. The registered office of the Company is located at 1203A, 12Th Floor, Manjeera Trinitycorporate, Kukatpally, Hyderabad, Tirumalagiri, Telangana, India, 500072. The Company provides Passenger Rolling Stock Design Engineering services against contracts entered with the customers.

The functional and presentation currency of the Company is Indian Rupee ("Rs.").

The financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on May 30, 2025.

1 (b) Basis of Preparation**(i) Compliance with Indian Accounting Standards**

The financial statements comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical Cost Convention

The Financial Statements have been prepared on a historical cost basis.

(iii) Current versus Non-current Classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

2 Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of the Financial Statements and have been consistently applied unless otherwise indicated.

2.1 Property, Plant and Equipment

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation Method, Estimated Useful Lives and Residual Values

Depreciation is calculated on pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual value, over their estimated useful lives.

The useful lives of the property, plant and equipment as estimated by the management are as follows:

Particulars	Useful Life
Computers- Acquired from Titagarh Rails Systems Limited through business transfer agreement	6 months to 2 years
Computers- Acquired during the year	3 years

The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

2.2 Leases**As a Lessee**

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payment:-

- Fixed payments (including in substance fixed payments) less any lease incentive receivable.
- Variable lease payment that are based on an index or a rate, initially measured using the index or a rate at the commencement date.
- Amount expected to be paid by the Company as under residual value guarantees.
- Exercise price of a purchase option if the Company is reasonably certain to exercise that option.
- Payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

To determine the incremental borrowing rate, the Company:

- Where possible, use recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in the financing conditions since third party financing was received.
- use a built up approach that starts with risk free interest rate adjusted for credit risk of leases held by the companies in the Company, which does not have recent third party financing.

Lease payments are allocated between principal and finance cost. The finance cost is charged to Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.



Right-of-use assets are measured at cost comprising the following :-

- i) the amount of the initial measurement of lease liability
- ii) any lease payment made at or before the commencement date less any lease incentive received
- iii) any initial direct cost and
- iv) restoration costs.

Right of use of assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

Payment associated with short-term leases of equipment and all the leases of low value assets are recognised on a straight line basis as an expenses in the Statement of Profit and Loss. Short term leases are leases with a lease term of less than 12 months or less.

2.3 Revenue Recognition

Sale of Services

In respect of sale of services, performance obligation is satisfied over time when the entity renders services to customers. Revenue from services rendered is recognised as the services are rendered and is booked based on agreement / arrangements with the concerned parties.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.



3 Other Accounting Policies**3.1 Property, Plant and Equipment**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as 'Capital Advances' under 'Other Non-current Assets' and the cost of property, plant and equipment not ready to use are disclosed under 'Capital Work-in-progress'.

3.2 Impairment of Non-financial Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purposes of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company of assets (cash-generating units).

3.3 Other Financial Assets**(i) Classification**

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

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

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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 Statement of Profit and 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 Statement of Profit and 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 Gain / (Losses)' 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.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.



(iv) Modification of Financial Instruments

The Company if renegotiates or otherwise modifies the contractual cash flows of financial instrument, the Company assesses whether or not the new terms are substantially different to the original terms.

If the terms are substantially different, the original financial instrument is derecognised and recognizes a 'new' instrument at fair value and recalculates a new effective interest rate for the instrument. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the management recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate.

(v) Derecognition of Financial Assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(vi) 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.

3.4 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

3.5 Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of period 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.

3.6 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. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

3.7 Foreign Currency Transactions and Translation**(i) Functional and Presentation Currency**

Items included in the Financial Statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Financial Statements are presented in Indian Rupee (Rupees or Rs.), which is the Parent Company's and a subsidiary's functional and the Company's 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 period-end, monetary assets and liabilities denominated in foreign currencies are restated at the period-end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the period-end restatement are recognised in profit or 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.



3.8 Employee Benefits**(i) Short-term Employee Benefits**

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-employment Benefits**Defined Benefit Plans**

The liability recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

Defined Contribution Plans

Contributions under defined contribution plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

(iii) Other Long-term Employee Benefits

Long-term compensated absences are provided for based on actuarial valuation, as per projected unit credit method, done at the end of each financial year. Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(iv) Termination Benefits

Termination benefits, in the nature of voluntary retirement benefits, are recognised as expense in the Statement of Profit and Loss if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

3.9 Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business; and
- fair value of any asset or liability resulting from a contingent consideration arrangement, if any.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred and identifiable assets acquired over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.



3.10 Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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

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

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

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

3.11 Earnings Per Equity Share**(i) Basic Earnings Per Equity Share**

Basic earnings per equity share is calculated by dividing:

- the profit / (loss) attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the period.

(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.

4 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 period presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each reporting date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgements are:

(a) Employee Benefits (Estimation of Defined Benefit Obligations) — Notes 3.8 and 27

Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

(b) Estimation of Expected Useful Lives of Property, Plant and Equipment and Right of use Assets — Notes 2.1, 3.1, 6.1 and 6.2

Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment, and right of use assets.



TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED

Notes to Financial Statements as at March 31, 2025 and for the year ended April 1, 2024 to March 31, 2025

5 New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated September 9, 2024 and September 28, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 1, 2024:

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

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



TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED

Notes to Financial Statements as at March 31, 2025 and for the year ended April 1, 2024 to March 31, 2025

6.1 Property, Plant and Equipment

(Rs in Lacs)

	Computers	Total
Gross Carrying Amount		
As at September 16, 2023	-	-
Additions as a result of Business Transfer [Refer Note (b)]	12.13	12.13
Other Additions	15.83	15.83
Disposals	-	-
As at March 31, 2024	27.96	27.96
Additions	26.92	26.92
Disposals	-	-
As at March 31, 2025	54.88	54.88
Accumulated Depreciation		
As at September 16, 2023	-	-
Charge for the period September 16, 2023 to March 31, 2024	4.33	4.33
Disposals	-	-
As at March 31, 2024	4.33	4.33
Charge for the year	17.65	17.65
Disposals	-	-
As at March 31, 2025	21.98	21.98
Net Carrying Amount		
As at March 31, 2024	23.63	23.63
As at March 31, 2025	32.90	32.90

a) The Company has no contractual commitments for acquisition of Property, Plant and Equipment.

b) The Company acquired certain assets in the previous year under the Business Transfer Agreement with Titagarh Rail System Limited (Refer Note 39)



TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED

Notes to Financial Statements as at March 31, 2025 and for the year ended April 1, 2024 to March 31, 2025

6.2 Right-of-use assets and leases

(Rs in Lacs)

The Company's leasing arrangement includes office space having a lease term of 2.25 years. The lease arrangement can be further renewed to 5 years.

(i) Amount recognised in balance sheet

	Building	Total
Gross Carrying Amount		
As at September 16, 2023	-	-
Additions	100.74	100.74
Disposals	-	-
As at March 31, 2024	100.74	100.74
Additions	5.25	5.25
Disposals	-	-
As at March 31, 2025	105.99	105.99
Accumulated Depreciation		
As at September 16, 2023	-	-
Charge for the period September 16, 2023 to March 31, 2024	22.30	22.30
Disposals	-	-
As at March 31, 2024	22.30	22.30
Charge for the year	48.23	48.23
Disposals	-	-
As at March 31, 2025	70.53	70.53
Net Carrying Amount		
As at March 31, 2024	78.44	78.44
As at March 31, 2025	35.46	35.46

Lease liabilities	As at March 31, 2025	As at March 31, 2024
Non Current	-	37.88
Current	37.88	43.79
Total	37.88	81.67

(ii) Amount recognised in statement of Profit and Loss

The statement of profit or loss shows the following amounts relating to leases:

	For the year ended March 31, 2025	For the period September 16, 2023 to March 31, 2024
Depreciation charge of right of use assets (Refer Note 23)	48.23	22.30
Interest expense (included in finance costs) (Refer Note 22)	7.65	5.70
Total	55.88	28.00

(iii) The total cash outflow for leases for the year was Rs. 51.44 Lacs (March 31, 2024: Rs. 24.77 Lacs).

(iv) The title deeds of all immovable properties are held in the name of the Company. Further, in case where the Company is the lessee, the lease agreements are duly executed in favour of the lessee.

(v) Extension and termination options:

Extension and termination options are included in the Company's lease contract. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The extension and termination options held are exercisable by mutual consent of both the lessor and the lessee.



7 Deferred Tax Assets/(Liabilities) (Net)

		As at March 31, 2025 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs
Deferred Tax Assets		21.89	7.43
Provision for Employee Benefits		153.34	-
Provision for doubtful debts		0.88	1.17
Preliminary Expenses U/S 35D		9.53	20.55
Leases liability		185.64	29.15
Deferred Tax Assets	(A)		
Deferred Tax Liabilities		1.13	0.93
On account of Property, Plant and Equipment		14.00	19.73
Right of use assets		15.13	20.66
Deferred Tax Liabilities	(B)		
Net Deferred Tax Assets	(A-B)	170.51	8.49

8 Tax Assets (Net)

	As at March 31, 2025 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs
Advance Tax (including Tax Deducted at Source)	1.41	12.12
(Net of Provision for tax Rs. 52.09 Lacs (March 31, 2024: Rs. 17.93 Lacs))	1.41	12.12

9 Trade Receivables (At Amortised Cost)

	As at March 31, 2025 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs
Trade Receivables	697.67	170.09
Trade receivable from contract with customer- related parties (Refer note 36)	609.28	-
Less: Loss Allowances	88.39	170.09
Total Receivables		
Breakup of Security Details		
Trade receivable considered good - secured	88.39	170.09
Trade receivable considered good - unsecured		
Trade receivable having significant increase in credit risk	609.28	
Trade receivables - credit impaired	697.67	170.09
Total	609.28	
Less: Loss Allowances	609.28	
Net Trade Receivables	88.39	170.09

Trade Receivable Ageing Schedule

Particulars	Outstanding as at March 31, 2025					Total
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Receivables	469.97	36.67	-	-	-	506.64
Considered Good						
Disputed Trade Receivables						
Considered Good						506.64
Total	469.97	36.67	-	-	-	191.03
Not Due						
Unbilled						697.67
Total						609.28
Loss Allowances						88.39

Particulars	Outstanding as at March 31, 2024					Total
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Receivables	170.09	-	-	-	-	170.09
Considered Good						
Disputed Trade Receivables						
Considered Good						170.09
Total	170.09	-	-	-	-	
Not Due						
Unbilled						170.09
Total						
Loss Allowances						170.09

a) There are no outstanding receivables due from directors or other officers of the Company.



TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED

Notes to Financial Statements as at March 31, 2025 and for the year ended April 1, 2024 to March 31, 2025

10 Cash and Bank Balances

Cash and cash equivalents
Balances with banks:
On current accounts
Total

As at March 31, 2025 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs
124.04	220.93
124.04	220.93

11 Other Financial Assets

(Unsecured, Considered Good unless stated otherwise)

Measured at Amortised Cost
Receivable from Related party [Refer (a) below]
Security Deposit
Total

As at March 31, 2025 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs
20.16	96.37
20.16	96.37

(a) This amount represents a claim for reimbursement of expenses that the Company incurred on behalf of Titagarh Firema S.p.A. (its Joint Venturer up till February 13, 2025)

12 Other Assets

(Unsecured, Considered Good unless stated otherwise)

Advances Recoverable in Cash or in Kind
Less: Provision for doubtful advances

As at March 31, 2025 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs
-	6.31
-	6.31
0.47	16.86
55.63	12.91
56.10	36.08

Balance with Government Authorities
Prepaid Expenses
Total



13 Equity Share Capital

Authorised Shares (Equity Shares of Rs. 10/- each)

As at the beginning of the year

Increase during the year

As at the end of the year

Issued, Subscribed and Paid-up Shares

Equity Shares of Rs. 10/- each, fully paid-up

As At March 31, 2025		As At March 31, 2024	
No. of shares in lacs	Amount	No. of shares in lacs	Amount
50.00	500.00	50.00	500.00
30.00	300.00	-	-
80.00	800.00	50.00	500.00
60.00	600.00	40.00	400.00
60.00	600.00	40.00	400.00

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

Equity Shares

Outstanding at the beginning of the year

Shares issued during the year *

Outstanding at the end of the year

2024-25		2023-24	
No. of shares in lacs	Amount	No. of shares in lacs	Amount
40.00	400.00	-	-
20.00	200.00	40.00	400.00
60.00	600.00	40.00	400.00

* During the year, the Company invited its existing shareholders to subscribe to a rights issue of 2,000,000 equity shares at an issue price of Rs. 10 per share in the ratio of 1 equity share for every 2 equity shares. Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited) being a shareholder has subscribed to said rights issue including for allotment of additional equity shares over and above the number of equity shares offered to them as the other shareholder has not subscribed to same. Pursuant to such issue, effective February 14, 2025, Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited) has become the Holding Company.

b) Terms and Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of the Shareholder

Equity shares of Rs 10/- each fully paid

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Titagarh Firema SpA

As at March 31, 2025		As at March 31, 2024	
No. of shares	% holding	No. of shares	% holding
3,960,000	66.00%	1,960,000	49.00%
2,040,000	34.00%	2,040,000	51.00%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownership of shares.

d) Details of Shareholding of Promoters

Promoter Name

Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited)

Titagarh Firema SpA *

As at March 31, 2025			As at March 31, 2024		
No. of shares	% of total shares	% change during the period	No. of shares	% of total shares	% change during the period
3,960,000	66.00%	17.00%	1,960,000	49.00%	100%
-	0.00%	-51.00%	2,040,000	51.00%	100%

* Pursuant to the rights issue during the year, effective February 14, 2025, Titagarh Firema SpA is no more a promoter company.



TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED

Notes to Financial Statements as at March 31, 2025 and for the year ended April 1, 2024 to March 31, 2025

14 Other Equity
-Reserves and Surplus
a. Retained Earnings

Balance at the beginning of the year
 Profit for the year
 Share issue expenses
 Item of Other Comprehensive Income recognised directly in Retained Earnings
 -Remeasurements Losses on Defined Benefit Plan (Net of Tax)
 Net surplus in the statement of profit and loss at the end of the year

As at March 31, 2025 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs
----------------------------------------	----------------------------------------

28.71	-
(334.67)	28.71
(2.70)	-
(0.73)	-
(309.39)	28.71

b. Share Application Money Pending Allotment

Balance at the beginning of the year
 Refund of Share Application Money Pending Allotment during the year
 Balance at the end of the year

0.09	0.09
(0.09)	-
-	0.09

Total Other Equity

(309.39)	28.80
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Nature and purpose of reserves
Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.



15 Provisions

Provisions for Employee Benefits :
 Gratuity [Refer Note 27 (i)]
 Leave Benefits [Refer Note 27 (iii)]
 Total

As at March 31, 2025 Rs. In Lacs		As at March 31, 2024 Rs. In Lacs	
Current	Non-Current	Current	Non-Current
0.05	37.60	0.03	18.78
23.51	-	10.72	-
23.56	37.60	10.75	18.78

16 Trade Payables (At Amortised Cost)

Trade Payables:

-Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 30)

-Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises

As at March 31, 2025 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs
3.61	-
69.81	11.04
73.42	11.04

Trade Payables Ageing Schedule

Particulars	Outstanding as at March 31, 2025				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Payables					
Micro enterprises and small enterprises	3.21	-	-	-	3.21
Others	18.44	-	-	-	18.44
Disputed Trade Payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	21.65	-	-	-	21.65
Not Due					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Unbilled	-	-	-	-	-
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	0.40
					51.37
					73.42

Particulars	Outstanding as at March 31, 2024				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	11.04	-	-	-	11.04
Disputed Trade Payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	11.04	-	-	-	11.04
Not Due					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Unbilled	-	-	-	-	-
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-
					11.04

17 Other Financial Liabilities

Employee Related Liabilities
 Payable to Related Parties (Refer Note 36)
 Payable for Purchase of Property, Plant and Equipment
 Total

As at March 31, 2025 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs
27.23	9.78
6.72	-
-	19.15
33.95	28.93

18 Other Liabilities

Statutory Dues

As at March 31, 2025 Rs. In Lacs	As at March 31, 2024 Rs. In Lacs
31.95	66.18
31.95	66.18



19 Revenue from Operations

	For the year ended March 31, 2025 Rs. In Lacs	For the period September 16, 2023 to March 31, 2024 Rs. In Lacs
Revenue from Contract with Customers:-		
Sale of Services:		
Design Engineering services	1,265.65	465.03
Total	<u>1,265.65</u>	<u>465.03</u>

Revenue from operation includes revenue from contract with customers under IND AS 115 amounting to Rs. 1,265.65 Lacs (March 31, 2024: Rs. 465.03 Lacs). The details of which are given below:-

	For the year ended March 31, 2025 Rs. In Lacs	For the period September 16, 2023 to March 31, 2024 Rs. In Lacs
Revenue recognised at a point in time	1,265.65	465.03
Revenue recognised over time	<u>1,265.65</u>	<u>465.03</u>

Reconciliation of revenue recognised with contract price:

	For the year ended March 31, 2025 Rs. In Lacs	For the period September 16, 2023 to March 31, 2024 Rs. In Lacs
Contract price	1,265.65	465.03
Adjustment for:		
Escalation / Incentives etc.	-	-
Revenue from operations	<u>1,265.65</u>	<u>465.03</u>



20 Other Income

	For the year ended March 31, 2025 Rs. In Lacs	For the period September 16, 2023 to March 31, 2024 Rs. In Lacs
Interest unwinding in respect of Security Deposit for Leases	3.56	-
Interest on Income Tax Refund	0.29	-
Net Foreign Exchange Fluctuations	11.78	-
Total	15.63	-

21 Employee Benefits Expense

	For the year ended March 31, 2025 Rs. In Lacs	For the period September 16, 2023 to March 31, 2024 Rs. In Lacs
Salaries, Wages and Bonus	642.68	227.93
Contribution to Provident Fund [Refer Note 27 (ii)]	30.07	9.99
Gratuity Expense [Refer Note 27 (i)]	17.87	17.02
Staff Welfare Expenses	4.17	3.11
Total	694.79	258.05

22 Finance Costs

	For the year ended March 31, 2025 Rs. In Lacs	For the period September 16, 2023 to March 31, 2024 Rs. In Lacs
Interest Expenses on Financial Liabilities Carried at Amortised Cost	3.21	-
Interest and Finance Charges on Lease Liabilities	7.65	5.70
Bank Charges	0.34	0.32
Total	11.20	6.02

23 Depreciation and Amortisation

	For the year ended March 31, 2025 Rs. In Lacs	For the period September 16, 2023 to March 31, 2024 Rs. In Lacs
Depreciation of Property, Plant & Equipments (Refer note 6.1)	17.65	4.33
Depreciation of Right of Use Assets (Refer note 6.2)	48.23	22.30
Total	65.88	26.63

24 Other Expenses

	For the year ended March 31, 2025 Rs. In Lacs	For the period September 16, 2023 to March 31, 2024 Rs. In Lacs
Design related expenses (including contract labour charges)	168.08	39.50
Power and Fuel	4.00	1.58
Repairs:		
- Buildings	20.17	0.68
- Others	-	0.43
Rates and Taxes	0.71	7.34
Travelling and conveyance	29.02	8.41
Legal and professional fees	9.42	1.84
Payment to Auditors:		
- Statutory Audit Fees	10.00	5.00
- Reimbursement of expenses	0.10	-
Net Foreign Exchange Fluctuations	-	0.68
Provision for doubtful debts	609.28	-
Software License Fees	84.89	59.44
Miscellaneous expenses	18.11	11.28
Total	953.78	136.18



25 Income Tax Expense / (Benefit)

	For the year ended March 31, 2025 Rs. In Lacs	For the period September 16, 2023 to March 31, 2024 Rs. In Lacs
(A) Amount recognised in the Statement of Profit and Loss		
Current Tax	52.09	17.93
Deferred Tax- Credit	(161.79)	(8.49)
Total Income Tax Expense Recognised in Statement of Profit and Loss	(109.70)	9.44
(B) Numerical Reconciliation of Income Tax Expense to Tax Payable		
Accounting Profit before Tax	(444.37)	38.15
At India's Statutory Income Tax Rate of 25.168% (March 31, 2024: 25.168%)	(111.84)	9.60
Adjustment:		
Expenses not allowed as deductions	0.82	-
Other	1.32	(0.16)
	(109.70)	9.44



26 Earnings Per Equity Share

	For the year ended March 31, 2025	For the Period September 16, 2023 to March 31, 2024
(A) Basic		
(i) Number of Equity Shares at the Beginning of the Year	4,000,000	-
(ii) Number of Equity Shares at the End of the Year	6,000,000	4,000,000
(iii) Weighted Average Number of Equity Shares Outstanding during the Year	4,252,055	867,860
(iv) Face Value of Each Equity Share (Rs)	10.00	10.00
(v) Profit after Tax Available for Equity Shareholders	(334.67)	28.71
(vi) Basic Earnings per Equity Share (Rs.) [(v)/(iii)]	(7.87)	3.31
(B) Diluted		
(i) Weighted Average Number of Equity Shares Outstanding during the year for Diluted Earnings per Equity Share	4,252,055	867,860
(ii) Diluted Earnings/(Loss) per Equity Share (Rs) [A(v)/B(ii)]	(7.87)	3.31

27 Employee Benefits:

(i) Post-employment Defined Benefit Plans:

Gratuity

The Company has a defined benefit gratuity plan which is unfunded. Every employee who completes five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972.

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

	Gratuity (Unfunded) For the year ended March 31, 2025	Gratuity (Unfunded) For the Period September 16, 2023 to March 31, 2024
Statement of Profit and Loss		
Net Employee Benefits Expense recognised in the Employee Cost		
Current Service Cost	16.53	10.00
Past Service Cost	-	8.81
Interest Cost	1.34	-
Total	17.87	18.81
Expenses Recognised in Other Comprehensive Income (OCI)		
Remeasurements (Gains) / Losses	0.97	-
Total	0.97	-
Net Liability Recognised in Balance Sheet		
Benefit liability		
Present value of Defined Benefit Obligation	37.65	18.81
Fair value of Plan Assets	-	-
Net Liability	37.65	18.81
Bifurcation of Net Liability at the end of the year as per revised Schedule III of the Companies Act, 2013		
Current Liability (Short term)	0.05	0.03
Non-Current Liability (Long term)	37.60	18.78
	37.65	18.81
Changes in the Present Value of the Defined Benefit Obligation are as follows:		
Opening Defined Benefit Obligation	18.81	-
Current Service Cost	16.53	10.00
Past Service Cost	-	8.81
Interest Cost	1.34	-
Remeasurements (Gains) / Losses	-	-
Financial Assumptions Changes	1.86	-
Experience Variance	(0.89)	-
Closing Defined Benefit Obligation	37.65	18.81
Maturity Profile of the Defined Benefit Obligation		
Weighted Average Duration of the Defined Benefit Obligation	21 years	21 years
Expected Benefit Payments for the year ending		
Not later than 1 year	0.05	0.03
Later than 1 year and not later than 5 years	1.09	0.52
Later than 5 year and not later than 10 years	3.66	1.39
More than 10 years	170.79	91.67
The principal assumptions used in determining gratuity obligation are shown below:		
Discount Rate	6.90%	7.15%
Rate of increase in Salary	10.00%	10.00%

Assumptions regarding future mortality experience are based on mortality tables of Indian Assured Lives Mortality (2012-2014) published by the Institute of Actuaries of India.

The estimate of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.



A quantitative sensitivity analysis of impact on defined benefit obligations for significant assumption on the gratuity plan is as shown below:

Sensitivity level	(Rs. in Lacs)		(Rs. in Lacs)	
	Gratuity (Unfunded) As at March 31, 2025		Gratuity (Unfunded) As at March 31, 2024	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	46.28	30.82	23.12	15.40
Salary Growth Rate (-/+ 1%)	31.45	45.14	15.45	22.95

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation recognised in the Balance Sheet.

(ii) Post-employment Defined Contribution Plans:

(A) Provident Fund

Certain categories of employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer make monthly contributions to a government administered fund at specified percentage of the covered employee's qualifying salary. The Company have no further obligations under the plan beyond its monthly contributions.

The amounts paid to Defined Contribution Plans are as follows:

	For the year ended March 31, 2025 Rs.in Lacs	For the Period September 16, 2023 to March 31, 2024 Rs.in Lacs
Provident Fund (Refer note 40)	30.07	9.99
Total	30.07	9.99

(iii) Leave Benefits

The Company provides for accumulation of leave by its employees. The employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a provision for leave benefits in the period in which the employee renders the services that increases this entitlement. This is an unfunded plan.

The total provision recorded by the Company towards these benefits as at year end was Rs. 13.44 lacs (March 31, 2024: Rs. 10.72 Lacs). The amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these benefits. However, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

	As at March 31, 2025 Rs.in Lacs	As at to March 31, 2024 Rs.in Lacs
Leave provision not expected to be settled within the next 12 months	22.35	10.63

(iv) Risk Exposure

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

(a) Discount Rate Risk

The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.

(b) Salary Growth Risks

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

(c) Demographic Risk

In the valuation of the liability, certain demographic (mortality and attrition rates) assumptions are made. The Company are exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

28 Capital & other Commitments

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

As at March 31, 2025 Rs.in Lacs	As at to March 31, 2024 Rs.in Lacs
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29 Contingent Liabilities

The Company does not have any contingent liabilities as at March 31, 2025 and March 31, 2024.



TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED

Notes to Financial Statements as at March 31, 2025 and for the year ended April 1, 2024 to March 31, 2025

30 Information relating to Micro and Small Enterprises (MSEs):

	As at March 31, 2025 Rs.in Lacs	As at to March 31, 2024 Rs.in Lacs
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.40	-
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	44.66	-
(iv) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(vi) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	3.21	-
(vii) Interest accrued and remaining unpaid at the end of the accounting year	3.21	-
(viii) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

31 Segment Information

The Company is engaged in the business of "Passenger Rolling Stock Design Engineering services", which comes under a single business segment known as Design Engineering services. The financial performance relating to this single business segment is evaluated regularly by Board of Directors (Chief operating decision maker) who have determined this segment as the only business segment for the Company.

Total revenue from external customers includes sales to Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited) of Rs. 604.62 lacs (March 31, 2024: Rs. 300.53 lacs) and Titagarh Firema SpA of Rs. 661.03 lacs (March 31, 2024: Rs. 164.50 lacs) which represents more than 10% of the total revenue from external customers of the Company.

32 Fair Values

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the 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.

(i) 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:

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

33 Financial Risk Management Objectives and Policies

The Company's financial liabilities comprise trade payables and other financial liabilities. The Company's financial assets include trade receivables, cash and cash equivalents and other financial assets.

The Company's Board of Directors ensures that risks are identified, measured and managed in accordance with Risk Management Policy of the Company and also reviews these risks and related risk management policy, which are summarised below.

(i) Market Risks

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk and other price risk, such as equity price risk and interest rate risk. Financial instruments affected by market risk include trade payables, trade receivables, other financial assets / liabilities etc.

(i) Foreign currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has a treasury team which continuously monitors the foreign exchange fluctuations on a continuous basis and advises the management of any material adverse effect on the Company, and any additional remedial measures to be taken.

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

PARTICULARS	(Rs in Lacs)	
	March 31, 2025 EURO	March 31, 2024 EURO
Financial Assets		
Trade Receivables	-	266.46
Net exposure to Foreign Currency Risk (Assets)	-	266.46



(ii) Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

	Changes in EURO rate	Foreign currency (Payable) / Receivable (net)	Effect on Profit before Tax
	%	Rs in Lacs	Rs in Lacs
March 31, 2025	5% -5%	-	-
March 31, 2024	5% -5%	266.46	13.32 (13.32)

II) Credit Risks

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables). The Company's maximum exposure to credit risk for the components of the Balance Sheet as at March 31, 2025 and March 31, 2024 is their carrying amount.

(a) Trade and Other Receivables

Customer credit risk is managed by the Company through established policy and procedures and controls relating to customer credit risk management. The Company applies the simplified approach to determine the expected credit loss (ECL) for trade and other receivables by considering historical credit loss experience further adjusted for forward looking information. In addition Company also considers allowance for credit loss for trade and other receivable based on specific identification method on a case to case basis with reference to the customer's credit quality, prevailing market conditions etc. The Company has evaluated that the historical loss rate for its receivables is Nil. However, the Company has considered allowance for credit losses for trade receivables based on specific identification method during the year.

(b) Reconciliation of loss allowance of trade receivables:

Particulars	(Rs. in lacs) Trade Receivables
Opening Balance as at September 16, 2023	-
Provision made during the period ended March 31, 2024	-
Closing Balance as at March 31, 2024	-
Provision made during the year ended March 31, 2025	609.28
Closing Balance as at March 31, 2025	609.28

The impairment provision as disclosed above are based on assumptions about risk of default and expected credit loss rates. The Company uses judgement in making these assumptions based on the Company's past history, counter party's ability to pay, existing market conditions as well as forward looking estimates at the end of each reporting period.

III) Liquidity Risks

Prudent liquidity risk management implies maintaining sufficient cash to meet obligations when due and to close out market positions.

Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

As at March 31, 2025	Carrying Amount	Contractual Cash flows	Upto 1 year	1-3 years	More than 3 years
Non-derivative Financial Liabilities					
Lease Liabilities	37.88	39.85	39.85	-	-
Trade Payables	73.42	73.42	73.42	-	-
Other Financial Liabilities	33.95	33.95	33.95	-	-
	145.25	147.22	147.22	-	-
As at March 31, 2024	Carrying Amount	Contractual Cash flows	Upto 1 year	1-3 years	More than 3 years
Non-derivative Financial Liabilities					
Lease Liabilities	81.67	91.30	51.45	39.85	-
Trade Payables	11.04	11.04	11.04	-	-
Other Financial Liabilities	66.18	66.18	66.18	-	-
	158.89	168.52	128.67	39.85	-

34 Capital Management

(a) Risk Management

The Company's objective when managing capital (defined as net debt and equity) is to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders, while protecting and strengthening the balance sheet through the appropriate balance of debt and equity funding. The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the Company.



TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED

Notes to Financial Statements as at March 31, 2025 and for the year ended April 1, 2024 to March 31, 2025

35 Debt Reconciliation

This section sets out an analysis of debt and the movement in debt during the year.

Particulars	March 31, 2025	March 31, 2024
Lease Liabilities	37.88	81.67
Total	37.88	81.67

Particulars	(Rs in Lacs)	(Rs in Lacs)
Debt as at September 16, 2023		
New Leases		100.74
Finance Costs		5.70
Cash Flows		
Principal Repayment of Leases	(23.90)	(23.90)
Interest Paid	(0.87)	(0.87)
Debt as at March 31, 2024	81.67	81.67
Finance Costs	7.65	7.65
Cash Flows		
Principal Repayment of Leases	(43.79)	(43.79)
Interest Paid	(7.65)	(7.65)
Debt as at March 31, 2025	37.88	37.88

36 Related Party Disclosures
(a) Names of Related Parties and Related Party Relationship
Related parties:

Holding Company	Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited) (w.e.f February 14, 2025)
Investing Company	Titagarh Firema S.p.A, Italy (w.e.f February 14, 2025)
Joint Venturers	Titagarh Rail Systems Limited (Formerly Titagarh Wagons Limited) (up till February 13, 2025) Titagarh Firema S.p.A, Italy (up till February 13, 2025)
Key Management Personnel (KMPs):	Mr. Saurav Singhania – Director Mr. Vijay Subramanian – Director (w.e.f September 27, 2024) Mr. Antonio Sollo – Director (upto September 27, 2024) Mr. Carlo Logli - Director (Upto March 29, 2024)

(b) Details of transactions between the Company and Related Parties and outstanding balances as at the period end are given below:

Nature of transactions	Year	Holding Company	Investing Company	Joint Venturers	Total
(Rs. in Lacs)					
In relation to the Statement of Profit and Loss					
Sale of Services					
Titagarh Rail Systems Limited	2024-25	85.96	-	518.66	604.62
	2023-24	-	-	300.53	300.53
Titagarh Firema S.p.A, Italy	2024-25	-	118.63	542.40	661.03
	2023-24	-	-	164.50	164.50
Reimbursement of Expenses Received					
Titagarh Rail Systems Limited	2024-25	-	-	38.66	38.66
	2023-24	-	-	230.66	230.66
Titagarh Firema S.p.A, Italy	2024-25	-	-	139.28	139.28
	2023-24	-	-	-	-
Reimbursement of Expenses Paid					
Titagarh Rail Systems Limited	2024-25	-	-	21.55	21.55
	2023-24	-	-	9.90	9.90
Issue of Equity Shares					
Titagarh Rail Systems Limited	2024-25	200.00	-	-	200.00
	2023-24	-	-	196.00	196.00
Titagarh Firema S.p.A, Italy	2024-25	-	-	-	-
	2023-24	-	-	204.00	204.00
Refund of share application money pending allotment					
Titagarh Firema S.p.A, Italy	2024-25	-	-	0.09	0.09
	2023-24	-	-	-	-
Payment for Business Transfer (Refer Note 39)					
Titagarh Rail Systems Limited	2024-25	-	-	-	-
	2023-24	-	-	23.64	23.64



TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED

Notes to Financial Statements as at March 31, 2025 and for the year ended April 1, 2024 to March 31, 2025

					(Rs. in Lacs)
Nature of transactions	Year	Holding Company	Investing Company	Joint Venturers	Total
In relation to the Balance Sheet					
Share Application money pending allotment					
Titagarh Firema S.p.A, Italy	2024-25	-	-	-	-
	2023-24	-	-	0.09	0.09
Trade Receivables					
Titagarh Firema S.p.A, Italy	2024-25	-	-	-	-
[Net of provision Rs. 609.28 lacs being provision for doubtful debts (March 31, 2024: Rs. Nil)]					
	2023-24	-	-	170.09	170.09
Titagarh Rail Systems Limited	2024-25	88.39	-	-	88.39
	2023-24	-	-	-	-
Other Financial assets					
Titagarh Firema S.p.A, Italy	2024-25	-	-	-	-
	2023-24	-	-	96.37	96.37
Other Financial Liabilities					
Titagarh Rail Systems Limited	2024-25	6.72	-	-	6.72
	2023-24	-	-	-	-

(c) **Terms and Conditions of Transactions with Related Parties:** The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balance during the year end are unsecured and is interest free and settlement occurs in cash.

(d) **Compensation of Key Managerial Personnel:** No compensation has been paid to KMP during the year ended March 31, 2025 and period ended March 31, 2024.

37 (i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

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

(iii) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(v) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current financial period.

(vi) Utilisation of borrowed funds and share premium

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

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

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

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

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current period in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current period.

(ix) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current period.



38 Ratio Analysis

Ratio	March 31, 2025	March 31, 2024	Change %	Remarks
Current Ratio (in times) (Current Assets/Current Liabilities)	1.44	3.26		Variation is mainly due to decrease in current assets on account of provision for doubtful debts
Current Assets	288.69	523.47	-55.86%	
Current Liabilities	200.76	160.69		
Return on Equity Ratio (in %) (Net profit after tax/Average Shareholders equity)	-93.04%	6.70%		Variation is mainly due to decrease in net profit.
Net profit after tax	(334.67)	28.71	-1489.60%	
Average Shareholders equity	359.71	428.80		
Trade Receivables Turnover Ratio (in no. of days) (Revenue from Operations/ Average Trade Receivables)	37.27	72.42		Variation is mainly due to increase in revenue from operations during the current year.
Revenue from Operations	1,265.65	465.03	-48.53%	
Average Trade Receivables	129.24	170.09		
Trade Payables Turnover Ratio (in no. of days) (Purchase/Average Trade Payables)	44.74	16.05		Variation is mainly due to increase in other expenses during the current year as well as trade payables as at year end.
Purchase [Purchase = Other Expenses - Provision for doubtful debts]	344.51	136.18	178.74%	
Average Trade Payables	42.23	11.04		
Net Capital Turnover Ratio (in no. of days) (Revenue from Operations/Working Capital)	25.36	154.46		Variation is mainly due to increase in revenue from operations during the current year and decrease in current assets as at year end.
Revenue from Operations	1,265.65	465.03	-83.58%	
Working Capital [Working Capital = Current Assets - Current Liabilities]	87.93	362.78		
Net Profit Ratio (in %) (Profit After Tax/Revenue from Operations)	-26.44%	6.17%		Variation is mainly due to decrease in net profit.
Profit After Tax	(334.67)	28.71	-528.30%	
Revenue from Operations	1,265.65	465.03		
Return on Capital Employed (in %) (EBIT/Capital Employed)	-360.67%	10.30%		Variation is mainly due to decrease in net profit.
EBIT [EBIT = Profit before taxes + Finance Costs]	(433.17)	44.17	-3601.33%	
Capital Employed [Capital Employed = Total Equity - Deferred Tax Asset]	120.10	428.80		
Return on Investment (%) (EBIT/Average Total Assets)	-73.72%	6.84%		Variation is mainly due to decrease in net profit.
EBIT	(433.17)	44.17	-1178.47%	
Average Total Assets	587.56	646.15		

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, 2025 and March 31, 2024.

(ii) Inventory turnover ratio is not applicable since the Company does not have any inventory as on March 31, 2025 and March 31, 2024.

39 During the period ended March 31, 2024, the Company entered into a business transfer agreement with Titagarh Rails Systems Limited (TRSL) (Formerly Titagarh Wagons Limited). Under this agreement, the Company acquired specific assets and liabilities from TRSL for which the Company paid a consideration of Rs. 23.64 Lacs. Detailed information regarding the transferred items is provided below:

Particulars

Prepaid Expenses
Property Plant and Equipment
Employees Gratuity Liability
Total

Consideration Paid

(Rs. In Lacs)

Amount

13.31

12.13

(1.80)

23.64

23.64

23.64



TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED

Notes to Financial Statements as at March 31, 2025 and for the year ended April 1, 2024 to March 31, 2025

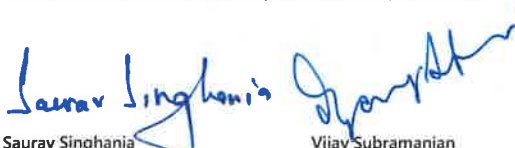
- 40 The Company has assessed the impact of the Supreme Court Judgement in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of 'basic wages' of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management (including considering a view from legal expert, inspection by PF authorities), the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.
- 41 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

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



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

For and on behalf of the Board of Directors of
TITAGARH FIREMA ENGINEERING SERVICES PRIVATE LIMITED



Saurav Singhania
Director
DIN: 08303149
Place: Kolkata
Dated : May 30, 2025

Vijay Subramanian
Director
DIN: 08443525
Place: Kolkata
Dated : May 30, 2025