TITAGARH

24th August, 2022

National Stock Exchange of India Limited
Exchange Plaza Bandra-Kurla Complex
Bandra (E), Mumbai-400051
Scrip Code: TWL (EQ)

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400001
Scrip Code: 532966

Madam/Sir,

Re.: Intimation of Annual General Meeting

Pursuant to Regulations 30 and 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("LODR"), we hereby inform you that the 25th Annual General Meeting ('AGM') of Titagarh Wagons Limited ('the Company') will be held through video conferencing/other audio visual means on Thursday, the 15th September, 2022 at 10:30 A.M. (I.S.T.), we wish to inform you that:

(i) Register of Members and Share Transfer Books of the Company will remain closed from Friday, 9th September, 2022 to Thursday, 15th September, 2022 (both days inclusive) for the purpose of AGM.

(ii) The Cut-off date for reckoning the voting rights of the members for remote e-voting and voting at the AGM is Thursday, 8th September, 2022.

(iii) The Company has appointed National Securities Depository Limited (NSDL) for providing e-voting facility.

Further, pursuant to Regulation 34 of the LODR, we submit herewith Notice of 25th Annual General Meeting of the Company, along with Annual Report 2021-22.

In accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, the aforesaid documents are being dispatched electronically to those Members whose email IDs are registered with the Company / Registrar and Transfer Agent / Depository Participants.

The Notice of the AGM and Annual Report can also be accessed on the Company's website at www.titagarh.com.

Please take the above on record.

Thanking you,

Yours faithfully,
For TITAGARH WAGONS LIMITED

Ravi Prakash Mundhra

Ravi Prakash Mundhra
Company Secretary

TITAGARH WAGONS LIMITED
Kolkata
107

Encl.: As above.

TITAGARH WAGONS LIMITED
CIN: L27320WB1997PLC084819
Registered & Corporate Office: Titagarh Towers, 756 Anandapur, E. M. Bypass, Kolkata - 700 107, India
Phone : +91 33 4019 0800 | Fax: + 91 33 4019 0823 | Email : corp@titagarh.in | Web: www.titagarh.in

TITAGARH WAGONS LIMITED

CIN: L27320WB1997PLC084819

CORPORATE INFORMATION*

BOARD OF DIRECTORS

Shri J P Chowdhary	Executive Chairman
Shri Umesh Chowdhary	Vice Chairman and Managing Director
Shri Anil Kumar Agarwal	Director (Finance) and Chief Financial Officer
Shri Atul Joshi	Independent Director
Shri Krishan Kumar Jalan	Independent Director
Shri Manoj Mohanka	Independent Director
Ms. Nayantara Palchoudhuri	Independent Director
Shri Prithish Chowdhary	Director (Marketing & Business Development)
Smt. Rashmi Chowdhary	Non- Executive Director
Shri Sudipta Mukherjee	Director (Freight Operations)
Shri Sunirmal Talukdar	Independent Director
Shri Sushil Kumar Roongta	Independent Director
Shri Ravi Prakash Mundhra	Company Secretary

Audit Committee

Shri Atul Joshi	Chairman
Shri Manoj Mohanka	Member
Shri Sunirmal Talukdar	Member

Stakeholders' Relationship Committee

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

Finance and Project Committee

Shri Sunirmal Talukdar	Chairman
Shri J P Chowdhary	Member
Shri Umesh Chowdhary	Member
Shri Manoj Mohanka	Member
Shri Atul Joshi	Member
Shri Prithish Chowdhary	Member

Auditors

Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants, Kolkata

Bankers

ICICI Bank Limited
State Bank of India
Yes Bank Limited
Axis Bank Limited
IndusInd Bank Limited
Canara Bank
IDBI Bank Limited
Union Bank of India
Bank of India
*As on 13th August, 2022

Nomination & Remuneration Committee

Shri Manoj Mohanka	Chairman
Shri J P Chowdhary	Member
Shri Sunirmal Talukdar	Member
Shri Sushil Kumar Roongta	Member

Corporate Social Responsibility Committee

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

Risk Management Committee

Shri Atul Joshi	Chairman
Shri Sushil Kumar Roongta	Member
Shri Sunirmal Talukdar	Member
Shri Prithish Chowdhary	Member

Registrar & Transfer Agent (RTA)

Maheshwari Datamatics Pvt. Ltd.
23, R N Mukherjee Road, 5th Floor, Kolkata - 700001
Phone: 033 22435029 / 22482248,
Email for Investors: mdpldc@yahoo.com

Registered & Corporate Office

Titagarh Towers
756, Anandapur, E.M. Bypass, Kolkata 700107
Phone: 91 33 4019 0800, Fax: 91 33 4019 0823
Email: investors@titagarh.in
Website: www.titagarh.in

CONTENTS

* As on 13th August, 2022

TITAGARH

TITAGARH WAGONS LIMITED

CIN : L27320WB1997PLC084819

Titagarh Towers, 756, Anandapur,
E.M. Bypass, Kolkata - 700107
Phone: 91 33 4019 0800, Fax: 91 33 4019 0823
E-mail: corp@titagarh.in, Website: www.titagarh.in

NOTICE

NOTICE is hereby given that the **TWENTY-FIFTH ANNUAL GENERAL MEETING** of the members of **TITAGARH WAGONS LIMITED** ("the Company") will be held through video conferencing ('VC')/other audio visual means ('OAVM') [Deemed venue: 756 Anandapur, E.M. Bypass, Kolkata-700107] on Thursday, the 15th September, 2022 at 10:30 A.M. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2022, the consolidated financial statement for the said financial year and the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Shri Anil Kumar Agarwal (DIN: 01501767), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

3. **To appoint Auditors and fix their remuneration by passing, with or without modification(s) the following resolution as an Ordinary Resolution:**

   RESOLVED THAT *pursuant to the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s)thereof for the time being in force) and based on the recommendation of the Audit Committee and endorsement thereof by the Board of Directors, Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants (FRN 304026E/ E-300009), be and are hereby re-appointed as the Statutory Auditors of the Company for a second term of five consecutive years i.e, from the conclusion of this Twenty Fifth Annual General Meeting (AGM) till the conclusion of the Thirtieth AGM of the Company and the Board of Directors be and is hereby authorized to finalise the terms and conditions of their re-appointment, including fixing their remuneration in connection with Statutory Audit and/or continuous audit and such other remuneration, as may be decided to be paid by the Board/Committee of the Board for performing duties if any other than those referred to hereinabove and the remuneration so fixed may be paid at such intervals during the year as may be decided by the Board/ Committee of the Board.*

SPECIAL BUSINESSES:

4. **To appoint Shri Prithish Chowdhary (DIN: 08509158) as Whole-time Director and revise his remuneration and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

   RESOLVED THAT *pursuant to the provisions of Sections 196, 197 and 203 read with Section 188 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactments(s) thereof for the time being in force) and pursuant to Article 21 of Articles of Association of the Company and the recommendation of the Nomination and Remuneration Committee (NRC), review by the Audit Committee and as decided by the Board at their respective meetings held on 13th August, 2022, the consent of the members of the Company be and is hereby accorded to the change in designation/appointment of Shri Prithish Chowdhary (DIN: 08509158) as a Whole-time Director, designated as Director (Marketing and Business Development) of the Company for a term of 5 (five) years w.e.f. 13th August, 2022 on the terms and conditions, including remuneration as set out under the provisions of Section 188(f) of the Companies Act, 2013 till the date* *of this Annual General Meeting and to revise his remuneration payable to him to Rs. 60 Lakhs per annum from the date of conclusion of this Annual General Meeting and in the event of inadequacy of profits or loss, minimum remuneration, as recommended by the NRC and set out in the explanatory statement annexed to this Notice shall be payable to him.*

RESOLVED FURTHER THAT *the Board of Directors (which term shall include a committee thereof) be and is hereby authorised to alter, modify or vary the terms / remuneration of Shri Prithish Chowdhary, Director (Marketing and Business Development) including the monetary value thereof, to the extent recommended by the NRC from time to time as may be considered appropriate, subject to the overall limits specified in this Resolution/Explanatory Statement and/ or the Act and do all necessary acts, deeds and things, which may be considered necessary or expedient to give effect to the aforesaid Resolution.*

5. **To re-appoint Shri Atul Joshi (DIN: 03557435) as an Independent Director for the second term of 5 years and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as a Special Resolution:**

RESOLVED THAT *pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or reenactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the recommendation of the Nomination and Remuneration Committee ('NRC'), review by the Audit Committee and as decided by the Board of Directors at their respective meetings held on 30th May, 2022, the consent of the members of the Company be and is hereby accorded to the re-appointment of Shri Atul Joshi (DIN:03557435), as an Independent Director of the Company to hold office for a further term of 5 (five) years from January 24, 2023.*

RESOLVED FURTHER THAT *pursuant to the provisions of Sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and Rules made there under [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Shri Atul Joshi be paid such remuneration/fees and/or commission as the Board may approve from time to time and recommended by the Nomination and Remuneration Committee and subject to such limits, prescribed or as may be prescribed from time to time to be received in the capacity of Non-Executive Independent Director.*

RESOLVED FURTHER THAT *the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.*

6. **To ratify the remuneration of Cost Auditor and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

RESOLVED THAT *pursuant to the provisions of Section 148 of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 3,00,000/- (Rupees Three Lakhs only) plus taxes as may be applicable and reimbursement of reasonable out of pocket expenses as may be actually incurred by the firm, payable to M/s. M. R. Vyas and Associates, Cost Accountants (Registration No. 2032) of D-219, Vivek Vihar, Phase-I, New Delhi- 110095 appointed by the Board as Cost Auditors of the Company for the financial year 2022-23 be and is hereby ratified.*

RESOLVED FURTHER THAT *the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.*

7. **To modify the existing resolution passed by the shareholders u/s 180(1)(c) of the Companies Act, 2013 by granting authority to borrow any sum or sums of money from time to time and in this regard to consider and pass with or without modifications the following resolution as a Special Resolution:**

RESOLVED THAT *in modification of the resolution passed earlier by the Company in this regard through the Postal Ballot process on 30th March, 2018, the consent of the Company be and is hereby accorded in terms of Section 180(1)(c) of the Companies Act, 2013 ('the Act'), and other enabling provisions of law, if any to the Board of Directors of the Company to borrow any sum or sums of money from time to time, notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of paid-up share capital of the Company, securities premium and its free reserves, provided, however, that the total amount upto which moneys may be borrowed shall not exceed the aggregate of paid-up share capital, securities premium and free reserves of the Company by more than the sum of Rs. 3000 Crore (Rupees Three thousand crore only) at any time.*

RESOLVED FURTHER THAT *the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and also to delegate all or any of the above powers to the Committee of Directors or the Managing Director or any other Officer(s) of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.*

Registered Office:
756, Anandapur
E M Bypass, Kolkata -700107
13th August, 2022

By Order of the Board

Ravi Prakash Mundhra
Company Secretary

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has by its Circular No. 02/2022 dated May 05, 2022, in continuation of MCA Circulars No. 02/2021 dated January 13, 2021, No. 14/2020 dated 8th April 2020, No. 17/2020 dated 13th April 2020 and No. 20/2020 dated May 05, 2020 (collectively referred to as 'MCA Circulars') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 12th May 2020 and 15th January 2021, respectively issued by the Securities and Exchange Board of India (collectively referred to as 'SEBI Circulars'), permitted the holding of the Annual General Meeting ("AGM" or "Meeting") through VC / OAVM without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 ('the Act'), relating to special business to be transacted at the AGM, is annexed hereto.
3. In terms of the MCA Circulars and SEBI Circulars, the requirement of sending proxy forms to holders of securities as per provisions of Section 105 of the Act read with Regulation 44(4) of SEBI LODR, has been dispensed with. Therefore, the facility to appoint proxy by the Members will not be available and consequently, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice convening the 25th AGM of the Company
4. The Register of Members and Share Transfer Register shall remain closed with effect from 9th September, 2022 to 15th September, 2022 (both days inclusive) for the purpose of determining the members eligible for voting at the ensuing AGM.
5. Members are requested to note that dividends not encashed/claimed, and warrants for fractional entitlements of shares within seven years from the date of declaration of dividend will, as per Section 124 of the Act, be transferred to Investor Education and Protection Fund (IEPF). Members concerned are requested to refer carefully to the provisions of Sections 124(6) and 125 of the Act. Please browse the link https://titagarh.in/other-information for the list of shareholders whose unclaimed dividend for the financial year ended March 31, 2015 is due for transfer to IEPF on 22nd October, 2022.
6. The Company shall also display full text of these communications/documents/reports at its website www.titagarh.in and physical copies of such communications/documents/Annual Reports will be made available at the Registered Office of the Company for inspection by the shareholders during the office hours on working days.

   Please note that as a member of the Company upon receipt of your request, you will be entitled to receive free of cost, copy of such communications/ documents/Annual Reports and all other documents required to be attached thereto.

   In case you desire to receive the documents mentioned above in physical form, please write to us at investors@titagarh.in quoting your Folio No./Client ID and DP ID.

   All those members who have not registered their e-mail addresses or are holding shares in physical form are requested to immediately register their e-mail addresses with NSDL/CDSL along with Folio No. /Client ID and DP ID.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA.
8. Details under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
9. In compliance with the MCA Circulars and SEBI Circulars, only the Electronic copy of the Notice of the 25th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes.

10. Members may also note that the Notice of the 25th Annual General Meeting and the Annual Report for 2021-22 will also be available on the Company's website www.titagarh.in for download and will also be available on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of National Securities Depository Limited ('NSDL') (agency for providing the Remote e-voting facility) at www.evoting.nsdl.com.

11. The Board of Directors has, at its meeting held on 13th August, 2022, appointed Sushil Goyal & Co; Company Secretaries, having Certificate of Practice No. 8289, as the scrutinizer to scrutinize the voting process in a fair and transparent manner.

12. Voting through electronic means:

    a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide members the facility to exercise their vote through remote e-voting in respect of the resolutions proposed to be passed at the ensuing Annual General Meeting (AGM) by using the electronic voting facility provided by the National Securities Depository Limited (NSDL).

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Sunday, 11th September, 2022 at 9:00 A.M. and ends on Wednesday, 14th September, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under '**IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the companyFor example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csskgoyal@gmail.com with a copy marked to evoting@nsdl.co.in.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Thursday, 8th September, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990 and 1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Thursday, 8th September, 2022, may follow steps mentioned in the Notice of the AGM under Step 1: "Access to NSDL e-Voting system"(Above).
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to to Mr. Amit Vishal, Senior Manager and /or Ms. Pallavi Mhatre, Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@titagarh.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@titagarh.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/member may send a request to evoting@nsdl.co.in for procuring user id and password for e-

voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

1. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

2. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at investors@titagarh.in latest by 1:00 p.m. (IST) on Monday, 12th day of September, 2022.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@titagarh.in latest by 1:00 p.m. (IST) on Monday, 12th September, 2022. The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
10. Members who need assistance before or during the AGM, can contact Mr. Amit Vishal, NSDL at the designated email ID: evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.

who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The documents pertaining to all the special businesses set out in the Notice are available for inspection at the Registered Office of the Company during 10.30 A.M. to 1.00 P.M. on all working days.
5. The registered office of the Company shall be deemed to be the venue where the recordings of proceedings of the meeting held on 15th September, 2022 is being made. The attendance of the Shareholders attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, scrutinise the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman or a person authorised by him in writing, who shall countersign the same. The result of e-voting will be declared within the prescribed timeline as specified under the Act and SEBI LODR and the same, along with the consolidated Scrutiniser's Report will be placed on the Company's website at www.titagarh.in and on the website of NSDL at https://www.evoting.nsdl.com. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ('the Act')

Item No. 3:

This Explanatory Statement is in terms of Regulation 36(5) of the SEBI (LODR) Regulations, 2015, though statutorily not required in terms of Section 102 of the Act.

Pursuant to the approval of the shareholders at the 20th Annual General Meeting (AGM) of the Company held on 31st July, 2017, Price Waterhouse & Co. Chartered Accountants LLP, Chartered Accountants, ('PWC'), having Firm Registration No. 304026E/E300009, were appointed as the Statutory Auditors of the Company for a term of five consecutive years commencing from financial year ending 31st March, 2018 to hold office from the conclusion of 20th AGM till the conclusion of the 25th AGM of the Company to be held in the year 2022.

Considering PWC's performance as auditors of the Company during their present tenure, the Audit Committee of the Company, after due deliberations and discussions, recommended to the Board re-appointment of PWC as Statutory Auditors of the Company for a second term of 5 (five) years to hold office from the conclusion of 25th AGM till the conclusion of the 30th AGM of the Company.

Based on recommendations of the Audit Committee, the Board of Directors at its meeting held on 13th August, 2022, approved the re-appointment of PWC, as the Statutory Auditors of the Company for a second term of 5 (five) years i.e. from the conclusion of 25th AGM till the conclusion of 30th AGM of the Company. The re-appointment is subject to approval of the shareholders of the Company.

The Audit Committee and the Board of Directors considered the following factors in recommending the re-appointment of PWC as the Statutory Auditors of the Company:

- Performance of PWC as Statutory Auditors of the Company during their present tenure;
- Competence of the leadership and of the audit team of the firm in conducting the audit of the financial statements of the Company;
- Ability of the firm to seamlessly scale and understand the Company's operations, systems and processes; and
- Geographical presence and ability of the firm in servicing the Company and its subsidiaries at multiple locations.

PWC has consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The proposed remuneration to be paid to PWC as audit fee for FY 2022-23 is Rs. 60 lakhs (Rupees Sixty lakhs) plus applicable taxes and reimbursement of out-of-pocket expenses. The Audit Committee and the Board is of the view that proposed remuneration is reasonable audit fee considering the size and scale of the Company.

The remuneration to be paid to Statutory Auditors for the remaining term i.e. from FY 2023-24 through FY 2026-27 (till the conclusion of the 30th AGM of the Company to be held in the year 2027), shall be mutually agreed between the Board of Directors and the Statutory Auditors, from time to time.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 3 of the Notice.

The Board recommends the Resolution as set forth in Item No. 3 for the approval of the Members.

Item No. 4:

Shri Prithish Chowdhary was a Non-Executive Director of the Company since 1st January, 2021 and pursuant to the recommendation of the Nomination and Remuneration Committee (NRC) and the Audit Committee at their respective meetings held on the same date the Board has approved the change in the designation/appointment of Shri Prithish Chowdhary as a Whole-time Director of the Company, designated as Director (Marketing and Business Development), for a term of 5 (five) years with effect from 13th August, 2022 at a remuneration of Rs. 30 lakhs per annum in accordance with Section 188 (1)(f) of the Companies Act, 2013 to be revised to Rs.60 lakhs per annum from the date of ensuing AGM subject to approval of the shareholders.

Shri Prithish Chowdhary, at 21 plus years has the expertise in building relationships across clientele (both Government and Non-Government), co-ordination with production and design department to customize the ever changing specifications of the clientele and positively impacting business origination across all verticals and as such the Board has decided to tap his potential in the marketing and business development capabilities by change of his designation to Director (Marketing and Business Development).

The proposed revised remuneration of Shri Prithish Chowdhary as Director (Marketing and Business Development) has been determined as follows: Salary- Basic: Rs. 2,180,688/-, HRA: Rs. 1,090,344/-, Conveyance- Rs. 436,140/-, Medical Allowance - Rs. 218,064/- and Special Allowance: Rs. 1,520,472/- plus PF contribution and value of perquisites to which he is entitled as per the Company's policy/rules, aggregating to Rs. 60 lakhs p.a. (CTC). In the event of inadequacy of profit or loss during his tenure, he would be paid the minimum remuneration equivalent to monthly fixed remuneration or such other higher amount as may be permitted by the provisions of the Act.

The remuneration payable to Shri Prithish Chowdhary is in accordance with the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

The details as per Schedule V of the Companies Act, 2013 are provided in the Notice of the AGM. The other disclosures required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard-2 of ICSI are set out at the end of this Notice.

A copy of the draft service agreement for the aforesaid change in designation of Shri Prithish Chowdhary would be available for inspection at the registered office of the Company till the date of AGM and a copy thereof shall be provided to member(s) upon request.

The Company has received the necessary consent and declarations from Shri Prithish Chowdhary to the effect that he is not disqualified under the Act; and notice of interest. He has also confirmed that he is not debarred from holding the office of director by virtue of any order by SEBI or any other authority.

Pursuant to Section 188(1) (f) of the Companies Act, 2013 (the Act) on the recommendation of the Audit Committee, the Board has approved the appointment and hereby places the same for your approval.

The Board considers that the appointment of Shri Prithish Chowdhary as Director (Marketing and Business Development) will immensely benefit the Company and recommend the passing of the aforesaid Resolution.

None of the Directors or key managerial personnel or their relatives, except Shri Prithish Chowdhary, Shri J.P. Chowdhary, Shri Umesh Chowdhary and Smt. Rashmi Chowdhary and their relatives are concerned or interested to the extent of his appointment, in the said Resolution.

The Board recommends the Resolution as set forth in Item No. 4 for the approval of the Members.

Item No. 5:

Based on recommendation of Nomination and Remuneration Committee and pursuant of provisions of Section 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has proposed reappointment of Shri Atul Joshi as the Independent Directors at this Annual General Meeting of the Company for second term of 5 years with effect from January 24, 2023.

Shri Atul Joshi, aged about 53 years, is a double graduate in Commerce and Economics from Bombay University and a Chartered Accountant. He also holds Bachelor in General Law. Shri Atul Joshi is an economic policy veteran and advisor to foreign investors on FDI investments in Infrastructure in India and has an overall 28 years of rich experience.

By virtue of his background Shri Atul Joshi has excellent leadership qualities and in depth knowledge and experience in general management of the organization. His experiences will enable him to provide the Board with valuable insights on a broad range of business, social and governance issues that are relevant to the Company.

The Board based on the recommendation of the Nomination and Remuneration Committee and considering the performance evaluation of the aforesaid Independent Director, his background, experience and contributions made by him during his tenure, concluded that his performance was satisfactory.

Shri Atul Joshi fulfills the conditions specified in the Companies Act, 2013 and Rules made there under for his re-appointment as Independent Director of the Company. The Company has received declarations to this effect that he meets the criteria of Independent Director as provided under Section 149(6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board considers that Shri Atul Joshi's continued association as Independent Director would be of immense benefit to the Company, and recommend passing of the aforesaid Special Resolutions.

Copy of the draft letter of re-appointment Shri Atul Joshi would be available for inspection without any fee by the members at the Registered Office of the Company between 11:00 am and 1:00 pm on all working days except Saturdays till the date of Annual General Meeting.

The other disclosures required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard-2 of ICSI is set out at the end of this Notice.

None of the Directors or key managerial personnel or their relatives, except Shri Atul Joshi are concerned or interested in the said Resolutions.

The Board recommends the Resolution as set forth in Item No. 5 for the approval of the Members.

Item No 6:

Pursuant to the recommendation of Audit Committee and approval of the Board at their respective meetings held on 13th August, 2022, M/s. M. R. Vyas and Associates, Cost Accountants have been appointed as Cost Auditor of the Company for the financial year 2022-23 at a remuneration of Rs. 3,00,000/- (Rupees Three Lakhs only). Pursuant to Section 148 of the Act read with The Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditor is to be ratified by the shareholders.

The Board recommends the resolution set forth at this Item for approval of the members. None of the Directors or Key Managerial Personnel (KMP) or their relatives is in any way concerned or interested in the Resolution.

The Board recommends the Resolution as set forth in Item No. 6 for the approval of the Members.

Item No. 7:

Section 180(1) (c) of the Act further provides that the Board of a company shall not, without the consent of the Company by Special Resolution, borrow moneys, where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.

The members of the Company had earlier passed Resolutions through postal ballot, result whereof was declared on March 30, 2018, u/s 180(1)(c) of the Act to authorise the Board to borrow including moneys already borrowed not exceeding sum of paid up capital and free reserves by more than the sum of Rs. 2000 Crore (Rupees Two thousand crore only) at any time.

The Company has received the letter of acceptance for the single largest order ever from the Indian Railways for 24,177 wagons valued at over Rs. 7800 crore (approx.) in May 2022. With the bagging of this contract, the Company's total order book stood at Rs.10,645 crore which is the highest ever order book value on stand-alone basis in the history of the Company. Also, keeping in view of the overall growth plan of the Company businesses and also the Company's existing and future financial requirements to support its business operations, the Company needs additional working capital and deployment of resources on capital expenditure on strengthening/expanding capacity and/or maintenance etc. Accordingly the Board of Directors is sought to be empowered to borrow from time to time by way of inter alia working capital/loan/financial assistance from various bank(s)/financial institution(s) and other lender(s) and/or issue of debt securities/other instruments including foreign currency borrowings.

As the borrowings of the Company might exceed the present overall limit in future, as an enabling power, the same is proposed to be revised/modified to exceed the aggregate of paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, not more than the sum of Rs. 3000 Crore (Rupees Three thousand crore only) at any time.

The borrowings of the Company, where necessary, would be secured by way of charge/mortgage/extension of mortgage on the Company's assets/undertaking(s) in favour of the eligible lenders/security holders. As the documents to be executed between the lenders/security holders and the Company may contain the power to take over the management of the undertaking(s) of the Company in certain events, which may be regarded as disposal of undertaking (s) under Section 180(1) (a) of the Act it is necessary to pass a resolution to enable the Board of Directors of the Company to create charges/mortgages for amounts not exceeding in aggregate the overall borrowing limit as approved by the shareholders pursuant to the provisions of Section 180(1)(c) of the Act, together with interest and costs/charges/expenses.

None of the Directors or Key Managerial Personnel (KMP) or their relatives is in any way concerned or interested in the aforesaid Resolution set out under Item No. 7, save and except to the extent of their respective shareholding, if any in the Company.

The above proposal is in the interest of the Company and the Board recommends the Special Resolutions as set out at Item No. 7 for approval by the members of the Company.

Registered Office:
756, Anandapur
E.M. Bypass, Kolkata -700107
13th August, 2021

By Order of the Board

Ravi Prakash Mundhra
Company Secretary

DETAILS PURSUANT TO SCHEDULE V TO THE COMPANIES ACT, 2013
(Refer Item No. 4 of the Notice of Annual General Meeting)

I. GENERAL INFORMATION				
Name	Titagarh Wagons Limited			
Nature of industry	Rail Rolling Stock, Defence, Shipbuilding, Heavy Engineering and Infrastructure			
Date or expected date of commencement of commercial production	Existing Company, already commenced from 11/07/1997			
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Existing Company - Not Applicable			
Financial performance based on given indicators				Rs. in Lakhs
		2021-22	2020-21	2019-20
	Sales	1,47,479.43	1,02,578.50	1,48,421.49
	Net Profit/(Loss)	7,940.62	5,027.56	(7,992.49)
Foreign investments or collaborations, if any	None as at 31st March, 2022.			

II. INFORMATION ABOUT THE MANAGERIAL PERSONNEL	
Name	Shri Prithish Chowdhary
Background details	Shri Prithish Chowdhary aged 21 years, is a qualified International Baccalaureate from Le Rosey Institut, Geneva. He was associated with the Company as Vice President from 1st July, 2019 for about 17 months and subsequently has been appointed as Non-Executive Director w.e.f. 1st January, 2021.
Past remuneration	Shri Prithish Chowdhary as Non-Executive Director was not entitled for any remuneration, except sitting fees for attending Board/ Committee meetings and/or commission as may be decided by the Board from time to time in accordance with the applicable provisions of the Companies Act, 2013.
Recognition or awards	Chairman, Manufacturing -Council East- ASSOCHAM
Job profile and his suitability	He has in the past few years already gained insight into the business areas in which the Company operates.
Remuneration proposed	Rs. 60 Lakhs per annum.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The proposed remuneration is comparable with the remuneration drawn by the peers and is necessitated due to complexities of business and other aspects.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Shri Prithish Chowdhary, Director (Marketing and Business Development) and Shri Umesh Chowdhary, Vice Chairman & Managing Director, and Smt. Rashmi Chowdhary, Non-Executive Director are related to each other and also related to Shri J P Chowdhary, Executive Chairman of the Company.

III. OTHER INFORMATION	
Reasons of loss or inadequate profits	Not Applicable
Steps taken or proposed to be taken for improvement	The Company has recorded profits during the year 2021-22, however steps are being continued to achieve higher revenues and profits. The execution of the Pune Metro project is on schedule and the production at the Plant at Uttarpara, West Bengal is in full swing and expected to be completed within FY 2022-23. During FY 2021-22, significant milestones pertaining to this Project were achieved viz. flag-off of the first train manufactured for Pune Metro from Italy on 30th July, 2021; inauguration of the first aluminium coach designed and manufactured by the Company for Pune Metro by the Hon'ble Prime Minister Shri Narendra Modi on 6th March, 2022, when he also bought a ticket from the kiosk from an app on his mobile and took a ten-minute ride from Garware Station to Anand Nagar Station in Pune; and the dispatch of the first metro coach produced in India for Pune metro from the Company's factory in Uttarpara, West Bengal, which was flagged-off by Hon'ble Shri Manoj Joshi, IAS, Secretary - Ministry of Housing and Urban Affairs Government of India. The Company is planning to bid for upcoming metro projects in Tier I and Tier II cities based on its award of Pune Metro order.
Expected increase in productivity and profits in measurable terms	Productivity improvement is assured and plans are being executed to sustain the pace and increase in the production commensurate with the order book in hand . Profitability is expected to further improve from the measures inter alia aggressive marketing efforts to secure larger orders for wagons including from private sector customers, repeat orders for metro coaches. In addition to the healthy order book as on date, the Company's focussed approach on fixed cost reduction in terms of consolidating the common functions and reducing duplication of manpower, consolidating its prominent position in the Rolling Stock sector coupled with the access to strong technology for Metro Coaches through its subsidiary in Italy and diversified product portfolio, strategy of adopting innovative ways to cater to its customers and preparedness to seize opportunity in products/projects for defence establishment of India make the outlook for the current year encouraging

IV. DISCLOSURES

The following disclosures are mentioned in the Board of Director's report under the heading "Corporate Governance Report" of the Company in the Annual Report 2021-22:

(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors;

(ii) Details of fixed component and performance linked incentives along with the performance criteria;

(iii) Service contracts, notice period, severance fees;

(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

DETAIL OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT/FIXATION OF REMUNERATION AT THE ANNUAL GENERAL MEETING:

<table>
<tr><th colspan="2">Particulars</th><th>Shri Anil Kumar Agarwal</th><th>Shri Atul Joshi</th><th>Shri Prithish Chowdhary</th></tr>
<tr><td colspan="2">Date of Birth</td><td>05/07/1975</td><td>04/03/1968</td><td>31/05/2001</td></tr>
<tr><td colspan="2">Date of Appointment as director</td><td>29/05/2019</td><td>24/01/2018</td><td>01/01/2021</td></tr>
<tr><td colspan="2">Qualifications</td><td>B. Com. (Hons.), FCA and ACMA</td><td>Double graduate in Commerce and Economics, Bachelor in General Law, CA</td><td>Qualified International Baccalaureate from Le Rosey Institut, Geneva</td></tr>
<tr><td colspan="2">Expertise in Specific Functional Areas</td><td>Rich experience of over 23 years in finance, accounts and other corporate functions</td><td>An economic policy veteran and advisor to foreign investors on FDI investments in Infrastructure in India</td><td>He has already gained insight into the business areas in which the Company operates.</td></tr>
<tr><td colspan="2">Remuneration last drawn (Rs.) [During FY 2021-22]</td><td>Rs. 83.68 lakhs</td><td>Rs. 11.20 lakhs (sitting fees only) and Rs. 1.67 lakhs (Commission)</td><td>Rs. 4 lakhs (sitting fees only)</td></tr>
<tr><td rowspan="2">Number of Meetings of the Board attended</td><td>During 2021-22</td><td>11 out of 11</td><td>11 out of 11</td><td>8 out of 11</td></tr>
<tr><td>During 2022 - 23 (till date)</td><td>4 out of 4</td><td>4 out of 4</td><td>4 out of 4</td></tr>
<tr><td colspan="2">Directorship held in other companies (excluding foreign companies)</td><td>Nil</td><td>1. Imperator Autocorp Private Limited
2. Global Insurance Brokers Private Limited
3. Titagarh Bridges and International Private Limited
4. Losange Export Private Limited</td><td>1. Titagarh Capital Management Services Private Limited
2. Titagarh Logistics Infrastructures Private Limited</td></tr>
<tr><td colspan="2">Memberships/ Chairmanships of Committees of other companies (includes only Audit Committee and Stakeholders Relationship Committee)</td><td>Nil</td><td>Chairperson of Audit Committee - Titagarh Bridges and International Private Limited</td><td>Nil</td></tr>
<tr><td colspan="2">Name of listed entities from which the person has resigned in the past three years (excluding foreign companies)</td><td>Nil</td><td>1. Taurus Corporate Advisory Services Limited (Resigned w.e.f. 27.07.2020)</td><td>Nil</td></tr>
<tr><td colspan="2">No. of shares held in the Company (as on 13/08/2022)</td><td>100,000 equity shares</td><td>Nil</td><td>Nil</td></tr>
</table>

BOARD'S REPORT

Dear Shareholders,

The Directors hereby present their Twenty-fifth Annual Report on the business and operations of Titagarh Wagons Limited ('the Company' or 'TWL') along with the audited financial statements, for the financial year ended March 31, 2022. The consolidated performance of Titagarh Group (the Company and its subsidiaries) has appropriately been referred to in this Report.

1. Profit, Retention & Dividend

Titagarh Group's financial performance during the financial year ended March 31, 2022 was as follows:

Rs. in lakhs

	Standalone		Consolidated	
Particulars	**2021-22**	**2020-21**	**2021-22**	**2020-21**
Revenue from operations	147479.43	102578.50	193079.19	152063.95
Other income	2288.28	1137.03	3583.56	2485.92
Total Income (TI)	**149767.71**	**103715.53**	**196662.75**	**154549.87**
Earnings before interest, tax, depreciation and amortisation (EBIDTA)	**18168.33**	**13065.44**	**16875.94**	**10549.64**
Less: Finance Cost	5582.23	5478.57	9339.50	8119.93
Less: Depreciation and amortization expenses	1838.34	1572.95	3327.48	2986.76
Profit/(Loss) before exceptional items & tax	**10747.76**	**6013.92**	**4208.96**	**(557.05)**
Share of Profit/(Loss) of Joint Ventures	-	-	-	(0.65)
Exceptional items	-	(434.75)	-	-
Profit/(Loss) before tax	**10747.76**	**6448.67**	**2895.52**	**(557.70)**
Tax Expenses/(Benefits)	2807.14	1421.11	2964.07	1320.95
Profit/(Loss) for the year after tax from continuing operations	**7940.62**	**5027.56**	**(68.55)**	**(1878.65)**
Loss from discontinued operations (net of tax)	-	-	-	-
Profit/(Loss) for the year after tax	**7940.62**	**5027.56**	**(68.55)**	**(1878.65)**
Other Comprehensive Income/(Loss) (net of tax)	**570.59**	**465.55**	**572.48**	**814.47**
Total Comprehensive Income for the year	**8511.21**	**5493.11**	**503.93**	**(1064.18)**

2. Performance and Outlook

The Company's performance during the Financial Year 2021-22 (FY 21-22) on a standalone basis improved substantially as compared to the previous financial year (FY 20-21) with all three segments viz. 'Freight Rolling Stock', 'Passenger Rolling Stock' and 'Shipbuilding, Bridges and Defence' ('SBD') recording noteworthy increase in revenue, as explained further in 'Segment Review' under the section 'Management Discussion and Analysis' herein below. All the key performance factors improved remarkably with the total income being higher by 44.40%; the EBIDTA went up from Rs. 13065.44 lakhs in FY 20-21 to Rs. 18168.33 lakhs in FY 21-22: an increase of 39.06% and Profit after tax, from Rs. 5027.56 lakhs in FY 20-21 to Rs. 7940.62 lakhs in FY 21-22 was up by 57.94%.

On a consolidated basis, the Group's total income increased from Rs. 154549.87 lakhs in FY 20-21 to Rs. 196662.75 lakhs in FY 21-22 i.e. an increase of 27.25%; the EBIDTA from Rs. 10549.64 lakhs in FY 20-21 to Rs. 16875.94 lakhs in FY 21-22 recorded an increase of 59.97% and Loss after tax for FY 21-22 reduced systematically to a level of Rs. 68.55 Lakhs as compared to Rs. 1878.65 Lakhs in FY 20-21, being an improvement of 96.35%.

The financial performance during FY 20-21 having been impacted due to the outbreak of COVID-19 and the lockdown announced by the Governments as a measure to combat the pandemic in the countries where the Group operates notwithstanding, the improvement in the performance for the year under review is commendable since the impact of COVID-19 pandemic was felt during FY 21-22 as well, more particularly in the first half, however, the macro-economic scenario has improved this year and the demand remained strong as the entire value chain gradually returned to normal.

It is a matter of great satisfaction that during FY 21-22 the Company achieved the highest ever revenue on a standalone basis since its incorporation. The Order Book remained healthy across all the three segments and the Pune Metro project was on schedule and the first train manufactured at the Group's works at Italy and at the state-of-art facilities in Uttarpara, West Bengal, India respectively were flagged-off during the year under review. The performance of the Company on a consolidated basis also improved with the major highlight being the award of a framework contract of Euro 280 million for 38 trainsets of Metro in January 2022 to Titagarh Firema S.p.A. ('TFA'), the subsidiary in Italy.

The Company continued the consolidation of subsidiaries with the objective of simplification of the business structure and the Board at its meeting held on 10th January, 2022 approved a draft scheme (the Scheme) for amalgamation of Titagarh Bridges and International Private Limited (TBIPL), a wholly owned subsidiary with the Company, with 1st April, 2021 as the Appointed Date, subject to the sanction by the Hon'ble National Company Law Tribunal (NCLT). TBIPL being a wholly owned subsidiary of the Company, no consideration is payable. Following the approval of the Scheme by the shareholders and creditors of the Company at their respective meetings held on 10th May, 2022, a confirmation petition was filed before the NCLT on 28th May, 2022 and an order passed for the next hearing on August 25, 2022.

Your Directors are also pleased to report that the Company received the order for the single largest order ever from the Indian Railways for 24,177 wagons valued at over Rs. 7800 crore (approx.) in May 2022. With the bagging of this contract, the Company's total order book stood at Rs.10,645 crore which is the highest ever order book value on stand-alone basis in the history of the Company. With the execution of Pune Metro project on schedule and continued participation in various tenders for the segments viz. 'Passenger Rolling Stock' and 'Shipbuilding, Bridges and Defence' and tremendous potential for growth thanks to the continued thrust and support provided by the Government of India to the Indian companies under the initiatives such as "Make in India" and consistent focus on improvement in the operations of overseas subsidiary in Italy combined with resource optimization undertaken by the management, the outlook for the current year, being the silver-jubilee year of the Company's operations, is encouraging.

Management Discussion and Analysis

(a) Overall Review

The overall performance of the Company during the financial year 2021-22 is considered to be satisfactory.

(b) Segment Review

During the year, the Directors have identified the following reportable segments:

a) Freight Rolling Stock - Consists of manufacturing of Wagons, Loco Shells, Bogies, Couplers and its components.

b) Passenger Rolling Stock - Consists of designing and manufacturing of Metro, Passenger Coaches, EMUs, Train Sets, Mono Rail, Propulsion equipment, Traction Motors and its components.

c) Shipbuilding, Bridges & Defence - Consisting of Shipbuilding which includes Designing and Construction of Warships, Passenger Vessels, Tugs and other specialised self - propelled vessels and its components; and specialised equipment for Indian Defence Sector and Modular Bridging solutions for several geographically remote locations in India which comprises less than 10% revenue on individual basis.

The segment wise performance is given herein below:

Rs. in Lakhs

	Standalone			Consolidated		
Particulars	2021-22	2020-21	Change %	2021-22	2020-21	Change %
Segment Revenue (Gross)						
Freight Rolling Stock	121436.40	96374.15	26.01%	121436.40	96374.16	26.01%
Passenger Rolling Stock	21897.41	4752.34	360.77%	65771.68	54107.07	21.56%
Shipbuilding, Bridges & Defence	4145.62	1452.01	185.51%	5871.11	1582.72	270.95%
Total	147479.43	102578.50	43.77%	193079.19	152063.95	26.97%

Segment Results						
Freight Rolling Stock	15781.12	12377.74	27.50%	15781.12	12377.74	27.50%
Passenger Rolling Stock	440.81	(496.89)	188.71%	(4077.62)	(4282.63)	4.79%
Shipbuilding, Bridges & Defence	566.13	(345.70)	263.76%	1521.34	(407.16)	473.65%
Total	16788.06	11535.15	45.54%	13224.84	7687.95	72.02%
Total Profit/(Loss) before tax from continuing operations	10747.76	6448.67	66.67%	2895.52	(557.70)	619.19%
Profit/(Loss) after Tax from discontinued operations	-	-	-	-	-	-
Total Profit/(Loss) after tax	7940.62	5027.56	57.94%	(68.55)	(1878.65)	96.35%

During the year under review, the performance of the freight rolling stock business of the Company has been quite stable with about 82% of the Company's standalone revenue coming from this segment. The Company has the largest installed capacity of 8400 wagons per annum with state of the art facility at the Plant at Titagarh, W.B. The Company continues to have its dominant position as market leader in this business segment and for last few years has been getting more substantial percentage of total order quantity placed by Indian Railways ('IR') and is also the largest supplier of wagons to the private sector.

The freight rolling stock segment further received a major boost in May 2022 with the receipt of letter of acceptance for an order for manufacture and supply of 24,177 Wagons from IR valued at over Rs. 7,800 crore (approx.) which is required to be executed over a period of 39 months. The Company possesses the necessary infrastructure and capacity to supply the Wagons against this order, however, further augmenting of its facilities to optimise production costs and efficiencies has been initiated. With the pace at which the IR is modernising and upgrading its network, the demand for wagons is expected to remain buoyant in the coming years.

Under the Passenger Rolling Stock segment of the Company, the execution of Pune Metro project is a very important milestone for the Company. The Company along with its subsidiary: TFA, had signed the first contract for design, manufacture and supply of 34 trains of 3 coaches each for Pune Metro (Maharashtra Metro Rail Corporation Limited). Under this contract, the first 3 trains are to be built in TFA's plant in Caserta, Italy and the balance 31 trains will be manufactured in the Company's plant in India.

The execution of the Pune Metro project is on schedule and the production at the Plant at Uttarpara, West Bengal is in full swing and expected to be completed within FY 2022-23. During FY 2021-22, significant milestones pertaining to this Project were achieved viz. flag- off of the first train manufactured for Pune Metro from Italy on 30th July, 2021; inauguration of the first aluminium coach designed and manufactured by the Company for Pune Metro by the Hon'ble Prime Minister Shri Narendra Modi on 6th March, 2022, when he also bought a ticket from the kiosk from an app on his mobile and took a ten-minute ride from Garware Station to Anand Nagar Station in Pune; and the dispatch of the first metro coach produced in India for Pune metro from the Company's factory in Uttarpara, West Bengal, which was flagged-off by Hon'ble Shri Manoj Joshi, IAS, Secretary - Ministry of Housing and Urban Affairs Government of India. The Company is planning to bid for upcoming metro projects in Tier I and Tier II cities based on its award of Pune Metro order.

"Make in India" initiative coupled with launch of Dedicated Freight Corridor (DFC), metro projects across all major Indian cities are expected to boost wagon and electrical train manufacturing industry in the country and the DFC wagons are expected to contribute significantly to the Company's revenues in future.

The Company had earlier collaborated with ABB India Limited (ABB) to work together to design, develop and manufacture state of the art 3 phase IGBT based propulsion systems for EMU/MEMU being manufactured in Titagarh's plant at Uttarpara, West Bengal, with certain components being supplied by ABB. In addition to a good market potential for the propulsion business, such business alliance is also very strategic for train production business. In the propulsion tenders, your Company is well placed and is expecting additional orders. While the trial production of the traction motors and the traction converters has already commenced at the Company's facilities, the regular production is expected to start within FY 2022-23, which would be a very important milestone as it would move the Company into a high technology area of propulsion electronics.

The Company is also trying to develop an export market for both the freight wagons and transit train business. International certification and application for accreditation of services have already been completed for wider acceptance of its products globally. A Representative office has recently been opened in America, while the Company already has a significant presence in Europe through the Italian subsidiary involved in transit train manufacturing. The Indian and Italian operations would be synergised to cater to the global market for both the freight wagons and transit business.

Shipbuilding, Bridges and Defence (SBD) segment also is in the centre of the Company's strategy and gets substantial focus. During the year under review, the Company acquired 8.8 acres of land and infrastructure of erstwhile Precision Shipyard at Falta, W.B. to expand the shipbuilding business. With this acquisition, the Company would be able to functionally merge the 2 facilities at Titagarh and in Falta in order to cater to a much wider range of specialised ship-building activities and also enable the Company to participate in tenders for larger vessels. The Company has during FY 2021-22 also successfully launched its first warship vessel for the Indian Coast Guard in co-operation with Garden Reach Shipbuilders and Engineers Ltd. (GRSE). The Company would continue to participate in the upcoming shipbuilding tenders. Currently Titagarh is executing a total order for 18 Ships for Indian Navy, GRSE & WBTIDCL.

Powered by the world's most experienced and well equipped manufacturers, the Company also manufactures modular bridging solutions which have multiple options in width and span, as the same includes unique, easy to move and ready to assemble panels. These bridges can be opened to traffic immediately after installation.

The Company is also the industry partner to Defence Research and Development Organisation (DRDO) and holds an industrial license for defence manufacturing. Titagarh manufactures various other products for the Indian Defence establishment such as special purpose wagons, shelters and other engineering equipment as an 'Industry Partner' to the DRDO, Ministry of Defence. The Company would continue to participate in the upcoming defence related tenders.

(c) Overseas Operating Subsidiary: Titagarh Firema SpA, Italy (TFA)

The year ended March 31, 2022 was characterized by the results of the various strategic initiatives undertaken by the Company in terms of restructuring of long-term debts, recapitalization of the Company, execution of projects under completion (including legacy contracts), substantial increase in the order book, rationalization of some company structures and finally concentration of all production activities at the Caserta site. The main goals achieved are the following:

1. Investment agreement with Invitalia - The Company has signed a term sheet with Agenzia nazionale per l'attrazione degli Investimenti e lo sviluppo di impresa S.p.A a company/ agency owned by the Government of Italy. The purpose of this agreement is to infuse fresh capital into TFA by Invitalia along with a third-party investor. The investment by Invitalia is to support inter alia in the process of industrial growth of the company.
2. Restructuring of long-term debts with the Bank of Baroda - On 17th December 2021, pursuant to the one-time restructuring applicable for the Covid-19 pandemic, the Company achieved successful restructuring of its existing debt of Euro 79.75 million with the Bank. The restructuring of the long-term debts inter alia includes rescheduling and extending the repayment of the existing long-term debts over two more years as a result of which the cash outflow for the next 3 years will be reduced by Euro 30 million. This will support the Company to use the internal cash accruals to ramp up the production.
3. Order Backlog - On 21st January 2022, the Company signed a framework agreement with the Lazio Region for the supply of 38 trains for a value of 282 million euros. The framework agreement provides for the design of new trains for the Rome-Lido di Ostia and Rome-Viterbo railway networks. With this, the Company's order book (including framework contracts) stands at a good level of 507 million euros, of which only 5% is at the end of its life (including legacy contracts). For this framework contract, the first two application contracts have already been issued for a value of 235 million euros.
4. Delivery of two new trains - The Company has successfully designed, produced and delivered two prototype metro trains, one for Pune Metro (India) and the other for Catania Metro (Sicily). This is an extremely important milestone for us since we were able to supply these two trains in parallel in less than 24 months in spite of the Covid and other difficulties faced by us.
5. Completion of end-of-life contracts (including legacy contracts) - The contracts inherited at the time of the acquisition of Firema Trasporti S.p.A in A.S., and some other contracts, had caused, over the years, substantial losses and significant absorption of liquidity; these contracts are being completed and will see deliveries of the related rolling stock by the second quarter of the financial year 22-23. The completion of these contracts will free up large sums of capital still part of the working capital, which will then be used to settle the overdue payments of suppliers and normalize the working capital cycle.
6. Integration of the sites and rationalization of the workforce – A substantial reduction in fixed costs has been implemented by consolidating operations from 3 sites in a single site in Caserta with the simultaneous improvement

of productivity. The number of employees reduced from 568 in March 2021 to 420 (including 30 employees who have been put-on long-term layoffs due to the shifting of operations from Tito to Caserta site from 1st January 2022). The integration of the site and rationalising of the head count will improve the hourly rate and will make the Company more competitive going forward.

7. Future prospects - The impetus given by the European Union and the Italian Government to green mobility and infrastructure development will open up unprecedented business opportunities for the Company. One of these programs of the Italian Government is the Reconstruction and Resilience Program (PNRR), which plans to invest 40.4 billion euros over the next 3-4 years in the public transport sector, of which a good part in the railway sector, where we will try to participate.

   The financial results for the year was impacted due to execution of the end of life contract (including legacy contract) as the strategy of the Company during the year was to focus on completion of these contracts to the maximum possible. Although this resulted into loss at the bottom line more than what was forecasted, however, it was very positive from the cash perspective. Significant amount of cash was blocked in the net working capital of these projects and it was important to release the cash so that the same can be utilised to pay off the overdue suppliers and to use for the new projects. Once the end-of-life contracts (including legacy contracts) are fully executed which is expected by the second quarter of FY 22-23, the Company would be able to concentrate on the new contracts which will be 3- 4 projects in parallel and this will bring in efficiency and proper allocation of the resources.

   The results for the year ended 31st March 2022 includes certain non-recurring items and one time provision made towards the closure of the end-of-life contracts (including legacy contracts) aggregating to Euro 5.7 million.

(d) Operating subsidiary in India: Titagarh Bridges and International Private Limited (TBIPL)

Titagarh Bridges and International Private Limited ('TBIPL') (Formerly: Matiere Titagarh Bridges Private Limited), a wholly-owned subsidiary of the Company, is engaged in the business of manufacturing, marketing and selling all types of bridges including metallic bridges and auxiliary products, including all metallic and modular bridge equipment parts related thereto. Pursuant to an agreement between the Company and Matiere S.A.S., France ('Matiere'), the technical know-how for execution of the ongoing contracts as well as manufacturing and selling of the Bridges by TBIPL in the agreed territories are provided by Matiere.

During the year under review, TBIPL recorded a profit of Rs. 269.15 lakhs as compared to the loss of Rs. 63.91 lakhs in the financial year ended 31st March, 2020. The improved performance was mainly on account of increase in revenue from construction contracts during the FY 2021-22.

The Board of the Company and TBIPL at its meeting held on 10th January, 2022 respectively approved the draft Scheme of Amalgamation of TBIPL with the Company w.e.f. the Appointed Date: 1st April, 2021. TBIPL being a wholly owned subsidiary of the Company, no consideration is payable and the equity shares and optionally fully convertible debentures held by the Company in TBIPL shall stand cancelled upon the Scheme becoming effective. The Scheme was approved by the shareholders and creditors of the Company and the unsecured creditors of TBIPL at the meetings convened pursuant to the directions issued by the Hon'ble National Company Law Tribunal (NCLT) and held on 10th May, 2022, and is now awaiting the final sanction of NCLT. Pursuant to the merger of TBIPL with the Company, all the assets and liabilities of TBIPL including the shares held by it in Titagarh Singapore Pte. Ltd., Singapore, and Titagarh Firema S.p.A., Italy, would be transferred to the Company

(e) Order Book position

The total order book of Company on a standalone basis stood at Rs. 2,806 crore at the end of March, 2022, which was well diversified across the three segments with the order book at Freight segment at about Rs. 1,132 crore, the Transit & Propulsion at about Rs. 1,225 crore and the SBD segment at about Rs. 450 crore. With the award of the largest order ever from the Indian Railways in May 2022 for 24,177 wagons valued at over Rs. 7,800 crore, the total order book for the first time crossed Rs. 10,000 crore for the Indian (standalone) operations and Rs. 15,000 crore for the consolidated operations. Going forward the revenue mix of the Company will undergo a substantial change with business other than Wagons contributing substantially to the top line. It is expected that more than 50% of Indian order book would be from the non-wagon division which will reduce dependency on the wagon business.

(f) Industry overview of Business Segments

Freight Rolling Stock

India has the fourth-largest railway system in the world, following the US, Russia and China. As of FY21, the Indian Railways had 13,452 passenger trains and 9,141 freight trains. As of FY21, it had a total route network of 68,103 kms. Indian Railways has logged the highest ever electrification of sections covering 6,015 Route Kilometer (RKM) in a single year during 2020-21. More than 5 times electrification was achieved during (2014-21) last seven years as compared to during 2007-14. By 2024, Indian railways will be run completely on electricity.

Revenue growth has been strong over the years. Indian Railways' revenue reached US$ 23.30 billion in FY22. The gross revenue stood at US$ 16.89 billion in FY2. RailTel, a PSU under the Railway Ministry, which provides fast and free Wi-Fi across the Indian Railways network, announced its highest ever consolidated income of Rs. 11,660.05 million (US$ 158.48 million) for FY19-20. This income figure is a growth of 12.3% over the consolidated income of the financial year FY18-19. The gross revenue stood at US$ 23.3 billion in FY22 (until March 10, 2022).

Freight remains the key revenue earning segment for the Indian Railways, accounting for 75.8% of the total revenue in FY22, followed by the passenger segment.

Growing industrialisation across the country has increased freight traffic in the last decade. India is projected to account for 40 per cent of the total global share of rail activity by 2050.

Outlook

Indian Railways have prepared a National Rail Plan for India 2030. The plan is to create a future ready railway system by 2030 bringing down the logistic cost for industry is at the core of the strategy to enable the country to integrate its rail network with other modes of transport and develop a multi-modal transportation network.

Indian Railways is also looking at other areas of revenue generation such as the following:

a) Change in composition of coaches so that it can push the more profitable AC coach travel;

b) Additional revenue streams by monetising traffic on its digital booking IRCTC; and c) Disinvesting IRCTC. The Indian Railways has decided to undertake electrification of Broad Gauge (BG) rail lines in a mission mode and is likely to complete the process by 2023-24.

Passenger Rolling Stock

Metro trains are rail-based mass rapid transit systems that operate on a privileged right- of-way – either underground or elevated over street level, separated from all other modes of transport in an urban area. There are currently 16 operational metro systems in India with a total of more than 700 km of operational metro lines and a further 1000+ km of lines are under construction and/ or being proposed. According to nodal ministry, a total of 34 Metro Rail projects are at various stages of progress in the country including Delhi- Meerut Regional Rapid Transit System (RRTS)

As per the latest National Urban Transport Policy, metro rail system is to be constructed in every city with a population of 20 lakh or more with Union Government providing financial assistance either directly or through multilateral funding agencies or through a combination of both. The number of metros expected to come up in India is about 50. Since the cost of a heavy metro is very high, various cities have been asked to explore options light metro, tram or Metrolite, Metroneo and monorail.

Metro rail system enables large-scale, rapid and low-cost movement of people while causing very little pollution as compared to conventional modes of transport for thickly populated areas where traffic is a major challenge.

Outlook

The development of Metro network has ushered a wave of latest technologies unleashing investment, generating jobs, and business opportunities in the country. Given rising urbanisation and increasing population levels in India, implementation of metro rail systems will become imperative as mass rapid transit systems are the best way to decongest traffic. National Urban Transport Policy also ensures that metros in some form or the other come up in cities thereby ensuring a steady requirement of metro rolling stock for the future.

Shipbuilding

The Indian shipbuilding industry finds itself in a position that is below its true potential. The industry today exists as a largely monopolist market for defence shipbuilding with a reasonably strong domestic demand, while not making any significant headway in commercial shipbuilding, with little demand.

In Union Budget 2022-23, the total allocation for the Ministry of Shipping was Rs. 1,709.50 crores (US$ 223.31 million). India has plans to invest US$ 82 billion in port projects by 2035. Over the last few years, to make the Indian maritime sector "Atmanirbhar", there have been concerted attempts by our Government to shift gears with respect to development of ports and expansion of shipping connectivity to our hinterlands in achieving the 5 trillion economy mark.

Outlook / Status of shipyards in India

India's shipbuilding industry comprises of both private and public shipyards, with about 28 shipyards and Shipbuilding assets (not including many minor boat yards) distributed on both the east and west coast. For defence shipbuilding, the infrastructure and capability exists for building state of art combatants i.e. aircraft carriers, submarines, destroyers, frigates etc., while in terms of commercial shipbuilding, capacity, capability and infrastructure exists for building vessels ranging from niche small high speed crafts to very large cargo vessels up to 400,000 DWT.

Defence

India's Defence budget for FY 2022-23 stands at USD 54.20 billion (Rs. 4,05,470.15 crore) after excluding the component of the Defence pensions and is primarily focused towards the upkeep and modernization of an operational Armed Forces. The capital outlay, which focuses towards the modernization of Armed Forces has been increased by 12.82 percent with an allocation of USD 20.36 billion (Rs. 1,52,369.61 crore). In recent times, the Defence budget has also been sensitive to the need for establishing a technological framework to advance growth of a vibrant indigenous military manufacturing infrastructure. For this self-reliance initiative, 68% of the capital procurement has been proposed to be earmarked for domestic industry, up from 58% in 2021-22.

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

The Company has taken various operational measures viz. consolidation of the different products in line with the plant capacities which resulted in improved efficiency by turning the plant into a centre of excellence for the particular product and incurring capital expenditure of around Rs. 100 crore in last two years for upgrading the plant and making the production facilities state of the art, helping Company to increase productivity and produce cost efficiently. All plants of the Company are ISO 9001: 2015 and ISO 14001:2015 certified. Continuing focus of the management is consistently on undertaking cost rationalization, better manufacturing processes, improved productivity and optimization of resource for improvement in performance aimed at achieving results better than the trend witnessed in the industries in which the Company operates. Viewed in this backdrop, the Company's performance for the year under review is considered to be in line with the circumstances prevailing.

(h) Overall outlook for the current year

In addition to the healthy order book as on date, the Company's focussed approach on fixed cost reduction in terms of consolidating the common functions and reducing duplication of manpower, consolidating its prominent position in the Rolling Stock business coupled with the access to strong technology for Metro Coaches through its subsidiary in Italy and diversified product portfolio, strategy of adopting innovative ways to cater to its customers and preparedness to seize opportunity in products/projects for Metro and defence establishment of India make the outlook for the current year encouraging.

(i) Key Financial Ratios

As stipulated in the Regulation 34(3) of SEBI (LODR) Regulations, 2015, as amended, the Company reports as follows:

(a) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios or sector specific ratios, along with detailed explanations therefor:

Sl.	Key Financial Ratios	2021-22	2020-21	Difference (%)
1	Debtors Turnover Ratio (days)	52.88	86.30	-38.73%
2	Inventory Turnover Ratio (days)	88.20	102.89	-14.28%
3	Interest Coverage Ratio (times)	3.25	2.38	36.47%
4	Current Ratio (times)	1.22	2.35	-48.27%
5	Debt Equity Ratio	0.12	0.12	-
6	Operating Profit Margin (%)	12.32%	12.74%	-3.28%
7	Net Profit Margin (%)	5.38%	6.29%	-14.46%

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

- Debtors Turnover Ratio: Variation is attributable to better collection of trade receivables compared to the volume of operations.
- Interest Coverage Ratio: Variation is primarily due to increase in earnings as compared to the volume of operations.
- Current Ratio: Variation is primarily due to temporary increase in current borrowings and advance from customers.

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

Key Financial Ratios	2021-22	2020-21	Difference (%)
Return on Net Worth (%)			
- Before considering exceptional item	11.22%	6.90%	62.65%
- After considering exceptional item	11.22%	7.40%	51.68%

Notes on significant changes in financial ratios where change is > 25%: The increase in primarily due to increase in earnings as compared to the increase in volume of operations.

2. Dividend

Considering various financial/non-financial parameters, the Directors with a view to conserving resources do not recommend any dividend for the FY 2021-22.

Pursuant to the requirements of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), the Dividend Distribution Policy of the Company is available on the following weblink in the Company's website: https://titagarh.in/policies-and-codes.

3. Employee Stock Options Scheme/Change in Share Capital

There was no change in the authorised share capital of the Company during the year under review.

Pursuant to approval of the shareholders, the Nomination and Remuneration Committee (also functioning as Compensation Committee) at its meetings held on March 4, 2015 and May 19, 2017 in accordance with the TWL Employees Stock Options Scheme, 2014 (ESOS) granted to the eligible employees 5,00,000 options each respectively, to be converted into equivalent number of equity shares of Rs. 2/- each fully paid as per the ESOS.

Options resulting in 129,500 equity shares and 54,000 equity shares allotted on 10th August, 2021 and 13th November, 2021 respectively to the eligible employees upon exercise by them in conformity with ESOS led to increase in the paid up equity share capital to Rs. 23,91,42,178/- as at 31st March, 2022 consisting of 11,95,71,089 equity shares of Rs. 2/- each fully paid up. The equity shares so allotted rank pari-passu with the existing equity shares of the Company.

The disclosures as required under Regulation 14 of Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 have been placed on the corporate website of the Company www.titagarh.in.

4. Material Changes and Commitments after the balance sheet date:

No material changes and commitments have occurred since the date of close of the financial year, to which the financial statements relate, till the date of this report, which might affect the financial position of the Company.

5. Investor Education and Protection Fund (IEPF)

As stipulated by the applicable provisions of the Companies Act, 2013 ('the Act') read with IEPF (Accounting, Audit, Transfer & Refund) Rules, 2016, as amended ('the IEPF Rules') all unpaid or unclaimed dividend required to be transferred by the Company to the IEPF has been/ shall be transferred, details whereof are provided on the Company's website: www.titagarh.in.

Pursuant to the provisions of Section 124(6) of the Act read with the IEPF Rules, all the shares on which dividends remain unpaid or unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority ('IEPF Account') as notified by the Ministry of Corporate Affairs. In accordance with the said provisions, the Company had executed and submitted the necessary documents for transfer of 3,764 equity shares of Rs. 2/- each, to the IEPF account, on 8th November, 2021, in respect of which dividend had not been claimed by the members for seven consecutive years or more as on the cut-off date, i.e. 9th October, 2021. The details of all shares transferred to the IEPF Account are uploaded on the Company's website.

The Company has identified 166 shareholders (including one unclaimed suspense account) holding 55,731 equity shares in aggregate, who have not claimed their dividend consecutively since FY 2014-15 and therefore shares held by them are liable to be transferred to the IEPF Account on due date i.e. 22nd October, 2022. The Company has sent a communication to all concerned with information regarding transfer of their shares and reminder for taking appropriate action for claiming the dividend unclaimed on their shares and also published a Notice in the leading Newspaper both in English and Vernacular language on 21st July, 2022, which was also uploaded at the website of the Company and the Stock Exchanges. The details of such shareholders are uploaded on the Company's website.

6. Transfer to Reserves

No amount is proposed to be transferred for the year under review to the general reserves.

7. Risk Management, Risks and Concerns

A Risk Management Policy to identify and assess the key risk areas, monitor mitigation measures and report compliance has been adopted. Based on a review, major elements of risks have been identified and are being monitored for effective and timely mitigation.

Risk management is an integral part of the Company's risk management policy adopted by the Board with periodic review by the Audit Committee and the Board. A Risk Management Committee has been constituted by the Board on 8th June, 2021, the terms of reference of which includes the review the risk management. Prudence and conservative dealing with risks is at the core of risk management strategy being followed by the Company. The risks, both internal and external to which the Company is exposed to include macro-economic, regulatory, strategic, financial, operational, value chain, human resources etc. and each of them is taken into consideration for development and maintaining of a robust mechanism for mitigation which is evolving with time and circumstances within which the Company operates.

The Company has also appointed a Chief Risk Officer for the purpose of effective coordination of the risk management mechanism.

8. Subsidiary Companies and Joint Venture

A report containing the details required under Section 134 of the Companies Act, 2013 ('the Act') read with Rule 8(1) of the Companies (Accounts) Rules, 2014 in respect of performance and financial position for the financial year ended March 31, 2022, of subsidiaries: Titagarh Bridges and International Private Limited (TBIPL); Titagarh Singapore Pte. Ltd., Singapore; Titagarh Firema S.p.A., Italy; and Joint Venture Company: Titagarh Mermec Private Limited included in the Consolidated Financial Report (CFS) in the Form AOC-1 is annexed to this Report and marked as **Annexure DR-1.** The CFS is attached to this Annual Report.

As reported hereinbefore, the Board at its meeting held on 10th January, 2022 has approved the draft Scheme of Amalgamation of TBIPL, a wholly owned subsidiary with the Company, with 1st April, 2021 as the Appointed Date, subject to the sanction by the Hon'ble National Company Law Tribunal (NCLT).

9. Copy of the Annual Return

Pursuant to the provisions of Section 92(3) of the Act, the copy of the annual return has been uploaded on the website of the Company www.titagarh.in (https://titagarh.in/report/annual-report) and the same can be viewed by the members and stakeholders of the Company.

10. Number of Board Meetings

The Board of Directors met Eleven (11) times during the financial year 2021-22 as per the details provided in the Corporate Governance Report forming part of Annual Report.

11. Loans, Guarantee and Investments

Particulars of loans, guarantees and investments made by the Company pursuant to the Section 186 of the Act are furnished under notes to financial statements. The Company has been informed that the said loan, guarantee and security are proposed to be utilised by each recipient for its general business/corporate purposes.

12. Significant and Material orders

There were no material/significant orders passed by any regulator, tribunal impacting the going concern status and the Company's operations in future.

13. Composition of Audit Committee

The Audit Committee constituted by the Board has Shri Atul Joshi as Chairman and Shri Manoj Mohanka and Shri Sunirmal Talukdar as the members. Further details are provided in the Corporate Governance Report.

During the year all recommendations made by the Audit Committee were accepted by the Board.

14. Related Party Transactions

All Related Party Transactions (RPTs) are entered into by the Company pursuant to compliance with the applicable laws and also in accordance with the policy adopted by the Board. Audit Committee reviews and approves all the RPTs as stipulated by the SEBI (LODR) Regulations, 2015 and based thereon final approval of the Board is obtained. The particulars of contracts or arrangements with related parties referred to in section 188(1) of the Act and as mentioned in form AOC-2 of the Rules prescribed in the Companies (Accounts) Rules, 2014 under the Act are annexed hereto and marked as **Annexure DR-2**.

TITAGARH

15. Corporate Governance Report

The Company has complied with the corporate governance requirements under the Act and SEBI (LODR) Regulations, 2015. A separate section on Corporate Governance under Listing Regulations along with a certificate from a Company Secretary in Practice confirming compliance is annexed to and forms part of the Annual Report.

16. Business Responsibility Report (BRR)

In compliance with Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015, the Company has included Business Responsibility Report, as part of the Annual Report, describing initiatives taken by the Company from an environmental, social and governance perspective.

The BRR for FY 2021-22 has been hosted on the Company's website, which can be accessed at https://titagarh.in/report/annual-report.

17. Internal Control System

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

a. That its assets are safeguarded

b. that transactions are authorised, recorded and reported properly; and

c. that the accounting records are properly maintained and its financial statements are reliable.

The Company has appointed external firm of Chartered Accountants to conduct internal audit whose periodic reports are reviewed by the Audit Committee and management for bringing about desired improvement wherever necessary.

18. Vigil Mechanism

A fraud and corruption free environment as part of work culture of the Company is the objective and with that in view a Vigil Mechanism Policy has been adopted by the Board which is uploaded on the web site of the Company at www.titagarh.in. No complaint of this nature has been received by the Audit Committee during the year under review.

19. Internal Complaints Committee

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the further details of which are given in the Corporate Governance Report. No complaint was lodged with the Committee during the financial year 2021-22.

20. Directors and Key Managerial Personnel

Pursuant to the recommendation of the Nomination and Remuneration Committee (NRC) and review by the Audit Committee, the Board at its meeting held on 10th August, 2021, subject to approval of the shareholders at the 24th Annual General Meeting (AGM), reappointed Shri Jagdish Prasad Chowdhary (DIN: 00313685) as the Chairman & Managing Director (designated as 'Executive Chairman') of the Company for five years w.e.f. 8th January, 2022.

The shareholders at their 24th AGM held on 27th September, 2021 approved the aforesaid appointment of Shri J.P. Chowdhary by passing their special resolution. The shareholders in their 24th AGM also passed resolutions to approve the appointment of Shri Sushil Kumar Roongta (DIN: 00309302), who was earlier appointed by the Board as Additional Director (Category: Independent) w.e.f. 1st January, 2021 to hold office for a term of five years, and Shri Prithish Chowdhary (DIN: 08509158) who was earlier appointed by the Board as Additional Director (Category: Non-Executive) w.e.f. 1st January, 2021.

The Board has recommended necessary resolution to be passed at the ensuing 25th AGM for the (i) reappointment of Shri Atul Joshi (DIN: 03557435) as Independent Director to hold office for a second term of five years w.e.f. 24th January, 2023 and (ii) change in designation of Shri Prithish Chowdhary to Director (Marketing and Business Development) for a term of five years on and from the date of approval by the shareholders at the AGM.

Shri Anil Kumar Agarwal, Director (Finance) & CFO, retires by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Act and is eligible for re-appointment.

The information prescribed by SEBI (LODR) Regulations, 2015 in respect of the above named Directors is given in the Notice of Twenty Fifth Annual General Meeting.

The Board has pursuant to the recommendation of Nomination & Remuneration Committee at their respective meetings held on 13th August, 2022 appointed Shri Ravi Prakash Mundhra as the Company Secretary and Compliance Officer of the Company w.e.f. the said date in place of Shri Sumit Jaiswal who resigned due to his personal reasons.

21. Evaluation of the Board's performance, Committee and Individual Directors

In compliance with the Act and SEBI (LODR) Regulations, 2015, the performance evaluation of the Board, Committees and Individual Directors was carried out during the FY 2021-22 as per the details set out in Corporate Governance Report.

22. Declaration by Independent Directors

Declarations pursuant to the Sections 164 and 149(6) of the Act and SEBI (LODR) Regulations, 2015 and affirmation of compliance with the Code of Conduct as well as the Code for Regulation of Insider Trading adopted by the Board, by all the Independent Directors of the Company have been made. In the opinion of the Board, the Independent Directors hold highest standard of integrity and possess the requisite qualifications, experience, expertise and proficiency.

23. Remuneration Policy and remuneration

A policy approved by the Nomination and Remuneration Committee and adopted by the Board is practiced by the Company on remuneration of Directors and Senior Management Employees, as per the details set out in the Corporate Governance Report.

24. Directors' Responsibility Statement

The Directors state that:

- Appropriate Accounting Standards as are applicable to the Annual Statement of Accounts for the financial year ended March 31, 2022 had been followed in preparation of the said accounts and there were no material departures therefrom requiring any explanation;
- The directors had selected and followed the accounting policies as described in the Notes on Accounts and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the Annual Accounts on a going concern basis; and
- The directors had laid down internal financial controls (IFC) to be followed by the Company and that such IFC are adequate and operating effectively.
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. Statutory Auditors

Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants (FRN 304026E/E-300009), who were appointed as Statutory Auditors of the Company at the 20th AGM holds their office until the conclusion of the ensuing 25th AGM.

Pursuant to the recommendation of the Audit Committee, the Board has recommended the reappointment of Price Waterhouse & Co Chartered Accountants LLP as Statutory Auditors of the Company for a second term of five years to hold office from the conclusion of the 25th AGM until the conclusion of the 30th AGM. They have given their consent for the proposed reappointment as Statutory Auditors of the Company. They have further confirmed that the said reappointment, if made, would be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for appointment.

The Auditors' Report on the standalone financial statement for the year ended 31st March, 2022 does not contain any qualification, reservation or adverse remark.

26. Consolidated Financial Statements

In accordance with IND-AS 24 issued by the Institute of Chartered Accountants of India, consolidated financial accounts prepared on the basis of financial statements received from subsidiary companies as approved by their respective Boards, form part of this Report & Accounts.

The Auditors' Report on the consolidated financial statement for the year ended 31st March, 2022 (CFS) does not contain any qualification, reservation or adverse remark, except a qualified opinion and an emphasis of matter as mentioned hereinafter. As regards the qualified opinion in regard to non-classification of the financial debt taken by Titagarh Firema S.p.A. ('TFA'), a subsidiary of the Company, from two financial institutions as due within 12 months due to failure to comply with some financial parameters, the Note 46 to the Notes to Accounts of the CFS may be referred to wherein inter-alia it has been explained that there has been no communication from the Banks for the immediate repayment of the above debts and based on the discussion and email correspondences, the management of TFA is reasonably certain to obtain such waiver from the Banks shortly. As regards an emphasis of matter in their Report wherein they referred to the communication regarding the going concern status of TFA from its Auditors, their opinion is not modified in respect of the same.

27. Cost Auditors

M R Vyas & Associates, Cost Accountants, have been reappointed as Cost Auditors to conduct cost audit of the accounts maintained by the Company in respect of the products manufactured by the Company, for the Financial Year 2022-23 subject to ratification of their remuneration by the shareholders in accordance with the provisions of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014. The Cost Audit Report for the financial year ended 31st March, 2022 would be filed as stipulated by the applicable provisions of law. The Company is making and maintaining the accounts and cost records as specified by the Central Government under the provisions of Section 148(1) of the Act.

28. Secretarial Auditor

Secretarial Audit has been conducted by Shri Sumantra Sinha, Practicing Company Secretary appointed by the Board and their report is annexed hereto and marked as **Annexure DR-3**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

29. Deposits

The Company did not accept any deposits covered under Chapter V of the Companies Act, 2013 during the financial year ended March 31, 2022.

30. Particulars of Remuneration of Directors/KMP/Employees

Disclosure pertaining to Remuneration and other details as required under Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the Rules) is annexed and marked as **Annexure DR-4**. The information pursuant to Rules 5(2) and 5(3) of the Rules not annexed to this Report, is readily available for inspection by the members at the Company's Registered Office between 10.30 A.M. to 1 P.M. on all working days upto the date of ensuing AGM. Should any member be interested in obtaining a copy including through email (corp@titagarh.in), may write to the Company Secretary at the Company's Registered office.

Human Resources

A. Empowering the employees

The Company considers its organizational structure to be evolving consistently over time while continuing with its efforts to follow good HR practices. Adequate efforts of the staff and management personnel are directed on imparting continuous training to improve the management practices.

B. Industrial Relations

Industrial relations at all sites of the Company remained cordial.

C. No. of Employees:

Manpower employed as at March 31, 2022 was 551.

31. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

A statement pursuant to Section 134(3)(m)of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 on conservation of energy, technology absorption, foreign exchange earnings and outgo is annexed to and marked as **Annexure DR-5**.

32. Corporate Social Responsibility

A report on Corporate Social Responsibility (CSR) activities undertaken during the financial year ended March 31, 2022 pursuant to the provisions of Section 135 of the Act and rules made thereunder is annexed to this Board's Report and marked as **Annexure DR-6**.

Apart from the above, the Company makes, inter alia, donations to the charitable institutions directly and through philanthropic organisations engaged in providing medical, education and other reliefs to the economically weaker sections of the society. Industrial Training Institute (the "ITI") set up on the Company's land at Titagarh plant situated in Barrackpore, North 24 Parganas under Private Public Partnership (PPP) is yet another area. The ITI with access to the requisite infrastructure provided by the Company imparts hands-on training to the local people. A large number of students in various batches have passed and significant number of them are engaged in various jobs in the industry. The ITI has been recognised by the State Government as one of the best in the country and it caters to the requirement of skilled workmen by industrial units.

33. Listing

The Company's Equity Shares are listed at the BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE). The listing fees for the financial year ending on March 31, 2023 have been duly paid.

34. Compliance with Secretarial Standards

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 (10) of the Act.

35. Forward Looking Statement

The statements in this report describing the Company's policy, strategy, projections, estimation and expectations may appear forward looking statements within the meaning of applicable securities laws or regulations. These statements are based on certain assumptions and expectations of future events and the actual results could materially differ from those expressly mentioned in this Report or implied for various factors including those mentioned in the paragraph "Risks and Concerns" herein above and subsequent developments, information or events.

36. Acknowledgement

The Directors place on record their appreciation of the cooperation and support extended by the Government, Banks/Financial Institutions and all other business partners and the services rendered by the employees.

For and on behalf of the Board

Kolkata
13th August, 2022

J P Chowdhary
Executive Chairman

Annexure DR-1 Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures

Part-A : Subsidiaries

Sl. No.	1	3	4
Name of the subsidiary	Titagarh Bridges and International Private Limited ('TBIPL')	Titagarh Firema S.p.A., Italy ('TFA')	Titagarh Singapore Pte. Ltd. ('TSPL')
Date since when subsidiary was acquired	14.07.2020	30.06.2015	22.08.2008
Reporting period for the subsidiary concerned, if different from the holding company's reporting period			
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of Foreign subsidiaries	Rs./Lakhs	EURO Rs. 84.6599	EURO Rs. 4.6599
			Rs. in lakhs
Share capital	3,445.58	9848.98	637.10
Reserves & surplus	(6155.19)	(7810.92)	(1667.24)
Total assets	7785.27	109428.52	684.68
Total Liabilities	10494.91	107390.49	1714.77
Investments	4184.01	-	530.56
Turnover	2771.83	63994.67	-
Profit before taxation	328.56	(7952.62)	(338.84)
Provision for taxation	59.41	44.74	-
Profit after taxation	269.15	(7997.36)	(338.84)
Proposed Dividend	-	-	-
% of shareholding	100.00	100.00	100.00

Notes:

1. Names of subsidiaries which are yet to commence operations: Nil
2. Names of subsidiaries which have been liquidated or sold during the year: Nil
3. The above numbers have been taken from Standalone Financial Statements of the respective subsidiaries (The above does not include any inter Company eliminations).
4. The Board of Directors of Titagarh Wagons Limited ('the Company') at its meeting held on January 10, 2022 approved a draft scheme (the Scheme) for amalgamation of Titagarh Bridges and International Private Limited (TBIPL) - a wholly owned subsidiary with the Company, pursuant to Sections 230 to 232 of the Companies Act, 2013 with April 01, 2021 as the Appointed Date, subject to intimation thereof to the stock exchanges concerned and such approvals as may be applicable including the sanction by the Hon'ble National Company Law Tribunal (NCLT).
5. The Company holds 100% of the equity share capital in TSPL through TBIPL, the wholly-owned subsidiary. The Company holds 99.24% of the equity share capital in TFA through TBIPL along with TSPL.

Part – “B”: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

SI. No.	1
Name of Associates/ Joint ventures	Titagarh Mermec Private Limited
1. Latest audited* Balance Sheet Date	31/03/2022
2. Date on which the Associate or Joint Venture was associated or acquired	18/07/2018
3. Shares of Associates or Joint Ventures held by the company on the year end:	
No.	5,000
Amount of investment in Associates or Joint Ventures	Rs. 50,000
Extent of Holding (in percentage)	50%
4. Description of how there is significant influence	50% of the paid up Equity capital is held by the Company
5. Reason why the associate/ joint venture is not consolidated	N.A.
6. Net worth attributable to Shareholding as per latest Audited Balance Sheet	Rs. (2.42) lakhs
7. Profit (Loss) for the year	Rs. (2.42) lakhs
i. Considered in Consolidation	Rs. (1.21) lakhs
ii. Not Considered in Consolidation	Rs. (1.21) lakhs

* as certified by the Management.

1. Names of associates or joint ventures which are yet to commence operations: Nil.
2. Names of associates or joint ventures which have been liquidated or sold during the year: Nil

For and on behalf of the Board of Directors of Titagarh Wagons Limited

J P Chowdhary
Executive Chairman

Umesh Chowdhary
Vice Chairman and
Managing Director

Anil Kumar Agarwal
Director (Finance) & CFO

Sumit Jaiswal
Company Secretary

Place: Kolkata / Mumbai
Date: 30th May, 2022

Annexure DR-2 Form No. AOC-2

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. **<u>Details of contracts or arrangements or transactions not at arm's length basis</u>**

   Not Applicable.

2. **<u>Details of material contracts or arrangement or transactions at arm's length basis</u>**

Sl No.	Name (s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date (s) of approval by the Board, if any	Amount paid as advances, if any
Nil						

For and on behalf of the Board

Kolkata
August 13, 2022

J P Chowdhary
Executive Chairman

Annexure DR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

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

To
The Members,
Titagarh Wagons Limited
Titagarh Towers
756, Anandapur, E M Bypass
Kolkata 700 107

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Titagarh Wagons Limited** (CIN: L27320WB1997PLC084819) having its Registered office at 756 Anandapur, E.M. Bypass, Kolkata 700107 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended **31.03.2022**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

Auditor's Responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate with the size of the Company, based on these secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers and the agents of the Company during the said audit.

I have followed the audit practices and processes as were appropriate to the best of my understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion.

I have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. I have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statues as mentioned hereinafter.

Wherever required, I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of compliance procedures on test basis.

My report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

I report that, I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **31.03.2022** according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made there under;

(ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;

(iii) Listing Agreement(s) with the Stock Exchange(s);

(iv) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;

(v) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(vi) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 :

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

The other laws specifically applicable to the Company, as per the representations made by the Management, are:

(i) Factories Act, 1948 and related State laws of West Bengal and Rajasthan, amongst others;

(ii) Water (Prevention & Control of Pollution) Act, 1974 and Water (Prevention & Control of Pollution) Rules, 1975;

(iii) Air (Prevention & Control of Pollution) Act, 1981 and Rules made thereunder,

(iv) The Environment (Protection) Act, 1986

During the period under review, based on my examination and verification, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

During the period under review, based on my examination and verification of the books, papers, Memorandum and Articles of Association, minutes, forms and returns which were required to be examined by me for this report and according to the information and explanations provided to me in the course of my audit by the Company, I report that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that:

(a) The status of the Company during the financial year has been that of a Listed Public Company;

(b) (i) During the audit period, the Company has effected the following activities/events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

1. Remuneration paid inadvertently in excess of approved limits by the Company to Shri Anil Kumar Agarwal, Director (Finance) & CFO and Shri Sudipta Mukherjee, Whole-time Director, consequent to amalgamation of Cimmco Limited with the Company for the period November, 2020 till May, 2021, was returned by them to the Company, and approval of their respective revised remuneration w.e.f. 1st June, 2021 by the Board and respective Committees;
2. Constitution of Risk Management Committee as per the amended Regulation 21 of SEBI (LODR) Regulations, 2015;
3. Re-appointment of Shri J.P. Chowdhary as Chairman and Managing Director of the Company, designated as Executive Chairman, for a term of five years w.e.f. 8th January, 2022,
4. Appointment of Shri Dilip Jadeja as Chief Operating Officer (COO) – Transit & Propulsion' of the Company w.e.f. 23rd August, 2021;
5. Purchase of Design for the Pune Metro Project from 'Titagarh Firema SpA, a material subsidiary of the Company', (hereinafter referred to as 'Titagarh Firema') and amendment of the Internal Consortium Agreement earlier executed with them;
6. Execution of a lease agreement with Titagarh Enterprises Limited, a related party, in respect of land admeasuring 20.15 acres situated at P.S. Titagarh, Barrackpore, West Bengal, for use by the Company for its business of manufacturing of Wagons/Shipbuilding etc. subject to a lock in period of 10 years, on an arm's length basis;

7. Increase in Remuneration of Shri Anil Kumar Agarwal, Director (Finance) & CFO and Shri Sudipta Mukherjee, Director (Freight Operations) for the financial year 2021-22;

8. Sanction of Credit Facilities aggregating Euro 80 Million by Bank of Baroda (London Branch) to Titagarh Firema and the creation of mortgage in respect of the Company's Bharatpur property in favour of the Bank;

9. Approval of the Scheme of Amalgamation of Titagarh Bridges and International Private Limited, a wholly owned subsidiary, with the Company and extending financial support to them;

10. Acquisition of Infrastructure of erstwhile 'Precision Shipyard' at WBIIDC Falta Industrial Growth Centre at South 24 Parganas, West Bengal;

11. Approval to make contributions or donations to one or more political party(ies) during the Financial Year 2021-22 upto a maximum limit of Rs. 5 crore.

(b) (ii) The Company received email/letter dated 14th December, 2021 from Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) regarding non-submission of the financial results for the quarter and half year ended 30th September, 2021 ('Results') till the date of such email/letter, which was a non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015, advising the Company to pay the respective applicable fine of Rs. 1,45,000/- plus GST@18% to each Stock Exchange. The Company paid the said fine under protest to BSE and NSE and requested them to waive the fine levied and refund the amount paid on the grounds that, as was already communicated to the respective Stock Exchanges, the delay in submission of the Results was due to reasons beyond the control of the Company. The Company had earlier sought additional time for preparation/finalization of the Results, since its subsidiary, Titagarh Firema S.p.A., Italy, on an entirely unavoidable ground, was awaiting the sanction of one-time debt restructuring by its Banker in accordance with the applicable regulations of their local Government for a situation having arisen out of the pandemic, and had requested for additional time to provide its quarterly and half yearly results which have to be consolidated with the Results of the Company. Further, the Company received another letter dated 30th December, 2021 from NSE levying the fine of Rs. 190,000/- + GST@18% for delay in submission of the said Results by 38 days from its due date (i.e. Rs. 5,000 per day/fine amount). Since the Company had earlier paid the fine levied for 29 days, the differential amount of Rs. 45,000/- + GST@18% was paid by the Company to NSE on 5th January, 2022.

(c) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

(d) As informed to me, adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, except in few cases when shorter notices were given following the requisite compliances, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(e) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

(f) There is a system of compliance mechanism established by the Company and on reviewing the same and on the basis of the Compliance Certificate(s) issued by the Key Managerial Personnel including the Company Secretary, as taken on record by the Board of Directors at their meeting(s), I am of the opinion that there are adequate systems and processes in place which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines;

(g) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel.

(h) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorship in other companies and interests in other entities.

(CS Sumantra Sinha)
Practising Company Secretary
ACS-11247 / CP-15245
PR: 1421/2021
UDIN: A011247D000421657

Place: Kolkata
Date: 30th May, 2022

Annexure DR- 4

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Rule Particulars

<table>
<tr><th>Rule</th><th colspan="4">Particulars</th></tr>
<tr><td rowspan="4">(i)</td><td rowspan="4">The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.</td><td>a</td><td>Shri J P Chowdhary, Executive Chairman</td><td>39:1</td></tr>
<tr><td>b</td><td>Shri Umesh Chowdhary, Vice Chairman & Managing Director</td><td>39:1</td></tr>
<tr><td>c</td><td>Shri Sudipta Mukherjee, Wholetime Director</td><td>9:1</td></tr>
<tr><td>d</td><td>Shri Anil Kumar Agarwal, Director (Finance) & CFO</td><td>12:1</td></tr>
<tr><td rowspan="5">(ii)</td><td rowspan="5">The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.</td><td>a</td><td>Shri J P Chowdhary, Executive Chairman</td><td>-</td></tr>
<tr><td>b</td><td>Shri Umesh Chowdhary, Vice Chairman & Managing Director</td><td>-</td></tr>
<tr><td>c</td><td>Shri Sudipta Mukherjee, Whole-time Director</td><td>27%</td></tr>
<tr><td>d</td><td>Shri Anil Kumar Agarwal, Chief Financial Officer</td><td>25%</td></tr>
<tr><td>e</td><td>Shri Sumit Jaiswal, Company Secretary</td><td>24%</td></tr>
<tr><td>(iii)</td><td colspan="3">The percentage increase in the median remuneration of employees in the financial year</td><td>2%</td></tr>
<tr><td>(iv)</td><td colspan="3">The number of permanent employees on the rolls of the Company</td><td>551</td></tr>
<tr><td>(v)</td><td>Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.</td><td colspan="2">There has been no increase in the remuneration of managerial personnel and others</td><td></td></tr>
<tr><td>(vi)</td><td colspan="4">It is hereby affirmed that the remuneration is as per the Remuneration policy of the Company.</td></tr>
</table>

For and on behalf of the Board

Kolkata
August 13, 2022

J P Chowdhary
Executive Chairman

Annexure DR-5

Particulars required under Section 134(3) (m) read with Rule 8 of the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

i) Steps taken or impact on conservation of energy :

a) Energy audit has been conducted and inter alia in accordance therewith-

1. Use of transparent sheets in sheds to utilize sunlight for illumination and thus reducing electrical energy input for illumination.
2. Solar Power Plant of 833.48 KW capacity has been installed as alternative source of energy.
3. Usage of LED Energy Efficient lighting system for shop floor illumination.
4. Light sensitive switches have been installed in lighting circuit to reduce consumption by 30%.
5. Installed VFD (variable frequency drive) in Overhead Cranes to reduce consumption by 30%.
6. Inverter based Welding machines with power savers have been installed to save power.

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

1. Replacement of rewound and inefficient drives.
2. Water management by delinking industrial and domestic use.

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

The measures taken as above have resulted in saving of non-renewable sources of power and energy which are scarce and expensive in the country thereby lowering the cost of production as well as saving the non-renewable sources of energy.

iii) Capital investment on energy conservation equipment :

Rs. 52.91 Lakhs for the year ended 31st March, 2022.

B. TECHNOLOGY ABSORPTION

i) Efforts made towards technology absorption

Techno-commercial activity in advanced stage for development of the following special purpose Wagons:

Cars on Rail (CoR) Wagons for carrying automobiles;

Considering the reduction of carbon footprint and the movement of logistics from road to rail, we have developed a wagon for carrying automobiles – Car on Rail "COR". COR Wagon is designed with the recent trend of vehicles and the wagon is a much optimised and efficient solution compared to the design currently available.

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

a) A few critical wagon parts were produced by using specially developed Press Tools. More accurate parts by this innovative process have been achieved. Earlier these parts were produced by Plasma Cutting process.

b) Saving a considerable amount of Man-hours after making a few innovative process changes during the fabrication of wagons has been attended. As a result, re-work was reduced considerably.

c) After the implementation of various innovative press tools, our NBC (IFS) productivity as well as Quality, has been improved substantially.

d) Some of the Hydraulic Tanks required chilling plant from outside sources which are very costly. Own innovative design has been made and two machines in place of Hydraulic Tanks installed. Results were very effective.

The Company is manufacturing 34 Train sets i.e. 102 Cars for the Pune Metro project, which is basically a metro rail based rapid transit system under construction to serve Pune Central and the areas of Pimpri & Chinchwad, , the system comprises 2 lines with a total length of 31.25 km. Some features of the trains being manufactured by the Company are as under:

a) Modern Aluminium light weight coaches

b) Weight savings of almost 5 Tons per Train

c) Energy Efficient- Low Carbon footprint

d) Italian styling

e) Latest Trench IGBT based converter

f) Modern spacious interior

g) Highest level of passenger safety as per European Norms

h) Anit-drag feature in doors for passenger safety

i) Infrared fire detection unit

j) Bigger aluminium frame windows

k) 4.0 initiatives being undertaken such as tablets for shop floor workers, IRIS certification along with OHSAS and ISO. Rfid tagging for all incoming material and JIT warehousing.

Despite Force Majeure events like Covid-19 pandemic & the ongoing Russia-Ukraine War impacting the operations of the Company, the Company had been able to recover a lot of critical time due to the proactive steps/measures undertaken by the Company such as airfreighting critical components and delivered the Eighth Train Set at Pune including 3 train sets from Titagarh Firema S.p.A., Italy, and 5 train sets from its Factory at Hindmotor, Uttarpara, West Bengal.

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

The benefits from the above are expected to be significant, however, the same can only be ascertained in tangible terms in future.

Future plan of action:

While implementation of the plans described hereinbefore is being pursued, the Company is focused on value addition in the manufacture & marketing of Wagons and Coaches. The Company has already set up an EMU manufacturing facility at its Uttarpara unit and a few rakes of the same have already been despatched.

iii) In case of Imported Technology (imported during the last three years reckoned from the beginning of the Financial Year) : N/A

a) The details of the technology imported: A large size VMC has been imported to machine co-co bogies in-house.

b) Year of import : 2009-10

c) Whether the technology has been fully absorbed: Partially absorbed till date.

d) If not fully absorbed, areas where this has not taken place, reasons thereof: Step by step absorption is taking place.

iv) Expenditure on R & D : (Rs. in lakhs)

	2021-22	2020-21
Capital	Nil	Nil
Recurring	322.96	13.14
Total	322.96	13.14
Total R & D expenditure as a percentage of total turnover	0.22%	0.01%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports, initiatives taken to increase exports, development of new export markets and export plans:

(i) A Memorandum of Understanding is proposed to be signed with the Government of India's agency RITE International for cooperation in respect of exclusive export market.

(ii) Efforts are being made to secure an order for limestone carrying wagons for Malaysian railway tracks.

b) Total foreign exchange earned and used :

Inflow Rs. 6194.11 Lakhs and outflow Rs. 14363.72 Lakhs.

For and on behalf of the Board

Kolkata
August 13, 2022

J P Chowdhary
Executive Chairman

Annexure DR-6

Report on CSR Activities

Corporate Social Responsibility (CSR) activities to be included in the Board's Report for the financial year ending on 31st March, 2022

1. **Brief outline on the CSR Policy of the Company:**

   Corporate Social Responsibility (CSR) at Titagarh Wagons Limited ('Titagarh') has been a part of its existence long before social responsibility became mandatory by law and Titagarh aspires to continue making consistently increasing improvement in the life of beneficiaries of Titagarh's CSR initiatives. The Company actively contributes to the social and economic development of the communities in which it operates and continuously endeavours towards building a better, sustainable way of living for the weaker sections of society and thus participate in raising the country's human development index. It also promotes education, including employment enhancing vocation skills especially among children, women, elderly, and the differently abled; and livelihood enhancement projects and setting up endowment funds in academic institutions with the objective of assisting economically backward but meritorious students in their studies, eradicating hunger, poverty and malnutrition and also promotes the healthcare including preventive health care and making available safe drinking water. Titagarh also strives to promote gender equality, empowering women, setting up measures for reducing inequalities faced by socially and economically backward groups. It also ensures environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.

   The Company's CSR policy aims to create a sustainable impact in the community and society. As a policy, the Company's CSR activities focuses on specific strategic areas. The CSR activities are undertaken in certain strategic areas namely livelihood enhancement projects, promoting education and health. The Company's CSR activities are guided by the CSR Committee. All the projects are regularly monitored and reviewed by the CSR Committee for their impact on the beneficiaries. The CSR Committee has framed 'Jeevan Nirog'; 'Gyaan Jyoti'; 'Shail Ganga' and 'Parvaah' as CSR themes to undertake CSR activities through itself.

   Titagarh's CSR initiatives are planned with various monitoring mechanisms and control points to increase their effective delivery. A suitable organizational structure is constituted to steer the CSR Projects/activities of the Company, at the corporate level. Keeping in the importance of CSR Projects/activities, the Divisional Heads carry out due diligence and also discuss the modalities, monitor the progress of CSR Projects/activities during their periodical interactions. The role/function of every employee involved in planning, implementing and monitoring of the CSR Projects /programs is monitored to bring the desired clarity and accountability. At the end of every financial year, the CSR Committee is required to submit its Report to the Board.

2. **Composition of CSR Committee:**

Sl No	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Smt Rashmi Chowdhary	Chairperson, Non-Executive Director	1	1
2.	Shri J P Chowdhary	Member, Executive Chairman	1	1
3.	Ms. Nayantara Palchoudhuri	Member, Independent Director	1	1
4.	Shri Krishan Kumar Jalan	Member, Independent Director	1	1

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

   a. Web-link where CSR policies and projects are disclosed: https://titagarh.in/policies-and-codes

   b. Web-link where the composition of CSR Committee is disclosed: https://titagarh.in/storage/report/actual/1618812855_emub3_committeepdf.pdf

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set off from preceding financial years (Rs. in lakhs)	Amount required to be set off for financial year, if any (Rs. in lakhs)
1	2019-2020	Nil	Nil
2	2020-2021	Nil	Nil
3	2021-2022	Nil	Nil

6. Average net profit of the Company as per section 135(5): Rs. (456,514,013)

7. (a) Two percent of average net profit of the Company as per section 135(5): Rs. (9,130,280)
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
   (c) Amount required to be set off for the financial year, if any: Nil
   (d) Total CSR obligation for the financial year (7a+7b-7c): Nil. However, pursuant to the resolution passed by the Board at its meeting held on 8th June, 2021 an amount upto Rs. 10 lakhs (which includes Rs. 238,733/- as the unspent CSR expenditure of previous year, duly expended towards CSR activities to be undertaken for FY 2021-22) was allocated towards CSR activities during the financial year 2021-22 on a voluntarily basis.

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of fund	Amount	Date of transfer
Rs. 767,612*	Nil	N.A.	NIL	NIL	NIL

*Includes Rs. 2,38,733/- pertained to cumulative amount of unspent CSR expenditure voluntarily brought forward from the earlier years by the Board was duly transferred to the Society for Indian Children's Welfare (SICW) on 23rd July, 2021 towards CSR expenditure, for an ongoing CSR project of the Company

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation -Direct (Y/N)	Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	Society for Indian Children's Welfare (SICW)	Item No. (ii)	Yes	West Bengal	Kolkata	Upto 3 years	Rs. 352,400	Rs. 352,400	Nil	Yes	Not Applicable	
2.	South Kolkata Hamari Muskan (SKHM)	Item No. (ii)	Yes	West Bengal	Kolkata	Upto 3 years	Rs. 94,800	Rs. 94,800	Nil	Yes	Not Applicable	
3.	Muskaan School-School under privileged	Item No. (ii)	Yes	West Bengal	Kolkata	Open ended	Rs. 320,412	Rs. 320,412	Nil	Yes	Not Applicable	

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of The Project	Item from the list of activities in Schedule VII to the Act	Local Area (Y/N)	Location of the Project		Amount Spent for the project (in Rs.)	Mode of Implementation -Direct (Yes/No)	Mode of Implementation through Implementing Agency	
				State	District			Name	CSR Registration No.
Not Applicable									

(d) Amount spent in Administrative Overheads: Nil

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 767,612

(g) Excess amount for set off, if any: Rs. 528,879

Sl No.	Particular	Amount in Rs.
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	767,612
(iii)	Excess amount spent for the financial year [(ii)-(i)]	528,879 [Refer point 8.(a)]
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	528,879

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (Rs. In lakhs)	Amount spent In the Reporting Financial Year (Rs. In lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (Rs. in lakhs)
				Name of the Fund	Amount (Rs. in lakhs)	Date of Transfer	
1.	2018-19	Nil	Nil	Nil	Nil	Nil	Nil
2.	2019-20	Nil	Nil	Nil	Nil	Nil	Nil
3.	2020-21	2,38,733	2,38,733	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl No	Project ID	Name of the Project	Financial Year in Which the project was commenced	Project duration	Total Amount Allocated For the Project (in Rs.)	Amount Spent on the project in the reporting Financial Year (in Rs.)	Cumulative Amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project – Completed/ Ongoing
1.	Society For Indian Children's Welfare (SICW)	Society For Indian Children's Welfare (SICW)	2019	3 years	Rs. 352,400	Rs. 352,400	Rs. 3,52,400	Completed
2.	South Kolkata Hamari Muskan (SKHM)	South Kolkata H(SKHM)amari Muskan	2019	3 years	Rs. 94,800	Rs. 94,800	Rs. 447,200	Completed
3.	Muskaan School-A Schbool for under privileged	Muskaan School-A Schbool for under privileged	2019	Open ended	Rs.320,412	Rs. 320,412	Rs. 767,612	Ongoing

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable**

(a) Date of creation or acquisition of the capital asset(s): N.A.

(b) Amount of CSR spent for creation or acquisition of capital asset: N.A.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: N.A.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – **Not Applicable**

For and on behalf of the Board

Umesh Chowdhary
Vice Chairman & Managing Director

Rashmi Chowdhary
Chairperson, CSR Committee

Kolkata, May 30, 2022

Corporate Governance Report

Titagarh Wagons Limited (TWL's) Philosophy on Code of Governance

TWL's corporate culture is imbued with high standards of integrity and transparency by adhering to the sound and pragmatic corporate policies laid down by the Board of Directors based on business needs aimed at sustainability manifested in two important principles of 'team-work' and 'professionalism'. Apart from the commitment to achieving the mission statement including value maximization for the stakeholders forming the core, the Company consistently retains due focus on its environmental, social and good governance responsibilities.

Governance Structure

The Company has implemented a governance structure with well-defined roles and responsibilities of every systemic constituent. The Company's shareholders appoint the Board of Directors, who, in turn govern the affairs of the Company. The Board has constituted various Committees to discharge responsibilities effectively. The Company Secretary acts as the Secretary to all the Committees. The Chairman provides strategic direction and guidance to the Board. The Chief Executive Officer(s) and a group of senior executives are individually empowered for day-to-day operations with corresponding roles and responsibilities assigned by the Board.

Board of Directors

The Board of Directors of the Company (the "Board") has been constituted to achieve an effective Board in accordance with the corporate governance policy of the Company. TWL's Board as at March 31, 2022 comprised twelve directors including Executive Chairman, Vice Chairman & Managing Director, Director (Finance) & CFO, Director (Freight Operations) being the four Executive Directors, six Independent Directors (including one Independent Woman Director) and two Non-Executive Directors. The composition of the Board is in compliance with the provisions of the Companies Act, 2013 and Regulation 17(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Managing Director(s), the Wholetime Director(s) and the Non-Executive Director(s) (except Independent Directors) are liable to retire by rotation

None of the Directors on the Board is a member of more than 10 committees and/or Chairman of more than 5 committees, reckoned in terms of Regulation 26 of the Listing Regulations. The Independent Directors of the Company do not serve in more than the prescribed number of companies as Independent Directors in terms of the requirements of the Listing Regulations.

Composition, Attendance at the Board Meetings and the last Annual General Meeting ('AGM'), Outside Directorships and other Board Committees:

Sl. No.	Name of Directors and DIN	Designation & Category of the Directors	No. of Board Meetings attended	Attendance at previous AGM on 27.09.2021	No. of Shares held (Face value of Rs. 2 each)	No. of other directorships Held		Chairmanship in other Committees Chairman	Membership in other Committees Member
						Total	Listed		
#1.	Shri J P Chowdhary DIN: 00313685	Promoter & Executive Chairman	10	Present	70,700	2	Nil	Nil	Nil
2.	Shri Umesh Chowdhary DIN: 00313652	Promoter & Vice Chairman and Managing Director	10	Present	77,530	4	Nil	Nil	Nil
3.	Shri Sudipta Mukherjee DIN: 06871871	Director (Freight Operations)	8	Present	42,500	Nil	Nil	Nil	Nil
4.	Shri Anil Kumar Agarwal DIN: 01501767	Director (Finance) & CFO	11	Present	100,000	Nil	Nil	Nil	Nil
5.	Shri Manoj Mohanka DIN: 00128593	Independent & Non-executive	11	Present	Nil	8	4	1	4
6.	Smt. Rashmi Chowdhary DIN: 06949401	Non-Independent & Non-executive	8	Present	128,16,105	Nil	Nil	Nil	Nil

Sl. No.	Name of Directors and DIN	Designation & Category of the Directors	No. of Board Meetings attended	Attendance at previous AGM on 27.09.2021	No. of Shares held (Face value of Rs. 2 each)	No. of other directorships Held		Chairmanship in other Committees Chairman	Membership in other Committees Member
						Total	Listed		
7.	Shri Atul Joshi DIN: 03557435	Independent & Non-executive	11	Present	Nil	4	Nil	1	1
8.	Shri Sunirmal Talukdar DIN: 00920608	Independent & Non-executive	11	Absent	Nil	9	4	6	8
9.	Ms. Nayantara Palchoudhuri DIN: 00581440	Independent & Non-executive	11	Present	Nil	8	4	Nil	8
10.	Shri Krishan Kumar Jalan	Independent & Non-executive	11	Present	Nil	8	2	4	8

Notes:

1. Shri Umesh Chowdhary is the son of Shri J P Chowdhary. Smt. Rashmi Chowdhary is the wife of Shri Umesh Chowdhary. Shri Prithish Chowdhary is the son of Shri Umesh Chowdhary and Smt. Rashmi Chowdhary.
2. Independent Directors meet with the criteria of their Independence as mentioned in Regulation 25(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
3. Other directorships do not include directorship of Section 8 companies and of companies incorporated outside India.
4. Chairmanships/Memberships of Board Committees include Audit and Stakeholders' Relationship Committees only.

Shri J P Chowdhary was re-appointed as Chairman and Managing Director (designated as Executive Chairman) of the Board of Directors of the Company with effect from 8th January, 2022.

Details of Directorships in other Listed Entities as at 31.03.2022:

Name and Category of the Director	Details of Directorships of other Listed Entities and Category of Directorship	
Shri J P Chowdhary, Executive Chairman	Nil	N.A.
Shri Umesh Chowdhary, Vice Chairman and Managing Director	Nil	N.A.
Shri Sudipta Mukherjee, Director (Freight Operations)	Nil	N.A.
Shri Anil Kumar Agarwal, Director (Finance) & CFO	Nil	N.A.
Shri Manoj Mohanka, Independent Director	Indian Terrain Fashions Limited India Carbon Limited Celebrity Fashions Limited Ludlow Jute & Specialities Limited	Independent Director Independent Director Independent Director Independent Director
Smt. Rashmi Chowdhary, Non-Executive Director	Nil	N.A.
Shri Atul Joshi, Independent Director	Nil	N.A.
Shri Sunirmal Talukdar Independent Director	Aditya Birla Fashion and Retail Limited Clariant Chemicals (India) Limited India Carbon Limited Sasken Technologies Limited	Independent Director Independent Director Independent Director Independent Director
Ms. Nayantara Palchoudhuri, Independent Director	Rossell India Limited Vesuvius India Limited Ludlow Jute & Specialities Limited Nicco Parks & Resorts Limited	Independent Director Independent Director Independent Director Independent Director

Shri Krishan Kumar Jalan, Independent Director	PNC Infratech Limited Minda Industries Limited	Independent Director Independent Director
Shri Sushil Kumar Roongta, Independent Director	J K Paper Limited Jubilant Pharmova Limited Jubilant Ingrevia Limited ACC Limited	Non-Executive Director Independent Director Independent Director Independent Director
Shri Prithish Chowdhary, Non-Executive Director	Nil	N.A.

Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 10th February, 2022 to review the performance of Non-independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and Committees of the Board which is necessary to effectively and reasonably perform and discharge their duties.

Agenda:

All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated at the meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board Committees and Subsidiaries for the information of the Board. Additional agenda items in the form of “Other Business” are included with the permission of the Chairman. Agenda papers are circulated seven days prior to the Board Meeting. In addition, for any business exigencies, the resolutions are passed by circulation and later placed in the ensuing Board Meeting for ratification/approval.

Invitees & Proceedings:

Apart from the Board members, the Company Secretary is invited to attend all the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the items being discussed by the Board. The Chairpersons of various Board Committees brief the Board on all the important matters discussed and decided at their respective committee meetings, which are generally held prior to the Board meeting.

Directors’ Induction, Familiarization & Training of Board Members:

Pursuant to Regulation 25(7) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, the Company is mandatorily required to provide suitable training to the Independent Directors to familiarize them with the Company, their role, nature of the industry in which the Company operates, business model of the Company etc. the details of such training imparted are also required to be disclosed in the Annual Report.

The Directors are offered visits to the Company’s plants, where plant head makes them aware of the operational and sustainability aspects of the plants to enable them to have full understanding on the activities of the Company and initiatives taken on safety, quality, CSR, Sustainability etc.

At various Board meetings during the year, presentations are made to the Board on safety, health and environment and sustainability issue, risk management, company policies, changes in the regulatory environment applicable to the corporate sector and to the industry in which it operates, with areas of improvement and other relevant issue.

Quarterly presentations on operations made to the Board include information on business performance, operations, market share, financial parameters, working capital management, fund flows, senior management change, major litigation, compliances, subsidiary information, donations, regulatory scenario etc.

The details of such familiarization programmes have been placed on the website of the Company under the web link: https://titagarh.in/policies-and-codes.

Skills/expertise/competence of the Board of Directors

Pursuant to Para C (2) of Schedule V to the Listing Regulations, the Board has identified the following core skills/expertise/ competencies required in the context of business of the Company for its effective functioning:

Sl. No.	Core skills/ expertise/ competencies	Whether such Core skills/ expertise/ competencies are available with the Company's Board	**Name of the directors as on 31st March, 2022 having the required set of skills / expertise / competencies**
1	Expertise in Freight and Passenger Rolling Stock, Shipbuilding, Bridges and Special Projects for Defence including respective value chain and engineering	Yes	Shri J P Chowdhary Shri Umesh Chowdhary Shri Anil Kumar Agarwal Shri Sudipta Mukherjee Shri Prithish Chowdhary
2	Experience in strategy formulation, planning and devising corporate policies, corporate governance including risk management, finance, tax and legal compliances	Yes	Shri J P Chowdhary Shri Umesh Chowdhary Shri Anil Kumar Agarwal Shri Atul Joshi Shri Manoj Mohanka Smt. Rashmi Chowdhary Shri Sudipta Mukherjee Shri Sunirmal Talukdar Ms. Nayantara Palchoudhuri Shri K.K. Jalan Shri Sushil Kumar Roongta Shri Prithish Chowdhary
3	Leadership qualities and in depth knowledge and experience in general management of organization	Yes	Shri J P Chowdhary Shri Umesh Chowdhary Shri Anil Kumar Agarwal Shri Atul Joshi
			Shri Manoj Mohanka Smt. Rashmi Chowdhary Shri Sudipta Mukherjee Shri Sunirmal Talukdar Ms. Nayantara Palchoudhuri Shri K.K. Jalan Shri Sushil Kumar Roongta Shri Prithish Chowdhary
4	Interpersonal relations, human resources management, communication, corporate social responsibility including environment and sustainability	Yes	Shri J P Chowdhary Shri Umesh Chowdhary Shri Anil Kumar Agarwal Shri Atul Joshi Shri Manoj Mohanka Smt. Rashmi Chowdhary Shri Sudipta Mukherjee

Sl. No.	Core skills/ expertise/ competencies	Whether such Core skills/ expertise/ competencies are available with the Company's Board	**Name of the directors as on 31st March, 2022 having the required set of skills / expertise / competencies**
			Shri Sunirmal Talukdar Ms. Nayantara Palchoudhuri Shri K.K. Jalan Shri Sushil Kumar Roongta Shri Prithish Chowdhary
5	Expertise in technology including design, research and innovation and digitalization	Yes	Shri J P Chowdhary Shri Umesh Chowdhary Shri Anil Kumar Agarwal Shri Sudipta Mukherjee

Evaluation of the Board's Performance:

The Board had adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & Committees, experience and competencies, performance of specific duties and obligations, governance issues etc.

A separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest etc. The Board considers the oral assessments provided by the individual Directors during interaction(s) and carries out the evaluation of individual Directors including the Independent Directors, with each Director present in the meeting withdrawing from the meeting at the time of his/her evaluation. Criteria for evaluation of Board is annexed hereto – **Annexure CG – 1.**

Succession Planning:

The Company has put in place a structure to identify crucial job skills, knowledge, social relationship and organisational practice and to pass them to prepare next generation of workforce, thereby ensuring seamless movement of talent within the organisation.

Independent Directors:

All Independent Directors have confirmed that they meet the "Independence" Criteria as provided under Regulation 16 of SEBI (LODR) Regulations, 2015 read with Section 149 of the Companies Act, 2013 and have also confirmed compliance with Regulation 25(8) of SEBI (LODR) Regulations, 2015. In the opinion of the Board, the Independent Directors of the Company fulfil the criteria for "independence" and/or "eligibility" as prescribed under the Listing Regulations and Section 149 of the Companies Act, 2013 ('the Act') and are independent of the management.

The number of directorship held by the Independent Directors is within the limits prescribed under Regulation 17A and comply with the provisions of Regulation 25 of SEBI (LODR) Regulation, 2015.

The Company has issued formal letter of appointment to the Independent Directors, a specimen of which is placed on the website of the Company.

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors.

Board Meetings held during the Financial Year Ended the 31st March, 2022

Eleven (11) Meetings of the Board of Directors were held in the financial year ended March 31st, 2022 i.e. on 8th June, 2021, 6th July, 2021, 10th August, 2021, 26th October, 2021, 8th November, 2021, 13th November, 2021, 23rd December, 2021, 10th January, 2022, 10th February, 2022, 16th March, 2022 and 22nd March, 2022.

Appointment/Re-appointment of Directors

The details of the directors proposed to be appointed/reappointed at the ensuing Annual General Meeting (AGM) are given in the Notice of AGM and the same should be considered as compliance of Regulation 36 of SEBI (LODR), Regulations, 2015.

Board Committees Audit Committee

The Audit Committee as at 31st March, 2022 comprises Shri Atul Joshi, Shri Manoj Mohanka and Shri Sunirmal Talukdar (all Independent Directors). Shri Atul Joshi, double graduate in Commerce and Economics from Bombay University and a Chartered Accountant is the Chairman of the Audit Committee. The Audit Committee at its meetings exercised the role and duties, which had been defined by the Board of Directors pursuant to provisions of the Companies Act, 2013 read with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Company Secretary acts as Secretary to the Audit Committee.

The role and duties of the Audit Committee have been defined by the Board of Directors under Section 177 of the Companies Act, 2013 and cover the areas mentioned under Regulation 18 read with Part C of Schedule –II of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

At least one meeting of the Audit Committee was held in every quarter and the time gap between two consecutive meetings of the Audit Committee did not exceed 120 days during the financial year 2021-22.

Terms of Reference of Audit Committee are broadly as follows:

The terms of reference of the Audit Committee are as per the guidelines set out in Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. These broadly include (i) overseeing the financial reporting process (ii) review of financial statements (iii) ensuring compliance with the regulatory guidelines (iv) compliance with listing and other legal requirements concerning financial statements (v) scrutiny of inter-corporate loans and investments (vi) review of internal audit reports (vii) recommending appointment and remuneration of auditors to the Board of Directors and (viii) to review adequacy of internal control systems and internal audit function and other matters specified for Audit Committee under the Listing Regulations and Section 177 of the Act. The Audit Committee also reviews the information as per the requirement of Part C of Schedule II of the Listing Regulations.

Attendance of the Directors at the Audit Committee Meetings held:

During the year 12 (Twelve) meetings of the Audit Committee of the Company were held i.e. on 7th June, 2021, 10th August, 2021, 27th September, 2021, 26th October, 2021, 8th November, 2021, 12th November, 2021, 25th November, 2021, 22nd December, 2021, 10th January, 2022, 9th February, 2022, 16th March, 2022 and 26th March, 2022. The attendance of Directors at these meetings was as under:

Sl. No.	Name of Director	Designation	No. of meetings attended
1.	Shri Atul Joshi	Chairman	12
2.	Shri Manoj Mohanka	Member	12
3.	Shri Sunirmal Talukdar	Member	12

The previous Annual General Meeting (AGM) of the Company held on 27th September, 2021 was attended by Shri Atul Joshi, Chairman of the Committee.

Stakeholders' Relationship Committee

Stakeholders' Relationship Committee which considers and resolves the grievances of the security holders of the Company is headed by Shri Manoj Mohanka, an Independent Director, with Shri Umesh Chowdhary, Ms. Nayantara Palchoudhuri and Shri Krishan Kumar Jalan being the other members as at 31st March, 2022. The attendance at and date of Stakeholders' Relationship Committee meeting held and the Status of Investors' complaints are as follows:

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

During the year only one meeting of the Stakeholders' Relationship Committee of the Company was held i.e. on 8th June, 2021. The attendance of Directors at these meeting is as under:

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

In aggregate 6 (Six) cases of Investors' Grievances (routine queries included therein) were received during the Financial Year 2021-2022 pertaining to Non-Receipts of Dividend Warrants, Annual Reports, Non-Receipt of Securities and Non-Receipt of securities after transfer which were duly redressed in time and no Investors' Grievance is pending as at 31st March, 2022. There was also no Investor complaint pending against the Company as at 31st March, 2022 on SCORES, the web based complaint redressal system of SEBI. The Company is encouraged to develop the practice of follow-up, preferably by phone/email wherever available, with the concerned shareholder to get the feed- back on satisfactory redressal of their query/complaint.

Share transfers and requests for other services are disposed of by the RTA within the time stipulated in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Company Secretary, is acting as the Compliance Officer of the Company.

All valid requests for transfer of shares in physical mode received during the financial year ended the 31st March, 2022 have been acted upon by the Company and no such transfer is pending.

Nomination and Remuneration Committee (NRC)

Nomination and Remuneration Committee (NRC) comprised of Shri Manoj Mohanka, Shri Sunirmal Talukdar, Shri Sushil Kumar Roongta, all Independent Directors and Shri J P Chowdhary, Executive Chairman, and is headed by Shri Manoj Mohanka as at 31st March, 2022.

Terms of Reference of NRC are broadly as follows:

The NRC shall act in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall be responsible for:

i) Formulating the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;

ii) Formulation of criteria for evaluation of Independent Directors and the Board;

iii) Devising the policy on Board Diversity;

iv) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance.

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

During the year 4 meetings of the NRC of the Company were held i.e. on 7th June, 2021, 9th August, 2021, 25th August, 2021 and 13th November, 2021.

The attendance of Directors at these meetings is as under:

Sl. No.	Name of Director	Designation	No. of meetings attended
1	Shri Manoj Mohanka	Chairman	4
2	Shri J P Chowdhary	Member	4
3	Shri Sunirmal Talukdar	Member	4
4	Shri Sushil Kumar Roongta	Member	3

The previous AGM of the Company held on 27th September, 2021 was attended by Shri Manoj Mohanka, Chairman of the Committee.

Remuneration Policy:

Remuneration policy of the Company is based on the need to attract the best available talent and is in line with the prevailing trends in the industry. The remuneration policy therefore is market led and aimed at leveraging the performance appropriately. The remuneration of Non-Executive Directors is decided by the NRC in accordance with the Remuneration Policy of the Company. The Remuneration Policy is attached hereto - **Annexure CG-2.**

The criteria for making payments to Non-Executive Directors have been placed on the website of the Company under the web link: https://titagarh.in/policies-and-codes

Remuneration of Managing and Whole time Directors for the financial year ended the 31st March, 2022 and their shareholding in the Company:

Rs. in Lakhs

Particulars	Shri J P Chowdhary	Shri Umesh Chowdhary	Shri Sudipta Mukherjee	Shri Anil Kumar Agarwal
Salary and Perquisites	240.00*	240.00	65.41	83.68
Commission	Nil	Nil	Nil	Nil
Total	240.00*	240.00*	65.41	83.68
Stock Option Granted	Nil	Nil	Was allotted 30,000 equity shares of Rs. 2/- each at price of Rs. 44.20 per share on 13/11/2021	Was allotted 30,000 equity shares of Rs. 2/- each at price of Rs. 44.20 per share on 10/08/2021
Period for which appointed by the Board	5 years w.e.f. 08/01/2022 (*The Board passed resolution on 10/08/2021 for his reappointment for 5 years w.e.f. 08/01/2022*)	5 years w.e.f. 01/10/2020	5 years w.e.f. 15/05/2019	5 years w.e.f. 29/05/2019
Appointment by shareholders on	24th AGM on 27/09/2021 (Reappointed in 24th AGM held on 27/09/2021)	23rd AGM on 30/12/2020	22nd AGM on 20/09/2019	22nd AGM on 20/09/2019
No of shares	70700*	77530*	42500	100000

* Although entitled to, Shri JP Chowdhary and Shri Umesh Chowdhary have waived the balance remuneration being the difference between 5% and 3.5% of net profits and the amount mentioned herein above

Remuneration to Non-Executive Directors (in Rs.):

	Sitting fees	Salary & Perquisities	Commission	Total
Shri Manoj Mohanka	12,60,000	NIL	1,66,667	14,26,667
Shri Sunirmal Talukdar	12,80,000	NIL	1,66,667	14,46,667
Shri Atul Joshi	11,20,000	NIL	1,66,667	12,86,667
Smt. Rashmi Chowdhary	3,20,000	NIL	NIL	3,20,000
Ms. Nayantara Palchoudhuri	5,00,000	NIL	1,66,667	6,66,667
Shri Krishan Kumar Jalan	5,00,000	NIL	1,66,667	6,66,667
Shri Sushil Kumar Roongta	6,40,000	NIL	1,66,667	8,06,667
Shri Prithish Chowdhary	4,00,000	NIL	NIL	4,00,000
Total	**60,20,000**	**NIL**	**10,00,000**	**70,20,000**

Corporate Social Responsibility Committee

Smt. Rashmi Chowdhary heads the Corporate Social Responsibility (CSR) Committee and Shri J P Chowdhary, Ms. Nayantara Palchoudhuri and Shri Krishan Kumar Jalan are the other members as at 31st March, 2022. CSR policy adopted by the Board is available on the web site of the Company - https://titagarh.in/policies-and-codes

During the year, 1(one) meeting of the CSR Committee of the Company was held i.e. on 8th June, 2021.

Attendance of the directors at the Corporate Social Responsibility Committee meetings:

Sl. No.	Name of Director	Designation	No. of meetings attended
1.	Smt. Rashmi Chowdhary	Chairperson	1
2.	Shri J P Chowdhary	Member	1
3.	Ms. Nayantara Palchoudhuri	Member	1
4.	Shri Krishan Kumar Jalan	Member	1

Risk Management Committee

The Board at its meeting held on 8th June, 2021 constituted the 'Risk Management Committee' (RMC) pursuant to the amended Regulation 21 of SEBI (LODR) Regulations, 2015 consisting of Shri Atul Joshi, Independent Director, as Chairman, Shri Sushil Kumar Roongta and Shri Sunirmal Talukdar, Independent Directors and Shri Prithish Chowdhary, Non- Executive Director. The terms of reference of the Committee are as specified in Part D of Schedule II to the SEBI (LODR) Regulations, 2015.

During the year, 2 (Two) meetings of the Risk Management Committee of the Company was held i.e. on 22nd December, 2021 and 26th March, 2022.

Attendance of the directors at the Risk Management Committee meetings:

Sl. No.	Name of Director	Designation	No. of meetings attended
1.	Shri Atul Joshi	Chairman	2
2.	Shri Sunirmal Talukdar	Member	2
3.	Shri Sushil Kumar Roongta	Member	2
4.	Shri Prithish Chowdhary	Member	-

Internal Complaints Committee

The Committee has been formed by the Board as per the requirement of Section 4 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Committee was re-constituted during the year with the consent/ approval of Shri Umesh Chowdhary, Vice Chairman & Managing Director (pursuant to authority granted to him by the Board at its meeting held on 28th October, 2017) as follows:

IC Role	Name	Role in the Company
Presiding Officer	Ms. June Coelho	Secretary to MD
Members	Mrs. Debanti Lahiri	Deputy General Manager – Talent Management & Orginsational Development
	Ms. Sangita Bhattacharya	Senior Manager – Project Management
	Mr. Saurav Singhania	Vice President- Strategy
	Mr. Mrinal Kanti Das	Representative – Titagarh Wagons Limited
	Ms. Shibani Chakraborty	Representative – Titagarh Steel Limited
	Ms. Sweta Shashi	Representative – Hyderabad Office
	Ms. Priyanka Ganguly	Representative – Uttarpara Plant
	Mr. Ankit Chaturvedi	Representative – Bharatpur Plant
External Member	Ms. Srabani Sarkar Neogi	• Founder Secretary and Director – South Kolkata Hamari Muskan • Consultant – Railway Children • Ex Consultant – Terre Des Home & Jeevika Development Society • Facilitated multiple projects like Apne Aap Women Worldwide, Sanlaap, Tiljala Shed etc. • Ex Member – Nari Nirjatan Protirodh Manch & Sahon • Recipient of Karmaveer Puraskar 2014- 2015 & Ladies Study Group Charitable Trust Annual Award 2015.

There was no complaint of any issue falling under the purview of the Committee during the Financial Year ended March 31, 2022.

Other non-mandatory Committee

Finance and Project Committee:

Finance and Project Committee comprised of Shri Sunirmal Talukdar, Independent Director as the Chairman and following members: Shri J P Chowdhary, Executive Chairman, Shri Umesh Chowdhary, Vice Chairman and Managing Director, Shri Prithish Chowdhary, Non-Executive Director, Shri Manoj Mohanka and Shri Atul Joshi, Independent Directors as at 31st March, 2022.

During the year, six meetings of the Committee were held i.e. on 30th April, 2021, 20th May, 2021, 9th August, 2021, 16th September, 2021, 25th November, 2021 and 27th December, 2021.

Attendance of the directors at the Finance and Project Committee meetings:

Sl. No.	Name of Director	Designation	No. of meetings attended
1	Shri Sunirmal Talukdar	Chairperson	6
2	Shri J P Chowdhary	Member	6
3	Shri Umesh Chowdhary	Member	4
4	Shri Manoj Mohanka	Member	6
5	Shri Atul Joshi	Member	6
6	Shri Prithish Chowdhary	Member	4

The nomenclature of the "Finance Committee" was changed to "Finance and Project Committee" w.e.f. 5th November, 2020. The terms of reference of the Finance and Project Committee includes the following: to borrow money(s) for the Company's business upto a limit determined by the Board, to furnish security on the Company's assets to secure the said borrowings, to invest surplus funds of the Company within the said limit in fixed deposit / term deposit account, to provide loan(s)/ guarantee(s)/ security(ies)/ investment(s) upto a limit determined by the Board and to sell, lease or dispose of such assets/properties of the Company which may be surplus or redundant .

Compliance Officer

The Company Secretary, is the Compliance Officer and acts as the Secretary to all the Committees of the Company.

General Body Meetings

Annual General Meetings

Annual General Meetings held during the last three years are as follows:

Year	Annual General Meeting	Venue	Date	Time	No. of Special Resolutions passed
2018-19	22nd	Bharatiyia Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata-700017	20.09.2019	3:15 P.M.	Two
2019-20	23rd	756 Anandapur, E.M. Bypass, Kolkata – 700107 Through Video Conferencing or other Audio Visual Means ("OAVM")	30.12.2020	10:30 A.M.	Four
2020-21	24th	756 Anandapur, E.M. Bypass, Kolkata – 700107 Through Video Conferencing or other Audio Visual Means ("OAVM")	27.09.2021	10:30 A.M.	Two

No Extraordinary General Meeting (EGM) was held by the Company during the financial year ended March 31, 2022.

Postal Ballot

No postal ballot exercise was conducted during the financial year ended 31st March, 2022.

Remote e-voting and ballot voting at AGM

To allow the shareholders to vote on the Resolutions proposed at the AGM, Company has arranged for remote e-voting facility. The Company has engaged NSDL to provide e-voting facility to all the members. Members whose names appear on the Register of Members as on the cut-off date mentioned in the Notice of AGM shall be eligible to participate in the e-voting. The facility for electronic voting will also be made available at the AGM and the members who have not already cast their vote by remote e-voting can exercise their vote at AGM.

Disclosures

(i) Related Party Transactions

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the financial year 2021-22 were in the ordinary course of business and on arm's length pricing basis. Suitable disclosures as required by applicable Accounting Standard have been made in the Financial Statements. The Board has approved a policy for related party transactions which can be accessed at the Company website link: https://titagarh.in/policies-and-codes

(ii) Compliance with Accounting Standard:

In the preparation of the financial statements, the Company has followed the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The significant accounting policies which are consistently applied have been set out in the notes to the financial statements.

(iii) Disclosures on materially significant related party transactions that may have potential conflict with the interest of Company at large:

Details of transactions with the related parties as specified in applicable Accounting Standard have been reported in the Financial Statements. There was no transaction of a material nature with any of the related parties which was in conflict with the interest of the Company.

(iv) Certificate on Corporate Governance:

A certificate has been obtained from CS Sumantra Sinha, Practising Company Secretary, confirming that none of the Directors of the Company have been debarred or disqualified by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of the Company and the same is appended to this Report.

(v) Fees paid to Statutory Auditor:

A total fee of Rs. 73.48 Lakhs plus applicable taxes was paid by the Company and its subsidiaries, on a consolidated basis, for all services to Price Waterhouse & Co Chartered Accountants LLP, Statutory Auditors and all entities in the network firm/ network entity of which they are part.

(vi) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years

There were no such instances in the last three years, except the following:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Company
1	BSE Limited (BSE) & NSE Limited (NSE)	Delay in submission of financial results for the quarter & half year ended 30th September, 2021	A fine of Rs. 1,45,000/- plus GST@18% each was levied on the Company by the respective Stock Exchanges	The Company received email/letter dated 14th December, 2021 from BSE and NSE regarding non-submission of the financial results for the quarter and half year ended 30th September, 2021 ('Results') till the date of such email/letter, which was a non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015, advising the Company to pay the respective applicable fine of Rs. 1,45,000/- plus GST@18% to each Stock Exchange. The Company paid the said fine under protest to BSE and NSE and requested them to waive the fine levied and refund the amount paid on the grounds that, as was already communicated to the respective Stock Exchanges, the delay in submission of the Results was due to reasons beyond the control of the Company. The Company had earlier sought additional time for preparation/finalization of the results, since its subsidiary, Titagarh Firema S.p.A., Italy, on an entirely unavoidable ground, was awaiting the sanction of one-time debt restructuring by its Banker in accordance with the applicable regulations of their local government for a situation having arisen out of the pandemic and had requested for additional time to provide its quarterly and half yearly results which have to be consolidated with the Results of the Company. Further, the Company received another letter dated 30th December, 2021 from NSE levying the fine of Rs. 190,000/- + GST@18% for delay in submission of the said Results by 38 days from its due date (i.e. Rs. 5000 per day/fine amount). Since the Company had earlier paid the fine levied for 29 days, the differential amount of Rs. 45,000/- + GST@18% was paid by the Company to NSE on 5th January, 2022.

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Company
2	BSE Limited (BSE) and NSE Limited (NSE)	Delay in appointment of Woman Independent Director (ID). The Company did not had a Woman ID on its Board from April 01, 2020 to June 21, 2020 as per Regulation 17(1)(a) of SEBI (LODR) Regulations, 2015	BSE and NSE each: A fine of Rs. 4,10,000/- plus GST@18% was levied on the Company as per letters dated August 20, 2020.	The Company represented against the fine levied by the Stock Exchanges by its letter stating inter-alia that the outbreak of novel coronavirus (COVID-19) as the reason for delay in appointment of woman Director and requested for waiver. The Company received an email from BSE on May 10, 2021 stating that the Company's representation for waiver of fine was placed before the relevant Committee and the Company's request for waiver of the fine has been approved by the said Committee. The Company received a letter from NSE on March 19, 2021 mentioning that the Company's representations/request for waiver of fine was placed before the relevant Committee of NSE, but was rejected. The Company paid the fine of Rs. 4,10,000/- plus GST @ 18%, to the NSE.
3	BSE Limited (BSE) and NSE Limited (NSE)	Delay in Submission of financial results for the Quarter/Year ended 31st March 2020 as per Regulation 33 of the SEBI (LODR) Regulations, 2015	BSE: A fine of Rs. 80,000/- plus GST@18% was levied till that date as per letter dated 18th August, 2020. Subsequently by letter dated 27th July, 2021, it granted partial waiver of fine and advised to pay a basic fine of Rs. 40,000/- plus GST@18%. NSE: A fine of Rs. 80,000/- plus GST@18% was levied till that date as per letter dated 18th August, 2020. The Company's waiver request is currently under process.	The Company by its letter(s) to BSE and NSE had informed that it had already submitted letters to SEBI and the Stock Exchanges for extension of time for submission of the financial results for the Quarter ended March 2020 and June 2020 respectively on the grounds inter-alia that the order sanctioning the Scheme of Amalgamation of Cimmco Limited and Titagarh Capital Private Limited with the Company was expected within a short time and will enable giving effect to the merger of subsidiaries in the accounts of the Company from the Appointed Date i.e. April 01, 2019 thereby facilitating reflection of correct financial position of the Company on standalone and consolidated basis; and the extension of time for submission of the Results after giving effect to the amalgamation therein will facilitate publication of financials such that there will be no confusion in the minds of the shareholders and other stakeholders regarding financial position of the Company. Further, while considering the Company's application for the extension of time for submission of the aforesaid financial results, the concerned officer of SEBI had advised that considering the facts of the case, should the stock exchange(s) were to demand fine/penalty for delay in submission of the financial results, then the Company should submit response to the said stock exchange requesting for waiver of fine/penalty and that SEBI would advise the stock exchange to waive the fine/penalty and not take any consequential action.. In view of the same, the Company requested BSE and NSE not to take any consequential action in that regard. The aforesaid Scheme of Amalgamation was sanctioned on 30th September, 2020 and the Company submitted the Results for the Quarter/Year ended 31st March 2020 to the Stock Exchanges on 8th October, 2020. BSE by an email dated 27th July, 2021 informed that the Company was liable to a basic fine of Rs. 3,35,000/- plus GST@18% for the delayed submission of Results for the Quarter/Year ended 31st March 2020, however the Company's representation for waiver of fine was

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Company
				placed before its relevant Committee and after considering the facts of the case, the written submissions made by the company, the Committee decided to partially accede to the request for waiver of fines and advised the Company to pay a basic fine of Rs. 40,000/- plus GST@18%, which was paid by the Company. NSE is yet to respond for the Company's request for waiver of fine on the subject.
4	BSE Limited (BSE) and NSE Limited (NSE)	Delay in Submission of financial results for the Quarter ended 30th June 2020 as per Regulation 33 of the SEBI (LODR) Regulations, 2015	BSE: A fine of Rs. 1,55,000/- plus GST@18% was levied till that date as per letter dated 16th October, 2020. Subsequently by letter dated 27th July, 2021, it granted partial waiver of fine and advised to pay a basic fine of Rs. 70,000/- plus GST@18%. NSE: A fine of Rs. 1,55,000/- plus GST@18% was levied on the Company as per letter dated 16th October, 2020, which was revised to Rs. 1,45,000/- + GST@18% as per letter dated 19th March, 2021.	The observations/ remarks of the Company are the same as mentioned above in the matter regarding delay in submission of financial results for the quarter/year ended 31st March, 2020, i.e. the delay was due to a reason beyond the Company's control i.e. time taken in passing the final order by the Hon'ble National Company Law Tribunal sanctioning the Scheme of Amalgamation of two subsidiaries with the Company from the Appointed Date i.e. 1st April, 2019. In view of the same, the Company had requested BSE and NSE not to take any consequential action in that regard. The aforesaid Scheme of Amalgamation was sanctioned on 30th September, 2020 and the Company submitted the Results for the Quarter/Year ended 31st March 2020 and the Quarter ended 30th June, 2020 to the Stock Exchanges on 8th October, 2020 and 14th October, 2020 respectively. BSE by an email dated 27th July, 2021 informed that the Company was liable to a basic fine of Rs. 1,45,000/- plus GST@18% for the delayed submission of Results for the Quarter ended 30th June 2020, however the Company's representation for waiver of fine was placed before its relevant Committee and after considering the facts of the case, the written submissions made by the company, the Committee decided to partially accede to the request for waiver of fines and advised the Company to pay a basic fine of Rs. 70,000/- plus GST@18%, which was paid by the Company. On 19th March, 2021, the Company received a letter from NSE which mentioned that the Company's representations for waiver of fine for delay in submission of financial results for the quarter ended 30th June, 2020 was placed before the Relevant Authority of the Exchange and the Company's request for waiver of fine was not considered favourably and therefore demanded fine. The Company paid the said fine to NSE on 10th May, 2021 and informed NSE by its letter dated 11th May, 2021 that although the Company had stated favorable/ genuine grounds to waive off the fines but to avoid any stricter action of NSE, the Company has paid the stated amount 'under protest' and requested to waive off the fines levied & refund the amount paid to the Company at the earliest. The response from NSE is still awaited.

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Company
5	BSE Limited (BSE) and NSE Limited (NSE)	The Stock Exchanges had observed that Half of the Board of the Company was not Independent (From 29-May-2019 to 20-Aug-2019) with reference to Regulation 17(1) of SEBI (LODR) Regulations, 2015	BSE and NSE each: A fine of Rs. 4,20,000/- (excluding GST) was levied, which was paid by the Company	The Company had represented against the fine levied by the Stock Exchanges. The Company by its letters to the Exchanges clarified that the vacancy in the position of Independent Director of the Company arose due to the appointment of a Non-Independent Director w.e.f. 29th May, 2019, which was an intermittent vacancy as per the Section 149(4) of the Companies Act, 2013. As per the provisions of the said Section, any intermittent vacancy of an independent director shall be filled-up by the Board at the earliest but not later than immediate next Board meeting or three months from the date of such vacancy, whichever is later. Therefore, the Company had time upto 29th August, 2019 to fill the aforesaid intermittent vacancy. The Company by its letter dated 02.11.2019 wrote to the Exchange that: "if it is assumed that your office is taking a different interpretation, even then the fine should be waived since the time taken to appoint Independent Director was not intentional". The Exchange(s) informed that the Company's representation will be placed before relevant authority of the Exchange. Eventually, the Exchanges did not agree with the Company's view and decided to levy the fine, which was paid by the Company.

(vii) Whistle-Blower Policy and affirmation that no personnel has been denied access to the Audit Committee:

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company has framed a Vigil Mechanism/Whistle Blower Policy and the same has also been placed in the website of the Company. The Company affirms that no personnel have been denied access to the Audit Committee. Vigil Mechanism Policy is available on the website of the Company - www.titagarh.in. No grievance has been reported to the Audit Committee during the year. The Board has approved a policy for the same which can be accessed at the Company website link: https://titagarh.in/policies-and- codes.

(viii) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company is compliant with all the mandatory requirement of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for 2021-22.

The following non-mandatory requirement under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 which has been adopted is mentioned below:

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

(ix) Annual Secretarial Compliance Report

Pursuant to the SEBI circular no. CIR/CFD/ CMD1/27/2019 dated February 8, 2019 read with Regulation 24A of SEBI (LODR) Regulations, 2015, the Company has obtained an Annual Secretarial Compliance Report from CS Sumantra Sinha, Practising Company Secretary, confirming compliance of SEBI Regulations / Circulars / Guidelines issued thereunder and applicable to the Company. There are observations in the said report regarding the action taken by NSE Limited and BSE Limited in the matter relating to delay in submission of financial results for the quarter and half year ended 30th September, 2021, which are explained hereinabove at Sl. No. (vi). The report is annexed hereto – Annexure CG-3.

Code of Conduct

The Board of Directors has laid down a Code of Conduct for all Board members and all employees in management grade of the Company. The Code of Conduct is posted on the website of the Company. All Board members and senior management personnel have confirmed compliance with the Code.

Chief Executive Officer's certificate of compliance of the Code of Conduct by the Directors and Senior Management is appended to this Report.

Code of Conduct to Regulate, Monitor and Report Trading by Insiders

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 the Board has approved and adopted a code of conduct governing all the directors, senior management and other employees at all locations of the Company. The Company Secretary has been designated Compliance Officer in respect of compliance of the Code. Code of Conduct is posted on the Company's website.

Code of Conduct for Independent Directors

The Board has adopted the Code of Conduct for Independent Directors as per Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Means of Communication

Half-yearly report to shareholders, Quarterly Results, Newspapers in which published, Website etc.

The Quarterly, Half-yearly and Annual Results are published by the Company generally in English (Business Standard and/or Financial Express) and Vernacular (Ekdin or Aajkal) dailies. Interim Results/reports are not sent to the household of shareholders since the same are posted on the web sites of the Company and BSE and NSE. The presentation whenever made to institutional investors or analysts is also uploaded on the websites of the Company and the Stock Exchanges. The address of the Company's web site is **www.titagarh.in**

General Shareholder Information

Annual General Meeting

Day, Date and Time	:	15th September, 2022
Venue	:	Online platform of NSDL (Deemed venue: 756 Anandapur, E.M. Bypass, Kolkata – 700107)
Dates of Book Closure	:	9th September, 2022 to 15th September, 2022

Financial Calendar

First Quarter Results	:	July/August, 2022
Second Quarter Results	:	October/November, 2022
Third Quarter Results	:	January/February, 2023
Fourth Quarter Results	:	April/May, 2023

Listing on Stock Exchanges and Stock Codes

Shares of the Company are listed at the BSE Limited and the National Stock Exchange of India Limited (NSE) [Scrip Codes 532966 & TWL (EQ) respectively]. Listing fees for the year 2022-23 have been paid to both BSE and NSE. ISIN for dematerialization is INE615H01020.

Details of unclaimed shares pursuant to Regulation 39(4) read with Schedule VI of SEBI (LODR) Regulations, 2015

Pursuant to the Scheme of Amalgamation of Cimmco Limited ('Cimmco') with the Company sanctioned by Hon'ble NCLT, Kolkata, by its Order dated 30th September, 2020, the Company had on 7th November, 2020 allotted its 45,210 equity shares of Rs. 2/- each, against the 89,498 equity shares (comprising of 9961 folios) of Cimmco held in Unclaimed Suspense Account maintained with KSBL. The necessary corporate action was executed by the Depository whereby the said Account maintained with KSBL was debited with 89,498 equity shares of Cimmco and credited with 45,210 equity shares of the Company. Further, the 2,173 equity shares of Rs. 2/- each of the Company allotted on 7th November, 2020 to 25 shareholders of Cimmco which could not be credited to their Demat accounts and since rejected at the time of execution of Corporate action due to their accounts having been closed or dormant or other procedural issues were

transferred to the Unclaimed Suspense Account of the Company maintained with Axis Securities Limited. The Company has been from time to time transferring shares from the said Account to the Demat accounts of concerned shareholders as and when claim application from them are received and processed after necessary compliances applicable thereto. As at 31st March, 2022, 1,182 equity shares of Rs. 2/- each (comprising of 19 shareholders) were held in the said Account with Axis Securities Limited. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Market Price Data: High/Low in each month of Financial Year

(A) BSE Limited

Month	High (Rs.)	Low (Rs.)	Quantity Traded (Shares)	Sensitive Index	
2021				**High**	**Low**
April	51.35	45.15	1183216	50375.77	47204.5
May	57.45	45.5	1778960	52013.22	48028.07
June	77.1	54.3	6448459	53126.73	51450.58
July	83.3	68.05	4579683	53290.81	51802.73
August	102.5	76.65	5691293	57625.26	52804.08
September	99	87.25	1756613	60412.32	57263.9
October	109.6	92.75	2527632	62245.43	58551.14
November	101.8	85.3	1317096	61036.56	56382.93
December	94.85	85.1	1196148	59203.37	55132.68
2022					
January	123.85	94.25	3649427	61475.15	56409.63
February	118.4	75.75	1957387	59618.51	54383.2
March	105.4	82.4	1514823	58890.92	52260.82

(B) National Stock Exchange of India Limited

Month	High (Rs.)	Low (Rs.)	Quantity Traded (Shares)	CNX NIFTY	
2021				**High**	**Low**
April	51.45	44.95	6932957	15044.35	14151.4
May	57.45	45.6	18611706	15606.35	14416.25
June	77.25	54.2	59062820	15915.65	15450.9
July	83.4	68.15	30273232	15962.25	15513.45
August	102.5	76.7	51465160	17153.5	15834.65
September	99.15	87.2	17988860	17947.65	17055.05
October	109.8	92.6	26830080	18604.45	17452.9
November	101.9	85.25	11024300	18210.15	16782.4
December	95	85.1	10312178	17639.5	16410.2
2022					
January	124	94.3	39627422	18350.95	16836.8
February	118.5	75.1	17120564	17794.6	16203.25
March	105.45	82.4	11904039	17559.8	15671.45

Share Transfer System & Registrars and Transfer Agent ('RTA')

The Company has engaged the services of Maheshwari Datamatics Pvt. Ltd., as the RTA for both physical and dematerialised share maintenance. Share transfers are generally effected within 15 days of lodgement or such period as may be permissible by law/regulatory authority.

Categories of Shareholding as on the 31st March, 2022

Category	No. of Shares held	% of Total Shares
• **Promoter & Promoter Group**	56256984	47.05
• **Indian Public**		
Mutual Funds & UTI	8895139	7.44
Financial Institutions & Banks	532	Negligible
Private Corporate Bodies	8874803	7.42
Individuals/Others	38423874	32.14
• Non-Residents		
Foreign Institutional Investors/ Non-Residents	6805242	5.69
• Clearing Members	314515	0.26
TOTAL	119571089	100.00

Dematerialisation of shares and liquidity: 99.80% of total equity shares of the Company have been dematerialised as on 31st March, 2022.

Distribution of Shareholding as on 31st March, 2022:

Range of Shares	No. of Holders	% To Holders	No. of Shares	% To Equity
1 to 5000	110669	99.10	22201552	18.57
5001 to 10000	566	0.50	4276709	3.58
10001 to 20000	218	0.19	3132908	2.62
20001 to 30000	82	0.07	2024325	1.69
30001 to 40000	25	0.02	896473	0.75
40001 to 50000	24	0.02	1115670	0.93
50001 to 100000	36	0.03	2595269	2.17
100001 & above	51	0.04	83328183	69.69
TOTAL	**111671**	**100.00**	**119571089**	**100.00**

Subsidiary Companies

In line with the requirements of the listing agreement a policy to determine a material subsidiary has been framed and the same may be accessed on the Company's website at the link: https://titagarh.in/policies-and-codes.

Pursuant to the SEBI (LODR) Regulations, 2015, Titagarh Firema SpA, Italy, was the material subsidiary of the Company during the financial year 2021-22.

Plant Locations: The Company's plants are located at:

Wagons and Shipbuilding
12/9/1. R.K. Deo Path,
P.O. & P.S.: Titagarh,
24 Parganas (N), West Bengal
Pin : 700119

Metro Coaches, Train Electricals & Steel Casting
2, Hindmotor Road, P.O.: Hindmotor
P.S. Uttarpara, Dist : Hooghly, Pin : 712233, West Bengal
Telephone : 91 33 2664 7009

Steel Castings Division
1 Abdul Quddus Road, Titagarh-743 188
P.O. & P.S.:- Titagarh,
North 24 Parganas (N), West Bengal
Pin : 700119
Telephone : 91 33 2545 7067

Wagons & Heavy Engineering Division
Mal Godown Road, P.O. Bharatpur – 321001, Rajasthan

Address for Correspondence :

Registered Office :

Titagarh Wagons Limited
Titagarh Towers
756, Anandapur, E. M. Bypass, Kolkata 700 107
Telephone : 91 33 4019 0800 Fax: 91 33 4019 0823
Email : investors@titagarh.in

Registrar & Transfer Agent (RTA) :
Maheshwari Datamatics Pvt. Ltd.
23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700001
Phone : 033 22435029 / 22482248,
Email for Investor complaints : mdpldc@yahoo.com

For and on behalf of the Board

Kolkata
Date : 13th August, 2022

J P Chowdhary
Executive Chairman

Declaration Affirming Compliance of Provisions of the Code of Conduct

To the best of my knowledge and belief and on the basis of declarations given to me, I hereby affirm that all the Board members and the senior management personnel have fully complied with the provisions of the Code of Conduct for Directors and Senior Management Personnel during the financial year ended 31st March, 2022.

For Titagarh Wagons Limited

Kolkata
Date: 13th August, 2022

Umesh Chowdhary
Vice Chairman and Managing Director

Certificate on Corporate Governance

To
The Members
Titagarh Wagons Limited
756, Anandapur,
E.M. Bypass,
Kolkata- 700107

I have examined the compliance of conditions of Corporate Governance by Titagarh Wagons Limited (CIN: L27320WB1997PLC084819) for the year ended on 31st March, 2022, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedures and implementation thereof, adopted by the Company ensuring for compliance of the conditions of Corporate Governance. It is neither an audit nor expression of the opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has generally complied with the conditions of Corporate Governance, as stipulated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

(CS Sumantra Sinha)
Practising Company Secretary
ACS-11247 / CP-15245
UDIN: A011247D000819551

Place: Kolkata
Date: 13th August, 2022

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors
Titagarh Wagons Limited

We have reviewed the financial statements read with cash flow statement of Titagarh Wagons Limited for the year ended on the 31st day of March, 2022 and to the best of our knowledge and belief, we state that:

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

b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

c) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct;

d) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies;

e) We have indicated to the auditors and the Audit Committee:

   i) Significant changes in internal control during the year;

   ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;

   iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Kolkata	Umesh Chowdhary	Anil Kumar Agarwal
13th August, 2022	Vice Chairman and Managing Director & CEO	Director (Finance) & CFO

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Titagarh Wagons Limited
756, Anandapur,
E.M. Bypass,
Kolkata- 700107

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Titagarh Wagons Limited** having CIN L27320WB1997PLC084819 and having registered office at 756, Anandapur, E.M. Bypass, Kolkata – 700107 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment of Company
1	ANIL KUMAR AGARWAL	01501767	29/05/2019
2	MANOJ MOHANKA	00128593	21/12/2001
3	UMESH CHOWDHARY	00313652	03/07/1997
4	JAGDISH PRASAD CHOWDHARY	00313685	24/09/2009
5	ATUL RAVISHANKER JOSHI	03557435	24/01/2018
6	SUDIPTA MUKHERJEE	06871871	15/05/2014
7	RASHMI CHOWDHARY	06949401	14/08/2014
8	SUNIRMAL TALUKDAR	00920608	10/12/2019
9	KRISHAN KUMAR JALAN	01767702	13/08/2020
10	NAYANTARA PALCHOUDHURI	00581440	22/06/2020
11	SUSHIL KUMAR ROONGTA	00309302	01/01/2021
12	PRITHISH CHOWDHARY	08509158	01/01/2021

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

(CS Sumantra Sinha)
Practising Company Secretary
ACS – 11247 / CP - 15245
UDIN: A011247D000791114

Place: Kolkata
Date: 13th August, 2022

ANNEXURE TO CG REPORT

ANNEXURE CG - 1

Criteria For Performance Evaluation of Board & Independent Directors

An effective Board consciously creating a culture of leadership and transparent corporate governance with a long term vision and requisite strategies to enable the Company to become a responsible entity working for maximization of the stakeholders' value while contributing to society is at the core of its approach. Towards this Titagarh Wagons Limited ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.

Titagarh Wagons Limited also recognizes the importance of Independent Directors in achieving the effectiveness of the Board and aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board carries out an annual evaluation of its own performance, as well as the evaluation of the working of its Committees and Individual Directors. The performance evaluation of all the Directors was carried out by the Board. The performance evaluation was carried out in accordance with the Remuneration Policy framed by the Company within the framework of applicable laws.

QUALIFICATION AND CRITERIA OF INDEPENDENCE

- The Board shall review on an annual basis appropriate skills, knowledge and experience required of the Board as a whole and its individual members.
- The Nomination and Remuneration Committee (NRC) shall also assess the independence of the directors at the time of appointment/reappointment and the Board shall assess the same annually.
- The Board shall reassess determinants of independence when any new interest or relationships are disclosed by a Director.
- In evaluating the suitability of the individual members NRC may take into account factors such as, general understanding of the Company's business dynamics, global business and social perspective.

The Board may review and update the criteria from time to time as it may deem appropriate.

ANNEXURE CG - 2

Remuneration Policy

Titagarh Wagons Limited recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Remuneration policy is designed to attract, motivate and retain talented employees in a competitive market.

Therefore, the Remuneration Policy has been formulated with the following objectives and features:

a. Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees, to run the Company successfully.

b. Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.

c. Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal.

d. Aligning the remuneration of Directors, KMPs and Senior Management Personnel with the Company's financial position as well as with trends in the industry to the extent applicable to the Company.

e. Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance.

f. Ensuring Board Diversity.

g. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down.

POLICY RELATING TO REMUNERATION OF DIRECTORS, KMP & SENIOR MANAGEMENT PERSONNEL

- The Board on the recommendation of the Nomination & Remuneration Committee shall review and approve the remuneration payable to the directors/KMPs which shall be within the limits approved by the shareholders.
- It is to be ensured that relationship of remuneration to the performance is clear and meets appropriate performance benchmarks which are unambiguously laid down and communicated.

REVIEW

The policy shall be reviewed by the Nomination and Remuneration Committee and the Board, from time to time as may be necessary.

The Remuneration Policy is available on the Company's website under the following web link: https://titagarh.in/policies-and-codes.

ANNEXURE CG - 3

Annual Secretarial Compliance Report

Secretarial Compliance Report of

Titagarh Wagons Limited

For the year ended 31st March, 2022

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

(a) all the documents and records made available to me and explanation provided by Titagarh Wagons Limited (L27320WB1997PLC084819) ("the listed entity"),

(b) the filings/ submissions made by the listed entity to the stock exchanges,

(c) website of the listed entity,

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2022 ("Review Period") in respect of compliance with the provisions of :

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013;

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(i) Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018; and circulars/ guidelines issued thereunder;

(j) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and based on the above examination, I hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations / circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practising Company Secretary
1	Regarding submission of financial results for the Quarter & Half Year ended 30th September 2021 as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Delay in submission	The Company has paid the fine imposed by NSE Ltd. and BSE Ltd. where the securities of the company are listed, for this delay in compliance. However, the Company has represented to the individual stock exchanges for waiver of such fine on the grounds that it had earlier communicated to them in advance about the possible delay in submission of the Results and had sought additional time for preparation/ finalization of the Results, due to reasons beyond the control of the Company i.e. additional time requested by its subsidiary to provide its results for the purpose of consolidation, on entirely unavoidable grounds viz. pending sanction of the restructuring of facility by the subsidiary's Banker expected shortly.

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fine, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	BSE Limited (BSE) & NSE Limited (NSE)	Delay in submission of financial results for the **Quarter & Half Year ended 30th September 2021**	A fine of Rs. 1,45,000/- plus GST@18% each was levied on the Company by the respective Stock Exchanges	The Company received email/letter dated 14th December, 2021 from BSE and NSE regarding non-submission of the financial results for the quarter and half year ended 30th September, 2021 ('Results') till the date of such email/letter, which was a non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015, advising the Company to pay the respective applicable fine of Rs. 1,45,000/- plus GST@18% to each Stock Exchange. The Company paid the said fine under protest to BSE and NSE and requested them to waive the fine levied and refund the amount paid on the grounds that, as was already communicated to the respective Stock Exchanges, the delay in submission of the Results was due to reasons beyond the control of the Company. The Company had earlier sought additional time for preparation/finalization of the results, since its subsidiary, Titagarh Firema S.p.A., Italy, on an entirely unavoidable ground, was awaiting the sanction of one-time debt restructuring by its Banker in accordance with the applicable regulations of their local government for a situation having arisen out of the pandemic and had requested for additional time to provide its quarterly and half yearly results which have to be consolidated with the Results of the Company. Further, the Company received another letter dated 30th December, 2021 from NSE levying the fine of Rs. 190,000/- + GST@18% for delay in submission of the said Results by 38 days from its due date (i.e. Rs. 5000 per day/fine amount). Since the Company had earlier paid the fine levied for 29 days, the differential amount of Rs. 45,000/- + GST@18% was paid by the Company to NSE on 5th January, 2022.

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

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	Regarding Imposition of fine for Delay in Submission of financial results for the **Quarter/**	It was observed that the Company by its letter dated August 24, 2020 to BSE mentioned that	The reduced amount of fine was paid by the Company	BSE has communicated on 27th July, 2021 that the Company was earlier liable to a basic fine of Rs. 3,35,000/- plus GST@18% for the delayed submission of Results fo r the Quarter/Year ended

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
	Year ended 31st March 2020 by BSE Limited (BSE)	it had already submitted letters to SEBI and the Stock Exchanges for extension of time for submission of the financial results for the Quarter ended March 2020 on the grounds inter-alia that the subject compliance had become impossible since the delay was beyond the control of the Company and the extension will enable the Company to comply with the accounting adjustment to give effect to the merger of two subsidiaries viz. Cimmco Limited and Titagarh Capital Private Limited with the Company which was in advanced stage of completion, pursuant to the order of the Hon'ble NCLT, Kolkata Bench expected shortly, since the Appointed Date as per the Scheme is 1st April, 2019, thereby facilitating reflection of correct financial position of the Company on standalone and consolidated basis. In view of the same, the Company requested BSE not to take any consequential action in that regard. However, the Company had since submitted the said Results on 8th October, 2020.		31st March 2020, wherein based on the Company's representation for waiver of fine BSE decided to partially accede to the request for waiver of fine and advised the Company to pay a basic fine of Rs. 40,000/- plus GST@18%. No further/consequential action was taken by the Exchanges against the Company after payment of the fine amount
2	Regarding Imposition of fine for Delay in Submission of financial results for the Quarter/ Year ended 31st March	The Company by its letter dated August 24, 2020 to NSE mentioned that it had already submitted letters to	The reduced amount of fine was paid by the Company	A fine of Rs. 80,000/- plus GST@18% was levied on the Company as per letter dated 18th August, 2020 till that date. The Company received letter dated 8th September, 2021 from NSE stating that the Company's request

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
	2020 by NSE Limited (NSE)	SEBI and the Stock Exchanges for extension of time for submission of the financial results for the Quarter ended March 2020 on the grounds inter-alia that the subject compliance had become impossible since the delay was beyond the control of the Company and the extension will enable the Company to comply with the accounting adjustment to give effect to the merger of two subsidiaries viz. Cimmco Limited and Titagarh Capital Private Limited with the Company which was in advanced stage of completion, pursuant to the order of the Hon'ble NCLT, Kolkata Bench expected shortly, since the Appointed Date as per the Scheme is 1st April, 2019, thereby facilitating reflection of correct financial position of the Company on standalone and consolidated basis. In view of the same, the Company requested the Stock Exchanges not to take any consequential action in that regard. During November, 2020, the Company observed that NSE had marked its waiver request as 'rework' with the remarks that the request for waiver of fine shall be considered by the Exchange only after the compliance is		for waiver of fine made by its letters dated 24th August, 2020 and 17th November, 2020 was placed before the Relevant Committee of the Exchange which has decided to reject the request for waiver of fine and therefore asked the Company to pay the fine of Rs. 3,35,000/- + GST@18%. The Company again requested for waiver of fine on the matter by its letter dated 10th September, 2021. Thereafter, the Company paid the aforesaid demanded fine under protest to NSE on 16th September, 2021, however requested for waiver and refund of the fine so paid. The Company received email from NSE on 4th April, 2022 stating that its Committee may reconsider the case only if there are additional facts / submission provided by the Company which were not forming part of the earlier submissions. The same was responded to by the Company by its letter dated 7th April, 2022. The response from NSE is still awaited.

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
		achieved by the Company. The Company by its letter dated 17th November, 2020 replied to NSE that it had already submitted the financial results for the quarter and year ended 31st March, 2020 in the NEAPS portal on 8th October, 2020 and requested for waiver by also mentioning that while considering the Company's application for the extension of time for submission of the aforesaid financial results, the concerned officer of SEBI had advised that considering the facts of the case, should the stock exchange(s) were to demand fine/ penalty for delay in submission of the financial results, then the Company should submit response to the said stock exchange requesting for waiver of fine/penalty and that SEBI would advise the stock exchange to waive the fine/penalty and not take any consequential action. In view of the same, the Company requested NSE not to take any consequential action in that regard.		
3	Letter from BSE Limited (BSE) dated August 20, 2020 regarding Non-compliance with the provisions of Regulation 17(1)(a) of SEBI (LODR)	The Company represented against the fine levied by the Stock Exchange by its letter dated August 29, 2020 stating inter-alia that the outbreak of novel coronavirus (COVID-	The Company represented against the fine levied by the Stock Exchange, which was granted	A fine of Rs. 4,10,000/- plus GST@18% was levied but after representation by the Company to BSE, the waiver request was approved on10.05.2021

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
	Regulations, 2015 for not having Woman Independent Director on its Board from **April 01, 2020 to June 21, 2020.**	19) as the reason for delay in appointment of woman Director and requested for waiver. The Company received an email from BSE on May 10, 2021 stating that the Company's representation for waiver of fine was placed before the "Committee for Reviewing Representations for Waiver of Fine Levied under Standard Operating Procedure (SOP)" and the Company's request for waiver of the fine has been approved by the said Committee.		
4	Letter from NSE dated August 20, 2020 regarding Non-compliance with the provisions of Regulation 17(1), 17(1A) of SEBI (LODR) Regulations, 2015 for not having Woman Independent Director on its Board from **April 01, 2020 to June 21, 2020**	The Stock Exchange had observed that the Company was not having a woman Independent Director on its Board from April 01, 2020 to June 21, 2020. The Company represented against the fine levied by the Stock Exchange by its letter dated August 28, 2020 inter-alia mentioning the outbreak of novel coronavirus (COVID-19) as the reason for delay in appointment of woman Director and requested for waiver. On March 19, 2021, the Company received a letter from NSE mentioning that the Company's representations/ request for waiver of fine was placed before the relevant Committee of NSE, but was rejecte	The Company paid the fine of Rs. 4,10,000/- plus GST @ 18%, to the NSE on 25.03.2021	No further/consequential action was taken by the Exchanges against the Company after payment of the fine amount

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
5	Delay in Submission of financial results for the Quarter ended **30th June 2020**	The Company by its letter dated October 27, 2020 to BSE & NSE mentioned that the Company had already submitted the financial results for the quarter ended 30th June, 2020 to the Stock Exchanges on 14th October, 2020. Further, the Company had earlier on 10th September, 2020 applied to SEBI and the Stock Exchanges concerned for extension of time for submission of financial statement/results for the quarter ended 30th June, 2020 till 15th October, 2020 inter-alia on the grounds that the order sanctioning the Scheme of Amalgamation of Cimmco Limited and Titagarh Capital Private Limited with the Company was expected within a short time and will enable giving effect to the merger of subsidiaries in the accounts of the Company from the Appointed Date i.e. April 01, 2019 thereby facilitating reflection of correct financial position of the Company on standalone and consolidated basis. The Company has represented the matter in detail to SEBI and the related correspondence on record states that considering the facts of the case, should the stock exchange(s) were to demand fine/penalty for delay in submission of the financial results, then the Company should submit	The Company represented against the fine levied by BSE and NSE, which was partially granted by BSE and mot granted by NSE. The Company paid the reduced fine of Rs. 70,000/- plus GST@18% to BSE and the fine of Rs. 1,45,000/- + GST@18% under protest to NSE	BSE by an email dated 27th July, 2021 informed that the Company was liable to a basic fine of Rs. 1,45,000/- plus GST@18% for the delayed submission of Results for the Quarter ended 30th June 2020, however the Company's representation for waiver of fine was placed before its relevant Committee and after considering the facts of the case, the written submissions made by the company, the Committee decided to partially accede to the request for waiver of fine and advised the Company to pay a basic fine of Rs. 70,000/- plus GST@18%, which was paid by the Company. On 19th March, 2021, the Company received a letter from NSE which mentioned that the Company's representations for waiver of fine was placed before the Relevant Authority of the Exchange and the Company's request for waiver of fine was not considered favourably and therefore demanded fine. The Company paid the said fine to NSE on 10th May, 2021 and informed NSE by its letter dated 11th May, 2021 that although the Company had stated favorable/genuine grounds to waive off the fine but to avoid any stricter action of NSE, the Company has paid the stated amount 'under protest' and requested to waive off the fine levied & refund the amount paid to the Company at the earliest. The response from NSE is still awaited.

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
		response to the said stock exchange requesting for waiver of fine/penalty and that SEBI would advise the stock exchange to waive the fine/penalty and not take any consequential action. In view of the same, the Company requested BSE and NSE respectively not to take any consequential action in that regard. On 19th March, 2021, the Company received a letter from NSE which mentioned that the Company's representations for waiver of fine for delay in submission of financial results for the quarter ended 30th June, 2020 was placed before the Relevant Authority of the Exchange and the Company's request for waiver of fine was not considered favourably and therefore demanded fine. The Company paid the said fine to NSE on 10th May, 2021 and informed NSE by its letter dated 11th May, 2021 that although the Company had stated favorable/genuine grounds to waive off the fine but to avoid any stricter action of NSE, the Company has paid the stated amount 'under protest' and requested to waive off the fine levied & refund the amount paid to the Company at the earliest. The response from NSE is still awaited.		

(CS Sumantra Sinha)
Practising Company Secretary
ACS-11247 / CP-15245 PR: 1421/2021
UDIN: A011247D000421646

Place : Kolkata
Date : 30th May, 2022

TITAGARH WAGONS LIMITED
Titagarh Towers, 756, Anandapur,
E.M. Bypass, Kolkata – 700107
Phone: 91 33 4019 0800, Fax: 91 33 4019 0826
E-mail: corp@titagarh.in, Website: www.titagarh.in

BUSINESS RESPONSIBILITY REPORT

SECTION A – GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L27320WB1997PLC084819
2.	Name of the Company	Titagarh Wagons Limited
3.	Registered Address	756 Anandapur, E.M. Bypass, Kolkata - 700107
4.	Website	www.titagarh.in
5.	E-mail ID	corp@titagarh.in
6.	Financial Year reported	2021-22
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Rail Rolling Stock, Defence, Shipbuilding, Heavy Engineering and Infrastructure Rail Rolling Stock: NIC Code - 3020 Shipbuilding: NIC Code - 3011 Heavy Engineering and Infrastructure: NIC Code - 4210
8.	List three key products / services that the Company manufactures / provides (as in balance sheet)	Freight Wagons Passenger Coaches Metro Trains
9.	Total number of locations where business activity is undertaken by the Company	
	i. Number of International Locations	**Two**
	ii. Number of National Locations	**Registered & Corporate Office:** 756, Anandapur, E.M. Bypass, Kolkata – 700107
		Regional Offices: i. Delhi ii. Mumbai iii. Pune iv. Hyderabad
		Plant Locations: **West Bengal:** i. Wagons and Shipbuilding Division, Titagarh – 700119 ii. Steel Castings Division, Titagarh – 700119 iii. Metro Coaches/Train Electricals & Steel Castings, Uttarpara – 712233 **Bhartapur, Rajasthan:** iv. Wagons & Heavy Engineering Division (HED), Bharatpur – 321001
10.	Markets served by the Company	National / International

SECTION B - FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (₹)	23,91,42,178/-
2.	Total Turnover (₹)	1,47,479.43 lakhs
3.	Total Profit after Taxes (₹)	7940.62 lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of average Net profit of the Company for last 3 financial years (₹)	• Pursuant to the resolution passed by the Board at its meeting held on 8th June, 2021 an amount upto Rs. 10 lakhs was allocated towards CSR activities during the financial year 2021-22 on a voluntarily basis. • Out of the aforesaid amount, Rs. 2,38,733/- was the unspent CSR expenditure of previous year, which has since been duly transferred to the Society for Indian Children's Welfare (SICW) on 23rd July, 2021 towards CSR expenditure. The balance amount of Rs. 7,61,267/- was allocated on a voluntary basis and whatever amount is spent out of it, the same shall be set-off against the requirement of CSR expenditure for succeeding financial years.
5.	List of activities in which expenditure in 4 above has been incurred:	Titagarh Wagons Limited (TITAGARH) has been continuing its CSR interventions under various themes/heads as briefly described below: • Health & Hygiene: 1) Society for Indian Children Welfare (SICW): The project has been providing benefits to many children abandoned/orphaned. • Education: 1) South Kolkata Humari Muskaan: NGO for extending support to the children of women in prostitution (WIP) aged between (approximately) 4 and 18 years (girls and boys in red light areas). 2) Muskaan School: A School for under privileged

SECTION C - OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Yes. The Company has 3 (three) subsidiaries, namely: i. Titagarh Bridgesand International Private Limited ii. Titagarh Firema S.p.A, Italy iii. Titagarh Singapore Pte. Limited, Singapore
2.	Do the Subsidiary Company / Companies participate in the Business Responsibility (BR) initiatives of the Parent Company? If yes, then indicate the number of such subsidiary company(ies)?	The Subsidiaries are encouraged to participate in the BR initiatives of the Company by adhering to the BR initiatives of the Company.
3.	Do any other entity / entities (e.g. suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities?[Lessthan30%,30-60%,Morethan 60%]	No

The Board of Directors at its meeting held on January 10, 2022 approved a draft scheme ('the Scheme') for amalgamation of Titagarh Bridges and International Private Limited (TBIPL) - a wholly owned subsidiary with the Company, pursuant to Sections 230 to 232 of the Companies Act, 2013 with April 01, 2021 as the Appointed Date, subject to intimation thereof to the stock exchanges concerned and such approvals as may be applicable including the sanction by the Hon'ble National Company Law Tribunal (NCLT).

SECTION D – BUSINESS RESPONSIBILITY ('BR') INFORMATION

Details of Directors Responsible for BR

The Managing Director/Whole-time Directors are empowered to look after the BR of the Company. The Company is in the process of assigning the responsibility for the implementation and review of the BR Policy / Initiatives of the Company as may be required from time to time to a Committee of the Board / Managerial Personnel, as may be decided by the Board. The details of Managing Director(s)/ Whole-time Director of the Company as on date of this report are as follows:

Name	Designation	DIN No.	Telephone No.	Email ID
Shri J.P. Chowdhary	Executive Chairman	00313685	033-40190800	corp@titagarh.in
Shri Umesh Chowdhary	Vice Chairman & Managing Director	00313652	033-40190800	corp@titagarh.in
Shri Sudipta Mukherjee	Director (Freight Operations)	06871871	033-40190800	corp@titagarh.in
Shri Anil Kumar Agarwal	Director (Finance) & CFO	01501767	033-40190800	corp@titagarh.in

Principle-wise BR Policy as per National Voluntary Guidelines:

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Principle-wise BR Policy / Policies [Reply in Yes (Y) / No (N)]

Respect and integrity for its people, environment and other businesses have always been the major motives of your Company while fulfilling its responsibilities. Your Company believes in maintaining the highest standards of corporate behaviour towards people / entities it works with, the communities it has a "connect" with, and the environment it thrives on.

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy / policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify?	The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified Committee of the Board / Director / Official to oversee the implementation of the policy?	The Executive Directors, who is empowered to oversee the implementation of BR initiatives of the Company, periodically reviews the policies whenever required.								
6.	Indicate the link for the policy to be viewed online	View restricted to employees								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders of the Company. The communication is under an on-going process to cover all stakeholders with the best efforts possible.								
8.	Does the Company have in-house structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y

9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	The policies are evaluated from time to time andupdated whenever required.								

Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

Our BR performance will be reviewed annually moving forward. We believe that such an annual review of BR performance will play a crucial role in enabling enhanced performance and alignment of business with stakeholder needs year on year.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The BR report is published as part of our annual report disclosures, and is available online at https://titagarh.in/investors-information.

SECTION E – PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY.

The Company has defined the Code of Conduct for its Directors and employees that cover issues related to ethics, workplace responsibilities and conflict of interest. It also covers dealings with suppliers, customers and other business associates. The Company has also put in place a Whistle Blower Policy in order to enable employees and others to bring to the notice of Board and management, any wrongdoing or unethical practices observed in the Company. The suppliers / contractors / business associates dealing with the Company are also encouraged to maintain ethical standards in all their practices.

The Company also complies with Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI). Concerned employees are covered by this Code of conduct for regulation of trades by designated persons, pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2019. These policies are reviewed periodically and updated as required. Any non-compliance with these policies is viewed seriously by the Compliance Officer and Board and actions commensurate with proven violations are initiated as required.

During the financial year 2021-22, the Company has not received any complaints in relation to ethics, bribery or corruption.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE.

The Company is engaged in the business sector of Rail Rolling Stock, Defence, Shipbuilding, Heavy Engineering and Infrastructure.

Creating sustainable products is a part of the Company's endeavour towards responsible product steward ship. Your Company ensures to design its products in a manner which caters to social responsibility of creating safe and environment friendly products. It is the Company's diligent exertion to design or manufacture products taking cognizance of the environmental risks and concerns. Your Company's motto is to establish a long-term relationship with its external stakeholders including the customers, vendors, etc. and work towards building an inclusive growth environment. Your Company places high premium on techno commercial aspects and the Company's procedures with regard to finalising vendors emphasises on safe working practices, technical certifications, prevention of child labour and general housekeeping, etc. The selection procedure of the Company's transport vendors (Trucks and Containers) involves scrutiny at various levels like age of vehicle / container fleet, well laid out systems of mandatory inspections, and safe driving procedures. It is also ensured that to the extent possible, the transporter dwells into the integrities of minimising environmental pollution caused by its vehicles. Your Company places high credence to sustainability in its supply chain management.

The Company had earlier collaborated with ABB India Limited (ABB) to work together to design, develop and manufacture state of the art 3 phase IGBT based propulsion systems for EMU/MEMU being manufactured in Titagarh's plant at Uttarpara, West Bengal, with certain components being supplied by ABB. In addition to a good market potential for the propulsion business, such business alliance is also very strategic for train production business. In the propulsion tenders, your Company is well placed and is expecting additional orders. While the trial production of the traction motors and the traction converters has already commenced at the Company's facilities, the regular production is expected to start within FY 2022-23, which would be a very important milestone as it would move the Company into a high technology area of propulsion electronics.

In addition, with an endeavour to boost the "Make In India" initiative and "Atma Nirbhar" program, your Company ensures that most of the raw materials are sourced from within India / locally which again helps the growth of local vendors and society, and further contributes to the country's GDP. Your Company ensures that majority of the scrap materials generated during the process of manufacturing are recycled. Presently, the Company recycles majority of its scrap materials. Adequate practices are adopted in order to mitigate the impact of other waste generations and these wastes are disposed off in due compliance with the local rules & regulations and taking utmost care of environment.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES

Spirituality and well-being at work place are 2 necessary components. The Company believes that well-being is the key for sustenance for both, the Company and the Employees. A healthy workforce is in the Company's best interest and serves as a strategic asset and hence the Company endeavours to keep its people well.

The details with respect to the employees of the Company have been mentioned hereunder:

- Total number of employees- 551
- Total number of employees hired on temporary / contractual / casual basis - 276
- Number of permanent women employees - 44
- Number of permanent employees with disabilities- Nil
- Percentage of permanent employees is members of this recognized employee association - N.A.
- Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the financial year and pending, as on the end of the financial year - Nil.
- Percentage of under mentioned employees that were given safety & skill up-gradation training in the last year - Permanent Employees - 40%; Permanent Women Employees - 50%; Casual/ Temporary/ Contractual Employees - Variable; Employees with disabilities - N.A.

The Company has also invested significantly into preventive wellness for its employees. The range of services includes on-site complimentary health check-ups, health camps, discounted health check-up plans etc. To generate awareness among the employees, the Company keeps on organising health talks where eminent medical stalwarts are invited to share from their rich experience.

Your Company takes a rigid stand against the barbaric practices relating to child labour, forced labour, involuntary labour and discriminatory employment. Your Company has been able to create an environment which promotes the concept of respecting every employee, at all levels and henceforth, your Company has not received any complaints with regard to sexual harassment during the period under review.

The Policy on Prevention of Sexual Harassment at Workplace (POSH) ensures the safety and security of female employees. Each complaint of sexual harassment is investigated by an independent Committee chaired by women employee and consisting of various internal and external female members, providing full anonymity to the complainant and in cases where evidence of harassment is found, strict disciplinary action is initiated

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED.

1. **Has the company mapped its internal and external stakeholders?**

   Yes

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders:**

   Yes

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.:**

   The Company is committed to making differences in the lives of under privileged and economically challenged citizens. In line with the Company's CSR philosophy and policy, it takes various initiatives in the area of Health, Education, Improvement in lives of people in weak section of society, Women Empowerment and Skill Development for betterment of such stakeholders.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT.

Your Company recognises that environmental conservation is one of the important issues of our community. Hence, the importance of maintaining a high standard of environmental care in conducting our activities is well-observed by your Company.

Your Company is committed to "Maintaining the Environmental Management System to ISO 14001 Standard". To achieve our environmental commitments, your Company is involved in-

- Managing the operations in compliance with all applicable laws, legislations, regulations, standards and code of practices that minimize the impact on the environment;
- Conserving resources, minimising waste and seeking continual improvement of processes to protect the environment;
- Setting objectives and targets to reduce the impact on the environment through conducting risk assessment and hazard analysis;
- Awareness and education to the employees on environmental issues;
- Monitoring and evaluation, to ensure the environmental compliance and obligations are achieved.

There was no pending or unresolved show cause/ legal notice from CPCB / SPCB, as at 31st March 2022.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER.

Your Company's collaborations with industrial / commercial associations and academia demonstrates its approach towards addressing sustainability challenges faced by the society.

Your Company aims to create an environment that encourages supportive deliberations made in a responsible way. Your Company has its representation in several business and industrial associations such as Federation of Indian Chambers of Commerce and Industry, Confederation of Indian Industry, Indo-American Chamber of Commerce, International Chamber of Commerce, PHD Chamber of Commerce and Industry, The Owners Forum, etc.

Your Company ensures that these platforms are effectively utilised to address key issues which affect the industry.

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Your Company does take care of its social obligations towards maintaining high standards of business practices. While the growth of business of the Company is the primary objective of the Management, the Company does promote the concept of inclusive growth. The endeavour continues towards improving the Quality of Life of the people and motivating them to deliver their best.

The process of empowerment of employees includes learning and development, sharing of common goals and vision with the Management and real commitment to achieve the goals. Your Company's philosophy focuses on acquisition of skills relating to international qualities of economic, political, and social developments.

In order to curb down the negative impacts of diversity of Human Resources Management, your Company has adopted practices and policies which enables its employees to face the challenges of fast paced industrialization and globalization of business.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER.

1. **What percentages of customer complaints/ consumer cases are pending as on the end of financial year?**

   No complaints are pending as at the end of Financial Year 2021-22.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/no/N.A./Remarks(additional information)**

   Yes, the Company adheres to all legal statutes with respect to product labelling and display of product information. The Company also displays all the requisite information and safety guidance which are specific to its products.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   No cases were filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years.

4. **Did your Company carry out any consumer survey/consumer satisfaction trends?**

   TWL believes in providing best services to its customers. Time to time meeting(s) with customers are organized to understand their expectation and essentially to gauge our competitiveness in the business. TWL leverages its presence across the country to remain consistently in touch with the customers through its business unit and mitigate their issues promptly. Feedbacks received from customers are implemented to further enhance quality of service..

Independent Auditor's report

To the Members of Titagarh Wagons Limited
Report on the Audit of Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Titagarh Wagons Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of carrying value of Investment in subsidiaries (Refer to Note 2.9 – "Investments in Subsidiaries and Joint Venture", Refer Note 2.34 – "Critical Estimates and Judgements – Impairment of Investments in Subsidiaries", Note 4 – "Non-Current Assets – Financial Assets – Investments" and Note 42 – "Fair Values") The Company has investment in equity shares of the subsidiaries whose net carrying value aggregates to Rs 5,319.81 lacs, and such investments are carried at cost, net of impairment losses, if any, in accordance with the accounting policies as stated in the notes referred to above. For investments where an indication of impairment exists, the carrying value of investment is assessed for impairment. Impairment assessment requires significant judgements and estimates such as future expected level of operations and related forecast of cash flows, market conditions, discount rates, terminal growth rate, etc. Assessment of carrying value of investments has been considered as a key audit matter as the amounts are significant to the standalone financial statements and involves significant management judgement and estimates.	Our audit procedures included the following: • Assessed and tested the design and operating effectiveness of the Company's key controls over the assessment of the carrying value of investments. • Checked on a sample basis relevant input data used in the impairment assessment back to the latest budgets and also checked the mathematical accuracy of the impairment model. • Assessed the appropriateness of the methodology used in the impairment model, and the underlying assumptions used such as discount rate, future growth rates and terminal value and also considered historical performance vis-à-vis budgets. In doing this assessment, we have involved auditors' expert, as appropriate. • Considered sensitivity on key assumptions to assess the reasonableness of the impairment analysis. • Evaluated the adequacy of the disclosures made in the standalone financial statements. Based on the above procedures performed, we noted that the management's assessment in relation to the carrying value of investments in equity shares in subsidiaries is reasonable.

Key audit matter	How our audit addressed the key audit matter
Appropriateness of estimation of total costs to complete contracts and determination of contract margin (Refer to Note 2.19 – "Revenue Recognition", Refer Note 2.34 – "Critical Estimates and Judgements – Accounting for revenue from contracts wherein company satisfies performance obligation and recognises revenue over time" and Note 21 – "Revenue from operations") In respect of certain contracts with customers, the Company recognises revenue over a period of time in accordance with its accounting policy. This involves determination of margin to be recognised on the contract, which are dependent on the total cost to complete contracts, that is, the cost incurred till date and estimation of future cost to complete the contract. This estimation involves exercise of significant judgement by the management in making cost forecasts considering future activities to be carried out in the contract, and the related assumptions. This has been considered as a key audit matter given the significant management judgements involved and complexities in determining future costs to complete and the contract margin.	Our audit procedures included the following: • Assessed and tested the design and operating effectiveness of key controls around estimation of contract margin and future costs to complete the contracts. • Inquired with the management the status of the contracts, the basis for estimates of future cost to complete the contracts and other factors such as consideration of any specific identified risks. • Obtained the contract financial summaries and performed the following procedures: (a) verified the contract revenue with the underlying contracts on a sample basis, and its relevant terms and conditions. (b) obtained and examined the computation of the total cost to complete, and percentage of contract project completion. (c) verified the actual cost incurred upto the year end on a sample basis with vendor invoices and other supporting documents as appropriate. (d) verified on a sample basis the future cost to complete with order placed with vendors, management technical estimates, and other relevant supporting documents, as appropriate. (e) verified the mathematical accuracy of the calculation of percentage completion including contract margin. • Evaluated the adequacy of the disclosures made in the standalone financial statements Based on the above procedures performed, management's estimation of total cost to complete contracts and determination of contract margin is considered reasonable.

Other Information

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

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate

internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

   - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

14. As required by Section 143(3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

(c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 15 and 37 to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2022 for which there were no material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 49(vi)(A) to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 49(vi)(B) to the standalone financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Avijit Mukerji
Partner
Membership Number 056155
UDIN: 22056155AJWZSU5334

Place: Kolkata
Date: May 30, 2022

Annexure A to Independent Auditor’s Report

Referred to in paragraph 14(f) of the Independent Auditor’s Report of even date to the members of Titagarh Wagons Limited on the standalone financial statements as of and for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of Titagarh Wagon Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

2. The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone

financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

Avijit Mukerji
Partner
Membership Number 056155

UDIN : 22056155AJWZSU5334
Place: Kolkata
Date: May 30, 2022

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Titagarh Wagons Limited on the standalone financial statements as of and for the year ended March 31, 2022

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

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment 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. Certain fixed assets of the company, representing 473 railway wagons aggregating carrying value of Rs. 430.47 lacs are in the possession of Indian Railways and has not been physically verified by the management during the year. Accordingly, we are unable to comment on discrepancies, if any.

(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 3.1 and Note 3.3 to the standalone financial statements in respect of property, plant and equipment and investment properties respectively, are held in the name of the Company, except for the following:

<table>
<tr><th>Description of property</th><th>Gross carrying value (Rs in lacs)</th><th>Held in the name of</th><th>Whether promoter, director or their relative or employee</th><th>Period held - indicate range, where appropriate</th><th>Reason for not being held in the name of the Company*</th></tr>
<tr><td>Freehold Land</td><td>158.86</td><td>Titagarh Shipyard Limited</td><td>No</td><td>April 1, 2015</td><td>Pursuant to order of Hon'ble National Company Law Tribunal Board, Kolkata bench passed on July 12, 2016, the erstwhile Titagarh Shipyard limited got merged with the company with the appointed date as April 1, 2015.</td></tr>
<tr><td>Freehold Land</td><td>4,734.83</td><td>Cimmco Limited</td><td>No</td><td>April 1, 2019</td><td rowspan="2">Pursuant to order of Hon'ble National Company Law Tribunal Board, Kolkata bench passed on October 1, 2020, the erstwhile Cimmco Limited got merged with the company with the appointed date as April 1, 2019. The Company has already submitted an application to the relevant authority for changing the name which is pending.</td></tr>
<tr><td>Leasehold Land</td><td>19,724.09</td><td>Cimmco Birla Limited</td><td>No</td><td>April 1, 2019</td></tr>
<tr><td>Freehold Land</td><td>3,391.29</td><td>Titagarh Steels Limited</td><td>No</td><td>April 1, 2019</td><td>Pursuant to order of Hon'ble High Court Calcutta passed on November 26, 2009, the erstwhile Titagarh Steels Limited got merged with the company with the appointed date as April 1, 2019.</td></tr>
<tr><td>Building</td><td>117.04</td><td>Deed of conveyance in name of Company pending</td><td>No</td><td>March 30, 2001</td><td>Deed of conveyance in name of Company pending</td></tr>
</table>

Description of property	Gross carrying value (Rs in lacs)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company*
Investment Property	821.24	Cimmco Birla Limited	No	April 1, 2019	Pursuant to order of Hon'ble National Company Law Tribunal Board, Kolkata bench passed on October 1, 2020, the erstwhile Cimmco Limited got merged with the company with the appointed date as April 1, 2019.

(d) The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or intangible 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) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, 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 its standalone financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account other than those as set out below (Also refer Note 14 (i) to the standalone financial statements)

Name of the Bank	Aggregate working capital limits sanctioned (Rs. in lacs)	Nature of Current Asset offered as Security	Quarter ended	Amount disclosed as per quarterly return/ statement (Rs. in lacs)	Amount as per books of account (Rs. in lacs)	Difference (Rs. in lacs)	Reasons for difference
State Bank of India and consortium of banks	134,700	Refer Note below	September 30, 2021	5,024.77	4,954.81	69.96	Unbilled revenue as per Ind AS considered as Inventory in stock statement
			June 30, 2021	7,607.36	5449.35	2,158.02	

Note: First charge on the Company's current assets, movable fixed assets both present and future at Titagarh, and Mouza, Bhadrakali, Uttarpara, West Bengal and further creating charge on immovable properties by way of depositing tittle deeds of various lands of the company. The above facilities have also been secured by way of pledge of investment in equity shares of Titagarh Enterprises Limited and Titagarh Industries Limited. All the mortgages and charges created in favour of the above lenders rank pari passu with consortium member banks.

iii. (a) The Company has not made any investment in or stood guarantee to any company/firm/Limited Liability Partnership/ other party during the year. The Company has granted unsecured loans to one company and one employee, provided security of a land against loan of its step down subsidiary. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans and securities to parties are as per the table given below:

	Security (Amount Rs in lacs)	Loans (Amount Rs in lacs)
Aggregate amount granted/ provided during the year - Subsidiaries - Others	 - 16,964.87	 2,400.00 0.25
Balance outstanding as a balance sheet date in respect of the above case - Subsidiaries - Others	 - 16,964.87	 2,400.00 49.57

The above amounts are included in Note 3.1(d) on Property, plant and equipment, Note 6 on Loans and Note 9 on Other Assets to the standalone financial statements

(b) In respect of the aforesaid securities and loans, the terms and conditions under which such securities were provided and loans were granted are not prejudicial to the Company's interest except for the loan aggregating Rs. 2,400.00 lacs as at March 31, 2022, with a maximum amount of Rs. 2,400.00 lacs outstanding during the year, where no repayment terms have been stipulated. Also refer (iii)(c) below.

(c) In respect of the aforesaid loan, the loan is repayable on demand and hence no schedule for repayment of principal has been stipulated by the Company. Therefore, in the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal. In respect of repayment of interest, payments are being made regularly as per terms of agreement.

(d) In respect of the aforesaid loans/advances in nature of loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans /advances in nature of loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan.

(f) Following loans/advances in nature of loans were granted during the year, including to promoters/related parties under Section 2(76), which are repayable on demand or where no schedule for repayment of principal and payment of interest has been stipulated by the Company.

	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan - Repayable on demand (Rs. in lacs) - Agreement does not specify any terms or period of repayment	 2,400.00 Nil	 Nil Nil	 2,400.00 Nil
Percentage of loans/advances in nature of loan to the total loans	100%	Nil	100%

(Also refer Note 6 on Loans to standalone financial statements)

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax and professional tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 48 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2022 Which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where the dispute is pending
The Income-Tax Act, 1961	Income Tax	3,013.15	AY 2011-2012, AY 2015-2016, AY 2017-2018, AY 2018-2019	CIT(A)
		563.17	AY 2005-2006, AY 2011-2012, AY 2012-2013, AY 2013-2014	Income Tax Appellate Tribunal
The Custom Act, 1962	Custom Duty	1,222.71	2006-2007, 2004-2005	CESTAT
		30.63	1992-1993	Additional Commissioner Customs
		58.80	1986-1987, 1998-1999, 2000-2001	Deputy Director of Enforcement
The West Bengal Sales Tax Act, 1944	Sales Tax	5.24	2004-2005	The West Bengal Taxation Tribunal
		8.99	2016-2017	Additional Commissioner of Commercial Tax West Bengal
The Rajasthan Sales Tax Act	Sales Tax	19.99	2015-2016 to 2017-2018	Deputy Commissioner Appeal
		154.74	2014-2015	Joint Commissioner Appeals
		111.92	2013-2014	Rajasthan Tax Board
		391.69	2017-2018	The Additional Commissioner, Appellate Authority
The Orrisa Sales Tax Act	Sales Tax	117.60	1999-2001	High Court
The West Bengal Value Added Tax Act, 2003	Value Added Tax	1,499.04	2012-2013 to 2017-2018	The West Bengal Taxation Tribunal
		17.43	2010-2011	Additional Commissioner of Commercial Tax West Bengal
Foreign Trade Development and Regulation Act, 1992	Terminal Excise Duty	693.20	2008-2010	Directorate General of Foreign Trade
Central Goods and Services Tax Act, 2017	Goods and Service Tax	3.83	2018-2019	Assistant Commissioner, CGST Division

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where the dispute is pending
Orissa Entry Tax Act	Entry Tax	15.82	1999-2001	High Court
		7.60	2013-2014	Appellate Authority
		2.88	2013-2014	Tax Board
The Central Excise Act, 1944	Excise Duty	599.61	1999-2000, 2007-2012	Customs, Excise and Service Tax Appellate Tribunal
		538.08	2011-2017	Additional Commissioner of Central Excise and Service Tax
		74.56	2009-2017	Assistant Commissioner of Central Excise and Service Tax
		12,068.53	1995-1996 to 2013-2014	Commissioner of Central Excise and Service Tax
		122.94	2007-2008 to 2013-2014, 2015-2016	Commissioner of Central Excise (Appeal)
		43.08	2014-2016	Commissioner (Appeal)
		329.21	2013-2015	Joint Commissioner of Central Excise and Service Tax
		126.27	1989-1994	Supreme Court

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and 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) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or, joint venture.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, 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, and according to the information and explanations given to us, 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 according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We were unable to obtain some of the Internal Audit Reports for January 1, 2022 to March 31, 2022 of the Company and accordingly, the Internal Audit Reports have been considered by us for the purpose of our audit only to the extent those were made available to us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group has one CIC as part of the Group as detailed in note 49(x) to the standalone financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

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 (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 50 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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 Company is not required to spend any amount under section 135(5) of the Act since the average of last three years net profit is a net loss. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company. (Refer note 28.1 to the standalone financial statements)

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

Avijit Mukerji
Partner
Membership Number 056155

UDIN : 22056155AJWZSU5334
Place: Kolkata
Date: May 30, 2022

STANDALONE BALANCE SHEET as at March 31, 2022

Rs. in Lacs

	Notes	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
Non-current Assets			
a) Property, Plant and Equipment	3.1	60,754.26	55,957.64
b) Right-of-Use Assets	3.5	5,991.81	152.15
c) Capital Work-in-progress	3.4	-	1,628.92
d) Investment Properties	3.3	821.24	821.24
e) Intangible Assets (Other than Goodwill)	3.2	252.21	612.15
f) **Financial Assets**			
i) Investments	4	13,394.92	13,271.39
ii) Trade Receivables	5	-	-
iii) Loans	6	-	-
iv) Other Financial Assets	7	3,755.67	5,253.22
g) Non-current Tax Asset (Net)	8	2,640.77	2,640.77
h) Other Non-current Assets	9	4,149.39	1,679.98
Total Non-current Assets		**91,760.27**	**82,017.46**
Current Assets			
a) Inventories	10	31,098.22	19,887.32
b) **Financial Assets**			
i) Trade Receivables	5	28,798.94	13,935.40
ii) Cash and Cash Equivalents	11.1	451.98	5,012.89
iii) Other Bank Balances	11.2	2,985.78	4,214.30
iv) Loans	6	2,400.00	1,291.50
v) Other Financial Assets	7	4,065.59	3,110.73
c) Other Current Assets	9	13,300.91	12,307.41
Total Current Assets		**83,101.42**	**59,759.55**
TOTAL - ASSETS		**1,74,861.69**	**1,41,777.01**
II. EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	12	2,391.42	2,387.75
b) Other Equity	13	93,382.91	84,777.56
Total Equity		**95,774.33**	**87,165.31**
Liabilities			
Non-current Liabilities			
a) Financial Liabilities			
i) Borrowings	14	3,286.09	10,205.91
ii) Lease Liabilities	3.5	5,665.56	117.20
b) Provisions	15	340.93	350.55
c) Deferred Tax Liabilities (Net)	17	1,456.21	980.53
d) Other Non-current Liabilities	20	-	17,535.77
Total Non-current Liabilities		**10,748.79**	**29,189.96**
Current Liabilitiesa)			
a) Financial Liabilities			
i) Borrowings	14	8,589.95	94.93
ii) Lease Liabilities	3.5	260.81	30.85
ii) Trade Payables	18		
a) Total Outstanding Dues of Micro Enterprises and Small Enterprises		686.99	769.43
b) Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises		22,176.70	12,614.89
iii) Other Financial Liabilities	19	426.79	416.83
b) Other Current Liabilities	20	33,896.36	10,582.37
c) Provisions	15	804.67	889.54
d) Current Tax Liabilities	16	1,496.30	22.90
Total Current Liabilities		**68,338.57**	**25,421.74**
TOTAL - LIABILITIES		**79,087.36**	**54,611.70**
TOTAL - EQUITY AND LIABILITIES		**1,74,861.69**	**1,41,777.01**
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the standalone financial statements			

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

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

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Dated : May 30, 2022

For and on behalf of the Board of Directors of Titagarh Wagons Limited

J P Chowdhary
Executive Chairman
DIN: 00313685

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652

Anil Kumar Agarwal
Director (Finance) and Chief Financial Officer
DIN: 01501767

Sumit Jaiswal
Company Secretary

STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2022

Rs. in Lacs

	Notes	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Income			
Revenue from Operations	21	1,47,479.43	1,02,578.50
Other Income	22	2,288.28	1,137.03
Total Income		**1,49,767.71**	**1,03,715.53**
Expenses			
Cost of Raw Materials and Components Consumed	23	1,05,500.74	71,771.82
Changes in Inventories of Finished Goods, Work in progress and Saleable Scrap	24	1,032.25	1,370.49
Employee Benefits Expense	25	4,466.61	2,847.68
Finance Costs	26	5,582.23	5,478.57
Depreciation and Amortization Expense	27	1,838.34	1,572.95
Other Expenses	28	20,599.78	14,660.10
Total Expenses		**1,39,019.95**	**97,701.61**
Profit before exceptional items and tax		**10,747.76**	**6,013.92**
Exceptional items	30	-	(434.75)
Profit Before Tax		**10,747.76**	**6,448.67**
Tax Expense			
Current Tax		2,523.36	176.96
Deferred Tax		283.78	1,244.15
Total Tax Expense		**2,807.14**	**1,421.11**
Profit for the Year After Tax		**7,940.62**	**5,027.56**
Other Comprehensive Income			
Item that will not be reclassified to Profit or Loss in subsequent periods :			
Remeasurement Gains on Defined Benefit Plans		19.50	41.90
Tax on above		(4.91)	(10.55)
Item that will be reclassified to Profit or Loss in subsequent periods :			
Fair value changes of cashflow hedges		743.00	580.23
Tax on above		(187.00)	(146.03)
Offer comprehensive income for the year (Net of taxes)		**570.59**	**465.55**
Total Comprehensive Income for the Year		**8,511.21**	**5,493.11**
Earnings per Equity Share			
[Nominal Value of Share Rs. 2/- (March 31, 2021: Rs 2/-)]	**31**		
Basic (In Rs.)		**6.65**	**4.21**
Diluted (In Rs.)		**6.65**	**4.21**
Summary of Significant Accounting Policies	2		
The accompanying notes are an integral part of the standalone financial statements			

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

For and on behalf of the Board of Directors of Titagarh Wagons Limited

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

J P Chowdhary
Executive Chairman
DIN: 00313685

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652

Avijit Mukerji
Partner
Membership No. 056155

Anil Kumar Agarwal
Director (Finance) and Chief Financial Officer
DIN: 01501767

Sumit Jaiswal
Company Secretary

Place : Kolkata
Dated : May 30, 2022

STATEMENT OF CASH FLOW STATEMENT for the year ended March 31, 2022

Rs. in Lacs

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
A. Cash Flows from Operating Activities		
Profit before Tax	**10,747.76**	**6,448.67**
Adjustments for:		
Depreciation and Amortisation Expense	1,838.34	1,572.95
Finance Cost	5,582.23	5,478.57
Employee Stock Option Expenses	16.68	9.33
Unrealised Foreign Exchange Fluctuations Gain	20.13	(12.65)
Irrecoverable Debts/ Advances Written Off (net)	2,251.19	405.03
Net (Gain)/ Loss on Disposal of Property, Plant and Equipment	(290.32)	(61.57)
Net Gain on Disposal of Investment	(24.27)	-
Fair Value Gain on Investment - FVTPL	(419.48)	(405.52)
Unspent Liabilities / Provisions No Longer Required Written Back	(14.20)	(159.55)
Interest Income Classified as Investing Cash Flows	(617.16)	(481.47)
Exceptional Items	-	(434.75)
Other Income for Security Deposit of Leases	(6.77)	-
Operating Profit before Changes in Operating Assets and Liabilities	19,084.13	12,359.04
Increase/(Decrease) in Non-current and Current Financial and Non-financial Liabilities and Provisions	14,927.04	2,673.00
(Increase)/ Decrease in Trade Receivables	(16,195.24)	2,586.68
(Increase)/ Decrease in Inventories	(13,526.61)	(1,174.95)
(Increase)/Decrease in Non-current and Current Financial and Non-financial Assets	(524.00)	6,929.19
Cash Generated From (Used in) Operations	**3,765.31**	**22,472.96**
Income Taxes Paid (Net of Refunds)	(1,049.97)	96.78
Net Cash From (Used in) Operating Activities	**2,715.34**	**22,569.74**
B. Cash Flows from Investing Activities		
Payments for Acquisition of Property, Plant and Equipment including Capital Work-in-Progress and Intangible Assets	(6,615.27)	(2,117.98)
Proceeds from Disposal of Property, Plant and Equipment	(612.90)	105.00
Loans Given to Subsidiaries	(2,400.00)	-
Loans Refunded by Subsidiaries	1,291.50	1,243.50
Investments in Subsidiaries	-	(2,013.59)
Fixed Deposits Made	(10,191.89)	(6,554.72)
Fixed Deposits Matured	12,227.27	5,134.15
Proceeds from sale of non - current Investment	320.22	-
Interest Received	455.32	308.42
Net Cash From (Used in) Investing Activities	**(5,525.75)**	**(3,895.22)**

STATEMENT OF CASH FLOW STATEMENT for the year ended March 31, 2022

Rs. in Lacs

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
C. Cash Flows from Financing Activities		
Repayment of Long-term Borrowings	(4,419.99)	(4,650.00)
Payment of Lease Liabilities	(385.75)	(10.76)
Short Term Borrowings - Receipts/ (Payments)	5,884.89	(6,330.59)
Finance Costs Paid	(2,908.06)	(3,725.27)
Proceeds from Issue of Employee Stock Option Scheme & Share Capital	81.13	26.96
Dividend Paid (including Dividend Distribution Tax) for earlier years	(2.73)	(2.08)
Net Cash From (Used in) Financing Activities	**(1,750.51)**	**(14,691.74)**
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	**(4,560.92)**	**3,982.78**
Cash and Cash Equivalents - Opening Balance (Refer Note 11.1)	5,012.89	1,030.11
Cash and Cash Equivalents - Closing Balance (Refer Note 11.1)	**451.97**	**5,012.89**

a) The above Standalone Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

b) Refer Note 45 for Debt Reconciliation.

The accompanying notes are an integral part of the standalone financial statements

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

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

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Dated : May 30, 2022

For and on behalf of the Board of Directors of Titagarh Wagons Limited

J P Chowdhary
Executive Chairman
DIN: 00313685

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652

Anil Kumar Agarwal
Director (Finance) and Chief Financial Officer
DIN: 01501767

Sumit Jaiswal
Company Secretary

Standalone Statement of Changes in Equity for the year ended March 31, 2022

A) Equity Share Capital (Refer Note 12)

(Rs in Lacs)

Particulars	Number in Lacs	Amount
Balance as at March 31, 2020	1,156.06	2,312.12
Issue of Equity Shares Pursuant to Employee Stock Option Scheme during the year (Refer Note 12)	37.81	75.63
Balance as at March 31, 2021	**1,193.87**	**2,387.75**
Issue of Equity Shares Pursuant to Employee Stock Option Scheme and amalgamation during the year (Refer Note 12)	1.84	3.67
Balance as at March 31, 2022	**1,195.71**	**2,391.42**

B) Other Equity

(Rs in Lacs)

Particulars	Reserves and Surplus (Refer Note 13)								
	Securities Premium Account	General Reserve	Capital Reserve	Employee Stock Options Outstanding Account	Reserve Fund	Hedge Reserve Account	Equity Share Merger Account	Retained Earnings	Total
Balance as at March 31, 2020	**40,740.50**	**5,411.39**	**6,878.31**	**249.83**	**10.32**	**-**	**74.41**	**25,959.03**	**79,323.79**
Profit for the Year	-	-	-	-	-	-	-	5,027.56	5,027.56
Other Comprehensive Income (Net of Tax) - Remeasurement Losses on Defined Benefit Plans	-	-	-	-	-	-	-	31.35	31.35
Other Comprehensive Income (Net of Tax)									
- Fair value change of cash flow hedges	-	-	-	-	-	434.20	-	-	434.20
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**434.20**	**-**	**5,058.91**	**5,493.11**
Transactions with Owners in their Capacity as Owners:									
Premium on Issue of Equity Shares Pursuant to ESOP Scheme	25.74	-	-	-	-	-	-	-	25.74
Recognition of Share Based Payment	-	-	-	9.33	-	-	-	-	9.33
Transfer from ESOPs Outstanding Account on Exercise and Lapse	53.76	-	-	(92.55)	-	-	-	38.79	-
Trasnsfer within Equity	-	-	-	-	(10.32)	-	-	10.32	-
Issue of Equity Shares during the year	-	-	-	-	-	-	(74.41)	-	(74.41)
Balance as at March 31, 2021	**40,820.00**	**5,411.39**	**6,878.31**	**166.61**	**-**	**434.20**	**-**	**31,067.05**	**84,777.56**
Profit for the Year	-	-	-	-		-	-	7,940.62	7,940.62
Other Comprehensive Income (Net of Tax)									
- Remeasurement Losses on Defined Benefit Plans	-	-	-	-	-	-	-	14.59	14.59
Other Comprehensive Income (Net of Tax)									
- Fair value change of cash flow hedges	-	-	-	-	-	556.00	-	-	556.00
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**556.00**	**-**	**7,955.21**	**8,511.21**
Transactions with Owners in their Capacity as Owners:									
Premium on Issue of Equity Shares									
Pursuant to ESOP Scheme	77.46	-	-	-	-	-	-	-	77.46
Recognition of Share Based Payment	-	-	-	16.68	-	-	-	-	16.68
Transfer from ESOPs Outstanding									
Account on Exercise and Lapse	166.91	-	-	(183.29)	-	-	-	16.38	-
Balance as at March 31, 2022	**41,064.37**	**5,411.39**	**6,878.31**	**-**	**-**	**990.20**	**-**	**39,038.64**	**93,382.91**

The accompanying Notes form an integral part of the Standalone Financial Statement

The accompanying Notes form an integral part of the Standalone Financial Statement

This is the Statement of Changes in Equity referred to in our Report of even date

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

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Dated : May 30, 2022

For and on behalf of the Board of Directors of Titagarh Wagons Limited

J P Chowdhary
Executive Chairman
DIN: 00313685

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652

Anil Kumar Agarwal
Director (Finance) and Chief Financial Officer
DIN: 01501767

Sumit Jaiswal
Company Secretary

1 Corporate Information

Titagarh Wagons Limited (the Company) is a public limited company incorporated and domiciled in India. The registered office of the Company is located at 756, Anandapur, EM-Bypass, Kolkata - 700107 and its manufacturing facilities are located in West Bengal and Rajasthan. The equity shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited.

The Company is mainly engaged in the manufacturing and selling of Freight Wagons, Passenger Coaches, Metro Trains, Train Electricals, Steel Castings, Specialised Equipments & Bridges, Ships, etc. as detailed under segmnet infromation in note 40. The Company caters to both domestic and export market.

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

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of the standalone financial statements.

2.1 Basis of Preparation

(i) Compliance with Indian Accounting Standards

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

(ii) Historical Cost Convention

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivative instruments)
- Defined benefits plan- plan assets
- Share based payments

(iii) Current versus Non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

a) expected to be realised or intended to be sold or consumed in the normal operating cycle,

b) held primarily for the purpose of trading,

c) expected to be realised within twelve months after the reporting period, or

d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

a) it is expected to be settled in the normal operating cycle,

b) it is held primarily for the purpose of trading,

c) it is due to be settled within twelve months after the reporting period, or

d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

(iv) Rounding of Amounts

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

2.2 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.

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.

Depreciation Method, Estimated Useful Lives and Residual Values

Depreciation is calculated on pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual value, over their estimated useful lives. The useful lives have been determined based on technical evaluation done by the management's expert which are different than those specified by Schedule II to Companies Act 2013 in respect of factory buildings / other buildings , plant and equipment and railway sidings, in order to reflect the actual usage of assets. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

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

Particulars	**Useful Life**
Factory Buildings / Other Buildings	30 / 35 / 60 / 65 years
Plant and Equipments	15 / 20 / 30 years
Railway Sidings	15 / 30 years
Furniture and Fixtures	10 years
Office Equipments	5 years
Computers	8 years
Vehicles	8 years

Leasehold land is amortised on straight - line basis over the primary lease period of 99 years or its estimated useful life, whichever is shorter. Leasehold improvement are amortised on straight - line basis over the primary lease period (ranging from 2 to 10 years) or their estimated useful lives, whichever is shorter.

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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within 'Other Income'/'Other Expenses'.

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'.

2.3 Intangible Assets

Intangible assets have a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

Computer Software

Computer Software for internal use, which is primarily acquired from third-party vendors is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of computer software includes license fees and cost of implementation/system integration services, where applicable.

Brand and Design and Drawings

The Company had acquired the brand name of "Sambre et Meuse" along with all the available designs and drawings for manufacturing of bogies

Prototype

The Company had developed prototype for tractors which was capitalised.

Amortisation Method and Period

Computer Software and Brand and Design and Drawings are amortised on a pro-rata basis using the straight-line method over its estimated useful life of 5 years.

Prototype are amortised on a pro-rata basis using the straight-line method over its estimated useful life of 10 years (until impaired).

Amortisation method and useful lives are reviewed periodically including at each financial year end.

Research and Development

Research costs are expensed as incurred. Expenditure on development that do not meet the specified criteria under Ind AS 38 on 'Intangible Assets' are recognised as an expense as incurred.

2.4 Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

2.5 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).

2.6 Inventories

Inventories are stated at the lower of cost and net realisable value. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of inventories comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost are assigned to individual items of inventory on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Cost of raw materials and components consumed is a derived figure out of opening stock, closing stock and purchases including adjustment if any during the period.

2.7 Leases

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:-

a) Fixed payments (including in substance fixed payments) less any lease incentive receivable.

b) Variable lease payment that are based on an index or a rate, initially measured using the index or a rate at the commencement date.

c) Amount expected to be paid by the Company as under residual value guarantees.

d) Exercise price of a purchase option if the Company is reasonably certain to exercise that option.

e) 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:

a) 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

b) use a built up approach that starts with risk free interest rate adjusted for credit risk of leases held by Titagarh Wagons Limited, which does not have recent third party financing."

Lease payments are allocated between principal and finance cost. The finance cost is charged to Statement profit or 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.

As a Lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

2.8 Investments (other than Investments in Subsidiaries and Joint Venture) and Other Financial Assets

(i) Classification

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

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

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

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

(ii) Measurement

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

<u>Debt Instruments</u>

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

- **Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired.
- **Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Other Income/Other Expenses'.
- **Fair Value through Profit or Loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within 'Other Gain / (Losses)' in the period in which it arises.

<u>Equity Instruments</u>

The Company subsequently measures all equity investments (other than investments in subsidiaries and joint venture) at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Gain / (Losses)' in the Statement of Profit and Loss.

(iii) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments, if any. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 43(II) details how the Company determines 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) Income Recognition

Interest Income

Interest income on financial assets at amortised cost is accrued on a time proportion basis using the effective interest rate method and is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit impaired financial assets the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(vii) Fair Value of Financial Instruments

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

2.9 Investments in Subsidiaries and Joint Venture

Investments in subsidiaries and joint venture are carried at cost less provision for impairment, if any. Investment in subsidiaries and joint venture are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of investments exceeds its recoverable amount.

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

2.11 Trade and Other Payables

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

2.12 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of liability for at least 12 months after the reporting period.

2.13 Other Financial Liabilities

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

2.14 Derivative Instruments

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period, with changes included in 'Other Income' / 'Other Expenses'.

2.15 Offsetting Financial Instruments

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

2.16 Financial Guarantee Contracts

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

2.17 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.

2.18 Borrowing Costs

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

2.19 Revenue Recognition

The Company has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognise revenue in the financial statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

a) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or

b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

c) The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time and over a period of time based on various conditions as included in the contracts with customers."

Revenue is measured at fair value of the consideration received or receivable and is reduced by rebates, allowances and taxes and duties collected on behalf of the government. Revenue also includes adjustments made towards liquidated damages, normal product warranty and price variations wherever applicable.

Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably."

Sale of Products

Revenue for sale of products mainly comprises of wagons/locomotive shells and related items, where revenue is recognised at a point in time, when control of the asset is transferred to the customer, which generally occurs on receipts of dispatch memo / inspection certificate from customer as per terms of contract. On receipt of same, the title of goods passes on to the customer basis the laid down criteria under the standard.

Revenue from sale of specialized products

Revenue from specialized products mainly consists of defense related products (i.e Bailey bridge, Shelters ect), Ship building, Metro Trains, Train Electricals, Mainline electric multiple unit and Electric multiple unit in respect of which revenue is recognised over a period of time as performance obligations are satisfied over time as per criteria laid down under the standard and specified above.

Revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be estimated reliably. When it is probable that the total cost will exceed the total revenue from the contract, the expected loss is recognised immediately. For this purpose, total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc.

The outcome of a construction contract is considered as estimated reliably when (a) all approvals necessary for commencement of the project have been obtained; (b) the stage of completion of the project reaches reasonable level of development. The stage of completion is determined as a proportion that contract costs incurred for work performed up to the closing date bear to the estimated total costs of respective project. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be estimated reliably. When it is probable that the total cost will exceed the total revenue from the contract, the expected loss is recognised immediately. For this purpose total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc. For determining the expected cost to completion of the contracts, cost of steel, labour and other related items are considered at current market price based on fixed cost purchase orders placed or firm

commitments received from suppliers / contractors as these purchase orders and future firm commitments are enforceable over the period of the contracts.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probably recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When contract costs incurred to date plus recognised profit less recognised losses exceed progress billing, the surplus is shown as unbilled revenue. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as liability as advance from customer. Amounts received before the related work is performed are included as a liability as advance from customer. Amounts billed for work performed but not yet paid by customer are included under trade receivables.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liabilities are recognised when there is billing in excess of revenue and advance received from customers.

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods or services to the customer and when the customer pays for that goods or services will be one year or less. The Company adjusts the promised amount of consideration if the contract contains significant financing component."

Sale of Services

Revenue from service contracts are recognised in the accounting period in which the services are rendered. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling price and revenue is recognised at point in time on fulfillment of respective performance obligation. In case, the service contracts include one performance obligation revenue is recognised based on the actual service provided to the end of the reporting period as proportion of the total services to be provided. This is determined based on the actual expenditure incurred to the total estimated cost.

Revenue from services rendered is recognised as the services are rendered and is booked based on agreement / arrangements with the concerned parties.

Other Operating Revenues

Export entitlement are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds. Management fees are recognised on an accrual basis as per the terms of the agreement/arrangement with the concerned party.

2.20 Foreign Currency Transactions and Translation

(i) Functional and Presentation Currency

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

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.21 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.

2.22 Share Based Payments

Share-based compensation benefits are provided to employees via the Titagarh Wagons Limited Employee Stock Option Scheme namely ESOP Scheme 2014.

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in Employee Stock Options Outstanding Account in equity, over the period in which the performance and/or service conditions are fulfilled, in Employee Benefit Expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.23 Income Taxes

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

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

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

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

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

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

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

2.24 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expenses relating to a provision is recognised in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranties

Provisions for warranty related costs are recognised when the product is sold. Initial recognition is based on historical experience i.e. claims received up to the year end and the management's estimate of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims. The initial estimate of warranty related costs is revised annually.

Liquidated Damages

Liquidated damages on supply of materials are provided based on the contractual obligations, deduction made by the customers, as the case may be based on management's best estimate of the expenditure required to settle the obiligations.

Litigations, Claims and Contingencies

The management estimates the provisions for pending litigations, claims and demands based on its assessment of probability for these demands crystalising against the Company in due course. Also refer Note 2.25.

Onerous Contract

Provision is recognised for the contract, where unavoidable cost of meeting the obligation under the contract exceeds the economic benefits expected to be received. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

2.25 Contingencies

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

2.26 Earnings Per Equity Share

(i) Basic Earnings Per Equity Share

Basic earnings per equity share is calculated by dividing:

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

(ii) Diluted Earnings Per Equity Share

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

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

2.27 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Board of Directors of the Company. Refer Note 40 for segment information presented.

2.28 Governments Grants

Grants from the Government are recognised at there fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to purchase of property , plant and equipment are included in non current liabilities as deferred income and are credited to statement of profit and loss on straight line basis over the expected lives of related assets and presented within other income

2.29 Dividends

Provision is made for the amount of any divident declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.30 Exceptional items

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

2.31 Business Combinations

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for using the pooling of interest method.

Other business combinations, involving entities or businesses are accounted for using acquisition method.

2.32 Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated."

2.33 Hedging activities

Cash flow hedges that qualify for hedge accounting

The effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and in cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, within other gains/(losses).

When forward contracts are used to hedge forecast transactions, the company generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, as follows:

- If the cash flow hedge of a forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

2.34 Critical Estimates and Judgements

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet 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 standalone financial statements.

The areas involving critical estimates or judgements are:

- **Employee Benefits (Estimation of Defined Benefit Obligations) — Notes 2.21 and 32**

  Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the 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.

- **Impairment of Trade and Other Receivables — Notes 2.8(iii) and 43(II)(c)**

  The risk of uncollectability of trade and other receivables is primarily estimated based on prior experience with, and the past due status of, doubtful receivables, based on factors that include ability to pay, bankruptcy and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

- **Estimation of Expected Useful Lives of Property, Plant and Equipment and Intangible Assets— Notes 2.2, 2.3, 3.1 and 3.2**

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

- **Accounting for revenue from contracts wherein company satisfies performance obligation and recognises revenue over time- Notes 2.19 and 21**

  For contracts wherein performance obligation are satisfied over time, an entity recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation, in order to depict an entity's performance in transferring control of goods or services promised to a customer. This method requires estimates of the final revenue and costs of the contract, as well as measurement of progress achieved to date as a proportion of the total work to be performed. This involves determination of margin to be recognised on the contract, which are dependent on the total costs to complete contracts, that is, the cost incurred till date and estimation of future cost to complete the contract and price variations etc. This estimation involves exercise of significant judgement by the management in making cost forecasts considering future activities to be carried out in the contract, and the related assumptions etc. Experience, reduces but does not eliminate the risk that estimates may change significantly.

- **Litigations, Claims and Contingencies — Notes 2.24, 2.25 and 37**

  Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. The Company consults with legal counsel and other experts on matters related to specific litigations where considered necessary. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

- **Valuation of Deferred Tax Assets — Notes 2.23 and 17**

  Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- **Warranties and Liquidated Damages— Notes 2.24 and 15**

  The Company's product warranty obligations and estimations thereof are determined using historical information of claims received up to the year end and the management's estimate of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims.

  Liquidated damages on supply of products are provided based on the contractual obligations or deduction made by the customers considering the current situation and status of the project, the reasons for delays and past experience with the customers.

  Changes in estimated frequency and amount of future warranty claims/ liquidated charges, can materially affect warranty / liquidated damage expenses.

- **Impairment of Investments in Subsidiaries — Notes 2.9 and 4**

  Determining whether the investments in subsidiaries are impaired requires an estimate of the value in use of investments. In considering the value in use, the management anticipates the future commodity prices, capacity utilisation of plant, order book position, operating margins, discount rates and other factors of the underlying businesses / operations of the subsidiaries.

- **Fair Value Measurements — Notes 2.8(vii) and 42**

  When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

Recent Accounting Pronouncements

Amendment to Ind AS 109 "Financial Instruments" and Ind AS 107 "Financial Instruments: Disclosures" - Interest rate Benchmark Reform Phase 2

The amendment focuses on the potential financial reporting issues that may arise when interest rate benchmarking reforms are either reformed or replaced. The key reliefs provided by the Phase 2 amendments are:

- Changes to contractual cash flows - When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes that are required by an interest rate benchmark reform will not result in an immediate gain or loss in the profit and loss statement.
- Hedge accounting - The hedge accounting reliefs will allow most Ind AS 39 or Ind AS 109 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

The amendments do not have significant impact on the standalone financial statements..

Amendment to Ind AS 103 "Business Combination"

– Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed.

3.1 Property, Plant and Equipment

(Rs. in Lacs)

	Freehold Land [Refer (a) below]	Leasehold Land [Refer (a) below]	Leasehold Improvement	Buildings [Refer (a) below]	Plant and Equipments	Railway Wagons#	Railway Sidings	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Total
Gross Carrying Amount												
As at March 31, 2020	23,420.99	20,059.70	70.94	8,813.43	8,949.22	691.68	409.32	381.97	158.40	315.70	276.53	63,547.88
Additions	-	-	-	-	361.40	-	-	4.75	4.95	40.17	6.30	417.57
Disposals	-	-	-	612.68	255.96	27.83	-	-	-	-	-	896.47
As at March 31, 2021	23,420.99	20,059.70	70.94	8,200.75	9,054.66	663.85	409.32	386.72	163.35	355.87	282.83	63,068.98
Additions	-	-	-	2,559.82	3,469.47	-	105.20	10.04	57.37	63.21	29.22	6,294.33
Disposals	-	-	-	136.67	-	205.95	-	-	-	-	9.69	352.31
As at March 31, 2022	23,420.99	20,059.70	70.94	10,623.90	12,524.13	457.90	514.52	396.76	220.72	419.08	302.36	69,011.00
Accumulated Depreciation & Impairment												
As at March 31, 2020	-	832.40	55.48	1,515.91	3,666.30	49.01	124.57	171.39	112.70	249.79	96.41	6,873.96
Charge for the year	-	166.68	2.89	221.28	460.84	-	12.51	37.02	9.16	24.07	32.63	967.08
Disposals	-	-	-	582.03	243.15	11.88	-	-	-	-	-	837.06
As at March 31, 2021	-	999.08	58.37	1,155.16	3,883.99	37.13	137.08	208.41	121.86	273.86	129.04	7,003.96
Charge for the year	-	166.35	12.24	261.12	588.39	-	15.35	37.42	10.42	51.00	32.84	1,175.13
Disposals	-	-	-	14.66	-	9.70	-	-	-	-	5.37	29.73
As at March 31, 2022	-	1,165.43	70.61	1,401.62	4,472.38	27.43	152.43	245.83	132.28	324.86	156.51	8,149.38
Impairment												
As at March 31, 2020	-	-	-	-	107.36	-	-	-	-	-	-	107.36
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	-	-	-	-	107.36	-	-	-	-	-	-	107.36
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	**-**	**-**	**-**	**-**	**107.36**	**-**	**-**	**-**	**-**	**-**	**-**	**107.36**
Net Carrying Amount												
As at March 31, 2021	**23,420.99**	**19,060.62**	**12.57**	**7,045.59**	**5,063.31**	**626.72**	**272.24**	**178.31**	**41.49**	**82.01**	**153.79**	**55,957.66**
As at March 31, 2022	**23,420.99**	**18,894.27**	**0.33**	**9,222.28**	**7,944.39**	**430.47**	**362.09**	**150.93**	**88.44**	**94.22**	**145.85**	**60,754.26**

a) The title deeds of immovable properties, as disclosed above are held in the name of the Company (including erstwhile companies pre amalgamation), except for the following:

Particulars	Gross Carrying Amount		Title deeds held in the name of	Whether the title deed holder is a promoter, director or relative of promoter/ director of employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
	As at March 31, 2022	As at March 31, 2021				
Freehold Land	4,734.83	4,734.83	Original copy of title deeds not available with the Company. Photocopy availaible in the name of M/S Birla Brothers Ltd	No	1-Apr-19	Pursuant to order of Hon'ble National Company Law Tribunal Board, Kolkata bench passed on 01 October, 2020, The erstwhile Cimmco Limited got merged with the company with the appointed date as 01 April,2019. The Company has already submmitted an application to the relevant authority for changing the name which is pending.
Freehold Land	3,391.29	3,391.29	In the name of erstwhile Titagarh Steels Limited, which got merged with the Company	No	1-Apr-09	Pursuant to order of Hon'ble High Court Calcutta passed on 26 November, 2009, The erstwhile Titagarh Steels Limited got merged with the company with the appointed date as 01 April,2019. The Company has already submmitted an application to the relevant authority for changing the name which is pending.
Freehold Land	158.86	158.86	In the name of erstwhile Titagarh Shipyard Limited, which got merged with the Company	No	1-Apr-15	Pursuant to order of Hon'ble National Company Law Tribunal Board, Kolkata bench passed on 12 July,2016, The erstwhile Titagarh Shipyard limited got merged with the company with the appointed date as 01 April,2015.
Leasehold Land	19,724.09	19,724.09	In the name of erstwhile Cimmco Birla Limited, which got merged with the Company	No	1-Apr-19	Pursuant to order of Hon'ble National Company Law Tribunal Board, Kolkata bench passed on 01 October, 2020, The erstwhile Cimmco Limited got merged with the company with the appointed date as 01 April,2019. The Company has already submmitted an application to the relevant authority for changing the name which is pending.
Building	117.04	260.68	In the name of Company, pending execution of deed of conveyance	No	28-Mar-01	The deed of conveyance is yet to be executed.

b) Refer Note 36 for disclosure of contractual commitments for acquisition of Property, Plant and Equipment.

c) Refer Note 14 for information on Property, Plant and Equipment pledged as security by the Company.

d) Assets Pledged as Security for Term Loans Availed by the Subsidiary Company

The Company has provided pari pasu security of its land at Bharatpur (Gross book value of Rs. 16,964.87 Lacs) against a term loan of Euro. 50 million and overdraft facility of Euro 30 million sanctioned by Bank of Baroda to Titagarh Firema S.p.A a step down subsidiary of the Company.

Represents 473 Railway Wagons sub leased to Indian Railways. As per Arbitration Award dated July 3, 2019, use of said wagons have been restricted by Indian Railway and instructed to give the possession back to the Company, being the sole and beneficial owner of said wagons. The realisable value of 473 wagons as per management estimate is estimated to be more than the book value of Rs. 430.47 Lacs.

3.2 Intangible Assets **(Rs. in Lacs)**

	Other Intangible Assets				
	Computer Software	**Brand**	**Design and Drawings**	**Prototype**	**Total**
Gross Carrying Amount					
As at March 31, 2020	692.92	227.79	1,556.46	880.39	3,357.56
Additions	5.18	-	-	-	5.18
Disposals	-	-	-	-	-
As at March 31, 2021	698.10	227.79	1,556.46	880.39	3,362.74
Additions	6.88	-	-	-	6.88
Disposals	-	-	-	-	-
As at March 31, 2022	704.98	227.79	1,556.46	880.39	3,369.62
Accumulated Amortisation					
As at March 31, 2020	290.21	113.89	847.68	396.17	1,647.95
Charge for the year	107.32	56.94	431.62	-	595.88
Disposals	-	-	-	-	-
As at March 31, 2021	397.53	170.83	1,279.30	396.17	2,243.83
Charge for the year	96.73	56.96	213.13	-	366.82
Disposals	-	-	-	-	-
As at March 31, 2022	494.26	227.79	1,492.43	396.17	2,610.65
Impairment					
As at March 31, 2020	22.54	-	-	484.22	506.76
Charge for the year	-			-	-
As at March 31, 2021	22.54	-	-	484.22	506.76
Charge for the year	-	-	-	-	-
As at March 31, 2022	22.54	-	-	484.22	506.76
Net Carrying Amount					
As at March 31, 2021	**278.03**	**56.96**	**277.16**	**-**	**612.15**
As at March 31, 2022	**188.18**	**-**	**64.03**	**-**	**252.21**

3.3 Investment Properties

	Rs. in Lacs Freehold Land
Carrying Amount as at March 31, 2020	821.24
Additions/(Deletion)	-
Carrying Amount as at March 31, 2021	**821.24**
Additions/(Deletion)	-
Carrying Amount as at March 31, 2022	**821.24**

Particulars	Gross Carrying Amount		Title deeds held in the name of	Whether the title deed holder is a promoter, director or relative of promoter/ director of employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
	As at March 31, 2022	As at March 31, 2021				
Investment Properties	821.24	821.24	Original copy of title deeds not available with the Company. In the name of erstwhile Cimmco Birla Limited, which got merged with the Company	No	01 April 2019	Pursuant to order of Hon'ble National Company Law Tribunal Board, Kolkata bench passed on 01 October, 2020, The erstwhile Cimmco Limited got merged with the company with the appointed date as 01 April,2019. The Company has already submmitted an application to the relevant authority for changing the name which is pending.

Information regarding Investment Properties

The Company's Investment Properties consists of two parcels of land situated at Bharatpur and Malanpur respectively. As at March 31, 2022, fair valuation of the two properties is estimated to be Rs. 1,053.34 Lacs (March 31, 2021: Rs. 977.55 Lacs). These valuations are based on valuations performed by an independent valuer who holds recognised and relevant professional qualifications. The fair value was derived using the market comparable approach based on recent market prices and the fair value measurement categorised within Level-3.

The Company has no restrictions on the realisability of its Investment Properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements. There is no income earned or expenditure incurred by the Group in relation to the Investment Properties.

Significant Increase/(Decrease) in circle rate of land will result in significant higher/(lower) fair valuation of properties.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2022 and March 31, 2021 are as shown below:

Significant unobservable inputs	Sensitivity of the input to Fair Value
For 5% change in Circle Rate for Land owned by the erstwhile Cimmco Ltd (since merged with the company)	5% Increase (Decrease) in the Circle Rate would result in Increase (Decrease) in fair value by Rs 52.67 Lacs (March 31, 2021: Rs 48.88 Lacs)

3.4 Capital Work-in-Progress — Rs. in Lacs

(a) Ageing of CWIP as on March 31,2022

	Amounts in Capital work-in-progress for				
	Less than one year	1-2 Year	2-3 Year	More than 3 Year	Total
(i) Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Rs. in Lacs

(a) Ageing of CWIP as on March 31,2021

	Amounts in Capital work-in-progress for				
	Less than one year	**1-2 Year**	**2-3 Year**	**More than 3 Year**	**Total**
(i) Projects in progress	1,628.92	-	-	-	1,628.92
Total	**1,628.92**	**-**	**-**	**-**	**1,628.92**

(b) There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

3.5 Right-of-use assets and leases **Rs. in Lacs**

The Company's leasing arrangement includes office space having a lease term of 5 years with a lock in period of 4 years and Land having a fixed lease term of 10 years.

(i) Amount recognised in balance sheet

	Land	**Building**	**Total**
Gross Carrying Amount			
As at March 31, 2020			
Additions	-	162.14	162.14
Disposals	-	-	-
As at March 31, 2021	-	162.14	162.14
Additions	6,136.05	-	6,136.05
Disposals	-	-	-
As at March 31, 2022	6,136.05	162.14	6,298.19
Accumulated Depreciation & Impairment			
As at March 31, 2020	-	-	-
Charge for the year	-	9.99	9.99
Disposals	-	-	-
As at March 31, 2021	-	9.99	9.99
Charge for the year	255.88	40.51	296.39
Disposals	-	-	-
As at March 31, 2022	255.88	50.50	306.38
Net Carrying Amount			
As at March 31, 2021	-	152.15	152.15
As at March 31, 2022	5,880.17	111.64	5,991.81
Lease liabilities	**Non-current**	**Current**	**Total**
As at March 31, 2021	117.20	30.85	148.05
As at March 31, 2022	5,665.56	260.81	5,926.37

(ii) Amounts recognised in the statement of profit and loss

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

	As at March 31, 2022	**As at March 31, 2021**
Deprection charge of right of use assets (Refer note no 27)	9.99	296.39
Interest expense (included in finance costs) (Refer note no 26)	223.81	3.76
Expenses relating to short term leases (included in other expenses)	433.79	849.32
Total	**667.59**	**1149.47**

(iii) The total cash outflow for leases for the year was Rs. 385.75 Lacs (31st March, 2021 Rs. 10.93 Lacs)

(iv) Extension and Termination options :

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

4 Investments (Non-current)

	No of Shares/Units As at March 31,		Face value per share/ unit (Rs.)	As at March 31, 2022 Rs. In Lacs	As at March 31, 2021 Rs. In Lacs
	2022	2021			
Investment in Equity Shares					
In Subsidiary Companies (Unquoted) (at Cost)					
Titagarh Wagons AFR** (a)	70,00,500	70,00,500	EURO 1	-	-
[Net of Rs. 4883.89 Lacs impairment (March 31, 2021: Rs. 4,883.89 Lacs)].					
Titagarh Bridges & International Private Limited@@	3,44,55,764	3,44,55,764	10.00	3,383.62	3,383.62
Equity Portion of investment in subsidiaries ##				1,936.19	1,936.19
Titagarh Bridges & International Private Limited					
In Joint Ventures (Unquoted) (at Cost)					
Titagarh Mermec Private Limited	5,000	5,000	10.00	0.50	0.50
In Others (Quoted) (at FVTPL) '(b)					
Orissa Sponge Iron & Steel Limited #	550	550	10	0.05	0.05
Arshiya Limited	-	8,98,562	2	-	301.47
In Others (Unquoted) (at FVTPL) '(b) ^					
Titagarh Enterprises Limited	49,32,960	49,32,940	10	2,972.63	2,777.13
Traco International Investment Private Limited ###	-	6,85,000	10	-	18.37
Titagarh Industries Limited	56,850	50,000	10	42.38	30.70
				8,335.37	**8,448.03**
In 4% Optionally Fully Convertible Debentures (OFCD) in a Subsidiary Company (Unquoted) (at FVTPL) (b)					
Titagarh Bridges & International Private Limited	6,62,38,100	6,62,38,100	10	5,059.35	4,823.16
National Savings Certificate (at Amortised Cost) (Unquoted) @				0.20	0.20
				13,394.92	**13,271.39**
Total - Non Current Investments					
Aggregate book value of quoted investments				0.05	301.52
Aggregate book value of unquoted investments				13,394.87	12,969.87
Market value of quoted investments				0.05	301.52
Aggregate amount of impairment in the value of Investments				4,883.89	4,883.89

\# Quotations not available, since suspended due to penal reason.

\## Represents deemed Equity Contribution by the Company, being the differencial between fair value and carrying value of instrument on intial recognition as per Ind AS 109.

\### Traco International Investment Private Limited (Traco) by an order dated November 8, 2021 passed by Honourable National Company Law Tribunal (Kolkata Bench) got amalgamated with Titagarh Industries Limited (TIL). In accorance with the share exchange ration sanctioned by NCLT in its above mentioned order the Company got 6,850 shares of Rs 10 each of TIL, in lieu of the 685,000 Shares of Rs 10 each held by it in Traco

@@ On July 14,2020, Company has acquired the 50% shares held by Matiere S.A.S. France in Matiere Bridge Private Limited (MTBPL), a joint control entity of the company for Rs. 13.59 Lacs. As a result, MTBPL has become a wholly owned subsidiary of company w.e.f. July14,2020. Subsequently on October 21, 2020,MTBPL has been renamed as Titagarh Bridges and InternationallyPvt. Ltd. Further during the previous year the company has invested in 32,946,000 equity shares of Rs 10 each.

^ Represents following shares pledged with the banks for the cash credit and working capital facility availed by the company {Also refer note 14(c)} :

Name of Investments	No of Shares/Units As at March 31, 2022	No of Shares/Units As at March 31, 2021	Face value per share/ unit (Rs.)	Amount Pledged As at March 31, 2022 Rs. In Lacs	Amount Pledged As at March 31, 2021 Rs. In Lacs
Titagarh Enterprises Limited	49,32,940	49,32,940	10	493.29	493.29
Traco International Investment Private Limited	-	6,85,000	10	-	68.50
Titagarh Industries Limited	56,850	50,000	10	5.69	5.00
				498.98	**566.79**

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

Notes:

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

(b) Refer Note 42 for determination of fair values.

(c) Refer Note 43 for credit risk and market risk on investments.

5 Trade Receivables (At Amortised Cost)

(Unsecured, considered good unless stated otherwise)

Rs. in Lacs

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Trade Receivables				
Secured, Considered Good	-	-	-	-
Unsecured, Considered Good	-	-	29,066.23	14,042.71
Unsecured, Considered Doubtful	-	-	-	372.76
Credit impaired	-	-	-	-
	-	**-**	**29,066.23**	**14,415.47**
Less: Loss Allowances [Refer Note 43(II) (c)]	-	-	-	372.76
Less: Liquidated Damages [Refer note 43(II) (c)]	-	-	267.29	107.31
Total	**-**	**-**	**28,798.94**	**13,935.40**

Trade Receivables Ageing Schedule

Particulars	Outstanding as at March 31, 2022					
	Less than 6 months	6 months - 1 year	1-2 Year	2-3 Year	More than 3 Year	Total
Undisputed trade receivables						
Considered good	19,366.66	565.01	32.55	277.51	39.16	20,280.89
Considered doubtful	-	-	-	-	-	-
Disputed trade receivables						
Considered good	-	-	-	568.24	112.39	680.63
Considered doubtful	-	-	-	-	-	-
Total	**19,366.66**	**565.01**	**32.55**	**845.75**	**151.55**	**20,961.52**
Not Due						116.37
Unbilled						7,988.34
Total	**19,366.66**	**565.01**	**32.55**	**845.75**	**151.55**	**29,066.23**

Rs. in Lacs

Particulars	Outstanding as at March 31, 2021					
	Less than 6 months	6 months - 1 year	1-2 Year	2-3 Year	More than 3 Year	Total
Undisputed trade receivables						
Considered good	11,525.73	407.53	413.26	77.02	-	12,423.54
Considered doubtful	-	89.34	-	-	-	89.34
Disputed trade receivables						
Considered good	-	-	551.26	-	112.39	663.65
Considered doubtful	-	-	-	-	283.60	283.60
Total	**11,525.73**	**496.87**	**964.52**	**77.02**	**395.99**	**13,460.13**
Not Due						55.01
Unbilled						900.33
Total	**11,525.73**	**496.87**	**964.52**	**77.02**	**395.99**	**14,415.47**

a) Liquidated damages has been adjusted with trade receivable in accordance with the requirement of IND AS 115.

b) Refer Note 14 for information on trade receivables pledged as security by the Company and Note 43 for information about credit risk and market risk on trade receivables.

c) Trade Receivables- Considered Good include dues from related parties of Rs.1484.36 Lacs (March 31, 2021 Rs. 2,925.25 Lacs). Refer Note 41 for details.

6 Loans(At Amortised Cost) **Rs. in Lacs**
(Unsecured, Considered good unless stated otherwise)

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loans to Related Parties [Refer (a) below]				
Considered Good	-	-	2,400.00	1,291.50
Credit Impaired	-	-	-	-
	-	-	2,400.00	1,291.50
Less: Loss Allowances	-	-	-	-
Total	**-**	**-**	**2,400.00**	**1,291.50**

Notes:

(a) Loans to Related Parties are non-derivative financial assets receivable on demand which generate a fixed interest income for the Company. Also Refer Note 41.

7 Other Financial Assets **Rs. in Lacs**
(Unsecured, Considered good unless stated otherwise)

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Security Deposits				
Considered Good	184.00	357.35	82.93	297.44
Credit Impaired	-	-	-	-
Considered Doubtful	-	-	-	253.08
	184.00	357.35	82.93	550.52
Less: Loss Allowances	-	-	-	253.08
	184.00	357.35	82.93	297.44
Measured at Fair Value through OCI #				
Derivative Assets	-	514.70	1,323.24	65.53

7 Other Financial Assets (Contd.) **Rs. in Lacs**

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Measured at Amortised Cost				
Bank Deposits with Remaining Maturity of More than Twelve Months @	3,390.81	4,191.81	-	-
Claims Receivables [Refer (a) below]	-	-	2,361.23	2,361.23
Receivable from Related Parties (Refer Note 41)				
Considered Good	-	-	-	-
Considered Doubtful	-	-	235.93	235.93
	-	-	235.93	235.93
Less: Provision for Doubtful Recoverable from Related Parties	-	-	235.93	235.93
	-	-	-	-
Interest Accrued on				
Fixed Deposits with Banks	180.86	189.36	241.39	127.85
Loans to Subsidiaries (Refer Note 41)				
Considered Good	-	-	37.81	-
Considered Doubtful	-	-	139.97	139.97
	-	-	177.78	139.97
Less: Provision for Doubtful Interest Accrued on Loan to Subsidiaries	-	-	139.97	139.97
	-	-	37.81	-
Subsidy Receivable	-	-	-	69.96
Charges Recoverable	-	-	18.99	188.72
Total	**3,755.67**	**5,253.22**	**4,065.59**	**3,110.73**

\# Derivative instruments used by the Company is in nature of forward exchange contracts. These financial instruments are utilised to hedge future transactions and cash flows and are subject to hedge accounting under Ind AS 109 “Financial Instruments” wherever possible. The Company does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities. All the instruments are hedge effective as at year end.

@ Deposits held as Margin money whose receipts are lying with banks as security against loans, guarantees/letters of credits issued by them.

(a) Claim Receivables represents amount receivables from Indian Railway in relation to differential sub lease rentals for the last 3 years of primary sub lease period along with interest in terms of the Arbitration award dated February 3, 2016. The erstwhile Cimmco Ltd (since merged with the Company) had taken on lease 1,200 wagons from four lessors and given the same on sub-lease for a period of ten years to Indian Railways under four separate Sub-Lease Agreements, one dated May 28, 1997 and the other three dated October 20, 1997. During the subsistence of the sub-lease, erstwhile Cimmco Ltd (since merged with the Company) had initiated arbitration proceedings against Indian Railways in respect of disputes relating to the amount of sub-lease rentals and award was published on February 3, 2016.

Notes to Financial Statements as at and for the year ended March 31, 2022

8 Tax Assets (Net)

Rs. in Lacs

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Advance Tax (Including Tax Deducted at Source and Net of Provision for Tax)	2,640.77	2,640.77	-	-
(Net of provision for tax Rs. 21018.28 Lacs; March 31, 2021 Rs. 21018.28 Lacs)				
	2,640.77	**2,640.77**	**-**	**-**

9 Other Assets

(Unsecured, considered good unless stated otherwise)

Rs. in Lacs

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Capital Advances	3,557.53	262.85	-	-
Security Deposits	451.47	274.98	-	-
Advances Recoverable in Cash or in Kind				
Considered Good - Related Parties [Refer (a) below]	-	861.00	45.00	49.37
Considered Good - Others	-	-	4,562.48	2,799.80
Considered Doubtful - Others	-	-	209.98	195.73
	-	861.00	4,817.46	3,044.90
Less: Provision for doubtful advances - Others	-	-	209.98	195.73
	-	861.00	4,607.48	2,849.17
Balance with Government Authorities				
Considered Good	-	-	8,089.61	8,979.52
Considered Doubtful	-	-	-	94.61
	-	-	8,089.61	9,074.13
Less: Provision for doubtful balances	-	-	-	94.61
	-	-	8,089.61	8,979.52
Prepaid expenses	140.39	281.15	603.82	478.72
Total	**4,149.39**	**1,679.98**	**13,300.91**	**12,307.41**

a) Represents Rs. NIL (March 31, 2021: Rs. 861.00 Lacs) recoverable from subsidiary company and Rs. 45.00 Lacs (March 31, 2021: Rs. 49.37 Lacs) recoverable from Directors of the Company. Also Refer Note 41.

10 Inventories

Rs. in Lacs

	As at March 31, 2022	As at March 31, 2021
(Valued at lower of cost and net realisable value)		
Raw materials and components [Includes Goods in transit Rs. 1030.04 lacs (March 31, 2021: Rs 606.06 lacs]	23,124.19	10,952.26
Work in progress	5,765.44	5,980.09
Finished goods	-	883.85
Saleable scrap	761.55	695.30
Stores and spares	1,447.04	1,375.82
Total	**31,098.22**	**19,887.32**

a) Refer Note 14 for information on inventories pledged as security by the Company

b) Work in progress includes project work in progress of Rs. 4038.71 Lacs (March 31, 2021: Rs 3,239.02 Lacs)

c) Write-downs of inventories to net realisable value amounted to Rs 291.77 Lacs (March 31, 2021: Rs 11.00 lacs)

11 Cash and Bank Balances **Rs. in Lacs**

		As at March 31, 2022	As at March 31, 2021
11.1	**Cash and cash equivalents**		
	Balances with banks:		
	On current accounts	191.95	4,980.39
	Deposits with original maturity of less than three months@	-	22.20
	Cash on hand (including Cheques in hand Rs. 238.46 lacs (March 31, 2021: NIL)	260.03	10.30
		451.98	**5,012.89**
11.2	**Other Bank Balances**		
	Balances with Banks:		
	On Unpaid Dividend Accounts	14.45	17.18
	On Unpaid Fractional Share Entitlement Accounts	8.59	-
	Deposits #	2,962.74	4,197.12
		2,985.78	**4,214.30**
	Total	**3,437.76**	**9,227.19**

@ Deposits held as Margin money whose receipts are lying with banks as security against loans, guarantees/letters of credits issued by them.

Deposits held as Margin money whose receipts are lying with banks as security against loans, guarantees/letters of credits issued by them.

12 Equity Share Capital **Rs. in Lacs**

	As at March 31, 2022		As at March 31, 2021	
	No. of shares in lacs	Rs. In Lacs	No. of shares in lacs	Rs. In Lacs
Authorised Shares				
Equity Shares of Rs. 2/- (March 31, 2021: Rs. 2/-) each	12,905.00	25,810.00	12,905.00	25,810.00
Preference Shares of Rs. 10/- each	1,270.00	12,700.00	1,270.00	12,700.00
		38,510.00		**38,510.00**
Issued, Subscribed and Paid-up Shares				
Equity Shares of Rs. 2/- (March 31, 2021 Rs. 2/-) each, fully paid-up	1,195.71	2,391.42	1,193.87	2,387.75
	1,195.71	**2,391.42**	**1,193.87**	**2,387.75**

Rs. in Lacs

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

	2021-22		2020-21	
	No. of shares in lacs	Rs. In Lacs	No. of shares in lacs	Rs. In Lacs
Equity Shares				
At the beginning of the year	1,193.87	2,387.75	1,156.06	2,312.12
Shares Issued pursuant to Scheme of Amalgamation#	-	-	37.20	74.41
Shares Issued Pursuant to the Employee Stock Option Scheme @	1.84	3.67	0.61	1.22
Outstanding at the end of the year	**1,195.71**	**2,391.42**	**1,193.87**	**2,387.75**

During the year,ended March 31, 2021: 37,20,460 shares of Rs. 2 each were issued to the miniority shareholders of Cimmco Limited (erestwhile subsidiary of Company) pursuant to its scheme of Amalgamation.

@ During the year, 183500 equity shares (March 31, 2021: 60,950 equity shares) of Rs 2 each were issued and allotted to the eligible employees of the Company under the Employee Stock Option (ESOP) Scheme (Refer Note 33)

b) Terms and Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 2/- (March 31, 2021: Rs. 2/-) per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

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

	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs 2/- (March 31, 2021: Rs. 2/-) each fully paid				
Titagarh Capital Management Services Private Limited	2,40,71,588	20.13%	2,16,70,165	18.15%
Jagdish Prasad Chowdhary (Trustee of Chowdhary Foundation)	1,82,01,875	15.22%	1,82,01,875	15.26%
Rashmi Chowdhary	1,28,16,105	10.72%	1,28,16,105	10.73%
HDFC Trustee Company Limited - HDFC Capital Builder Fund	88,94,149	7.44%	1,04,25,560	8.73%

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	March 31, 2022		March 31, 2021		
	No. of shares	% of total shares	No. of shares	% of total shares	% Change during the year
Titagarh Capital Management Services Private Limited ##	2,40,71,588	20.13%	2,16,70,165	18.15%	1.98%
Jagdish Prasad Chowdhary (Trustee of Chowdhary Foundation)	1,82,01,875	15.22%	1,82,01,875	15.25%	-0.03%
Jagdish Prasad Chowdhary	70,700	0.06%	70,700	0.06%	0.00%
Umesh Chowdhary	77,530	0.06%	77,530	0.06%	0.00%
Rashmi Chowdhary	1,28,16,105	10.72%	1,28,16,105	10.73%	-0.01%
Sumita Kandoi	5,751	0.00%	2,251	0.00%	0.00%
Vinita Bajoria	7,351	0.01%	7,351	0.01%	0.00%
Bimla Devi Kajaria	10,000	0.01%	-	-	0.01%
Gaurav Kajaria	7,583	0.01%	7,583	0.01%	0.00%
Titagarh Logistics Infrastructures Pvt. Ltd.	12,35,000	1.03%	-	-	1.03%

Titagarh Capital Management Services Private Limited (PAN: AACCT5853F) ('TCMSPL') has acquired 134,722 and 111,777 equity shares of Titagarh Wagons Limited ('the Company') on March 30, 2022 and March 31, 2022 respectively through market purchase from public category shareholder(s). However, the said shares were not credited into TCMSPL's demat account till March 31, 2022, and also did not appear in the BENPOS of the Company as at March 31, 2022 from the Depositories and furnished by the Company's Registrar. Therefore, the aforesaid 246,499 shares (representing 0.21% of the Company's paid-up share capital) could not be taken as held by TCMSPL in the shareholding pattern as on March 31, 2022. However, the said 246,499 shares have been considered and included above.

13 Other Equity **Rs. in Lacs**

	As at March 31, 2022	As at March 31, 2021
Reserves and Surplus		
a. Securities Premium Account Premium received on Equity Shares issued are recognised in the Securities Premium Account. This reserve may be utilised in accordance with the provisions of Section 52 of the Act.		
Balance as per the Last Financial Statements	40,820.00	40,740.50
Premium on Issue of Equity Shares Pursuant to ESOP Scheme [Refer Note 12(a)]	77.46	25.74
Transfer from ESOPs Outstanding Account on Exercise and Lapse	166.91	53.76
	41,064.37	**40,820.00**
b. General Reserve (as per the Last Financial Statements) (Refer Note 13.1)		
Balance as per the last financial statements	5,411.39	5,411.39
	5,411.39	**5,411.39**
c. Reserve Fund under Section 45-IC of the Reserve Bank of India Act, 1934		
Balance as at the beginning of the year	-	10.32
Movement during the year	-	(10.32)
Balance as at the end of the year	**-**	**-**
d. Capital Reserve		
Balance as at the beginning of the year	6,878.31	6,878.31
Balance as at the end of the year	**6,878.31**	**6,878.31**

13 Other Equity

Rs. in Lacs

	As at March 31, 2022	As at March 31, 2021
e. Employee Stock Options (ESOPs) Outstanding Account (Refer Note 33)		
Employee Stock Options Outstanding Account relates to stock options granted by the Company to employees under the Company's ESOP Scheme. This Account is transferred to Securities Premium Account or Retained Earnings on exercise or lapse of vested options.		
Balance as per the last financial statements	166.61	249.83
Recognition of Share Based Payment (Refer Note 33)	16.68	9.33
Transfer from ESOPs Outstanding Account on Exercise and Lapse	(183.29)	(92.55)
	-	**166.61**
f. Retained Earnings		
Balance as per the Last Financial Statements	31,067.05	25,959.03
Profit / (Loss) for the Year	7,940.62	5,027.56
Add: Appropriations		
-Remeasurements Gains on Defined Benefit Plan (Net of Tax)	14.59	31.35
Transfer from ESOPs Outstanding Account on Options Lapsed	16.38	38.79
Transfer within equity	-	10.32
Net surplus in the statement of profit and loss	**39,038.64**	**31,067.05**
g. Equity Share Merger Account		
Balance as per the Last Financial Statements	-	74.41
Issue of Equity Shares during the year	-	(74.41)
	-	**-**
h. Cash Flow Hedge Reserve Account (Refer Note No. 13.2 and 13.3)		
Balance as per the Last Financial Statements	434.20	-
Changes in fair value recognised during the year	743.00	580.23
Tax impact on above	(187.00)	(146.03)
	990.20	**434.20**
Total Other Equity	**93,382.91**	**84,777.56**

13.1 **General Reserve:-** Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

13.2 **Cash Flow Hedge Reserve:-** The cumulative effective portion of gains or losses arising from changes in fair value of hedging instruments designated as cash flow hedges are recognised in cash flow hedge reserve. Such changes recognised are reclassified to the statement of profit and loss when the hedged item affects the profit or loss or are included as an adjustment to the cost of the related non-financial hedged item.

The Company has designated certain foreign currency forward contracts as cash flow hedges in respect of foreign exchange risks.

13.3 During the year, ineffective portion of cash flow hedges recognised in the statement of profit and loss amounted to Rs. Nil (March 31, 2021: Rs. Nil).

The amount recognised in cash flow hedge reserve (net of tax) is expected to impact the statement of profit and loss as below:

- within the next one year: gain Rs. 990.20 lacs (March 31, 2021: Rs. 49.04 lacs)

- later than one year: gain Rs. Nil lacs (March 31, 2021: Rs. 385.16 lacs)

14 Borrowings

Rs. in Lacs

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Secured				
Indian Rupee Loan from banks	3,286.09	10,205.91	2,705.06	94.93
Cash Credits and Working Capital Demand Loans	-	-	5,884.89	-
	3,286.09	**10,205.91**	**8,589.95**	**94.93**

Notes:

a) Term Loan of Rs. NIL (March 31, 2021: Rs. 4,392.87 lacs) carries interest @ 9.20 % p.a. (March 31, 2021: 9.20% to 11.25% p.a.) linked to 1 year MCLR and has been prepaid during the year. Above term loan was secured by of first charge over Immovable property (including land) at Gwalior and Bhind Districts, Madhya Pradesh owned by the Company. The loan was further subservient charge over movable fixed assets of the borrower.

b) Term Loan of Rs. 5991.15 lacs (March 31, 2021: Rs. 5,907.97 Lacs) carries interest @ 7.00 % to 8.75 % p.a (March 31, 2021: 8.75% to 11.75%) linked to 1 year MCLR and is repayable in 7 quarterly installments starting from June 2022 to December 2023. Above term loan is secured by a first pari-passu charge by way of mortgage upon all fixed assets including land and building, plant and machinery and other movable/immovable assets at Company's Bharatpur Plant. The loan is further secured by the second charge on the Company's current assets relating to Bharatpur Plant.

(c) Cash Credits and Working Capital Demand Loans of Rs. 5,884.89 (March 31, 2021: Rs. NIL) are secured by first charge on the Company's current assets, movable fixed asset both present and future and further creating charge on immovable properties of the company by deposit of title deeds except immovable properties at Bharatpur, Rajasthan, Gwalior and Bhind district, Madhya Pradesh. The above facilities has also been secured by way of pledge of investment in equity shares of Titagarh Enterprises Limited and Titagarh Industries Limited. All the mortgages and charges created in favour of the above lenders rank pari passu with consortium member banks.

(d) Cash Credits is repayable on demand and carry an interest rate ranging between 8.95 % to 12.35 % p.a. (March 31,2021: 7.65 % to 12.45 %) linked with MCLR.

(e) Working Capital Demand Loans carry interest ranging from 5.25 % to 8.95% p.a. (March 31, 2021: 6.20% to 11.80% p.a.) and are repayable on demand.

(f) As at March 31, 2022, the register of charges of the Company as available in records of the Ministry of Corporate Affairs (MCA) includes charges that were created/modified for entities which got amalgamated into the Company pursuant to National Company Law tribunal Orders in earlier years. There are certain charges which are historic in nature and it involves practical challenges in obtaining no-objection certificates (NOCs) from the charge holders of such charges, despite repayment of the underlying loans. Further, certain charges wherein the outstanding loans have been repaid and the Company has also filed the related Form 17 for satisfaction of Charge in respect thereof in earlier years, but the same has not been updated in the MCA records. The Company is following up these matters and is in the continuous process of filing the charge satisfaction e-form with MCA, within the timelines, as and when it receives NOCs from the respective charge holders.

(g) Term Loan obtained in earlier years have been applied for the purpose for which it has been obtained.

(h) Refer Note 43 for information about market risk and liquidity risk on borrowings

(i) Borrowings secured against current assets The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts other than below:

Quarter	Name of bank	Particulars of securities provided	Amount as per books of accounts (Rs. in lacs)	Amount as reported in the quarterly return / statement (Rs. in lacs)	Amount of difference (Rs.in lacs)	Reason for material discrepancies
June 30, 2020	State Bank of India and consortium of Banks	Refer note (c) above	5,620.60	9,041.25	3,420.65	Unbilled reveune as per Ind AS considered as Inventory in stock statement
September, 2020			5,581.63	9,131.12	3,549.49	
December 31, 2020			5,476.37	10,653.36	5,176.99	
March 31, 2021			5,980.09	6,950.38	970.29	
June 30, 2021			5,449.35	7,607.36	2,158.01	
September 30, 2021			4,954.81	5,024.77	69.96	

15 Provisions

Rs. in Lacs

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Provisions for Employee Benefits :				
Gratuity [Refer Note 32 (i)]	340.93	350.55	102.37	107.23
Leave Benefits [Refer Note 32 (iii)]	-	-	125.35	147.58
	340.93	**350.55**	**227.72**	**254.81**
Other Provisions:				
Warranties [Refer (a) below for movement]	-	-	225.59	283.37
Litigations, Claims and Contingencies	-	-	351.36	351.36
[Refer (a) below for movement] & [37 (i)]				
	-	**-**	**576.95**	**634.73**
	340.93	**350.55**	**804.67**	**889.54**

a) Movement of provisions for warranty, litigation, claims and contingencies and contingency against standard assets are as follows:

Rs. in Lacs

	Warranties		Litigation Claims and Contingencies	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
At the beginning of the year	283.37	249.39	351.36	422.88
Made during the year	-	33.98	-	60.10
Transferred to provision against Security Deposit	-	-	-	(131.62)
Unused amounts reversed during the year	(57.78)	-	-	-
At the end of the year	**225.59**	**283.37**	**351.36**	**351.36**

Information about individual provisions and significant estimates

(i) Warranties

Provision is made for estimated warranty Claims in respect of products sold which are under warranty at the end of the reporting period. Management estimates the provision based on contractual terms, historical warranty claims information and any recent trends that may suggest future claims could differ from historical amounts.

(ii) Litigation, claims and contingencies

The amounts represent best possible estimates of pending litigations / claims filed by vendors, customers, labours etc and probable claims arising out of certain tax matters and corporate guarantee provided by the company. The timing and probability of outflow and expected reimbursements, if any, with regard to these matters depends on the ultimate outcome of the legal process or settlement / conclusion of the matter with the relevant authorities / customers / vendors etc.

16 Current Tax Liabilities

Rs. in Lacs

	As at March 31, 2022	As at March 31, 2021
Provision for Income Tax (Net of Advance Tax and TDS Rs. 1049.95 Lacs; March 31, 2021 Rs. Nil Lacs)	1,496.30	22.90
Total	**1,496.30**	**22.90**

17 Deferred Tax Assets / (Liabilities)

Rs. in Lacs

	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities		
Arising out of temporary difference in depreciable and non-depreciable assets	(7,924.71)	(6,582.45)
Unrealised gain on FVTPL equity securities	(506.35)	(406.65)
Fair valuation of dervative assets	(333.03)	(146.03)
Gross Deferred tax liabilities	**(8,764.09)**	**(7,135.13)**
Deferred tax assets		
Provision for fall in value of Investment	5,329.68	5,525.55
Provision for Doubtful Debts and Advances	147.46	302.95
Provision for Liquidated Damages	67.27	27.01
Provision for Litigations, Claims and Contingencies	106.78	88.43
Provision for Employee Benefits	165.14	173.40
Lease Liabilities	1,491.55	37.26
Gross Deferred tax assets	**7,307.88**	**6,154.60**
Net Deferred Tax Assets / (Liabilities)	**(1,456.21)**	**(980.53)**

The movement in deferred tax assets and liabilities during the year ended March 31, 2022 and March 31, 2021:

	As at April 1, 2020 Deferred tax asset / (Liability)	Credit / (Charge) in Statement of Profit and Loss #	As at March 31, 2021 Deferred tax asset / (Liability)	Credit / (Charge) in Statement of Profit and Loss #	As at March 31, 2022 Deferred tax asset / (Liability)
Arising out of Temporary Differences in Depreciable Assets	(6,329.91)	(252.54)	(6,582.45)	(1,342.26)	(7,924.71)
Unrealised Gain on FVTPL Investments	(294.81)	(111.84)	(406.65)	(99.70)	(506.35)
Fair valuation of derivative assets	-	(146.03)	(146.03)	(187.00)	(333.03)
Total Deferred Tax Liabilities	**(6,624.72)**	**(510.41)**	**(7,135.13)**	**(1,628.96)**	**(8,764.09)**
Provision for fall in value of Investment	4,998.95	526.60	5,525.55	(195.87)	5,329.68
Provision for Doubtful Debts and Advances	744.28	(441.33)	302.95	(155.49)	147.46
Provision for Warranties and Liquidated Damages	289.81	(262.80)	27.01	40.26	67.27
Provision for Litigations, Claims and Contingencies	750.54	(662.11)	88.43	18.35	106.78
Provision for Employee Benefits	176.17	(2.77)	173.40	(8.26)	165.14
Lease Liability	-	37.26	37.26	1,454.29	1,491.55
Carried Forward Business Losses	85.17	(85.17)	-	-	-
Total Deferred Tax Assets	**7,044.92**	**(890.32)**	**6,154.60**	**1,153.28**	**7,307.88**
Net Deferred Tax Assets / (Liabilities)	**420.20**	**(1,400.73)**	**(980.53)**	**(475.68)**	**(1,456.21)**

Includes income tax impact on remeasurement gains/(losses) on defined benefit plan amounting to Rs. 4.91 Lacs [March 31, 2021 Rs. 10.55 Lacs] and income tax impact on Fair value change of cash flow hedges amounting to Rs. 187.00 Lacs [March 31, 2021 Rs. 146.03] included in Other Comprehensive Income.

18 Trade Payables (At Amortised Cost) **Rs. in Lacs**

	As at March 31, 2022	As at March 31, 2021
Trade Payables		
Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 38)	686.99	769.43
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	22,176.70	12,614.89
	22,863.69	**13,384.32**

Trade Payables Ageing Schedule **Rs. in Lacs**

Particulars	Outstanding as at March 31, 2022				
	Less than 1 year	1-2 Year	2-3 Year	More than 3 Year	Total
Undisputed Trade Payables					
Micro enterprises and small enterprises	457.65	-	-	-	457.65
Others	10,221.53	172.53	7.22	192.33	10,593.61
Disputed Trade Payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	**10,679.18**	**172.53**	**7.22**	**192.33**	**11,051.26**
Not Due					
Micro enterprises and small enterprises					229.34
Others					8,281.54
Unbilled					
Micro enterprises and small enterprises					-
Others					3,301.54
Total	**-**	**-**	**-**	**-**	**22,863.69**

Particulars	Outstanding as at March 31, 2021				
	Less than 1 year	1-2 Year	2-3 Year	More than 3 Year	Total
Undisputed Trade Payables					
Micro enterprises and small enterprises	377.72	92.48	-	-	470.20
Others	4,735.49	137.63	57.74	42.48	4,973.34
Disputed Trade Payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	**5,113.21**	**230.11**	**57.74**	**42.48**	**5,443.54**
Not Due					
Micro enterprises and small enterprises					299.23
Others					3,568.18
Unbilled					
Micro enterprises and small enterprises					-
Others					4,073.37
Total	**-**	**-**	**-**	**-**	**13,384.32**

(a) Trade Payables include dues to related parties of Rs. 1472.98 Lacs (March 31, 2021: Rs. 254.02 Lacs). Refer Note 41 for details.

(b) Refer Note 43 for information about market risk and liquidity risk on trade payables.

19 Other Financial Liabilities

Rs. in Lacs

	As at March 31, 2022	As at March 31, 2021
Measured at amortised cost		
Interest accrued and not due on borrowings	30.55	6.20
Investor education and protection fund will be credited by following amounts (as and when due)		
Unpaid dividends	14.45	17.18
Unpaid fractional share	8.59	-
Others		
Employee Related Liabilities	104.79	269.86
Payable for Purchase of Property, Plant and Equipment :-	125.89	-
Other Liabilities	142.52	123.59
Total	**426.79**	**416.83**

(a) Other Liabilities include dues to related parties of Rs. 142.52 Lacs (March 31, 2021: Rs. 123.59 Lacs). Refer Note 41 for details.

20 Other Liabilities

Rs. in Lacs

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Advances from Customers	-	17,535.77	33,679.14	10,287.88
Statutory Dues	-	-	217.22	294.49
	-	**17,535.77**	**33,896.36**	**10,582.37**

(a) Non-current and current advance received from customers as at March 31, 2021 include an advance of Rs. 22,916.27, which will be adjusted over a period of more than one year against sale of passenger wagons. Out of such advance outstanding, Rs. 5,200.41 lacs would be recognised within a year and remaining thereafter

(a) Advance from Customers include Rs. NIL (March 31, 2021: Rs. 1596.12 lacs) received from a related Party. Refer note 41 for details.

21 Revenue from Operations

Rs. in Lacs

	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from Contract with Customers:-		
Sale of products		
Finished Goods	1,36,767.33	90,777.11
Raw Materials and Components	8,168.38	9,506.04
Other operating revenues		
Scrap sales	2,543.72	2,282.51
Export Entitlement	-	12.84
Total	**1,47,479.43**	**1,02,578.50**

Notes to Financial Statements as at and for the year ended March 31, 2022

Revenue from operation includes revenue from contract with customers under IND AS 115 amounting to Rs. 144,935.71 Lacs (March 31, 2021: Rs 100,283.15 Lacs). The details of which are given below:-

	March 31, 2022	March 31, 2021
Revenue recognised at a point in time	1,22,761.46	98,502.75
Revenue recognised over time	22,174.25	1,780.40
	1,44,935.71	**1,00,283.15**

Reconciliation of revenue recognised with contract price:

	March 31, 2022	March 31, 2021
Contract price	1,35,735.98	99,369.05
Adjustment for:		
Liquidated Damages	(359.85)	(821.95)
Escalation	9,559.58	1,736.05
Revenue from operations	**1,44,935.71**	**1,00,283.15**

22 Other Income

Rs. In Lacs

	For the year ended March 31, 2022	For the year ended March 31, 2021
22.1 Interest Income		
From Financial Assets at Amortised Cost		
Bank Deposits	508.71	346.38
Loans to Subsidiaries	57.80	59.51
From Income Tax Authorities	-	73.83
Others	50.65	1.75
	617.16	**481.47**
22.2 Others		
Unspent Liabilities / Provisions No Longer Required Written Back	14.20	159.55
Net gain on sale of investments	24.27	-
Net Gain on Disposal of Property, Plant and Equipment	290.32	61.57
Irrecoverable debts written off in earlier years, now recovered	-	12.75
Insurance Claim	684.28	-
Other Non-operating Income	0.11	16.17
	1,013.18	**250.04**
22.3 Other Gains / (Losses)		
Fair Value Gain on Investment FVTPL	657.94	405.52
	657.94	**405.52**
Total	**2,288.28**	**1,137.03**

23 Cost of Raw Materials and Components Consumed

Rs. in Lacs

	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the beginning of the year	10,952.26	10,515.26
Add: Purchases	1,17,672.67	72,208.82
	1,28,624.93	**82,724.08**
Less: Inventories at the end of the year	23,124.19	10,952.26
Cost of raw materials and components consumed	**1,05,500.74**	**71,771.82**

24 Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap

Rs. in Lacs

		For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the beginning of the year			
Finished Goods		883.85	912.85
Work-in-Progress		5,980.09	7,035.71
Saleable Scrap		695.30	981.17
	(A)	**7,559.24**	**8,929.73**
Inventories at the end of the year			
Finished Goods		-	883.85
Work-in-Progress		5,765.44	5,980.09
Saleable Scrap		761.55	695.30
	(B)	**6,526.99**	**7,559.24**
(Increase) / Decrease	**(A-B)**	**1,032.25**	**1,370.49**

25 Employee Benefits Expense

Rs. in Lacs

	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, Wages and Bonus	3,947.55	2,417.13
Employee Stock Option Expenses (Refer Note 33)	16.68	9.33
Contribution to Provident and Other Funds [Refer Note 32 (ii)]	229.56	187.62
Gratuity Expense [Refer Note 32 (i)]	70.47	67.20
Staff Welfare Expenses	202.35	166.40
Total	**4,466.61**	**2,847.68**

26 Finance Costs

Rs. in Lacs

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Expenses on Financial Liabilities Carried at Amortised Cost - Borrowings, etc.	4,329.35	4,095.04
Interest & Finance Charges on Lease Liabilities	223.81	3.76
Bank charges, Other Borrowing Costs etc.	1,029.07	1,379.77
Total	**5,582.23**	**5,478.57**

Interest Expenses on Financial Liabilities Carried at Amortised Cost - Borrowings, etc includes Rs. 2315.71 lacs (March 31,2021 Rs. 1862.01 lacs) representing cost of financing component @ 9% against long term advance from customer.

27 Depreciation and Amortisation

Rs. in Lacs

	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation of Property, Plant & Equipments (refer note 3.1)	1,175.13	967.08
Depreciation of Right of Use Assets (refer note 3.5)	296.39	9.99
Amortisation of Intangible Assets (refer note 3.2)	366.82	595.88
Total	**1,838.34**	**1,572.95**

28 Other Expenses

Rs. in Lacs

	For the year ended March 31, 2022		For the year ended March 31, 2021	
Consumption of stores and spares		4,996.13		2,972.32
Job Processing and other machining charges (including contract labour charges)		5,539.68		4,415.97
Power and Fuel		3,325.90		2,648.20
Design and development expenses		223.82		205.05
Repairs				
Plant and machinery		188.28		327.76
Buildings		113.07		108.60
Others		72.61		55.11
Rent and Hire charges		433.79		849.32
Rates and Taxes		256.38		89.25
Insurance		181.73		174.08
Security Services		171.56		157.48
Advertising and sales promotion		69.65		34.08
Brokerage and commission		93.53		144.99
Travelling and conveyance		373.14		228.11
Legal and professional fees		619.68		822.47
Commission to non-whole time directors		10.00		10.00
Directors sitting fees		60.20		33.80
Payment to Auditors				
As auditors				
Audit fee	48.00		48.00	
Limited review	12.00		12.00	
Other Certification services	8.50		17.25	
Reimbursement of expenses	2.98	71.48	2.19	79.44
Warranty Claims	(57.78)		37.98	
Less: Adjusted with provision	-	(57.78)	3.99	33.99
Irrecoverable debts/ advances written off	3060.03		405.03	
Less: Adjusted with provision	808.84	2,251.19	-	405.03
Corporate Social Responsibility expenses (Refer Note 28.1)		7.68		5.15
Foreign Exchange Fluctuations (Refer Note 28.2)		342.11		149.07
Miscellaneous expenses		1,255.95		710.83
Total		**20,599.78**		**14,660.10**

28.1 Corporate Social Responsibility Expenses

		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Amount required to be spent during the year	-	-
(b)	Amount spent during the year on		
	(i) Construction/acquisition of an asset	-	-
	(ii) On purposes other than (i) above (fully paid)	7.68	5.15
	Total	**7.68**	**5.15**

28.2 Foreign Exchange Fluctuations is net of gain of Rs. 127.20 Lacs (March 31, 2021: Rs. Nil) on account of cancellation of forward contracts during the year

29 Income Tax Expense / (Benefit) **Rs. in Lacs**

		For the year ended March 31, 2022	For the year ended March 31, 2021
(A)	**Amount recognised in the Statement of Profit and Loss**		
	Current Tax	2,523.36	176.96
	Deferred Tax	283.78	1,244.15
	Total Income Tax Expense Recognised in Profit and Loss	**2,807.14**	**1,421.11**
(B)	**Numerical Reconciliation of Income Tax Expense to Prima Facie Tax Payable**		
	Accounting Profit / (Loss) before Tax	10,747.76	6,448.67
	At India's Statutory Income Tax Rate of 25.168% (March 31, 2020: 25.168%)	**2,705.00**	**1,623.00**
	Adjustments:		
	Expenses not allowed as deductions	92.98	(51.99)
	Income not taxable	-	14.83
	Impact of lower tax rate (Capital Gains tax rate) on the fair valuation of land and investment in equity shares through FVTPL	-	(70.25)
	Adjustment for change in tax rate	-	20.63
	Others	9.16	(115.11)
		2,807.14	**1,421.11**

30 Exceptional Item **Rs. in Lacs**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit on Sale Investments in Overseas Subsidiaries to Titagarh Bridges & International Private Limited	-	(434.75)
	-	**-434.75**

Note:

Exceptional items for year ended March 31, 2021 represent gain on sale of Investments in Subsidairies Companies, Titagarh Singapore Pte Limted and Titagarh Firema SpA to Titagarh Bridges and International Private Limited.

31 Earnings/(Loss) Per Equity Share — Rs. in Lacs

			For the year ended March 31, 2022	For the year ended March 31, 2021
(A)	**Basic**			
	(i)	Number of Equity Shares at the Beginning of the Year	11,93,87,589	11,93,26,639
	(ii)	Number of Equity Shares at the End of the Year	11,95,71,089	11,93,87,589
	(iii)	Weighted Average Number of Equity Shares Outstanding during the year	11,94,91,175	11,93,40,332
	(iv)	Face Value of Each Equity Share (Rs)	2.00	2.00
	(v)	Profit after Tax Available for Equity Shareholders	7,940.62	5,027.56
	(vi)	Basic Earnings per Equity Share (Rs.) [(v)/(iii)] #	6.65	4.21
(B)	**Diluted**			
	(i)	Dilutive Potential Equity Shares on account of Employee Stock Options Outstanding	-	-
	(ii)	Weighted Average Number of Equity Shares Outstanding during the year for Diluted Earnings per Equity Share	11,94,91,175	11,93,40,332
	(iii)	Diluted Earnings/(Loss) per Equity Share (Rs) [A(v)/B(ii)] #	6.65	4.21

Basic and Diluted earning per share are same as the potential dilutive equity shares are anti-dilutive.

32 Employee Benefits: — Rs. in Lacs

(i) Post-employment Defined Benefit Plans:

Gratuity

The Company has a defined benefit gratuity plan which is unfunded (except for one unit where it is administered through a trust and funded with a bank through its special deposit scheme with State Bank of Bikaner and Jaipur. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972.

The following tables sets forth the particulars in respect of the gratuity plan. **(Rs.in Lacs)**

	Gratuity (Funded)		Gratuity (Unfunded)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Statement of Profit and Loss				
Net Employee Benefits Expense recognised in the Employee Cost				
Current Service Cost	7.65	5.10	36.84	35.92
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	2.74	4.05	23.24	22.13
Total	**10.39**	**9.15**	**60.08**	**58.05**
Expenses Recognised in Other Comprehensive Income (OCI)				
Remeasurements (Gains) / Losses	36.63	(15.48)	(56.13)	(26.42)
Total	**36.63**	**(15.48)**	**(56.13)**	**(26.42)**

32 Employee Benefits: (Contd.) **Rs. in Lacs**

	Gratuity (Funded)		Gratuity (Unfunded)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Net Liability Recognised in Balance Sheet				
Benefit liability				
Present value of Defined Benefit Obligation	123.07	96.30	366.89	408.15
Fair value of Plan Assets	46.66	46.67	-	-
Net Liability	**76.41**	**49.63**	**366.89**	**408.15**
Bifurcation of Net Liability at the end of the year as per revised Schedule III of the Companies Act, 2013				
Current Liability (Short term)	-	8.05	102.37	99.18
Non-Current Liability (Long term)	76.41	41.58	264.52	308.97
	76.41	**49.63**	**366.89**	**408.15**
Changes in the Present Value of the Defined Benefit Obligation are as follows:				
Opening Defined Benefit Obligation	96.30	120.40	408.16	395.43
Current Service Cost	7.65	5.10	36.84	35.92
Interest Cost	5.30	6.62	23.25	22.13
Benefits Paid	(20.24)	(17.76)	(45.23)	(18.91)
Remeasurement (Gains)/ Losses				
Financial Assumptions Changes	(1.26)	-	(2.11)	(1.72)
Demographic Assumptions	(0.03)	-	(1.53)	-
Experience Variance	35.35	(18.06)	(52.49)	(24.69)
Closing Defined Benefit Obligation	**123.07**	**96.30**	**366.89**	**408.15**
Changes in the Fair Value of Plan Assets are as follows:				
Fair value of plan assets at the beginning of the year	46.67	46.67		
Return on Plan Assets	(2.57)	(2.57)		
Investment Income	2.56	2.57		
Fair Value of Plan Assets at the end of the year	**46.66**	**46.67**		
The major categories of Plan Assets as a percentage of the Fair Value of Total Plan Assets are as follows:				
Special Deposit Scheme with State Bank of Bikaner and Jaipur	100%	100%		
Maturity Profile of the Defined Benefit Obligation				
Weighted Average Duration of the Defined Benefit Obligation	3 years	2 years	4 years	4 years
Expected Benefit Payments for the year ending				
Not later than 1 year	42.64	54.72	102.37	99.18
Later than 1 year and not later than 5 years	74.72	43.27	216.99	241.65
Later than 5 year and not later than 10 years	25.31	5.37	107.99	122.95
More than 10 years	6.58	3.73	45.49	64.40

32 Employee Benefits: (Contd.) **Rs. in Lacs**

	Gratuity (Funded)		Gratuity (Unfunded)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
The principal assumptions used in determining gratuity obligation are shown below:				
Discount Rate	8.00%	5.50%	6.10%	5.70%
Rate of increase in Salary	6.50%	6.44%	5.00%	3.00-4.80%

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

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

The Company expects to contribute Rs. 82.84 Lacs (March 31, 2021 Rs.53.07 Lacs) to the funded gratuity plans during the next financial year.

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

Rs. in Lacs

Sensitivity level	Gratuity (Funded)				Gratuity (Unfunded)			
	As at March 31, 2022		As at March 31, 2021		As at March 31, 2022		As at March 31, 2021	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	126.94	119.43	98.28	94.41	381.25	353.54	425.37	392.25
Salary Growth Rate (-/+ 1%)	119.41	126.88	94.41	98.24	354.47	379.93	392.35	424.72

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

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(ii) Post-employment Defined Contribution Plans:

(A) Provident Fund and Employee State Insurance Scheme (ESI)

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

The amounts paid to Defined Contribution Plans are as follows: **(Rs.in Lacs)**

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Provident Fund (Refer Note 48)	192.91	162.17
ESI	23.71	18.94
Total	**216.62**	**181.11**

(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. 125.35 lacs (March 31, 2021: Rs. 147.58 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, based on past experience, the Company does not expect all employees to take the full amount of accured 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.

(Rs.in Lacs)

	As at March 31, 2022	March 31, 2021
Leave provision not expected to be settled within the next 12 months	81.56	93.62

(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.

33 Employee Stock Option Plan (ESOP)

The Company provides share-based payment schemes to its employees. On September 11, 2014, the shareholders, by way of a special resolution passed at the Annual General Meeting, approved the issue of shares to eligible employees under Employee Stock Option Scheme (Scheme 2014). The Scheme has been approved by the authorized Compensation Committee pursuant to a resolution passed at its meeting held on March 4, 2015. According to the Scheme 2014, the employee selected by the ESOS Compensation Committee from time to time will be entitled to the stock options. The total number of options granted should not exceed 25,00,000 options and will be granted in one or more tranches over a period of 5 years. Each option, when exercised, will be converted into 1 equity share of Rs 2 each fully paid up.

Tranche 1 - First Allotment

a)	Vesting period	As stated below
	Exercise period	Within a period of 6 months from the date of vesting
	Grant Date	March 4, 2015
	Exercise price	Rs 44.20
	Market price at March 4, 2015	Rs 135.60
	The vesting schedule of the options is as follows:	
	At the end of first year from the date of grant	10%
	At the end of second year from the date of grant	15%
	At the end of third year from the date of grant	25%
	At the end of fourth year from the date of grant	50%

The movement of the option is summarised below:

	For the Year Ended March 31, 2022		For the Year Ended March 31, 2021	
	No. of Options	Weighted Average Exercise Price (WAEP) (Rs)	No. of Options	Weighted Average Exercise Price (WAEP) (Rs)
Outstanding at the beginning of the year	-	-	2,500	44.20
Granted during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Forfeited during the year	-	-	2,500	44.20
Exercised during the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

The weighted average fair value of the option as on the grant date is Rs. NIL (March 31, 2021: NIL) and weighted average contractual life of the option as at March 31, 2022 is NIL years (March 31, 2021: NIL years).

The weighted average remaining contractual life of options outstanding at end of period is NIL years(March 31, 2021: NIL years).The weighted average fair value of stock options granted was Rs. NIL lacs (March 31, 2021 Rs. Nil lacs).

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

The share prices on the date of exercise are:

Date of Exercise	**Share Price (Rs.)**
March 31, 2021	
November 16, 2020	44.09

	Grant Date-March 4, 2015			
Share price (Rs)	135.60	135.60	135.60	135.60
Exercise price (Rs)	44.20	44.20	44.20	44.20
Risk-free interest rate	7.70%	7.70%	7.70%	7.70%
Expected volatility	67.00%	58.00%	51.00%	47.00%
Dividend yield	0.59%	0.59%	0.59%	0.59%
Term to maturity	1.00	2.00	3.00	4.00

Tranche 1 - Second Allotment

b) Vesting period — As stated below

Exercise period — Within a period of 6 months from the date of vesting

Grant Date — May 19, 2017

Exercise price — Rs 44.20

Market price at May 19, 2017 — Rs 122.80

The vesting schedule of the options is as follows:

At the end of first year from the date of grant	10%
At the end of second year from the date of grant	15%
At the end of third year from the date of grant	25%
At the end of fourth year from the date of grant	50%

The movement of the option is summarised below:

	For the Year Ended March 31, 2022		For the Year Ended March 31, 2021	
	No. of Options	Weighted Average Exercise Price (WAEP) (Rs)	No. of Options	Weighted Average Exercise Price (WAEP) (Rs)
Outstanding at the beginning of the year	57,500	44.20	86,250	44.20
Granted during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	57,500	44.20	28,750	44.20
Outstanding at the end of the year	-	-	57,500	44.20
Exercisable at the end of the year	-	-	-	-

The weighted average fair value of the option as on the grant date is Rs. NIL (March 31, 2021: 90.97) and weighted average contractual life of the option as at March 31, 2022 is NIL years (March 31, 2021: 4 years).

The weighted average remaining contractual life of options outstanding at end of period is NIL years(March 31, 2021: 0.13years).The weighted average fair value of stock options granted was Rs. NIL lacs (March 31, 2021 Rs. 37.36 lacs).

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

The share prices on the date of exercise are:

Date of Exercise	Share Price (Rs.)
March 31, 2022	
August 10, 2021	86.53
March 31, 2021	
November 16, 2020	44.09

	Grant Date-May 19, 2017			
Share price (Rs)	122.80	122.80	122.80	122.80
Exercise price (Rs)	44.20	44.20	44.20	44.20
Risk-free interest rate	6.70%	6.70%	6.70%	6.70%
Expected volatility	35.68%	47.71%	54.92%	55.08%
Dividend yield	0.59%	0.59%	0.59%	0.59%
Term to maturity	1.00	2.00	3.00	4.00

Tranche 2 - First Allotment

c)	Vesting period	As stated below
	Exercise period	Within a period of 6 months from the date of vesting
	Grant Date	May 19, 2017
	Exercise price	Rs 44.20
	Market price at May 19, 2017	Rs 122.80

The vesting schedule of the options is as follows:

At the end of first year from the date of grant	2%
At the end of second year from the date of grant	10%
At the end of third year from the date of grant	28%
At the end of fourth year from the date of grant	60%

The movement of the option is summarised below:

	For the Year Ended March 31, 2022		For the Year Ended March 31, 2021	
	No. of Options	Weighted Average Exercise Price (WAEP) (Rs)	No. of Options	Weighted Average Exercise Price (WAEP) (Rs)
Outstanding at the beginning of the year	1,47,000	44.20	2,55,200	44.20
Granted during the year	-	-	-	-
Lapsed during the year	18,000	44.20	43,400	44.20
Forfeited during the year	3,000	44.20	32,600	44.20
Exercised during the year	1,26,000	44.20	32,200	44.20
Outstanding at the end of the year	-	-	1,47,000	44.20
Exercisable at the end of the year	-	-	-	-

The weighted average fair value of the option as on the grant date is Rs. NIL (March 31, 2021: 90.97) and weighted average contractual life of the option as at March 31, 2022 is NIL years (March 31, 2021: 4 years).

The weighted average remaining contractual life of options outstanding at end of period is NIL years(March 31, 2021: 0.13years).The weighted average fair value of stock options granted was Rs. NIL lacs (March 31, 2021 Rs. 129.25 lacs).

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

The share prices on the date of exercise are:

Date of Exercise	Share Price (Rs.)
March 31, 2022	
August 10, 2021	86.53
November 13, 2021	93.29
March 31, 2021	
November 16, 2020	44.09

	Grant Date-May 19, 2017			
Share price (Rs)	122.80	122.80	122.80	122.80
Exercise price (Rs)	44.20	44.20	44.20	44.20
Risk-free interest rate	6.70%	6.70%	6.70%	6.70%
Expected volatility	35.68%	47.71%	54.92%	55.08%
Dividend yield	0.59%	0.59%	0.59%	0.59%
Term to maturity	1.00	2.00	3.00	4.00

Tranche 2 - Second Allotment

d)	Vesting period	As stated below
	Exercise period	Within a period of 6 months from the date of vesting
	Grant Date	November 9, 2017
	Exercise price	Rs 44.20
	Market price at November 9, 2017	Rs 146.75

The vesting schedule of the options is as follows:

At the end of first year from the date of grant	2%
At the end of second year from the date of grant	10%
At the end of third year from the date of grant	28%
At the end of fourth year from the date of grant	60%

The movement of the option is summarised below:

	For the Year Ended March 31, 2022		For the Year Ended March 31, 2021	
	No. of Options	Weighted Average Exercise Price (WAEP) (Rs)	No. of Options	Weighted Average Exercise Price (WAEP) (Rs)
Outstanding at the beginning of the year	-	-	4,900	44.20
Granted during the year	-	-	-	-
Lapsed during the year	-	-	500	44.20
Forfeited during the year	-	-	4,400	44.20
Exercised during the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

The weighted average fair value of the option as on the grant date is Rs. NIL (March 31, 2021: Nil) and weighted average contractual life of the option as at March 31, 2022 is NIL years (March 31, 2021: Nil years).

The weighted average remaining contractual life of options outstanding at end of period is NIL years(March 31, 2021: Nil years).The weighted average fair value of stock options granted was Rs. NIL lacs (March 31, 2021 Rs. Nil lacs).

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

The share prices on the date of exercise are:

Date of Exercise	Share Price (Rs.)
March 31, 2021	
November 16, 2020	44.09

	Grant Date-November 9, 2017			
Share price (Rs)	146.75	146.75	146.75	146.75
Exercise price (Rs)	44.20	44.20	44.20	44.20
Risk-free interest rate	6.50%	6.50%	6.50%	6.50%
Expected volatility	35.68%	47.71%	54.92%	55.08%
Dividend yield	0.59%	0.59%	0.59%	0.59%
Term to maturity	1.00	2.00	3.00	4.00

The expected life of the stock Option is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

During the year ended the Company recorded an employee compensation expense of Rs. 16.68 Lacs (March 31, 2021 : Rs 9.33 lacs) in the Statement of Profit and loss.

34 Disclosures Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Rs. in Lacs

		For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
	Loans to Subsidiaries :		
i)	**Titagarh Singapore Pte. Ltd.**		
	Balance as at year end	-	1,291.50
	Maximum amount outstanding at any time during the year	1,291.50	2,491.49
	[Titagarh Singapore Pte. Ltd has utilised the loan for meeting working capital requirements with an average rate of interest 4% [March 31, 2021: 4%]		
ii)	**Titagarh Bridges & International Private Limited**		
	Balance as at year end	2,400.00	-
	Maximum amount outstanding at any time during the year	2,400.00	-
	[Titagarh Bridges & International Private Ltd has utilised the loan for meeting working capital requirements with an average rate of interest 9 % [March 31, 2021 : NIL]		

35 Details of loans and advances in the nature of loans granted to promoters, directors, key mangerial personnel and related parties.

(Rs.in Lacs)

	Amount Outstanding		% to the total loans and advances in the nature of loans	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
a) Amounts Repayable on demands				
Promoters	-	-	-	-
Directors	-	-	-	-
Key Mangerial Personnel	-	-	-	-
Other Related Parties	2,400.00	1,291.50	100.00%	100.00%

36 Commitments

Rs.in Lacs

		As at March 31, 2022	As at March 31, 2021
a)	Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	776.61	2,000.56

37 Contingent Liabilities

Rs. in Lacs

		As at March 31, 2021	As at March 31, 2020
(i)	**Claims against the Company not acknowledged as debt**		
	Disputed claims contested by the Company and pending at various courts/arbitration*	3,277.12	3,277.12
	Matters under appeal with:		
	Sales tax authorities	2,522.97	2,203.32
	Income tax authorities	5,368.90	5,368.90
	Customs and Excise Authorities	13,868.42	14,390.92
	Goods and service tax Authorities	168.88	-
	Custom Duty on import of equipments and spare parts under EPCG scheme	1,190.54	1,190.54
		26,396.83	**26,430.80**

Includes Rs 1360.45 Lacs (March 31, 2021: 1,360.45 Lacs) which in terms of BIFR order, even if decided against the Company, would stand at Rs 136.04 Lacs (March 31, 2021 : Rs 136.04 Lacs) only.

In respect of above cases based on favourable decisions in similar cases/legal opinions taken by the Company/discussions with the solicitors etc., the management is of the opinion that it is possible, but not probable, that the action will succeed and accordingly no provision for any liability has been made in the financial statements.

In respect of above contingent liabilities, it is not practicable for the Company to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above.

(ii) Further:

(a) Erstwhile Cimmco Limited (Since merged with the Company) had prior to year 2000, obtained certain advance licenses for making duty free import of inputs subject to fulfillment of export obligation (EO) within the specified time limit/ extended time limit (as extended pursuant to sanctioned scheme of BIFR) from the date of issuance of such licenses. However, in absence of complete list of licenses along with the imports made against each license, the amount of contingent liability towards custom duty saved on unfulfilled export obligations and penal interest if any, is presently unascertainable.

(b) SBI Caps has raised a claim of Rs. 1,128.95 lacs on erstwhile Cimmco Limited (since merged with the Company) on account of disallowance of depreciation by the income tax authorities on the wagons leased by SBI Caps to erstwhile Cimmco Limited (since merged with the Company) which in turn has been sub leased to Indian Railways. The same pertains to the assessment year 1998-99 to 2004-05 (period prior to change of management in terms of the BIFR order) and the matter is pending with ITAT Mumbai. As per the separate lease agreements entered between SBI CAPS, erstwhile Cimmco Limited (since merged with the Company) and Indian Railways, any claims, charges, duties taxes and penalties as may be levied by the Government or any other authority pertaining to leased wagons shall be borne by the Indian Railways. Considering the above terms contained in the above agreements and also favourable ITAT judgments regarding the admissibility of the depreciation on the leased assets the Company believes that there would not be any liability that would crystallise on account of the above.

38 Information relating to Micro and Small Enterprises (MSEs): **Rs. in Lacs**

		As at March 31, 2022	As at March 31, 2021
(i)	The Principal amount and Interest due thereon remaining unpaid to any supplier at the end of the accounting year		
	Principal	686.99	769.43
	Interest	0.84	3.52
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.		
	Principal	-	-
	Interest	-	-
(iii)	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.		
	Principal	2,142.63	1,192.41
	Interest	25.96	8.52
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	47.63	20.83

The above particulars, as applicable, have been given in respect of MSEs to the extent they could be identified on the basis of the information available with the Company.

39 List of Subsidiaries and Joint Venture of the Company

The Company has following Subsidiaries and Joint Venture for which the Company prepares Consolidated Financial Statements as per Ind AS 110 "Consolidated Financial Statements". Investment in these subsidiaries and Joint Ventures has been recognised at cost.

Name of the Subsidiary	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest	
		March 31, 2022	March 31, 2021
Titagarh Bridges & International Pvt Ltd (TBIPL)#	India	100%	100%
Titagarh Singapore Pte. Limited (TSPL)*	Singapore	100%	100%
Titagarh Firema S.p.A (TFA) **	Italy	99%	100%
Titagarh Wagons AFR (TWA) ***	France	100%	100%

Titagarh Bridges & International Pvt Ltd has become a wholly owned susidiary of the Company w.e.f. 14th July, 2020 by acquiring balance 7,548,820 equity shares from Matiere SAS, France.

*The Company holds 100% equity in TSPL through its wholly owned subsidiary company, TBIPL.

**The Company holds 99.24% equity in TFA through its wholly owned subsidiary company, TBIPL with TSPL.

On 4th June 2019, the commercial court of paris has approved the start of Rehabilitation Procedure and from said date, Parent company was no longer in control of TWA,under French Law. The commercial Court of Paris vide its judgement dated August 13, 2019 has approved a plan for transfer of business and assets of TWA to another bidder an ordered for liquidation of TWA. Currently TWA is under Liquidation.

Particulars	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest	
Name of the Joint Venture		March 31, 2022	March 31, 2021
Titagarh Mermec Private Limited	India	50%	50%

39 SEGMENT INFORMATION

The Company's Board of Directors, being the chief operating decision maker examines the Company's performance on the basis of its business and has identified following reportable segments:-

a) **Freight Rolling Stock -** Consists of manufacturing of Wagons, Loco Shells, bogies, couplers and its components.

b) **Passenger Rolling Stock -** Consists of designing and manufacturing of Metro, Passenger Coaches, EMUs, Train Sets, Mono Rail, Propulsion equipment, Traction Motors and its components.

c) **Shipbuilding, Bridge & Defence -** Consists of Designing and Construction of Warships, Passenger Vessels, Tug and specialised equipment’s for Defence, Bridge Girders etc.

Segment performance is evaluated based on profit or loss and is measured consistently with Profit or Loss in the Standalone Financial Statements . Also, the Company's borrowings (include finance costs) , income taxes ,investments and derivative instruments are managed at head office and are not allocated to operating segments.

Segment Revenue is measured in the same way as in the Statement of Profit and Loss.

Segment Assets and Liabilities are measured in the same way as in the standalone financial statements.

These asset and liabilities are allocated based on the operations of the segment and physical location of assets.

Information about operating segments

For the year ended March 31, 2022 **(Rs. in Lacs)**

	Freight Rolling Stock	Passenger Rolling Stock	Shipbuilding Bridge and Defence	Total
Revenue from operations				
Segment revenue (external)	**1,21,436.40**	**21,897.41**	**4,145.62**	**1,47,479.43**
Segment profit	**15,781.12**	**440.81**	**566.13**	**16,788.06**
Unallocated (income) / expenses				
Finance Costs				3,041.15
Interest Income				(1,269.91)
Depreciation and Amortisation Expense				275.38
Other Corporate Income				(998.87)
Other Corporate Expenses				4,992.53
Profit / (Loss) before taxes				**10,747.78**
Tax expenses / (Credit)				2,807.14
Profit / (Loss) for the year				**7,940.64**
Material Non-cash (Income) / Expenses:				
Depreciation and Amortisation Expense	1,259.31	256.90	46.75	1,562.96
Unspent liabilities / provisions no longer required written back	(3.59)			(3.59)
Segment assets	**74,968.66**	**46,293.70**	**6,063.90**	**1,27,326.26**
Unallocated assets				
Investments				13,394.92
Cash and cash equivalents				451.98
Other bank balances				2,985.78
Tax Assets (Net)				2,640.77
Other unallocated assets				28,061.98
Total assets				**1,74,861.69**
Segment liabilities	**29,284.38**	**29,460.18**	**3,609.43**	**62,353.99**
Unallocated liabilities				
Deferred Tax Liabilities (Net)				1,456.21
Borrowings				11,876.04
Tax Liabilities				1,496.31
Other unallocated liabilities				1,904.82
Total liabilities				**79,087.38**

For the year ended March 31, 2021 **(Rs. in Lacs)**

	Freight Rolling Stock	Passenger Rolling Stock	Shipbuilding Bridge and Defence	Total
Revenue from operations				
Segment Revenue (External)	**96,374.15**	**4,752.34**	**1,452.01**	**1,02,578.50**
Segment Profit	**12,377.74**	**(496.89)**	**(345.70)**	**11,535.15**
Unallocated (Income) / Expenses				
Finance Costs				3,616.57
Interest Income				(481.47)
Depreciation and Amortisation Expense				129.76
Other Corporate Income				(655.56)
Other Corporate Expenses				2,477.18
Profit / (Loss) before Taxes				6,448.67
Tax Expenses / (Credit)				1,421.11
Profit / (Loss) for the Year				**5,027.56**
Material Non-cash (Income) / Expenses:				
Depreciation and Amortisation Expense	1,278.87	143.54	20.77	1,443.19
Unspent liabilities / provisions no longer required written back	159.55	-	-	159.55
Segment Assets	**74,610.15**	**16,564.84**	**4,309.31**	**95,484.30**
Unallocated Assets				
Investments				13,271.39
Cash and Cash Equivalents				13,035.07
Other Bank Balances				5,012.89
Deferred Tax Assets (Net)				
Tax Assets (Net)				2,640.77
Other Unallocated Assets				12,332.59
Total Assets				**1,41,777.01**
Segment Liabilities	**14,579.90**	**24,748.50**	**2,247.54**	**41,575.94**
Unallocated Liabilities				
Deferred Tax Liabilities (Net)				980.53
Borrowings				10,300.84
Current Tax Liabilities				22.90
Other Unallocated Liabilities				1,731.49
Total Liabilities				**54,611.70**

Geographic Wise Disclosures:-

(a) The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown below:-

The following table shows the distribution of the Company's sales by geographical market:

	For the year ended March 31, 2022	For the year ended March 31, 2021
India	1,45,028.47	99,060.30
Rest of the World	2,450.96	3,518.20
Total	**1,47,479.43**	**1,02,578.50**

Non-current operating assets

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

(c) Total revenue from external customers includes sales to Indian Railways of Rs 86,292.93 lacs (March 31, 2021: Rs 75,221.86 lacs) which represents more than 10% of the total revenue from external customers of the Company.

41 RELATED PARTY DISCLOSURES

Names of related parties and related party relationship

Related parties where control exists:

Subsidiary Companies:	Titagarh Bridges and International Pvt Ltd (TBIPL) (Subsidiary Company w.e.f. July 14, 2020)
	Titagarh Singapore Pte Limited (TSPL) (upto Novemeber 11, 2020)
	Titagarh Firema S.p.A, Italy (erstwhile Titagarh Firema Adler S.p.A) (upto November 11,2020)
	Titagarh Wagons AFR (Refer note 39)
Step Down Wholly Owned Subsidiary	Titagarh Singapore Pte Limited (TSPL) (w.e.f Novemeber 12, 2020)
	Titagarh Firema S.p.A, Italy (erstwhile Titagarh Firema Adler S.p.A) (w.e.f November 12,2020)
Joint Venture Company:	Titagarh Bridges & International Private Limited (TBIPL) (erestwhile Matiere Titagarh Bridges Pvt Ltd) (Upto July 13,2020)
	Titagarh Mermec Private Limited

Other related parties with whom transactions have taken place during the period:

Key Management Personnel (KMPs):	Mr. J P Chowdhary – Executive Chairman
	Mr. Umesh Chowdhary – Vice Chairman & Managing Director
	Mr. Anil Agarwal - Director Finance and Chief Financial Officer
	Mr. Sudipta Mukherjee - Director (Whole-Time Director)
	Mrs. Rashmi Chowdhary - Non-Executive Director
	Mr. Ramsebak Bandyopadhyay - Independent Directo (upto May 04, 2020)
	Mr. Pritish Chowdhary - Non-Executive Director (w.e.f January 01, 2021)
	Mr. Manoj Mohanka - Independent Director
	Mr. Atul Ravishanker Joshi - Independent Director
	Mr. Sunirmal Talukdar - Independent Director
	Mr. Sushil Kumar Roongta - Independent Director (w.e.f. January 01,2021)
	Mr. K.K.Jalan - Independent Director (w.e.f. August 30,2020)
	Ms. Nayantara Palchoudhuri - Independent Director (w.e.f. June 22, 2020)
	Mr. Dinesh Arya - Company Secretary (upto February 27, 2021)
	Mr.Sumit Jaiswal - Company Secretary (w.e.f February 28, 2021)
	Dr. G.B. Rao - Independent Director [Erstwhile Cimmco Ltd (since merged with the company)]

Notes to Financial Statements as at and for the year ended March 31, 2022

	Mr.J.K. Shukla - Independent Director [Erstwhile Cimmco Ltd (since merged with the company)]
	Mr. Kanwar Satya Brata Sanyal - Independent Director [Erstwhile Cimmco Ltd (since merged with the company)]
Close member of the family of KMP's	Ms. Vinita Bajoria, Daughter of Mr. J P Chowdhary Ms. Sumita Kandoi, Daughter of Mr. J P Chowdhary
Enterprises over which KMP/ Shareholders/ Close family members have significant influence:	Titagarh Capital Management Services Private Limited Titagarh Enterprises Limited Titagarh Industries Limited Traco International Investment Private Limited (Since merge with Titagarh Industries Limited)

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

(Rs. in Lacs)

Nature of transactions	Year	Subsidiary Companies	Joint ventures	Enterprise over which KMP/ shareholders/ relatives have significant influence	KMP	Relatives of KMP	Total
In relation to the Statement of Profit and Loss							
Sale of Products							
Titagarh Firema S.p.A	2021-22	2,450.95	-	-	-	-	2,450.95
	2020-21	2,971.94	-	-	-	-	2,971.94
Titagarh Bridges & International Private Limited	2021-22 2020-21	700.06 278.49	- -	- -	- -	- -	700.06 278.49
Interest Income on Loans to Subsidiaries							
Titagarh Singapore Pte Limited	2021-22	15.78	-	-	-	-	15.78
	2020-21	59.51	-	-	-	-	59.51
Titagarh Bridges & International	2021-22	42.02	-	-	-	-	42.02
Private Limited	2020-21	-	-	-	-	-	-
Interest Income on OFCD							
Titagarh Bridges & International	2021-22	474.66	-	-	-	-	474.66
Private Limited	2020-21	135.48	-	-	-	-	135.48
Purchase of Raw Materials and Components							
Titagarh Firema S.p.A	2021-22	15,079.59	-	-	-	-	15,079.59
	2020-21	2,228.95	-	-	-	-	2,228.95
Purchase of Capital Goods							
Titagarh Firema S.p.A	2021-22	-	-	-	-	-	-
	2020-21	200.91	-	-	-	-	200.91
Reimbursement of Expenses received							
Titagarh Bridges & International	2021-22	-	-	-	-	-	-
Private Limited	2020-21	4.69	-	-	-	-	4.69
Reimbursement of Expenses Paid							
Titagarh Firema S.p.A	2021-22	167.81	-	-	-	-	167.81
	2020-21	55.85	-	-	-	-	55.85

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

(Rs. in Lacs)

Nature of transactions	Year	Subsidiary Companies	Joint ventures	Enterprise over which KMP/ shareholders/ relatives have significant influence	KMP	Relatives of KMP	Total
Payment for Lease Rental (Refer Note 3.6)							
Titagarh Enterprises Limited	2021-22	-	-	675.86	-	-	675.86
	2020-21	-	-	675.86	-	-	675.86
Remuneration (Excluding Employee Stock Option Expense) [Refer (b) below]							
Mr. J P Chowdhary	2021-22	-	-	-	257.28	-	257.28
	2020-21	-	-	-	257.28	-	257.28
Mr. Umesh Chowdhary	2021-22	-	-	-	257.28	-	257.28
	2020-21	-	-	-	212.80	-	212.80
Mr. Prithish Chowdhary	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	15.80	-	15.80
Mr. Anil Agarwal	2021-22	-	-	-	83.69	-	83.69
	2020-21	-	-	-	61.59	-	61.59
Mr. Sudipta Mukherjee	2021-22	-	-	-	65.42	-	65.42
	2020-21	-	-	-	49.91	-	49.91
Mr. Sumit Jaiswal	2021-22	-	-	-	12.60	-	12.60
	2020-21	-	-	-	1.89	-	1.89
Ms. Vinita Bajoria	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	17.52	17.52
Mr. Dinesh Arya	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	26.78	-	26.78
Commission to non-whole time directors							
Mr. Sunimal Talukdar	2021-22	-	-	-	1.67	-	1.67
	2020-21	-	-	-	2.30	-	2.30
Mr. Manoj Mkhanka	2021-22	-	-	-	1.67	-	1.67
	2020-21	-	-	-	2.30	-	2.30
Mr. Atul Ravishanker Joshi	2021-22	-	-	-	1.67	-	1.67
	2020-21	-	-	-	2.30	-	2.30
Mr. Sushil Kumar Roongta	2021-22	-	-	-	1.67	-	1.67
	2020-21	-	-	-	1.00	-	1.00
Ms. Nayantara Palchoudhri	2021-22	-	-	-	1.67	-	1.67
	2020-21	-	-	-	1.05	-	1.05
Mr. Krishna Kumar Jalan	2021-22	-	-	-	1.67	-	1.67
	2020-21	-	-	-	1.05	-	1.05

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

(Rs. in Lacs)

Nature of transactions	Year	Subsidiary Companies	Joint ventures	Enterprise over which KMP/ shareholders/ relatives have significant influence	KMP	Relatives of KMP	Total
Employee Stock Option Expense							
Mr. Anil Kumar Agarwal	2021-22	-	-	-	0.91	-	0.91
	2020-21	-	-	-	7.37	-	7.37
Mr. Sudipta Mukherjee	2021-22	-	-	-	0.91	-	0.91
	2020-21	-	-	-	7.37	-	7.37
Mr. Dinesh Arya	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	4.42	-	4.42
Sitting Fees to Directors							
Mr. Manoj Mohanka	2021-22	-	-	-	12.60	-	12.60
	2020-21	-	-	-	8.40	-	8.40
Mr. Atul Ravishanker Joshi	2021-22	-	-	-	11.20	-	11.20
	2020-21	-	-	-	7.00	-	7.00
Mrs. Rashmi Chowdhary	2021-22	-	-	-	3.20	-	3.20
	2020-21	-	-	-	1.20	-	1.20
Mr. Sunirmal Talukdar	2021-22	-	-	-	12.80	-	12.80
	2020-21	-	-	-	8.20	-	8.20
Mr. Sushil Kumar Roongta	2021-22	-	-	-	6.40	-	6.40
	2020-21	-	-	-	1.60	-	1.60
Mr. Krishna Kumar Jalan	2021-22	-	-	-	5.00	-	5.00
	2020-21	-	-	-	2.40	-	2.40
Mr. Pritish Chowdhary	2021-22	-	-	-	4.00	-	4.00
	2020-21	-	-	-	0.80	-	0.80
Ms. Nayantara Palchoudhri	2021-22	-	-	-	5.00	-	5.00
	2020-21	-	-	-	3.00	-	3.00
Mr. Vinita Bajoria	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	0.20	0.20
Dr. G.B. Rao	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	0.20	-	0.20
Mr. J.K. Shukla	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	0.40	-	0.40
Mr. Kanwar Satya Brata Sanyal	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	0.40	-	0.40
Advance Given							
Titagarh Firema S.p.A	2021-22	-	-	-	-	-	-
	2020-21	861.00	-	-	-	-	861.00

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

(Rs. in Lacs)

Nature of transactions	Year	Subsidiary Companies	Joint ventures	Enterprise over which KMP/ shareholders/ relatives have significant influence	KMP	Relatives of KMP	Total
Advance to Employee							
Mr. Anil Kumar Agarwal	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	0.49	-	0.49
Mr. Sudipta Mukherjee	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	1.34	-	1.34
Loans Given							
Titagarh Bridges & International	2021-22	2,400.00	-	-	-	-	2,400.00
Private Limited	2020-21	-	-	-	-	-	-
Loans Refunded							
Titagarh Singapore Pte Limited	2021-22	1,291.50	-	-	-	-	1,291.50
	2020-21	1,243.50	-	-	-	-	1,243.50
Investment Made							
Titagarh Bridges & International	2021-22	-	-	-	-	-	-
Private Limited - In Shares	2020-21	3,308.19	-	-	-	-	3,308.19
Titagarh Bridges & International	2021-22	-	-	-	-	-	-
Private Limited - In OFCD	2020-21	6,623.81	-	-	-	-	6,623.81
Sale of Investment							
Titagarh Singapore Pte Limited	2021-22	-	-	-	-	-	-
	2020-21	384.81	-	-	-	-	384.81
Titagarh Firema S.p.A	2021-22	-	-	-	-	-	-
	2020-21	7,098.85	-	-	-	-	7,098.85
Balances outstanding as at the year end							
Trade Receivables							
Titagarh Firema S.p.A	2021-22	1,330.03	-	-	-	-	1,330.03
	2020-21	2,925.25	-	-	-	-	2,925.25
Titagarh Bridges & International	2021-22	154.33	-	-	-	-	154.33
Private limited	2020-21	-	-	-	-	-	-
Trade Payables							
Titagarh Firema S.p.A	2021-22	1,472.98	-	-	-	-	1,472.98
	2020-21	254.02	-	-	-	-	254.02
Loans to Related Parties							
Titagarh Bridges & International	2021-22	2,400.00					2,400.00
Private limited	2020-21	-					-
Titagarh Singapore Pte Limited	2021-22	-	-	-	-	-	-
	2020-21	1,291.50	-	-	-	-	1,291.50

Notes to Financial Statements as at and for the year ended March 31, 2022

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

(Rs. in Lacs)

Nature of transactions	Year	Subsidiary Companies	Joint ventures	Enterprise over which KMP/ shareholders/ relatives have significant influence	KMP	Relatives of KMP	Total
Interest Accrued on Loans							
Titagarh Wagons AFR	2021-22	-	-	-	-	-	-
[Net of Rs. 139.97 Lacs provision (March 31, 2021: Rs. 139.97 Lacs)]	2020-21	-	-	-	-	-	-
Titagarh Bridges & International	2021-22	37.81	-	-	-	-	37.81
Private limited	2020-21	-	-	-	-	-	-
Other Liabilities							
Titagarh Singapore Pte Limited	2021-22	126.26	-	-	-	-	126.26
	2020-21	123.59	-	-	-	-	123.59
Advances Recoverable in Cash or Kind							
Mr. Anil Kumar Agarwal	2021-22	-	-	-	30.00	-	30.00
	2020-21	-	-	-	30.49	-	30.49
Mr. Sudipta Mukherjee	2021-22	-	-	-	15.00	-	15.00
	2020-21	-	-	-	16.65	-	16.65
Mr. Dinesh Arya	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	2.23	-	2.23
Commission payable to non-whole time directors							
Mr. Sunirmal Talukdar	2021-22	-	-	-	1.67	-	1.67
	2020-21	-	-	-	2.30	-	2.30
Mr. Manoj Mohanka	2021-22	-	-	-	1.67	-	1.67
	2020-21	-	-	-	2.30	-	2.30
Mr. Atul Ravishanker Joshi	2021-22	-	-	-	1.67	-	1.67
	2020-21	-	-	-	2.30	-	2.30
Mr. Sushil Kumar Roongta	2021-22	-	-	-	1.67	-	1.67
	2020-21	-	-	-	1.00	-	1.00
Ms. Nayantara Palchoudhri	2021-22	-	-	-	1.67	-	1.67
	2020-21	-	-	-	1.05	-	1.05
Mr. Krishna Kumar Jalan	2021-22	-	-	-	1.67	-	1.67
	2020-21	-	-	-	1.05	-	1.05
Advances from Customers							
Titagarh Bridges & International	2021-22	-	-	-	-	-	-
Private limited	2020-21	1,596.12	-	-	-	-	1,596.12
Advances Recoverable							
Titagarh Firema S.p.A	2021-22	-	-	-	-	-	-
	2020-21	861.00	-	-	-	-	861.00

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

(Rs. in Lacs)

Nature of transactions	Year	Subsidiary Companies	Joint ventures	Enterprise over which KMP/ shareholders/ relatives have significant influence	KMP	Relatives of KMP	Total
Capital Advance							
Titagarh Firema S.p.A.	2021-22	-	-	-	-	-	-
	2020-21	2,385.94	-	-	-	-	2,385.94
Other Liabilities							
Titagarh Enterprises Limited	2021-22	-	-	16.26	-	-	16.26
	2020-21	-	-	-	-	-	-
Security Deposit							
Titagarh Enterprises Limited	2021-22	-	-	147.50	-	-	147.50
	2020-21	-	-	321.84	-	-	321.84
Withholding Tax payable to TSPL for period April 21 to July 21							
Titagarh Singapore Pte Limited	2021-22	2.37	-	-	-	-	2.37
	2020-21	-	-	-	-	-	-
Investments							
Titagarh Bridges & International Private limited	2021-22	5,319.81	-	-	-	-	5,319.81
[Including the equity portion of OFCD Rs. 1936.19 lacs (March31,2021: 1936.19 lacs)]	2020-21	5,319.81	-	-	-	-	5,319.81
Titagarh Bridges & International	2021-22	5,059.35	-	-	-	-	5,059.35
Private limited	2020-21	4,823.16	-	-	-	-	4,823.16
Titagarh Wagons AFR	2021-22	-	-	-	-	-	-
[Net of Rs. 4883.89 Lacs impairment (March 31, 2021: Rs. 4,883.89 Lacs)].	2020-21	-	-	-	-	-	-
Titagarh Enterprises Limited	2021-22	-	-	2,972.63	-	-	2,972.63
	2020-21	-	-	2,777.13	-	-	2,777.13
Traco International Investment	2021-22	-	-	-	-	-	-
Private Limited	2020-21	-	-	18.37	-	-	18.37
Titagarh Mermec Private Limited	2021-22	-	0.50	-	-	-	0.50
	2020-21	-	0.50	-	-	-	0.50
Titagarh Industries Limited	2021-22	-	-	42.38	-	-	42.38
	2020-21	-	-	30.70	-	-	30.70

Notes:

a) Terms and conditions of transactions with related parties

Transactions relating to dividend were on the same terms and conditions that applied to other shareholders. The sales / services to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest-free (except loans given) and settlement occurs in cash. The Company has recorded impairment of receivables amounting to Rs. 12,695.46 lacs relating to investment / other receivable pertaining to subsidiary company Titagarh Wagons AFR in earlier years. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

b) Compensation of Key managerial Personnel **(Rs. in Lacs)**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Short-term employee benefits	634.94	585.98
Contribution to provident and other funds	41.32	40.07
Share-based payment transactions	1.82	19.16
	678.08	**645.21**

The remuneration to key managerial personnel does not include provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Company as a whole.

42 Fair Values

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 fair value measurements during the year ended March 31, 2022 and March 31, 2021.

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

(Rs. in Lacs)

		Level 1	Level 2	Level 3	Total
Quantitative disclosures fair value measurement hierarchy for Assets:	**Date of Valuation**				
Assets measured at Fair Value:					
Investments	March 31, 2022	-	-	8,074.41	8,074.41
	March 31, 2021	301.47	-	7,649.41	7,950.88
Derivative financial assets	March 31, 2022	-	1,323.24	-	1,323.24
	March 31, 2021	-	580.23	-	580.23
Total Financial Assets	**March 31, 2022**	**-**	**1,323.24**	**8,074.41**	**9,397.65**
	March 31, 2021	**301.47**	**580.23**	**7,649.41**	**8,531.11**

(ii) Fair value measurements using significant unobservable inputs (Level 3)

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy -(FVTPL assets in unquoted equity shares/units valued using Discounted Cash Flow method) together with a quantitative sensitivity analysis as at March 31, 2022 and March 31, 2021 are as shown below:

(Rs. in Lacs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Significant Unobservable Input - Weighted Average Cost of Capital / Discounting Rate *		
Impact of 1% Increase	(209.70)	(477.63)
Impact of 1% Decrease	275.21	565.34
Significant Unobservable Input - Circle Rate for land owned by the respective Investee Company #		
Impact of 5% Increase	83.53	55.56
Impact of 5% Decrease	83.53	(55.56)

* For FVTPL assets in unquoted equity shares/units and OFCD

For FVTPL assets in unquoted equity shares/units

(iii) Reconciliation of fair value measurement of financial instruments classified as FVTPL assets: **(Rs in Lacs)**

Particulars	**Investment in equity unquoted equity shares**
Closing Balance as on March 31, 2020	**2,857.68**
Addition during the period	4,687.68
Re-measurement recognised in Statement of Profit and Loss	405.52
Closing Balance as on March 31, 2021	**7,950.88**
Sale during the period	(295.95)
Re-measurement recognised in Statement of Profit and Loss	419.48
Closing Balance as on March 31, 2022	**8,074.41**

(iv) **Fair value of financial assets and liabilities**

The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2021.

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

(a) The fair value of foreign exchange forward contracts is determined using forward exchange rates at the Balance Sheet date.

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

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

(d) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimate technique. Therefore, for substantially all financial instruments, the fair value estimates are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

43 Financial Risk Management Objectives and Policies

The Company's financial liabilities comprise short-term borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents, investments, loans and deposits and other financial assets.

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

(i) Market Risks

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

(ii) 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, borrowings and loans to subsidiaries. Such foreign currency exposures are primarily hedged by the Company through use of foreign exchange forward contracts. The Company has a treasury team which continuously monitors the foreign exchange fluctuations on a continuous basis and advises the management of any material adverse effect on the Company, and any additional remedial measures to be taken.

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

(Rs. in Lacs)

	March 31, 2022				March 31, 2021			
PARTICULARS	**JPY**	**NPR**	**USD**	**EURO**	**JPY**	**NPR**	**USD**	**EURO**
Financial Assets								
Trade Receivables	2,151.87	316.66	568.23	3,604.10	-	560.85	551.26	2,925.26
Other Financial Assets #	-	-	-	-	-	-	-	1,291.50
Derivative Assets								
Foreign Exchange Forward Contracts	1,323.24	-	-	-	580.23	-	-	-
Net exposure to Foreign Currency Risk (Assets)	**3,475.11**	**316.66**	**568.23**	**3,604.10**	**580.23**	**560.85**	**551.26**	**4,216.76**
Financial Liabilities								
Trade Payables	-	-	-	2,159.86	-	-	-	451.29
Provision	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	-	-	126.26	-	-	-	123.59
Derivative Liabilities								
Foreign Exchange Forward Contracts	-	-	-	-	-	-	-	-
Net Exposure to Foreign Currency Risk (Liabilities)	**-**	**-**	**-**	**2,286.12**	**-**	**-**	**-**	**574.88**
Net Exposure to Foreign Currency Risk (Assets less Liabilities)	**3,475.11**	**316.66**	**568.23**	**1,317.98**	**580.23**	**560.85**	**551.26**	**3,641.88**

Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD, Euro and NPR 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 JPY rate	Foreign currency (Payable) / Receivable (net)	Effect on Profit before Tax	Changes in NPR rate	Foreign currency (Payable) / Receivable (net)	Effect on Profit before Tax
	%	Rs in Lacs	Rs in Lacs	%	Rs in Lacs	Rs in Lacs
March 31, 2022	5%	3,475.11	173.76	5%	316.66	15.83
	-5%		(173.76)	-5%		(15.83)
March 31, 2021	5%	580.23	29.01	5%	560.85	28.04
	-5%		(29.01)	-5%		(28.04)
	Changes in USD rate	**Foreign currency (Payable) / Receivable (net)**	**Effect on Profit before Tax**	**Changes in EURO rate**	**Foreign currency (Payable) / Receivable (net)**	**Effect on Profit before Tax**
	%	Rs in Lacs	Rs in Lacs	%	Rs in Lacs	Rs in Lacs
March 31, 2022	5%	568.23	28.41	5%	1,317.98	65.90
	-5%		(28.41)	-5%		(65.90)
March 31, 2021	5%	551.26	27.56	5%	3,641.88	182.09
	-5%		(27.56)	-5%		(182.09)

(iii) Equity price risks

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in equity prices (other than those arising from interest rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market.

The Company only invests in the equity shares of the subsidiaries, joint ventures and some of the group companies as part of the Company's overall business strategy and policy. The Company manages the equity price risk through placing limits on individual and total equity investment in each of the subsidiaries, joint ventures and group companies based on the respective business plan of each of the companies. Reports on the investment portfolio along with the financial performance of the subsidiaries, joint ventures and group companies are submitted to the Company's management on a regular basis. The Company's Board of Directors reviews and approves all investment decisions.

The Company's investment in quoted equity instruments (other than subsidiaries) is not material. For sensitivity analysis of Company's investments in equity instruments, Refer Note 42(ii).

(iv) Interest rate risks

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rates relates primarily to the Company's debt interest obligation. Further the Company engages in financing activities at market linked rates, any changes in the interest rate environment may impact future rates of borrowings. The Company continuously monitor the situation and takes remedial actions if required. The Company's investments in bonds and term deposits with bank are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Interest rate risk exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

(Rs. in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Variable Rate Borrowings	11,876.04	10,300.84
Total Borrowings	**11,876.04**	**10,300.84**

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(Rs. in Lacs)

Particulars	Impact on Profit before Tax	
	As at March 31, 2022	As at March 31, 2021
Interest Rates - Increase by 100 basis points *	(118.76)	(103.01)
Interest Rates - Decrease by 100 basis points*	118.76	103.01

* Holding all other variables constant and on the assumption that amount outstanding as at reporting dates were utilised for full financial year.

II) Credit Risks

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and loans / deposits) and from its investing activities (primarily deposits with banks). The Company's maximum exposure to credit risk for the components of the Balance Sheet as at March 31, 2022 and March 31, 2021 is their carrying amounts except for the financial guarantees.

(a) Trade and Other Receivables

Customer credit risk is managed by the Company through established policy and procedures and control relating to customer credit risk management. Trade receivable are non-interest bearing. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

The Company uses specific identification method in determining the allowance for credit losses of trade receivable considering historical credit loss experience and is adjusted for forward looking information.

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions.

(b) Other Financial Assets and Deposits

Credit Risk from Balances with Banks, deposits, etc is managed by the Company's finance department. Investments of Surplus funds are made only with approved counterparties in accordance with the Company's policy.

(c) Reconciliation of Impairment Provision **(Rs. in Lacs)**

Particulars	Other Financial Assets	Trade Receivable
Opening Balance as at March 31, 2020	**524.25**	**2,257.79**
Provision made during the year ended March 31, 2021	13.99	7.32
Provision transferred from Litigation Claim and Contingencies	131.62	-
Provision adjusted with corresponding receivable balance during the year ended March 31, 2021	(40.88)	(1,892.35)
Closing Balance as at March 31, 2021	**628.98**	**372.76**
Provision made during the year ended March 31, 2022	-	-
Provision adjusted with corresponding receivable balance during the year ended March 31, 2022	(253.08)	(372.76)
Provision written back during the year ended March 31, 2021	-	-
Closing Balance as at March 31, 2022	**375.90**	**-**

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

Movement of Liquidated Damages:

Particulars	(Rs. in Lacs)
Opening Balance as at March 31, 2020	**1,151.50**
Provision made during the year ended March 31, 2021	821.95
Provision utilised / reversed during the year ended March 31, 2021	(1,866.14)
Closing Balance as at March 31, 2021	**107.31**
Provision made during the year ended March 31, 2022	359.85
Provision utilised / reversed during the year ended March 31, 2022	(199.87)
Closing Balance as at March 31, 2022	**267.29**

III) Liquidity Risks

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposits, which carry no market risk. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits, bank loans among others.

Maturity profile of Financial Liabilities

Maturity profile of all financial liabilities is as under:

(Rs. in Lacs)

Particulars	Upto 1 Year	2-3 years	More than 3 years	Total	Upto 1 Year	2-3 years	More than	Total
Non-derivative Financial Liabilities								
Borrowings*	9,043.90	3,394.87	-	12,438.77	1,057.09	11,707.14	-	12,764.23
Trade Payables	22,863.69	-	-	22,863.69	13,384.32	-	-	13,384.32
Lease Liabilities	766.84	812.38	7,437.41	9,016.63	44.26	95.27	91.09	230.62
Other Financial Liabilities	396.24	-	-	396.24	410.63	-	-	410.63
Total Financial Liabilities	**33,070.67**	**4,207.25**	**7,437.41**	**44,715.33**	**14,896.30**	**11,802.41**	**91.09**	**26,789.80**

* Includes transaction cost adjustment on borrowings and contractual interest payment based on interest rate prevailing at the end of the reporting period.

44 Capital Management

(a) Risk Management

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

The Company monitors capital on the basis of the net debt to equity ratio. Net debt are borrowings as reduced by cash and cash equivalents. The Company is not subject to any externally imposed capital requirements.

The following table summarises the capital of the Company: **(Rs. in Lacs)**

	As at March 31, 2022	As at March 31, 2021
Total Borrowings	11,876.04	10,300.84
Less: Cash and Cash Equivalents	451.98	5,012.89
Net Debt	**11,424.06**	**5,287.95**
Equity	**95,774.33**	**87,165.31**
Total Capital (Equity + Net Debt)	**1,07,198.39**	**92,453.26**
Net Debt to Equity Ratio	**11.93%**	**6.07%**

(b) Dividends on Equity Shares **(Rs. in Lacs)**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Dividend Declared and Paid during the year		
Final Dividend for the year ended March 31, 2022 of Rs. Nil (March 31, 2021 Rs. Nil) per fully paid share	-	-
Dividend Distribution Tax on above	-	-

45 Debt Reconciliation

This section sets out an analysis of debt and the movement in debt during the year. **(Rs in Lacs)**

Particulars	March 31, 2022	March 31, 2021
Non- current Borrowings	3,286.09	10,205.91
Current Maturities of Long-term Debt	2,705.06	94.93
Current Borrowings	5,884.89	-
Interest Accrued and but not due on borrowings	30.55	6.20
Lease Liabilities	5,926.37	148.05
Total	**20,538.02**	**10,455.09**

(Rs in Lacs)

Particulars	Non- current Borrowings	Current Borrowings	Lease Liabilities	Total
Debt as at March 31, 2020	**14,849.29**	**6,550.81**	**-**	**21,400.10**
New Leases	-	-	155.22	155.22
Finance Costs	3,196.72	2,278.09	3.76	5,478.57
Less: Finance cost Capitalised in Inventory	(1,862.01)			(1,862.01)
Cash Flows	-			
Principal Repayment of Leases	-	-	(10.76)	(10.76)
Proceeds from Long-term Borrowings from Banks	-	-	-	-
Repayment of Long-term Borrowings from Banks	(4,650.00)	-	-	(4,650.00)
Short-term Borrowings - Receipts/(Payments)	-	(6,330.59)	-	(6,330.59)
Finance Costs Paid	(1,233.16)	(2,492.11)	(0.17)	(3,725.44)
Debt as at March 31, 2021	**10,300.84**	**6.20**	**148.05**	**10,455.09**
New Leases	-	-	5,940.26	5,940.26
Finance Costs	2,948.26	2,410.16	223.81	5,582.23
Less: Finance cost Capitalised in Inventory	(2,315.71)	-	-	(2,315.71)
Cash Flows				
Principal Repayment of Leases	-	-	(385.75)	(385.75)
Repayment of Long-term Borrowings from Banks	(4,419.99)	-	-	(4,419.99)
Short-term Borrowings - Receipts/(Payments)	-	5,884.89	-	5,884.89
Finance Costs Paid	(522.24)	(2,385.81)	-	(2,908.06)
Debt as at March 31, 2022	**5,991.15**	**5,915.44**	**5,926.37**	**17,832.96**

46 Assets and liabilities related to contract with customers (Rs. in Lacs)

	As at March 31, 2022	As at March 31, 2021
Contract Assets		
Unbilled Revenue	7,988.34	900.33
Total Contract assets	**7,988.34**	**900.33**
Contract Liabilities		
Advance from customers	33,679.14	27,823.65
Total Contract liabilities	**33,679.14**	**27,823.65**

Revenue recognised in relation to contract liability (Rs. in Lacs)

	As at March 31, 2022	As at March 31, 2021
Revenue recognised that was included in the contract liability balance at the beginning of the period	20,202.84	849.16

Trade receivables in respect of contract with customers has been included in Note-5

47 Scheme of Amalgamation

The Board of Directors at its meeting held on January 10, 2022 approved a draft scheme (the Scheme) for amalgamation of Titagarh Bridges and International Private Limited (TBIPL)- a wholly owned subsidiary with the Company, pursuant to Sections 230 to 232 of the Companies Act, 2013 with April 01, 2021 as the Appointed Date, subject to intimation thereof to the stock exchanges concerned and such approvals as may be applicable including the sanction by the Hon'ble National Company

Law Tribunal (NCLT). TBIPL being a wholly owned subsidiary of the Company, no consideration is payable and the equity shares and optionally fully convertible debentures held by the Company in TBIPL shall stand cancelled upon the Scheme becoming effective. The Scheme was approved by the shareholders and creditors of the Company on May 10, 2022 at their respective meetings held pursuant to the order dated 16/03/2022 of NCLT. The Company has filed the final confirmation petition for sanction of the Scheme before the NCLT on May 28, 2022 and awaits listing for its hearing.

48 The Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/ Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the exposure is not material.

49 (i) Details of benami property held

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

(ii) Wilful defaulter

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

(iii) Relationship with struck off companies

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

(iv) Compliance with number of layers of companies

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

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

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

(vi) Utilisation of borrowed funds and share premium

(A) The group 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:

a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

b. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(B) The group 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 group shall:

a. 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

b. 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 or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

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

(ix) Valuation of 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 or previous year.

(x) The Company has one Core investment company (Titagarh Capital Management Services Private Limited) as a part of the group.

50 Ratios

	31-03-2022	31-03-2022	31-03-2021	31-03-2021	Change %	Remarks
Current Ratio	-	**1.22**	-	2.35	-48.27%	The variation is primarily due to temporary increase in current borrowings and advance from customers
(Current Assets/Current Liabilities)						
Current Assets	83,101.42		59,759.55			
Current Liabilities	68,338.57		25,421.74			
Debt-equity ratio	-	**0.12**	-	0.06	96.62%	The variation is primiarly due to temporary increase in borrowings in the current year
(Total Debt/Equity)						
Debt	11,424.06		5,287.95			
Equity	95,774.33		87,165.31			
Debt service coverage ratio	-	**1.94**	-	1.21	59.71%	Variation is mainly due to increase in profitability during the year coupled with prepayment of non current borrowings in last year.
(Earnings available for debt service/Debt service)						
Earnings available for debt service	14,929.78		10,162.42			
[Earning for Debt Service = Net Profit after taxes + Depreciation and Amortization Expense + Finance Costs]						
Debt service	7,713.80		8,386.03			
[Debt service = Finance Costs + Scheduled Principal Repayments of Non current borrowings]						
Return on equity ratio	-	**8.68%**	-	5.96%	45.74%	Variation is mainly due to increase in profttability during the year.
(Net profit after tax/Shareholders equity)						
Net profit after tax	7,940.62		5,027.56			
Shareholders equity	91,469.82		84,400.61			
Inventory turonver ratio (in no. of days)	-	**88.20**	-	102.89	-14.28%	---
(COGS/Average Inventory)						
COGS	1,05,500.74		71,771.82			
Average Inventory	25,492.77		20,230.85			
Trade receivables turover ratio (in no. of days)	-	**52.88**	-	86.30	-38.73%	Variation is attributable to better collection of trade receivables compared to the volume of operations
(Revenue from Operations/ Average Trade Receivables)						
Revenue from Operations	1,47,479.43		1,02,578.50			
Average Trade Receivables	21,367.17		24,254.43			

	31-03-2022	31-03-2022	31-03-2021	31-03-2021	Change %	Remarks
Trade payables turnover ratio (in no. of days)	-	**48.71**	-	72.95	-33.23%	Variation is attributable to better payment of trade payables comapred to the volume of operations
(Purchase/Average Trade Payables)						
Purchase	1,35,808.15		86,527.26			
[Purchase = Purchase of raw materials + Purchase of stores and spares + Other Expenses]						
Average Trade Payables	18,124.01		17,292.89			
Net capital turnover ratio (in no. of days)	-	**36.54**	-	122.18	-70.10%	Variation is attributable to better working capital managnement comapred to the volume of operations
(Revenue from Operations/ Working Capital)						
Revenue from Operations	1,47,479.43		1,02,578.50			
Working Capital	14,762.85		34,337.81			
[Working Capital = Current Assets - Current Liabilities]						
Net profit ratio	-	**5.38%**	-	4.90%	9.86%	----
(Profit After Tax/Revenue from Operations)						
Profit After Tax	7,940.62		5,027.56			
Revenue from Operations	1,47,479.43		1,02,578.50			
Return on capital employed	-	**14.97%**	-	12.12%	23.54%	----
(EBIT/Capital Employed)						
EBIT	16,329.99		11,927.24			
[EBIT = Profit before taxes + Finance Costs]						
Capital Employed	1,09,106.58		98,446.68			
[Capital Employed = Total Equity + Non Current Borrowings + Current Borrowings + Deferred Tax Liability]						
Return on Investment	-	**10.31%**	-	8.36%	23.45%	----
(IEBIT/Closing Total Assets)						
EBIT	16,329.99		11,927.24			
[EBIT = Profit before taxes + Finance Costs]						
Average Assets	1,58,319.35		1,42,754.75			

51 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The 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.

52 The Company has assessed the possible impact of COVID-19 on its financial statements based on the internal and external information and concluded no adjustments are required in these standalone financial statements. The Company continues to monitor changes in future economic conditions.

53 Research and Development expenditure of revenue nature recognised in Profit and Loss during the year amounts to Rs. 322.96 lacs (March 31, 2021 : 13.14 lacs).

54 Previous year figures have been regrouped/ restated wherever necessary.

For and on behalf of the Board of Directors of Titagarh Wagons Limited

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

J P Chowdhary
Executive Chairman
DIN: 00313685

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652

Avijit Mukerji
Partner
Membership No. 056155

Anil Kumar Agarwal
Director (Finance) and Chief Financial Officer
DIN: 01501767

Sumit Jaiswal
Company Secretary

Place : Kolkata
Dated : May 30, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Titagarh Wagons Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

1. We have audited the accompanying consolidated financial statements of Titagarh Wagons Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and a joint venture (refer Note 1 (a) to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2022, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and except for the impact of the matter referred in the Basis for Qualified Opinion section of our report, give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and a joint venture as at March 31, 2022, of consolidated total comprehensive income (comprising of loss and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 16 of the Other Matters section below, other than the unaudited financial statements/ financial information as certified by the management and referred to in sub-paragraph 19 of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified opinion.

4. We draw your attention to the following paragraph (as reproduced) included in the audit report on the special purpose financial information of Titagarh Firema S.p.A (a subsidiary of the Holding Company) issued by other auditors vide their report dated May 27, 2022:

   As of 31 March 2022 the Company has a financial debt with two financial institution, according to the provisions of the reference accounting standards, that have to be classified as due within 12 months due to failure to comply with some financial parameters, pending the formalization of waiver letters with the banking class. As of 31 March 2022, however in the absence of a specific request by the banking class for an immediate repayment of the debt exposure, the company continues to report the financial debt as long term and specifically (i) to the Italian credit institution, equal to Euro 10 million (of which Euro 0,6 million withing twelve months and Euro 9,4 million beyond twelve months), and (ii) to the foreign credit institution, equal Euro 75,3 million (of which Euro 32,3 million withing twelve months and Euro 43 million beyond twelve months), maintaining the original classification in the special purpose financial information as required by the financial agreements. So, the Company, although contractually regulated, has not classified the previous amounts in the current liabilities in the special purpose financial information as of 31 March 2022.

Emphasis of Matter

5. The following Emphasis of Matter (as reproduced) has been communicated to us by the auditors of Titagarh Firema S.p.A (a subsidiary of the Holding Company) vide their report dated May 27, 2022:

   In the reporting package ended 31 March 2022, the Company reported a net loss for some Euro 9,2 million, shareholders' equity for some Euro 2,4 million and has a significant bank debt for some Euro 85,3 million, of which some Euro 52,3 million classified by the Company as expiring beyond 12 months. Current assets exceed current liabilities by some Euro 12,3 million. Trade payables, equal to some Euro 28,6 million as at 31 March 2022, decreased by some Euro 5,9 million during the year, and include an overdue payable to third party suppliers for some Euro 18,1 million at same date. The Company is currently proceeding with the rescheduling and the payment of the overdue commercial debt for the main suppliers of the Company.

In the explanatory note accompanying the special purpose financial information (the "explanatory note"), the Directors of the Company indicate that the special purpose financial information as at 31 March 2022 has been prepared according to the assumption of the going concern and illustrate the reasons. These reasons are based on the expectation that the Company implements an important growth plan, envisaged by the Budget 1 April 2022 – 31 March 2023 (the "Budget"), approved by the Board of Directors on 27 May 2022, with the generation of significantly higher margins compared to the historical values achieved, the failure of which could affect the overall value of cash generation, also to meet the overdue debt to suppliers.

In particular, the Budget is based on the positive expectation of the financial debt renegotiation indicated above at the paragraph "Basis for Qualified Opinion" for which negotiations are underway.

The Directors indicate in the aforementioned explanatory notes that, despite the aforementioned material uncertainty that may give rise to doubts about the Company's going concern, the the special purpose financial information have been drawn up on a going-concern basis, as they have a reasonable expectation that the Company will be able to reach a financial balance in the short term through the successful conclusion of the actions indicated above.

Our opinion is not modified in respect of this matter.

Paragraph "explanatory note accompanying the reporting package" as described above corresponds to Note 46 in the consolidated financial statements.

Our opinion is not modified in respect of this matter.

Key Audit matter

6. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Appropriateness of estimation of total costs to complete contracts and determination of contract margin (Refer to Note 2.19 – "Revenue Recognition", Refer Note 2.34 – "Critical Estimates and Judgements – Accounting for revenue from contracts wherein company satisfies performance obligation and recognises revenue over time" and Note 20 – "Revenue from operations") In respect of certain contracts with customers, the Holding Company recognises revenue over a period of time in accordance with its accounting policy. This involves determination of margin to be recognised on the contract, which are dependent on the total cost to complete contracts, that is, the cost incurred till date and estimation of future cost to complete the contract. This estimation involves exercise of significant judgement by the management in making cost forecasts considering future activities to be carried out in the contract, and the related assumptions. This has been considered as a key audit matter given the significant management judgements involved and complexities in determining future costs to complete and the contract margin.	Our audit procedures included the following in respect of Holding Company: • • Assessed and tested the design and operating effectiveness of key controls around estimation of contract margin and future costs to complete the contracts. • Inquired with the management the status of the contracts, the basis for estimates of future cost to complete the contracts and other factors such as consideration of any specific identified risks. • Obtained the contract financial summaries and performed the following procedures: (a) verified the contract revenue with the underlying contracts on a sample basis, and its relevant terms and conditions. (b) obtained and examined the computation of the total cost to complete, and percentage of contract project completion. (c) verified the actual cost incurred upto the year end on a sample basis with vendor invoices and other supporting documents as appropriate. (d) verified on a sample basis the future cost to complete with order placed with vendors, management technical estimates, and other relevant supporting documents, as appropriate.

Key audit matter	How our audit addressed the key audit matter
	(e) verified the mathematical accuracy of the calculation of percentage completion including contract margin. • Evaluated the adequacy of the disclosures made in the consolidated financial statements Based on the above procedures performed, management's estimation of total cost to complete contracts and determination of contract margin is considered reasonable.estimation of total cost to complete contracts and determination of contract margin is considered reasonable.

Also refer to the Key Audit Matters included by us in our audit report of even date on the standalone financial statements of the Holding Company.

Other Information

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

   Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of the Group and of its joint venture.

Auditors Responsibilities for the Audit of the Consolidated Financal Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if,

individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

16. We did not audit the financial statements/ special purpose financial information of two subsidiaries whose financial statements/ special purpose financial information reflect total assets of Rs 117,213.81 lacs and net assets of Rs (671.56) lacs as at March 31, 2022, total revenue of Rs. 66,766.50 lacs, total comprehensive income (comprising of loss and other comprehensive income) of Rs (12,522.65) lacs and net cash flows amounting to Rs (2,307.39) lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ special purpose financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries

and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

17. We did not audit the financial statements/special purpose financial information of one subsidiary whose financial statements/ special purpose financial information reflect total assets of Rs 684.68 lacs and net assets of Rs (1,030.13) lacs as at March 31, 2022, total revenue of Rs. Nil, total comprehensive income (comprising of loss and other comprehensive income) of Rs (173.21) lacs and net cash flows amounting to Rs (37.61) lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ special purpose financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements/ special purpose financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ special purpose financial information are not material to the Group.

    Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

18. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

19. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

    (b) In our opinion, except for the impact of the matter referred in the Basis for Qualified Opinion section of our report, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and joint venture incorporated in India, none of the directors of the Group companies and joint venture incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With regard to maintenance of accounts, reference is made to our comment in paragraph 19 (b) above.

    (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

    (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its joint venture– Refer Notes 16.1 and 37 to the consolidated financial statements.

    ii. The Group and its joint venture did not have any long-term contracts including derivative contracts as at March 31, 2022 for which there were any material foreseeable losses.

    iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection

Fund by the Holding Company and its subsidiary company and its joint venture incorporated in India during the year.

iv. (a) The respective Managements of the Company and its subsidiary and joint venture, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) 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 or any of such subsidiary and joint venture 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiary and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiary and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiary and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiary and joint venture 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.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiary and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The Holding Company, its subsidiary company and joint venture, has not declared or paid any dividend during the year.

20. The Group have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. In case of joint venture not being a public company, the provision of Section 197 read with Schedule V to the Act are not applicable.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Avijit Mukerji Partner

Membership Number 056155

UDIN: 22056155AJXAGR8762

Place: Kolkata

Date: May 30, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 19(g) of the Independent Auditor's Report of even date to the members of Titagarh Wagons Limited on the consolidated financial statements as of and for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of Titagarh Wagons Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to one joint venture entity incorporated in India namely Titagarh Mermec Private Limited, pursuant to MCA notification GSR 583(E) dated 13 June 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

6. A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3)

provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Avijit Mukerji

Partner

Membership Number 056155

UDIN: 22056155AJXAGR8762

Place: Kolkata

Date: May 30, 2022

CONSOLIDATED BALANCE SHEET as at March 31, 2022

Rs. in Lacs

	Notes	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
Non-current Assets			
a) Property, Plant and Equipment	4.1	87,901.56	83,303.29
b) Right-of-Use Assets	4.6	5,991.81	152.15
c) Capital Work-in-progress	4.4	1,518.05	1,622.89
d) Investment Properties	4.3	821.24	821.24
e) Intangible Assets (Other than Goodwill)	4.2	1,869.40	2,851.12
f) Intangible Assets Under Development	4.5	4,592.93	2,509.41
g) Investments Accounted for Using the Equity Method	3 (d)	-	-
h) **Financial Assets**			
i) Investments	5	3,015.26	3,127.92
ii) Trade Receivables	6	-	-
iii) Other Financial Assets	7	3,818.44	5,281.51
i) Deferred Tax Assets (Net)	17	3,792.36	3,783.04
j) Non-current Tax Assets (Net)	8	2,640.77	2,640.77
k) Other Non-current Assets	9	1,762.08	818.98
Total Non-current Assets		**1,17,723.90**	**1,06,912.32**
Current Assets			
a) Inventories	10	50,385.63	38,518.95
b) **Financial Assets**			
i) Trade Receivables	6	65,907.58	56,720.65
ii) Cash and Cash Equivalents	11.1	895.85	7,969.38
iii) Other Bank Balances	11.2	3,309.76	4,434.30
iv) Other Financial Assets	7	8,736.86	7,059.09
c) Current Tax Assets (Net)	8	-	10.96
d) Other Current Assets	9	20,931.21	25,744.17
Total Current Assets		**1,50,166.89**	**1,40,457.50**
TOTAL - ASSETS		**2,67,890.79**	**2,47,369.82**
II. EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share Capital	12	2,391.42	2,387.75
b) Other Equity	13	81,821.40	81,667.65
Equity Attributable to Owners of Titagarh Wagons Limited		**84,212.82**	**84,055.40**
Non-controlling Interests	3 (b)	14.41	-
Total Equity		**84,227.23**	**84,055.40**
LIABILITIES			
Non-current Liabilities			
a) **Financial Liabilities**			
i) Borrowings	14	49,557.75	53,738.85
ii) Lease Liabilities	4.6	5,665.56	117.20
b) Provisions	16.1	340.93	350.55
c) Deferred Tax Liabilities (Net)	17	1,448.60	1,143.26
d) Other Non-current Liabilities	19	-	17,535.77
Total Non-current Liabilities		**57,012.84**	**72,885.63**
Current Liabilities			
a) **Financial Liabilities**			
i) Borrowings	14	36,495.29	30,809.37
ii) Lease Liabilities		260.81	30.85
iii) Trade Payables	18		
a) Total Outstanding dues of Micro Enterprise and Small Enterprises		686.99	771.78
b) Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises		43,185.84	39,027.03
iv) Other Financial Liabilities	15	1,182.39	1,148.11
b) Other Current Liabilities	19	34,471.65	10,831.95
c) Provisions	16.1	8,778.30	7,786.80
d) Current Tax Liabilities (Net)	16.2	1,589.45	22.90
Total Current Liabilities		**1,26,650.72**	**90,428.79**
TOTAL - LIABILITIES		**1,83,663.56**	**1,63,314.42**
TOTAL - EQUITY AND LIABILITIES		**2,67,890.79**	**2,47,369.82**
Summary of significant accounting policies	2		

The accompanying Notes are an integral part of the Consolidated financial statements

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

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

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Dated : May 30, 2022

For and on behalf of the Board of Directors of Titagarh Wagons Limited

J P Chowdhary
Executive Chairman
DIN: 00313685

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652

Anil Kumar Agarwal
Director (Finance) and Chief Financial Officer
DIN: 01501767

Sumit Jaiswal
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2022

Rs. in Lacs

	Notes	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Income			
Revenue from Operations	20	1,93,079.19	1,52,063.95
Other Income	21	3,583.56	2,485.92
Total Income		**1,96,662.75**	**1,54,549.87**
Expenses			
Cost of Raw Materials and Components Consumed	22	1,22,625.04	1,04,566.24
Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap	23	(1,797.09)	(5,224.37)
Employee Benefits Expense	24	22,350.93	21,056.99
Finance Costs	25	9,339.50	8,119.93
Depreciation and Amortisation Expense	26	3,327.48	2,986.76
Other Expenses	27	36,607.93	23,601.37
Total Expenses		**1,92,453.79**	**1,55,106.92**
Profit / (Loss) before Share of Net Loss of a Joint Venture Accounted for Using the Equity Method, Exceptional Items and Tax		**4,208.96**	**(557.05)**
Share of Net Loss of a Joint Venture Accounted for Using the Equity Method	3 (d)	-	(0.65)
Profit / (Loss) before Exceptional Items and Tax		**4,208.96**	**(557.70)**
Exceptional Items	29	1,313.44	-
Profit / (Loss) before Tax		**2,895.52**	**(557.70)**
Tax Expense	30 (A)		
Current Tax		2,751.37	176.96
Adjustment of Tax relating to earlier years		-	-
Deferred Tax		212.70	1,143.99
Total Tax Expense		**2,964.07**	**1,320.95**
Profit / (Loss) for the Year after Tax		**(68.55)**	**(1,878.65)**
Attributable to:			
Owners of Titagarh Wagons Limited		(32.84)	(1,499.65)
Non-controlling Interests		(35.71)	(379.00)
Other Comprehensive Income			
Item that will not be Reclassified to Profit or Loss in Subsequent Periods:			
Remeasurement Gain / (Losses) on Defined Benefit Plans		19.50	41.90
Tax on above		(4.91)	(10.55)
Item that will be Reclassified to Profit or Loss in Subsequent Periods:			
Exchange Differences on Translation of Foreign Operations		1.89	348.92
Fair value change of cash flow hedges		743.00	580.23
Tax on above		(187.00)	(146.03)
Other Comprehensive Income for the Year (Net of Taxes)		**572.48**	**814.47**
Attributable to:			
Owners of Titagarh Wagons Limited		572.48	814.47
Non-controlling Interests		-	-
Total Comprehensive Income for the Year		**503.93**	**(1,064.18)**
Attributable to:			
Owners of Titagarh Wagons Limited		539.64	(685.18)
Non-controlling Interests		(35.71)	(379.00)
Earnings per Equity Share [Nominal Value per Share Rs. 2/- (March 31, 2020: Rs 2/-)]	**31**		
Basic (In Rs.)		(0.03)	(1.28)
Diluted (In Rs.)		(0.03)	(1.28)
Summary of Significant Accounting Policies	2		

The accompanying Notes are an integral part of the Consolidated financial statements

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

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

Avijit Mukerji
Partner
Membership No. 056155

For and on behalf of the Board of Directors of Titagarh Wagons Limited

J P Chowdhary
Executive Chairman
DIN: 00313685

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652

Anil Kumar Agarwal
Director (Finance) and Chief Financial Officer
DIN: 01501767

Sumit Jaiswal
Company Secretary

Place : Kolkata
Dated : May 30, 2022

CONSOLIDATED STATEMENT OF CASH FLOW STATEMENT for the year ended March 31, 2022

Rs. in Lacs

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before Tax from:	2,895.52	(557.70)
Adjustments for:		
Depreciation and Amortisation Expense	3,327.48	2,986.76
Finance Cost	9,339.50	8,119.93
Employee Stock Option Expenses	16.68	9.33
Unrealised Foreign Exchange Fluctuations Gain	20.13	26.49
Irrecoverable Debts/ Advances Written Off (Net)	2,253.48	331.22
Warranty Claims	3,390.93	-
Provision for Doubtful Debts and Advances	-	73.81
Loss on fair valuation of Financial Liabilities measured at FVTPL	-	12.32
Net Gain on Disposal of Property, Plant and Equipment	(290.32)	(61.57)
Fair Value (Gain)/Loss on Investment in Equity Securities at FVTPL	(183.28)	(254.47)
Share of Loss of a Joint Venture's	-	0.65
Net Gain on Disposal of Investments	(24.27)	-
Unspent Liabilities / Provisions No Longer Required Written Back	(14.20)	(162.43)
Other Income for Security Deposit of Leases	(6.77)	-
Interest Income Classified as Investing Cash Flows	(576.38)	(431.59)
Exceptional Item-Impairment of Discontinued Operation	467.32	-
Operating Profit before Changes in Operating Assets and Liabilities	**20,615.82**	**10,092.75**
Increase in Non-current and Current Financial and Non-financial Liabilities and Provisions	7,046.78	7,460.98
Increase in Trade Receivables	(10,520.92)	(7,158.25)
(Increase) in Inventories	(14,182.39)	(2,730.58)
(Increase) / Decrease in Non-current and Current Financial and Non-financial Assets	3,673.46	(1,032.87)
Cash Generated From Operations	**6,632.75**	**6,632.03**
Income Taxes (Paid) / Refund (net)	(1,173.86)	137.37
Net Cash From Operating Activities	**5,458.89**	**6,769.40**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for Acquisition of Property, Plant and Equipment including Capital Work-in-Progress, Intangible Assets and Intangible Assets under Development	(10,217.70)	(5,999.32)
Proceeds from Disposal of Property, Plant and Equipment	612.89	105.00
Proceeds from Sale of Non Current Investments	320.22	-
Purchase of Business	-	(13.59)
Fixed Deposits Made	(10,191.89)	(6,800.72)
Fixed Deposits Matured	12,079.58	5,256.21
Interest Received	448.86	245.10
Net Cash (Used in) Investing Activities	**(6,948.04)**	**(7,207.32)**

CONSOLIDATED STATEMENT OF CASH FLOW STATEMENT for the year ended March 31, 2022

Rs. in Lacs

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of Equity Shares pursuant to Employee Stock Option Scheme	81.13	26.96
Transactions with Non-controlling Interests	85.78	-
Proceeds from Long-term Borrowings	2,000.00	11,162.04
Repayment of Long-term Borrowings	(10,325.53)	(4,650.00)
Repayment of Lease Liabilities	(385.75)	(10.76)
Receipts/(Payments) of Short-term Borrowings (Net)	9,571.73	4,147.15
Finance Costs Paid	(6,295.23)	(6,351.81)
Dividend Paid (including Dividend Distribution Tax)	(2.73)	(2.08)
Net Cash From / (Used in) Financing Activities	**(5,270.60)**	**4,321.50**
D. Exchange Differences on Translation of Foreign Currency Cash and Cash Equivalents	**(313.78)**	**790.28**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C+D)	**(7,073.53)**	**4,673.87**
Cash and Cash Equivalents - Opening Balance (Refer Note 11.1)	7,969.38	2,897.18
Cash acquired on account of Purchase of Business	-	398.33
Cash and Cash Equivalents - Closing Balance (Refer Note 11.1)	**895.85**	**7,969.38**

(a) The above Consolidated Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

(b) Refer Note 44 for Debt Reconciliation.

The accompanying Notes form an integral part of the Consolidated financial statements

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

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

Avijit Mukerji
Partner
Membership No. 056155

Place : Kolkata
Dated : May 30, 2022

For and on behalf of the Board of Directors of Titagarh Wagons Limited

J P Chowdhary
Executive Chairman
DIN: 00313685

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652

Anil Kumar Agarwal
Director (Finance) and Chief Financial Officer
DIN: 01501767

Sumit Jaiswal
Company Secretary

Consolidated Standalone Statement of Changes in Equity for the year ended March 31, 2022

A) Equity Share Capital (Refer Note 12)

(Rs in Lacs)

Particulars	Number in Lacs	Amount
Balance as at March 31, 2020	**1,156.06**	**2,312.12**
Issue of Equity Shares Pursuant to Employee Stock Option Scheme and amalgamation during the year (Refer Note 12)	37.81	75.63
Balance as at March 31,2021	**1,193.87**	**2,387.75**
Issue of Equity Shares Pursuant to Employee Stock Option Scheme and amalgamation during the year (Refer Note 12)	1.84	3.67
Balance as at March 31,2022	**1,195.71**	**2,391.42**

B) Other Equity

(Rs in Lacs)

Particulars	Reserves and Surplus (Refer Note 13)							Other Reserve (Refer Note 13)			Total Other Equity	Non-controlling Interests	Total
	Securities Premium Account	General Reserve	Capital Reserve	Reserve Fund	Employee Stock Options Outstanding Account	Equity Component of compound financial instruments	Retained Earnings	Foreign Currency Translation Reserve	Hedge Reserve Account	Share Pending Allotment			
Balance as at March 31, 2020	**40,740.50**	**5,411.39**	**9.18**	**15.62**	**249.84**	**-**	**26,597.86**	**1,324.79**	**-**	**-**	**74,349.18**	**7886.73**	**82,235.91**
Loss for the Year	-	-	-	-	-	-	(1,499.65)	-	-	-	(1,499.65)	(379.00)	(1,878.65)
Other Comprehensive Income (Net of Tax)													
-Remeasurement Losses on Defined Benefit Plans & Exchange Difference"	-	-	-	-	-	-	31.35	348.92	-	-	380.27	-	380.27
Other Comprehensive Income (Net of Tax)													
- Fair value change of cash flow hedges	-	-	-	-	-	-	-	-	434.20	-	434.20	-	434.20
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(1,468.30)**	**348.92**	**434.20**	**-**	**(685.18)**	**(379.00)**	**(1,064.18)**
Arisen Pursuant to the Scheme of Amalgamation	-	-	7,433.32	-	-	-	-	-	-	-	7,433.32	(7,507.73)	(74.41)
Arisen due to acquisition of equity shares resulting in a subsidiary (Refer Note 52)	-	-	19.57	-	-	-	-	-	-	-	19.57	-	19.57
Transactions with Owners in their Capacity as Owners:											-		
Premium on Issue of Equity Shares Pursuant to Employee Stock Option (ESOP) Scheme	25.74	-	-	-	-	-	-	-	-	-	25.74	-	25.74
Transfer from ESOPs Outstanding Account on Exercise and Lapse	53.76	-	-	-	(92.55)	-	38.79	-	-	-	-	-	-
Recognition of Share Based Payment	-	-	-	-	9.33	-	-	-	-	-	9.33	-	9.33
Transfer Within Equity	-	-	-	(15.62)	-	-	15.62	-	-	-	-	-	-
Gain on Fair Valuation of Debentures (Net of Taxes)	-	-	-	-	-	515.69	-	-	-	-	515.69	-	515.69
Issue of Equity Shares during the year	-	-	-	-	-	-	-	-	-	(15.47)	(15.47)	-	(15.47)
Balance as at March 31, 2021	**40,820.00**	**5,411.39**	**7,462.07**	**-**	**166.62**	**515.69**	**25,183.97**	**1,673.71**	**434.20**	**-**	**81,667.65**	**-**	**81,667.65**

TITAGARH

Consolidated Standalone Statement of Changes in Equity for the year ended March 31, 2022

B) Other Equity (Contd.)

(Rs in Lacs)

Particulars	Reserves and Surplus (Refer Note 13)							Other Reserve (Refer Note 13)			Total Other Equity	Non-controlling Interests	Total
	Securities Premium Account	General Reserve	Capital Reserve	Reserve Fund	Employee Stock Options Outstanding Account	Equity Component of compound financial instruments	Retained Earnings	Foreign Currency Translation Reserve	Hedge Reserve Account	Share Pending Allotment			
Loss for the Year	-	-	-	-	-	-	(32.84)	-	-	-	(32.84)	(35.71)	(68.55)
Other Comprehensive Income (Net of Tax)													
-Remeasurement Losses on Defined Benefit Plans & Exchange Difference	-	-	-	-	-	-	14.59	1.89	-	-	16.48	-	16.48
Other Comprehensive Income (Net of Tax)													
- Fair value change of cash flow hedges	-	-	-	-	-	-	-	-	556.01	-	556.01	-	556.01
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(18.25)**	**1.89**	**556.00**	**-**	**539.64**	**(35.71)**	**503.93**
Transaction with in contralling inliness (Refer note 3(c))	-	-	35.66	-	-	-	-	-	-	-	35.66	50.12	85.78
Transactions with Owners in their Capacity as Owners:											-		
Premium on Issue of Equity Shares Pursuant to ESOP Scheme	77.46	-	-	-	-	-	-	-	-	-	77.46	-	77.46
Transfer from ESOPs Outstanding Account on Exercise and Lapse	166.91	-	-	-	(183.29)	-	16.38	-	-	-	0.00	-	0.00
Recognition of Share Based Payment	-	-	-	-	16.67	-	-	-	-	-	16.67	-	16.67
Derecognition on redemption of OFCD (Net of Deferred Tax)	-	-	-	-	-	(515.69)	-	-	-	-	(515.69)	-	(515.69)
Balance as at March 31, 2021	**41,064.37**	**5,411.39**	**7,462.07**	**-**	**-**	**-**	**25,217.76**	**1,675.60**	**990.21**	**-**	**81,821.40**	**14.41**	**81,835.81**

The accompanying Notes are an integral part of the Consolidated financial statements

This is the Consolidated Statement of Changes in Equity referred to in our Report of even date

For and on behalf of the Board of Directors of Titagarh Wagons Limited

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

J P Chowdhary
Executive Chairman
DIN: 00313685

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652

Avijit Mukerji
Partner
Membership No. 056155

Anil Kumar Agarwal
Director (Finance) and Chief Financial Officer
DIN: 01501767

Sumit Jaiswal
Company Secretary

Place : Kolkata
Dated : May 30, 2022

1 Group Background

Titagarh Wagons Limited (the 'Parent Company') is a public limited company incorporated and domiciled in India. The registered office of the Parent Company is located at 756, Anandapur, EM-Bypass, Kolkata - 700107 and its manufacturing facilities are located in West Bengal and Rajasthan. The equity shares of the Parent Company are listed on the BSE Limited and the National Stock Exchange of India Limited.

The Parent Company, its subsidiaries (collectively referred to as 'the Group') and a joint venture are mainly engaged in the manufacturing and selling of Freight Wagons, Passenger Coaches, Metro Trains, Train Electricals, Steel Castings, Specialised Equipments & Bridges, Ships, etc. as detailed under segment information in Note 39.

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

(a) The consolidated financial statements comprise the financial statements of the Parent Company, its subsidiary companies and a joint venture as detailed below.

Name of the Subsidiary	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest		Principal Business Activities
		March 31, 2022	March 31, 2021	
Titagarh Bridges & International Private Limited (TBIPL) (erstwhile Matiere Titagarh Bridges Pvt Ltd)#	India	**100%**	100%	Engaged in designing, marketing and manufacturing of metallic bridges including Unibridges
Titagarh Singapore Pte. Limited (TSPL)*	Singapore	100%	100%	Special purpose vehicle for holding investments in the foreign subsidiaries, raising finance for the off shore business providing management services
Titagarh Wagons AFR (TWA) **	France	100%	100%	Engaged in manufacture of freight wagons
Titagarh Firema S.p.A (TFA) ***	Italy	99.24%	100%	Engaged in manufacture of passenger trains, metros, hi-speed trains, train electrical, locomotives etc.

TBIPL has become a wholly owned subsidiary of the Parent Company w.e.f. 14th July, 2020 by acquiring balance 754,882 equity shares from Matiere SAS, France.

*The Parent Company holds 100% equity in TSPL through its wholly owned subsidiary company, TBIPL.

**The Parent Company holds 100% equity in TWA together with TSPL.

On 4th June, 2019, the Commercial court of Paris has approved the starts of Rehabilition procedure and from the said date, parent company was no longer in control of TWA, under french Law. The Commercial court of Paris vide its judgement details August 13, 2019 has approved a plan for transfer of business and assets of TWA to another bidder an ordered for liquidation of TWA is under liquidation.

***The Company holds 99.24% equity in TFA through its wholly owned subsidiary company, TBIPL along with TSPL.

Name of the Joint Venture	Principal Place of Business / Country of Incorporation	Proportion of Ownership Interest		Principal Business Activities
		March 31, 2022	March 31, 2021	
Titagarh Mermec Private Limited	India	50%	50%	Engaged in development and manufacture of cost effective diagnostic solutions for signalling and safety

(b) Refer Note 3 for further details of interest in other entities.

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of the consolidated financial statements.

2.1 Basis of Preparation

(i) Compliance with Indian Accounting Standards

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

(ii) Historical Cost Convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivative instruments)
- Defined benefits plan- plan assets
- Share based payments

(iii) Current versus Non-current Classification

The Group presents assets and liabilities in the Consolidated Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

a) expected to be realised or intended to be sold or consumed in the normal operating cycle,

b) held primarily for the purpose of trading,

c) expected to be realised within twelve months after the reporting period, or

d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

a) it is expected to be settled in the normal operating cycle,

b) it is held primarily for the purpose of trading,

c) it is due to be settled within twelve months after the reporting period, or

d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

(iv) Rounding of Amounts

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

2.2 Principles of Consolidation

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Changes in Ownership Interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

(iii) Goodwill Arising on Consolidation

Goodwill is initially recognised at cost and is subsequently measured at cost less impairment losses, if any. Goodwill is tested for impairment annually or more frequently when there is an indication that it may be impaired. An impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

(iv) Joint Arrangements:

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only one joint venture.

Joint Venture

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

(v) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint venture are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investments equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its joint venture are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in 2.5 below.

2.3 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.

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

Depreciation Method, Estimated Useful Lives and Residual Values

Depreciation is calculated on pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual value, over their estimated useful lives. The useful lives have been determined based on technical evaluation done by the management's expert which are different than those specified by Schedule II to Companies Act 2013 in respect of factory buildings / other buildings , plant and equipment and railway sidings, in order to reflect the actual usage of assets. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

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

Particulars	Useful Life
Factory Buildings / Other Buildings	30 / 35 / 60 / 65 years
Plant and Equipment's	15 / 20 / 30 years
Railway Sidings	15 / 30 years
Furniture and Fixtures	10 years
Office Equipment's	5 years
Computers	8 years
Vehicles	8 years

Leasehold land is amortised on straight - line basis over the primary lease period of 99 years or its estimated useful life, whichever is shorter. Leasehold improvement are amortised on straight - line basis over the primary lease period (ranging from 2 to 10 years) or their estimated useful lives, whichever is shorter.

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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within 'Other Income'/'Other Expenses'.

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'.

2.4 Intangible Assets

Intangible assets have a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

Computer Software

Computer Software for internal use, which is primarily acquired from third-party vendors is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of computer software includes license fees and cost of implementation/system integration services, where applicable.

Brand and Design and Drawings

The Group had acquired the brand name of "Sambre et Meuse" along with all the available designs and drawings for manufacturing of bogies

Prototype

The Group had developed prototype for tractors which was capitalised.

Research and Development

Research costs are expensed as incurred. Expenditure on development that do not meet the specified criteria under Ind AS 38 on 'Intangible Assets' are recognised as an expense as incurred.

Amortisation Method and Period

Computer Software and Brand and Design and Drawings are amortised on a pro-rata basis using the straight-line method over its estimated useful life of 5 years.

Prototype are amortised on a pro-rata basis using the straight-line method over its estimated useful life of 10 years (until impaired).

Amortisation method and useful lives are reviewed periodically including at each financial year end.

2.5 Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

2.6 Impairment of Non-financial Assets

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

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of inventories comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost are assigned to individual items of inventory on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Cost of raw materials and components consumed is a derived figure out of opening stock, closing stock and purchases including adjustment if any during the period.

2.8 Leases

As a Lessee

Leases are recognised as right of use assets and a correspondence liability at the date at which the leased asset is available for use by the group. Contract may contain both lease and non lease components. The Group allocates the consideration in the contract to the lease and non lease components based on their relative standalone prices.

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:-

a) Fixed payments (including in substance fixed payments) less any lease incentive receivable.

b) Variable lease payment that are based on an index or a rate, initially measured using the index or a rate at the commencement date.

c) Amount expected to be paid by the Group as under residual value guarantees.

d) Exercise price of a purchase option if the Group is reasonably certain to exercise that option.

e) Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

To determine the incremental borrowing rate, the Group:

a) 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

b) use a built up approach that starts with risk free interest rate adjusted for credit risk of leases held by Titagarh Wagons Limited, which does not have recent third party financing.

Lease payments are allocated between principal and finance cost. The finance cost is charged to Statement profit or 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.

As a Lessor

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

2.9 Investments and Other Financial Assets

(i) Classification

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

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

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

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

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

(ii) Measurement

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

<u>Debt Instruments</u>

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

- **Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired.
- **Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Other Income/Other Expenses'.
- **Fair Value through Profit or Loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at

fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within 'Other Gain / (Losses)' in the period in which it arises.

Equity Instruments

The Group subsequently measures all equity investments (other than investments in joint venture) at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Gain / (Losses)' in the Consolidated Statement of Profit and Loss.

(iii) Impairment of Financial Assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments, if any. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 42(II) details how the Group determines whether there has been a significant increase in credit risk.

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

(iv) Modification of Financial Instruments

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

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

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

(v) Derecognition of Financial Assets

A financial asset is derecognised only when

-the Group has transferred the rights to receive cash flows from the financial asset or

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

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

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

(vi) Income Recognition

Interest Income

Interest income on financial assets at amortised cost is accrued on a time proportion basis using the effective interest rate method and is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit impaired financial assets the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(vii) Fair Value of Financial Instruments

In determining the fair value of financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

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

2.11 Trade and Other Payables

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

2.12 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Consolidated Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of liability for at least 12 months after the reporting period.

2.13 Other Financial Liabilities

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

2.14 Derivative Instruments

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period, with changes included in 'Other Income' / 'Other Expenses'.

2.15 Offsetting Financial Instruments

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

2.16 Financial Guarantee Contracts

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

2.17 Cash and Cash Equivalents

For the purpose of presentation in the Consolidated Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held with banks / financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the Consolidated Balance Sheet.

2.18 Borrowing Costs

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

2.19 Revenue Recognition

The Group has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognise revenue in the financial statements. The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

a) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or

b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

c) The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date."

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time and over a period of time based on various conditions as included in the contracts with customers.

Revenue is measured at fair value of the consideration received or receivable and is reduced by rebates, allowances and taxes and duties collected on behalf of the government. Revenue also includes adjustments made towards liquidated damages, normal product warranty and price variations wherever applicable.

Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably."

<u>Sale of Products</u>

Revenue for sale of products mainly comprises of wagons/locomotive shells and related items, where revenue is recognised at a point in time, when control of the asset is transferred to the customer, which generally occurs on receipts of dispatch memo / inspection certificate from customer as per terms of contract. On receipt of same, the title of goods passes on to the customer basis the laid down criteria under the standard.

<u>Revenue from sale of specialized products</u>

Revenue from specialized products mainly consists of defence related products (i.e Bailey bridge, Shelters etc), Ship building, Metro Trains, Train Electricals, Mainline electric multiple unit and Electric multiple unit in respect of which revenue is recognised over a period of time as performance obligations are satisfied over time as per criteria laid down under the standard and specified above.

Revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be estimated reliably. When it is probable that the total cost will exceed the total revenue from the contract, the expected loss is recognised immediately. For this purpose, total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc.

The outcome of a construction contract is considered as estimated reliably when (a) all approvals necessary for commencement of the project have been obtained; (b) the stage of completion of the project reaches reasonable level of development. The stage of completion is determined as a proportion that contract costs incurred for work performed up to the closing date bear to the estimated total costs of respective project. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be estimated reliably. When it is probable that the total cost will exceed the total revenue from the contract, the expected loss is recognised immediately. For this purpose total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc. For determining the expected cost to completion of the contracts, cost of steel, labour and other related items are considered at current market price based on fixed cost purchase orders placed or firm commitments received from suppliers / contractors as these purchase orders and future firm commitments are enforceable over the period of the contracts.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probably recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When contract costs incurred to date plus recognised profit less recognised losses exceed progress billing, the surplus is shown as unbilled revenue. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as liability as advance from customer. Amounts received before the related work is performed are included as a liability as advance from customer. Amounts billed for work performed but not yet paid by customer are included under trade receivables.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liabilities are recognised when there is billing in excess of revenue and advance received from customers.

Generally, the Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods or services to the customer and when the customer pays for that goods or services will be one year or less. The Group adjusts the promised amount of consideration if the contract contains significant financing component.

Sale of Services

Revenue from service contracts are recognised in the accounting period in which the services are rendered. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling price and revenue is recognised at point in time on fulfilment of respective performance obligation. In case, the service contracts include one performance obligation revenue is recognised based on the actual service provided to the end of the reporting period as proportion of the total services to be provided. This is determined based on the actual expenditure incurred to the total estimated cost.

Revenue from services rendered is recognised as the services are rendered and is booked based on agreement / arrangements with the concerned parties.

Other Operating Revenues

Export entitlement are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Group and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds. Management fees are recognised on an accrual basis as per the terms of the agreement/arrangement with the concerned party.

2.20 Foreign Currency Transactions and Translation

(i) Functional and Presentation Currency

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

(iii) Group Companies

The results and financial position of foreign operations (none of which has a currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates
- all resulting exchange differences are recognised in other comprehensive income

When a foreign operation is sold, the associated exchange difference are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.21 Employee Benefits

(i) Short-term Employee Benefits

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

(ii) Post-employment Benefits

Defined Benefit Plans

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

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

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

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

Defined Contribution Plans

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

(iii) Other Long-term Employee Benefits

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

(iv) Termination Benefits

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

2.22 Share Based Payments

Share-based compensation benefits are provided to employees of the Parent Company via the Titagarh Wagons Limited Employee Stock Option Scheme namely ESOP Scheme 2014.

Employees of the Parent Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in Employee Stock Options Outstanding Account in equity, over the period in which the performance and/or service conditions are fulfilled, in Employee Benefit Expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Parent Company's best estimate of the number of equity instruments that will ultimately vest.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Parent Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

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

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

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

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

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

2.24 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expenses relating to a provision is recognised in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranties

Provisions for warranty related costs are recognised when the product is sold. Initial recognition is based on historical experience i.e. claims received up to the year end and the management's estimate of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims. The initial estimate of warranty related costs is revised annually.

Liquidated Damages

Liquidated damages on supply of materials are provided based on the contractual obligations, deduction made by the customers, as the case may be based on management's best estimate of the expenditure required to settle the obligations.

Litigations, Claims and Contingencies

The management estimates the provisions for pending litigations, claims and demands based on its assessment of probability for these demands crystallising against the Group in due course. Also refer Note 2.25.

Onerous Contract

Provision is recognised for the contract, where unavoidable cost of meeting the obligation under the contract exceeds the economic benefits expected to be received. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

2.25 Contingencies

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

2.26 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 Parent Company
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted Earnings Per Equity Share

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

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.27 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Board of Directors of the Parent Company. Refer Note 39 for segment information presented.

2.28 Business Combinations

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for using the pooling of interest method.

Other business combinations, involving entities or businesses are accounted for using acquisition method.

2.29 Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to purchase of property , plant and equipment are included in non current liabilities as deferred income and are credited to statement of profit and loss on straight line basis over the expected lives of related assets and presented within other income

2.30 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the group entities, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.31 Exceptional items

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

2.32 Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

2.33 Hedging activities

<u>Cash flow hedges that qualify for hedge accounting</u>

The effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and in cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, within other gains/(losses).

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, as follows:

- If the cash flow hedge of a forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

2.34 Critical Estimates and Judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet 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 consolidated financial statements.

The areas involving critical estimates or judgements are:

- **Employee Benefits (Estimation of Defined Benefit Obligations) — Notes 2.21 and 32**

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

- **Impairment of Trade and Other Receivables — Notes 2.9(iii) and 42(II)(c)**

  The risk of uncollectibility of trade and other receivables is primarily estimated based on prior experience with, and the past due status of, doubtful receivables, based on factors that include ability to pay, bankruptcy and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

- **Estimation of Expected Useful Lives of Property, Plant and Equipment, Right of use Assets and Intangible Assets— Notes 2.3, 2.4, 2.8, 4.1, 4.2 and 4.6**

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

- **Accounting for revenue from contracts wherein Group satisfies performance obligation and recognises revenue over time- Notes 2.19 and 20**

  For contracts wherein performance obligation are satisfied over time, a group recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation, in order to depict Group Entity's performance in transferring control of goods or services promised to a customer. This method requires estimates of the final revenue and costs of the contract, as well as measurement of progress achieved to date as a proportion of the total work to be performed. This involves determination of margin to be recognised on the contract, which are dependent on the total costs to complete contracts, that is, the cost incurred till date and estimation of future cost to complete the contract and price variations etc. This estimation involves exercise of significant judgement by the management in making cost forecasts considering future activities to be carried out in the contract, and the related assumptions etc. Experience, reduces but does not eliminate the risk that estimates may change significantly.

- **Litigations, Claims and Contingencies — Notes 2.24, 2.25 and 37**

  Legal proceedings covering a range of matters are pending against the Group. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Group often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. The Group consults with their legal counsel and other experts on matters related to specific litigations where considered necessary. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

- **Valuation of Deferred Tax Assets — Notes 2.23 and 17**

  Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- **Warranties and Liquidated Damages— Notes 2.24 and 16.1**

  The Group's product warranty obligations and estimations thereof are determined using historical information of claims received up to the year end and the management's estimate of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims.

  Liquidated damages on supply of products are provided based on the contractual obligations or deduction made by the customers considering the current situation and status of the project, the reasons for delays and past experience with the customers.

  Changes in estimated frequency and amount of future warranty claims/ liquidated damages can materially affect warranty / liquidated damage expenses.

- **Fair Value Measurements — Notes 2.9(vii) , 2.22 and 41**

  When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

  Recent Accounting Pronouncement

  Amendment to Ind AS 109 “Financial Instruments” and Ind AS 107 “Financial Instruments: Disclosures” - Interest rate Benchmark Reform Phase 2

  The amendment focuses on the potential financial reporting issued that may arise when interest rate benchmarking reforms are either reformed or relaced. The key reliefs provided by the phase 2 amendments are:

  - Chages to cntractual cash flows - When changing teh basis for determining contractual cash flows fro financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes that are required by an interest rate benchmark reform will not result in an immediate gain or loss in the profit and losss statement.
  - Hedge accounting - The hedge accounting reliefs will allow most Ind AS 39 or Ind AS 109 hedge relationships that are directly affected by IBOR reform to cintinue. However, additional ineffectiveness might need to be recorded.

  The amendments do not have significant impact on the consolidated financial statements.

  Amendment to Ind AS 103 "Business Combination"

  - Reference to Conceptual Framework

  The amendments specify that to qualify for recongnition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed.

Note to Consolidated Financial Statements as at and for the year ended March 31, 2022

3 Interest in Other Entities **Rs. in Lacs**

(a) Information required by Schedule III to the Act

Name of the entity	As at/ for the year ended March 31, 2022							
	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs in lacs)	As % of Consolidated Profit or Loss	Amount (Rs in lacs)	As % of Consolidated Other Comprehensive Income	Amount (Rs in lacs)	As % of Consolidated Total Comprehensive Income	Amount (Rs in lacs)
Parent								
Titagarh Wagons Limited	113.71%	95,774.33	-11582.95%	7940.62	99.67	570.59	1,688.99%	8,511.21
Subsidiaries								
Titagarh Bridges & International Private Limited	-3.22%	(2,709.62)	-392.62	269.16	-838.89%	(4,802.46)	-899.60%	(4,533.30)
Foreign								
Titagarh Firema S.p.A	2.42	2,038.09	11,665.71%	(7,997.35)	1.40%	8.04	-1,585.42%	(7,989.31)
Titagarh Singapore Pte Limited	-1.22%	(1030.13)	494.26%	(338.84)	28.93%	165.62	-34.37%	(173.22)
Non-controlling Interests in all Subsidiaries	**0.02%**	**14.41**	**52.09**	**(35.71)**	**-**	**-**	**-7.09%**	**(35.71)**
Adjustment due to consolidation	**-11.71%**	**(9,859.85)**	**-136.49%**	**93.57**	**8.09**	**4,630.69**	**937.49%**	**4,724.26**
Joint Venture (Investments as per the Equity Method)								
Indian								
Titagarh Mermec Private Limited	-	-	-	-	-	-	-	-
TOTAL	**100.00%**	**84,227.23**	**100.00%**	**(68.55)**	**100.00%**	**572.48**	**100.000**	**503.93**

Name of the entity	As at/ for the year ended March 31, 2021							
	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs in lacs)	As % of Consolidated Profit or Loss	Amount (Rs in lacs)	As % of Consolidated Other Comprehensive Income	Amount (Rs in lacs)	As % of Consolidated Total Comprehensive Income	Amount (Rs in lacs)
Parent								
Titagarh Wagons Limited	103.70%	87,165.31	-267.60%	5027.56	57.16%	465.55	-516.18%	5,493.11
Subsidiaries								
Titagarh Bridges & International Private Limited #	2.78%	2,339.41	3.33%	(62.60)	-356.53%	(2,903.87)	278.76%	(2,966.47)
Foreign								
Titagarh Firema S.p.A	11.83%	9,941.59	318.04%	5,974.93	54.70%	445.52	519.59%	(5,529.41)
Titagarh Singapore Pte Limited	-1.02%	(856.93)	52.12%	(979.13)	-11.86%	(96.60)	101.09%	(1,075.73)
Non-controlling Interests in all Subsidiaries	0.00%	-	20.17%	(379.00)	0.00%	-	35.61%	(379.00)
Adjustment due to consolidation	**-17.29%**	**(14,533.98)**	**-26.09**	**490.10**	**356.53%**	**2,903.87**	**-318.93%**	**3,393.97**
Joint Venture (Investments as per the Equity Method)								
Indian								
Titagarh Bridges & International Private Limited #	-	-	0.03%	(0.65)	0.00%	-	0.06%	(0.65)
Titagarh Mermec	-	-	-	-	-	-	-	
TOTAL	**100.00**	**84,055.40**	**100.00%**	**(1,878.65)**	**100.00%**	**814.47**	**100.00%**	**(1,064.18)**

Titagar Bridge & Internatioal Private Limited has become a wholly owned subsidiary of the Parent Company w.e.f. 14th July, 2020 by acquiring balance 754,882 equity shares from Matiere SAS, France.

(b) Non-controlling Interest (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amount disclosed for each subsidiary are before inter-company elimination.

Rs. in Lacs

Summarised Balance Sheet	Titagarh Firema SPA	
	March 31, 2022	March 31, 2021
Current Assets	72,911.20	-
Current Liabilities	63,118.84	-
Net Current Assets / (Liabilities)	**9,792.36**	**-**
Non-current Assets	36,517.36	-
Non-current Liabilities	44,271.66	-
Net Non-current Assets	**(7,754.30)**	**-**
Net Assets	**2,038.06**	**-**
Accumulated NCI	**14.41**	**-**

Summarised Statement of Profit and Loss	**Titagarh Firema SPA**	
	March 31, 2022	March 31, 2021
Revenue	**63,994.67**	**-**
Loss for the Year	(7,997.36)	-
Other Comprehensive Income	8.04	-
Total Comprehensive Loss	**(7,989.32)**	**-**
Loss allocated to NCI	**(35.71)**	**-**

Summarised Cash Flows	**Titagarh Firema SPA**	
	March 31, 2022	March 31, 2021
Cash Flows From / (Used in) Operating Activities	1,624.36	-
Cash Flows From / (Used in) Investing Activities	(2,623.87)	-
Cash Flows From / (Used in) Financing Activities	(1,417.02)	-
Net Increase / (Decrease) in Cash and Cash Equivalents	**(2,416.53)**	**-**

(C) Transactions with Non-controlling Interests	March 31, 2022	March 31, 2021
Carrying Amount of Non- controlling Interest transferred/(acquired)	50.12	-
Consideration received/(paid) from/(to) Non-controlling Interest	85.78	-
Excess of Consideration received Recognised in Reserves & Surplus within Equity	(35.66)	-

(d) Interests in Joint Venture

The Group had formed a Joint Venture Company 'Titagarh Bridges & International Pvt Ltd. (erstwhile Matiere Titagarh Bridges Pvt Ltd)' with Matiere SAS, France on January 2, 2017 to carry the business of manufacturing, marketing and selling Matiere panel bridges, unibridges, and other auxiliary products. However, Titagarh Bridges & International Pvt Ltd. (erstwhile Matiere Titagarh Bridges Pvt Ltd) has become a wholly owned subsidiary of the Company w.e.f. 14th July, 2020 by acquiring balance 754,882 equity shares from Matiere SAS, France.

The Group has formed a Joint Venture Company 'Titagarh Mermec Pvt Ltd.' on May 17, 2018 for development and manufacture of cost effective diagnostic solutions for signalling and safety for Indian railways. However, since incorporation there has not been any business in the joint venture company.

Summarised Financial Information for Joint Venture

The tables below provides summarised financial information for the joint venture Titagarh Bridges & International Pvt. Ltd. (erstwhile Matiere Titagarh Bridges Pvt Ltd) and Titagarh Mermec Private Limited The information disclosed reflects the amounts presented in the financial statements of the Joint Venture and not Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method.

Rs. in Lacs

Summarised Balance Sheet		**Titagarh Bridges & International Pvt. Ltd. (erstwhile Matiere Titagarh Bridges Pvt. Ltd.)**		**Titagarh Mermec Pvt. Ltd.**	
		As at March 31, 2022	**As at March 31, 2021**	**As at March 31, 2022**	**As at March 31, 2021**
Non-Current Assets					
Inventory		-	-	-	-
Other Financial Assets		-	-	-	-
Total	(A)	**-**	**-**	**-**	**-**
Current Assets					
Cash and Cash Equivalents		-	-	0.76	0.77
Other Current Assets		-	-	-	-
Total	(B)	**-**	**-**	**0.76**	**0.77**
Current Liabilities					
Financial Liabilities					
Trade Payables		-	-	2.41	7.22
Other Financial Liabilities		-	-	7.22	-
Total	(C)	**-**	**-**	**9.63**	**7.22**
Net Assets	(A+B-C)	**-**	**-**	**(8.87)**	**(6.45)**

Summarised Statement of Profit and Loss	**Titagarh Bridges & International Pvt. Ltd. (erstwhile Matiere Titagarh Bridges Pvt. Ltd.)**		**Titagarh Mermec Pvt. Ltd.**	
	For the year ended March 31, 2022	**For the year ended March 31, 2021**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Income				
Revenue from Operation	-	-	-	-
Other Income	-	-	-	-
	-	**-**	**-**	**-**
Expenses				
Project Development Expenses	-	-	-	-
Change in Inventory	-	-	-	-
Employee Benefits Expense	-	-	-	-
Finance Costs	-	0.39	0.01	0.23
Other Expenses	-	0.91	2.41	2.98
Total Expenses	**-**	**1.30**	**2.42**	**3.21**
Loss for the Period/Year	**-**	**(1.30)**	**-**	**(3.21)**
Other Comprehensive Income for the Period/ year	-	-	-	-
Total Comprehensive Income for the period/year	**-**	**(1.30)**	**(2.42)**	**(3.21)**
Group Share in %	-	50.00	50.00	50.00
Group Share of Loss for the Period/Year	**-**	**(0.65)**	**(1.21)**	**(1.16)**

Reconciliation to Carrying Amounts		Titagarh Bridges & International Pvt. Ltd. (erstwhile Matiere Titagarh Bridges Pvt. Ltd.)		Titagarh Mermec Pvt. Ltd.	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Opening Net Assets		-	(23.61)	(6.45)	(3.24)
Profit for the Year		-	(1.30)	(2.42)	(3.21)
Issue of Equity Share Capital		-	-	-	-
Less: Conversion to Subsidiary		-	(24.91)	-	-
Closing Net Assets		**-**	**(24.91)**	**(8.87)**	**(6.45)**
Group Share in %		-	50.00	50.00	50.00
Cost of Investments	(A)	-	29.81	-	-
Group Share of Loss for the Period/Year	(B)	-	0.65	-	-
Acquire of balance share	(C)	-	29.16	-	-
Carrying Amount	**(A-B-C)**	**-**	**-**	**-**	**-**

The Group has no contingent liability and capital commitments relating to its interest in aforesaid joint ventures.

4.1 Property, Plant and Equipment

(Rs. in Lacs)

	Freehold Land	Leasehold Land	Leasehold Improvement	Buildings	Plant and Equipments	Railway Wagons #	Railway Sidings	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Total
Gross Carrying Amount												
As at March 31, 2020	33,849.52	20,059.70	70.94	23,860.19	16,043.17	691.68	409.32	381.98	158.40	315.70	276.53	96,117.13
Additions	-	-	-	-	1,206.91	-	-	4.75	4.95	40.17	6.30	1,263.08
Disposals	-	-	-	612.68	255.96	27.83	-	-	-	-	-	896.47
Reclassification	-	-	-	-	255.00	-	-	-	-	-	-	255.00
Exchange Differences on Consolidation	382.91	-	-	552.48	257.12	-	-	-	-	-	-	1,192.51
As at March 31, 2021	34,232.43	20,059.70	70.94	23,799.99	17,506.24	663.85	409.32	386.73	163.35	355.87	282.83	97,931.25
Additions	-	-	-	2,559.83	4,982.00	-	105.20	10.02	57.37	63.21	29.22	7,806.85
Disposals	-	-		136.67	-	205.95	-	-	-	-	9.69	352.31
Reclassification					(469.12)							(469.12)
Exchange Differences on Consolidation	(180.71)	-		(260.73)	(166.02)	-	-	-	-		-	(607.45)
As at March 31, 2022	34,051.72	20,059.70	70.94	25,962.43	21,853.10	457.90	514.52	396.75	220.72	419.08	302.36	1,04,309.22
Accumulated Depreciation & Impairment												
As at March 31, 2020	-	832.40	55.48	3,840.52	8,047.40	49.01	124.57	171.41	112.72	249.79	96.41	13,579.71
Charge for the year	-	166.68	2.89	556.38	799.81	-	12.51	37.02	9.16	24.07	32.63	1,641.15
Disposals	-	-	-	582.03	243.15	11.88	-	-	-	-	-	837.06
Exchange Differences on Consolidation	-	-	-	83.16	158.64	-	-	-	-	-	-	241.80
As at March 31, 2021	-	999.08	58.37	3,898.03	8,762.70	37.13	137.08	208.43	121.88	273.86	129.04	14,625.60
Charge for the year	-	166.35	12.24	598.90	1,029.35	-	15.35	37.42	10.42	51.00	32.84	1,953.89
Disposals	-	-		14.66	-	9.70	-	-	-	-	5.37	29.73
Exchange Differences on Consolidation	-	-		(53.25)	(91.21)	-	-	-	-		-	(144.46)
As at March 31, 2022	-	1,165.43	70.61	4,429.02	9,700.84	27.43	152.42	245.85	132.20	324.86	156.51	16,405.30
Impairment												
As at March 31, 2020	-	-	-	-	2.36	-	-	-	-	-	-	2.36
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	-	-	-	-	2.36	-	-	-	-	-	-	2.36
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	-	-	-	-	2.36	-	-	-	-	-	-	2.36
Net Carrying Amount												
As at March 31, 2021	**34,232.43**	**19,060.62**	**12.57**	**19,901.96**	**8,741.18**	**626.72**	**272.24**	**178.30**	**41.47**	**82.01**	**153.79**	**83,303.29**
As at March 31, 2022	**34,051.72**	**18,894.27**	**0.33**	**21,533.41**	**12,149.88**	**430.47**	**362.09**	**150.90**	**88.44**	**94.22**	**145.85**	**87,901.56**

a) Refer Note 36 for disclosure of contractual commitments for acquisition of Property, Plant and Equipment.

b) Refer Note 14 for information on Property, Plant and Equipment pledged as security by the Group.

Represents 473 Railway Wagons sub leased to Indian Railways. As per Arbitration Award dated July 3, 2019, use of said wagons have been restricted by Indian Railway and instructed to give the possession back to the Parent Company, being the sole and beneficial owner of said wagons. The realisable value of 473 wagons as per management estimate is estimated to be more than the book value of Rs. 430.47 Lacs.

4.2 Intangible Assets **(Rs. in Lacs)**

	Other Intangible Assets				
	Computer Software	**Brand**	**Design and Drawings**	**Prototype**	**Total**
Gross Carrying Amount					
As at March 31, 2020	**4,166.89**	**227.79**	**1,556.46**	**880.39**	**6,831.53**
Additions	537.63	-	-	-	537.63
Reclassification	(255.00)	-	-	-	(255.00)
Others including Exchange Differences on Consolidation	125.73	-	-	-	125.73
As at March 31, 2021	4,575.25	227.79	1,556.46	880.39	7,239.89
Additions	119.81	-	-	-	119.81
Reclassification	-	-	-	-	-
Others including Exchange Differences on Consolidation	(67.28)	-	-	-	(67.28)
As at March 31, 2022	4,627.78	227.79	1,556.46	880.39	7,292.42
Accumulated Amortisation					
As at March 31, 2020	1,161.50	113.89	847.69	396.17	2,519.25
Charge for the year	817.24	56.94	461.44	-	1,335.62
Others including Exchange Differences on Consolidation	27.14	-	-	-	27.14
As at March 31, 2021	2,005.88	170.83	1,309.13	396.17	3,882.01
Charge for the year	807.12	56.95	213.13	-	1,077.20
Others including Exchange Differences on Consolidation	(42.95)	-	-	-	(42.95)
As at March 31, 2022	2,770.04	227.79	1,522.26	396.17	4,916.26
Impairment					
As at March 31, 2020	22.54	-	-	484.22	506.76
Charge for the year	-	-	-	-	-
As at March 31, 2021	22.54	-	-	484.22	506.76
Charge for the year	-	-	-	-	-
As at March 31, 2022	22.54	-	-	484.22	506.76
Net Carrying Amount					
As at March 31, 2021	**2,546.83**	**56.96**	**247.33**	**-**	**2,851.12**
As at March 31, 2022	**1,835.20**	**-**	**34.20**	**-**	**1,869.40**

a) During the previous year, reclassification represents Rs. 255.00 lacs relating to certain assets pertaining to Titagarh Firema S.p.A regrouped to Computer Softwares from Plant & Machinery.

4.3 Investment Properties

	Rs. in Lacs Freehold Land
Carrying Amount as at March 31, 2020	821.24
Additions/(Deletion)	-
Carrying Amount as at March 31, 2021	**821.24**
Additions/(Deletion)	-
Carrying Amount as at March 31, 2022	**821.24**

Information regarding Investment Properties

The Group's Investment Properties consists of two parcels of land situated at Bharatpur and Malanpur respectively. As at March 31, 2022, fair Valuation of the two properties is estimated to be Rs. 1,053.35 Lacs (March 31, 2021: Rs. 977.55 Lacs). These valuations are based on valuations performed by an independent valuer who holds recognised and relevant professional qualifications. The fair value was derived using the market comparable approach based on recent market prices and the fair value measurement categorised within Level-3.

The Group has no restrictions on the realisability of its Investment Properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements. There is no income earned or expenditure incurred by the Group in relation to the Investment Properties.

Significant Increase/(Decrease) in circle rate of land will result in significant higher/(lower) fair valuation of properties.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2022 and March 31, 2021 are as shown below:

Significant unobservable inputs	**Sensitivity of the input to Fair Value**
For 5% change in Circle Rate for Land owned by the Group	5% Increase (Decrease) in the Circle Rate would result in Increase (Decrease) in fair value by Rs. 52.67 Lacs (March 31, 2021: Rs. 48.88 Lacs)

4.4 Capital Work-in-Progress **Rs. in Lacs**

(a) Ageing of CWIP as on March 31,2022

	Amounts in Capital work-in-progress for				
	Less than one year	**1-2 Year**	**2-3 Year**	**More than 3 Year**	**Total**
(i) Projects in progress	1,518.05	-	-	-	1,518.05
Total	**1,518.05**	**-**	**-**	**-**	**1,518.05**

(b) There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan

Rs. in Lacs

(a) Ageing of CWIP as on March 31,2021

	Amounts in Capital work-in-progress for				
	Less than one year	**1-2 Year**	**2-3 Year**	**More than 3 Year**	**Total**
(i) Projects in progress (Designs)	1,622.89	-	-	-	1,622.89
Total	**1,622.89**	**-**	**-**	**-**	**1,622.89**

(b) There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan

4.5 Intangible Assets Under Development **Rs. in Lacs**

(a) Ageing of Intangible assets under development as on March 31,2022

	Amounts in Capital work-in-progress for				
	Less than one year	**1-2 Year**	**2-3 Year**	**More than 3 Year**	**Total**
(i) Projects in progress (Designs)	3,337.87	1,255.06	-	-	4,592.93
Total	**3,337.87**	**1,255.06**	**-**	**-**	**4,592.93**

(b) There are no intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan

(a) Ageing of Intangible assets under development as on March 31,2021 **Rs. in Lacs**

	Amounts in Capital work-in-progress for				
	Less than one year	**1-2 Year**	**2-3 Year**	**More than 3 Year**	**Total**
(i) Projects in progress (Designs)	2,509.41	-	-	-	2,509.41
Total	**2,509.41**	**-**	**-**	**-**	**2,509.41**

(b) There are no intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan

4.6 Right-of-use assets and leases **Rs. in Lacs**

The Parent Company's leasing arrangement includes office space having a lease term of 5 years with a lock-in period of 4 years and Land having a fixed lease term of 10 years.

(i) Amount recognised in balance sheet

Right-of-use assets	Land	Building	Total
Gross Carrying Amount			
As at March 31, 2020	-	-	-
Additions		162.14	162.14
Disposals		-	-
As at March 31, 2021	-	162.14	162.14
Additions	6,136.05	-	6,136.05
Disposals	-	-	-
As at March 31, 2022	6,136.05	162.14	6,298.19
Accumulated Depreciation & Impairment			
As at March 31, 2020	-	-	-
Charge for the year	-	9.99	9.99
Disposals	-	-	-
As at March 31, 2021	-	9.99	9.99
Charge for the year	255.88	40.51	296.39
Disposals	-	-	-
As at March 31, 2022	255.88	50.50	306.38
Net Carrying Amount			
As at March 31, 2021	-	152.15	152.15
As at March 31, 2022	**5,880.17**	**111.64**	**5,991.81**

Lease liabilities	Non Current	Current	Total
March 31, 2021	117.20	30.85	148.05
March 31, 2022	5,665.56	260.81	5926.37

(ii) Amount recognised in statement of profit and loss

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

Lease liabilities	As at March 31, 2022	As at March 31, 2021
Expenses relating to short term leases (including in other expenses)	507.20	913.12
Interest expense (included in finance costs) (Refer Note 25)	223.81	3.76
Total	**731.01**	**916.68**

(iii) The total cash outflow for leases for the year was Rs. 385.75 Lacs (March 31, 2021: Rs. 10.93 Lacs).

(iv) Extension and termination options

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

5 Investments (Non-current)

	No of Shares/Units As at March 31, 2022	No of Shares/Units As at March 31, 2021	Face value per share/ unit (Rs.)	As at March 31, 2022 Rs. In Lacs	As at March 31, 2021 Rs. In Lacs
Investments in Equity Instruments					
In Others (Quoted) (at FVTPL) (a)					
Orissa Sponge Iron & Steel Limited #	550	550	10	0.05	0.05
Arshiya Limited	-	8,98,562	2	-	301.47
In Others (Unquoted) (at FVTPL) * (a)					
Titagarh Enterprises Limited	49,32,960	49,32,940	10	2,972.63	2,777.13
Traco International Investment Private Limited##	-	6,85,000	10	-	18.37
Titagarh Industries Limited	56,850	50,000	10	42.38	30.70
National Savings Certificate (at Amortised Cost) (Unquoted) @				0.20	0.20
Total				**3,015.26**	**3,127.92**
Aggregate book value of quoted investments				0.05	301.52
Aggregate book value of unquoted investments				3,015.21	2,826.40
Market value of quoted investments				0.05	301.52

Quotation not available since suspended due to penal reasons.

Traco International Investment Private Limited (Traco) by an order dated November 8, 2021 passed by Honourable National Company Law Tribunal (Kolkata Bench) got amalgamated with Titagarh Industries Limited (TIL). In accordance with the share exchange ratio sanctioned by NCLT in its above mentioned order the Company got 6,850 shares of Rs. 10 each of TIL. in lieu of the 685,000 Shares of Rs. 10 each held by it in Traco.

* Represents following shares pledged with the banks for the cash credit and working capital facility availed by the Parent company {Also refer note 14(b)(i)(A)} :

Name of Quoted Investments	No of Shares/Units As at March 31, 2022	No of Shares/Units As at March 31, 2021	Face value per share/ unit (Rs.)	As at March 31, 2022 Rs. In Lacs	As at March 31, 2021 Rs. In Lacs
Titagarh Enterprises Limited	49,32,940	49,32,940	10	493.29	493.29
Traco International Investment Private Limited	-	6,85,000	10	-	68.50
Titagarh Industries Limited	56,850	50,000	10	5.69	5.00
				498.98	**566.79**

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

(a) Refer Note 41 for determination of fair values and Note 42 for credit risk and market risk on investments.

(b) The Parent Company has investment of 7,000,500 equity shares of Titagarh Wagons AFR, a subsidiary of the Parent Company which is under liquidation, hence not consolidated Refer Note 1(a).

6 Trade Receivables (At Amortised Cost) — Rs. in Lacs

(Unsecured, Considered Good unless stated otherwise)

	Non-Current As at March 31, 2022	Non-Current As at March 31, 2021	Current As at March 31, 2022	Current As at March 31, 2021
Trade Receivables				
Secured, Considered Good	-	-	-	-
Unsecured, Considered Good	-	-	66,381.83	57,038.44
Unsecured, Considered Doubtful	-	-	251.31	628.35
Credit Impaired	-	-	-	-
	-	**-**	**66,633.14**	**57,666.79**
Less: Loss Allowances [Refer Note 42 (II) (c)]	-	-	251.31	628.35
Less: Liquidated Damages [Refer note 42 (II) (c)]	-	-	474.25	317.79
	-	**-**	**65,907.58**	**56,720.65**

Trade Receivable Ageing Schedule **Rs. in Lacs**

Particulars	Outstanding as at March 31, 2022					
	Less than 6 months	6 months - 1 year	1-2 Year	2-3 Year	More than 3 Year	Total
Undisputed Trade receivables						
Considered Good	17,941.80	566.39	90.87	277.51	39.16	18,915.73
Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables						
Considered Good	-	-	-	568.24	112.39	680.63
Considered Doubtful	-	-	251.31	-	-	251.31
Total	**17,941.80**	**566.39**	**342.18**	**845.75**	**151.55**	**19,596.36**
Not Due						4,787.00
Unbilled						41,998.47
Total	**17,941.80**	**566.39**	**342.18**	**845.75**	**151.55**	**66,299.81**

Rs. in Lacs

Particulars	Outstanding as at March 31, 2021					
	Less than 6 months	6 months - 1 year	1-2 Year	2-3 Year	More than 3 Year	Total
Undisputed Trade receivables						
Considered Good	8,600.48	496.87	413.26	77.02		9,587.63
Considered Doubtful	-	344.75	-	-	-	344.75
Disputed Trade Receivables						
Considered Good	-	-	551.26	-	112.39	663.65
Considered Doubtful	-	-	-	-	283.60	283.60
Total	**8,600.48**	**841.62**	**964.52**	**77.02**	**395.99**	**10,879.63**
Not Due						9,385.09
Unbilled						37,402.07
Total	**8,600.48**	**841.62**	**964.52**	**77.02**	**395.99**	**57,666.79**

a) Liquidated damages provisions has been adjusted with trade receivable in accordance with the requirement of IND AS 115.

b) Refer Note 15 for information on Trade Receivables pledged as security by the Group and Note 42 for information about credit risk and market risk on Trade Receivables.

7 Other Financial Assets **Rs. in Lacs**
(Unsecured, Considered Good unless stated otherwise)

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Security Deposits				
Considered Good	185.65	359.64	4,556.14	4,022.70
Credit Impaired	-	-	-	-
Considered Doubtful	-	-	-	253.08
	185.65	359.64	4,556.14	4,275.78
Less: Loss Allowances	-	-	-	253.08
	185.65	359.64	4,556.14	4,022.70
Measured at Fair Value through OCI				
Derivative Assets [Refer (a) below]	-	514.70	1,323.24	65.53
Measured at Amortised Cost				
Bank Deposits with Remaining Maturity of More than Twelve Months #	3,451.93	4,217.81	-	-
Interest Accrued on:				
Fixed Deposits with Banks	180.86	189.36	250.16	133.13
Claims Receivable [Refer (b) below]	-	-	2,361.23	2,361.23
Subsidy Receivable	-	-	-	69.96
Other Receivable	-	-	227.10	217.82
Charges Recoverable	-	-	18.99	188.72
Total	**3,818.44**	**5,281.51**	**8,736.86**	**7,059.09**

Includes deposits held as Margin money whose receipts are lying with banks as security against loans, guarantees/letters of credits issued by them.

(a) Derivative instruments used by the Parent Company is in nature of forward exchange contracts. These financial instruments are utilised to hedge future transactions and cash flows and are subject to hedge accounting under Ind AS 109 "Financial Instruments" wherever possible. The Parent Company does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities. All the instruments are hedge effective as at year end.

(b) Claim Receivables represents amount receivables from Indian Railway in relation to differential sub lease rentals for the last 3 years of primary sub lease period along with interest in terms of the Arbitration award dated February 3, 2016. The erstwhile Cimmco Ltd (since merged with the Parent Company) had taken on lease 1,200 wagons from four lessors and given the same on sub-lease for a period of ten years to Indian Railways under four separate Sub-Lease Agreements, one dated May 28, 1997 and the other three dated October 20, 1997. During the subsistence of the sub-lease, erstwhile Cimmco Ltd (since merged with the Parent Company) had initiated arbitration proceedings against Indian Railways in respect of disputes relating to the amount of sub-lease rentals and award was published on February 3, 2016.

Note to Consolidated Financial Statements as at and for the year ended March 31, 2022

8 Tax Assets (Net) **Rs. in Lacs**

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Advance Tax (Including Tax Deducted at Source and Net of Provision for Taxation) (Net of provision for tax Rs. 21,018.28 Lacs ; March 31, 2021 Rs. 21,018.28 Lacs)	2,640.77	2,640.77	-	10.96
	2,640.77	**2,640.77**	**-**	**10.96**

9 Other Assets **Rs. in Lacs**

(Unsecured, Considered Good unless stated otherwise)

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Capital Advances	1,170.22	262.85	-	-
Security Deposits	451.47	274.98	-	-
Advances Recoverable in Cash or Kind				
Considered Good - Related Parties [Refer (a) below]	-	-	45.00	49.37
Considered Good - Others	-	-	6,923.43	9,057.92
Considered Doubtful - Others	-	-	209.98	195.73
	-	**-**	**7,178.41**	**9,303.02**
Less: Provision for Doubtful Advances - To Others	-	-	209.98	195.73
	-	**-**	**6,968.43**	**9,107.29**
Balances with Government Authorities				
Considered Good	-	-	12,191.05	15,644.34
Considered Doubtful	-	-	-	94.61
	-	**-**	**12,191.05**	**15,738.95**
Less: Provision for Doubtful Balances	-	-	-	94.61
	-	**-**	**12,191.05**	**15,644.34**
Prepaid Expenses	140.39	281.15	1,771.73	992.54
Total	**1,762.08**	**818.98**	**20,931.21**	**25,744.17**

a) Represents recoverable from Directors of the Parent Company. Also Refer Note 40.

10 Inventories **Rs. in Lacs**

(Valued at Lower of Cost and Net Realisable Value)

	As at March 31, 2022	As at March 31, 2021
Raw Materials and Components [Includes Goods in Transit Rs. 1,030.04 Lacs (March 31, 2021: Rs. 606.06 Lacs)]	42,411.60	29,583.89
Work-in-progress	5,765.44	5,980.09
Finished Goods	-	883.85
Saleable Scrap	761.55	695.30
Stores and Spares	1,447.04	1,375.82
Total	**50,385.63**	**38,518.95**

(a) Refer Note 14 for information on inventories pledged as security by the Group.

(b) Work in progress includes project work in progress of Rs. 4,038.71 Lacs (March 31, 2021: Rs 3,239.02 Lacs)

(c) Write-downs of inventories to net realisable value amounted to Rs. 291.77 Lacs (March 31, 2021: Rs 11.00 Lacs).

11 Cash and Bank Balances **Rs. in Lacs**

	As at March 31, 2022	As at March 31, 2021
11.1 Cash and Cash Equivalents		
Balances with Banks:		
On Current Accounts	635.76	7,936.82
Deposits with Original Maturity of Less Than Three Months @	-	22.20
Cash on hand (including Cheques in hand of Rs. 238.46 Lacs (March 31, 2021: Rs. NIL)	260.09	10.36
	895.85	**7,969.38**
11.2 Other Bank Balances		
Balances with Banks:		
On Unpaid Dividend Accounts	14.45	17.18
On Unpaid Fractional Share Entitlement Accounts	8.59	-
Deposits @	3,286.72	4,417.12
	3,309.76	**4,434.30**
Total	**4,205.61**	**12,403.68**

@ Includes deposits held as Margin money whose receipts are lying with banks as security against loans, guarantees/letters of credits issued by them.

12 Equity Share Capital **Rs. in Lacs**

	As at March 31, 2022		As at March 31, 2021	
	No. of shares in lacs	Rs. In Lacs	No. of shares in lacs	Rs. In Lacs
Authorised Shares				
Equity Shares of Rs. 2/- (March 31, 2021: Rs. 2/-) each	12,905.00	25,810.00	12,905.00	25,810.00
Preference shares of Rs. 10 /- each	1,270.00	12,700.00	1,270.00	12,700.00
		38,510.00		**38,510.00**
Issued, Subscribed and Paid-up Shares				
Equity Shares of Rs. 2/- (March 31, 2021 Rs. 2/-) each, fully paid-up	1,195.71	2,391.42	1,193.87	2,387.75
	1,195.71	**2,391.42**	**1,193.87**	**2,387.75**

Note to Consolidated Financial Statements as at and for the year ended March 31, 2022

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

	2021-22		2020-21	
	No. of shares in lacs	Rs. In Lacs	No. of shares in lacs	Rs. In Lacs
Equity Shares				
Outstanding at the Beginning of the Year	1,193.87	2,387.75	1,156.06	2,312.12
Shares Issued pursuant to Scheme of Amalgamation #	-	-	37.20	74.41
Shares Issued Pursuant to the Employee Stock Option Scheme @	1.84	3.67	0.61	1.22
Outstanding at the end of the Year	**1,195.71**	**2,391.42**	**1,193.87**	**2,387.75**

@ During the year, 183,500 equity shares (March 31, 2021: 60,950 equity shares) of Rs 2 each were issued and allotted to the eligible employees of the Parent Company under the Employee Stock Option (ESOP) Scheme. (Refer Note 34)

During the year ended March 31, 2021: 37,20,460 shares of Rs. 2 each were issued to the miniority shareholders of Cimmco Limited (erestwhile subsidiary of Parent company) pursuant its scheme of Amalgamation.

b) Terms and rights attached to Equity Shares

The Parent Company has only one class of equity shares having a par value of Rs. 2/- (March 31, 2021: Rs. 2/-) per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

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

	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs. 2 (March 31, 2021: Rs. 2) each fully paid				
Titagarh Capital Management Services Private Limited	2,40,71,588	20.13%	2,16,70,165	18.15%
Jagdish Prasad Chowdhary (Trustee of Chowdhary Foundation)	1,82,01,875	15.22%	1,82,01,875	15.25%
Rashmi Chowdhary	1,28,16,105	10.72%	1,28,16,105	10.73%
HDFC Trustee Company Limited - HDFC Capital Builder Fund	88,94,149	7.44%	1,04,25,560	8.73%

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

e) Details of Shareholding of Promoters

Promoter Name	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Titagarh Capital Management Services Private Limited #	2,40,71,588	20.13%	2,16,70,165	18.15%	1.98%
Jagdish Prasad Chowdhary (Trustee of Chowdhary Foundation)	1,82,01,875	15.22%	1,82,01,875	15.25%	-0.03%
Jagdish Prasad Chowdhary	70,700	0.06%	70,700	0.06%	0.00%
Umesh Chowdhary	77,530	0.06%	77,530	0.06%	0.00%
Rashmi Chowdhary	1,28,16,105	10.72%	1,28,16,105	10.73%	-0.01%
Sumita Kandoi	5,751	0.00%	2,251	0.00%	0.00%
Vinita Bajoria	7,351	0.01%	7,351	0.01%	0.00%
Bimla Devi Kajaria	10,000	0.01%	-	0.00%	0.01%
Gaurav Kajaria	7,583	0.01%	7,583	0.01%	0.00%
Titagarh Logistics Infrastructures Pvt. Ltd.	12,35,000	1.03%	-	0.00%	1.03%

Titagarh Capital Management Services Private Limited (PAN: AACCT5853F) ('TCMSPL') has acquired 134,722 and 111,777 equity shares of Titagarh Wagons Limited ('the Parent Company') on March 30, 2022 and March 31, 2022 respectively through market purchase from public category shareholder(s). However, the said shares were not credited into TCMSPL's demat account till 31st March, 2022, and also did not appear in the BENPOS of the Company as at March 31, 2022 from the Depositories and furnished by the Company's Registrar. Therefore, the aforesaid 246,499 shares (representing 0.21% of the Company's paid-up share capital) could not be taken as held by TCMSPL in the shareholding pattern as on March 31, 2022 filed with BSE Limited and NSE Limited. However, the said 246,499 shares have been considered and included above.

13 Other Equity Rs. in Lacs

	As at March 31, 2022	As at March 31, 2021
Reserves and Surplus		
A. Securities Premium Account		
Premium received on Equity Shares issued are recognised in the Securities Premium Account. This reserve may be utilised in accordance with the provisions of Section 52 of the Companies Act, 2013 ('the Act').		
Balance as per the last Financial Statements	40,820.00	40,740.50
Premium on Issue of Equity Shares Pursuant to ESOP Scheme [Refer Note 13(a)]	77.46	25.74
Transfer from ESOPs Outstanding Account on Exercise and Lapse	166.91	53.76
	41,064.37	**40,820.00**
B. General Reserve (Refer Note 13.1)		
Balance as per the last financial statements	5,411.39	5,411.39
	5,411.39	**5,411.39**
C. Capital Reserve		
Balance as per the last Financial Statements	7,462.07	9.18
Arisen Pursuant to the Scheme of Amalgamation	-	7,433.32
Arisen due to acquisition of equity shares by Minority	35.66	19.57
Balance as at the end of the year	**7,497.73**	**7,462.07**
D. Reserve Fund under Section 45-IC of the Reserve Bank of India Act, 1934		
Balance as per the last Financial Statements	-	15.62

13	Other Equity (Contd.)		Rs. in Lacs
		As at March 31, 2022	**As at March 31, 2021**
	Transfer Within Other Equity [Refer (g) below]	-	(15.62)
	Balance as at the end of the year	**-**	**-**
F.	**Employee Stock Options (ESOPs) Outstanding Account (Refer Note 34)**		
	Employee Stock Options Outstanding Account relates to stock options granted by the Parent Company to employees under the Parent Company's ESOP Scheme. This Account is transferred to Securities Premium Account or Retained Earnings on exercise or lapse of vested options.		
	Balance as per the last Financial Statements	166.62	249.84
	Recognition of Share Based Payment (Refer Note 34)	16.67	9.33
	Transfer from ESOPs Outstanding Account on Exercise and Lapse	(183.29)	(92.55)
		-	**166.62**
G.	**Retained Earnings**		
	Balance as per the last Financial Statements	25,183.97	26,597.86
	Loss for the Year	(32.84)	(1,499.65)
	Transactions with Non-controlling Interests	35.66	-
	Transfer from ESOPs Outstanding Account on Options Lapsed	(16.38)	(38.79)
	Item of Other Comprehensive Income recognised directly in Retained Earnings		
	-Remeasurements Losses on Defined Benefit Plan (Net of Tax)	14.59	31.35
	Transfer within equity [Refer (d) above]	-	15.62
	Net surplus in the statement of profit and loss	25,217.76	25,183.97
	-Other Reserve		
H.	**Foreign Currency Translation Reserve (FCTR)**		
	Exchange difference arising from translation of foreign operations are recognised in other comprehensive income as described in accounting policies [Refer Note 2.20(iii)] and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss on disposal of the net investment.		
	Balance as per the last Financial Statements	1,673.71	1,324.79
	Exchange Differences on Translation of Foreign Operations during the year	1.89	348.92
		1,675.60	**1,673.71**
I.	**Equity Component of compound financial instruments (Refer Note 14.2)**		
	Balance as per the last Financial Statements	515.69	-
	Transferred within Other Equity [Refer (g) above]	(515.69)	-
	Equity Component of Compound Financial Instruments issued during the year	-	689.13
	Tax impact on above	-	(173.44)
		-	**515.69**
J.	**Cash Flow hedge Reserve (Refer Note 14.3 and 14.4)**		
	Balance as per the Last Financial Statements	434.20	-
	Changes in fair value recognised during the year	743.01	580.23
	Tax impact on above	(187.00)	(146.03)
		990.21	434.20
	Total Other Equity (A+B+C+D+E+F+G+H+I+J)	**81,821.40**	**81,667.65**

13.1 **General Reserve :-** Under the erstwhile Indian Companies Act, 1956, a general reserve was created in the books of the Parent Company through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn though the Parent Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

13.2 **Equity Component of compound financial instruments :-**TBIPL has issued Optionally Fully Convertible Debentures (OFCD) to the individual promoters of the Company carrying a coupon rate of 4% during the financial year. Considering the accounting principles to be followed in line with Indian Accounting Standards, TBIPL has computed the liability portion of OFCD as the present value of the contractual obligations associated with the instrument. The difference between the issue amount of the OFCD the liability so computed has been treated as the 'Equity component of compound financial instruments' and grouped under other equity.

13.3 **Cash Flow Hedge Reserve:-**The cumulative effective portion of gains or losses arising from changes in fair value of hedging instruments designated as cash flow hedges are recognised in cash flow hedge reserve. Such changes recognised are reclassified to the statement of profit and loss when the hedged item affects the profit or loss or are included as an adjustment to the cost of the related non-financial hedged item.

The Parent Company has designated certain foreign currency forward contracts as cash flow hedges in respect of foreign exchange risks.

13.4 During the year, ineffective portion of cash flow hedges recognised in the statement of profit and loss amounted to Rs. Nil (March 31, 2021: Rs. Nil).

The amount recognised in cash flow hedge reserve (net of tax) is expected to impact the statement of profit and loss as below:

- within the next one year: gain Rs. 990.20 Lacs (March 31, 2021: Rs. 49.04 Lacs)
- later than one year: gain Rs. Nil Lacs (March 31, 2021: Rs. 385.16 Lacs)

14 Borrowings **Rs. in Lacs**

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Secured				
Term Loan from Banks [Refer (a) below]	39,620.88	43,447.77	4,720.40	9,135.33
Cash Credits & Working Capital Demand Loan from Banks [Refer (b) below]	-	-	31,245.77	21,674.04
Unsecured				
Term Loan from Banks [Refer (c) below]	7,936.87	8,609.90	529.12	-
Loan from Related Party	2,000.00	-	-	-
Optionally Fully Convertible Debenture measured at FVTPL [Refer (d) below]				
4% Debentures of Rs. 10 /- each fully paid up	-	1,681.18	-	-
Total	**49,557.75**	**53,738.85**	**36,495.29**	**30,809.37**
Secured Borrowings				

a) Term Loan from Banks

i) In case of Parent Company:

A) Term Loan of Rs. Nil (March 31, 2021: Rs. 4,392.87 lacs) carries interest @ 9.20% p.a. (March 31, 2021: 9.20% to 11.25% p.a.) linked to 1 year MCLR and has been prepaid during the year.

Above term loan is secured by Immovable property (including land) at Gwalior and Bhind districts, Madhya Pradesh. owned by the Company. The loan was further subservient charge over movable fixed assets of the borrower.

B) Term Loan of Rs. 5,991.15 lacs (March 31, 2021: Rs. 5,907.97 Lacs) carries interest @ 7.00% to 8.75% p.a (March 31, 2021: 8.75% to 11.75% p.a.) linked to 1 year MCLR and is repayable in 7 quarterly installments starting from June 2022 to December 2023. Above term loan is secured by a first Pari Passu charge by way of mortgage upon all fixed assets including land and building, plant and machinery and other movable/immovable assets at Company's of Bharatpur Plant. The loan is further secured by the second charge on the Company's current assets relating to Bharatpur Plant.

ii) In case of Titagarh Firema S.p.A (TFA)

Term Loan from Bank of Baroda (UK Branch) of Rs. 38,350.13 Lacs (March 31, 2021: Rs. 42,282.25 Lacs) was sanctioned in the year 2018-19 and was fully drawn. Due to the Covid crisis and its consequent impact on the cash flows of the Company, it had applied to the Bank for a one time restructuring of the loan which interalia included rescheduling the pinciple repayments which as per the the original repayment terms were expected to start from September 2018. The restructuring proposal of the Company was approved by the Bank in the month of December and the outcome of the same on the principle repayments, interest rate and the overall security is as under:

Repayment Schedule	Year	Original	Revised	(In Euro)
	2021-22	1,05,00,000.00	42,50,000.00	
	2022-23	1,40,00,000.00	20,00,000.00	
	2023-24	1,25,00,000.00	40,00,000.00	
	2024-25	1,05,00,000.00	60,00,000.00	
	2025-26	22,50,000.00	80,00,000.00	
	2026-27	2,50,000.00	1,35,00,000.00	
	2027-28	-	1,22,50,000.00	
		5,00,00,000.00	**5,00,00,000.00**	

Original Security - The facility is secured by First Pari Passu Charge on the entire fixed assets (movable and immovable) and current assets of the Company.

Revised Security - Same as above and additionally the parent company has provided a pari passu charge over the land at Bharaptpur and the promoters of the Group (Mr Umesh Chowdhary) has provided charge over residential property at Mumbai and his personal guarantee.

Original Interest Rate - Euribor plus 265 bps

Revised Interest Rate - Euribor plus 295 bps

b) Cash Credits and Working Capital Demand Loan from Banks:

i) In case of Parent Company:

A) Cash Credits and Working Capital Demand Loans of Rs. 5884.89 (March 31, 2021: Rs. NIL) are secured by first charge on the Company's current assets, movable fixed asset both present and future and further creating charge on immovable properties of the company by deposit of title deeds except immovable properties at Bharatpur, Rajasthan, Gwalior and Bhind district, Madhya Pradesh. The above facilities has also been secured by way of pledge of investment in equity shares of Titagarh Enterprises Limited and Titagarh Industries Limited. All the mortgages and charges created in favour of the above lenders rank pari passu with consortium member banks.

B) Cash Credits is repayable on demand and carry an interest rate ranging between 8.95 % to 12.35 % p.a. (March 31, 2021: 7.65% to 12.45%) linked with MCLR.

C) Working Capital Demand Loans carry interest at Bank's MCLR plus spread ranging from 5.25 % to 8.95 % p.a (March 31, 2021: 6.3 % to 11.80 % p.a.) and are repayable on demand.

ii) In case of Titagarh Firema S.P.A (TFA):

Short term loan from banks represents overdraft facility from Bank of Baroda (Uk Branch) of Rs.25,360.88 Lacs (March 31, 2021: Rs. 21,674.04 Lacs). The facility is secured similar to the Long term borrowing (Secured) from BOB. The short term loan bears interest rate of Euribor + 300 bps and is repayable on demand. Refer note 46 for certain breach of convenants.

Unsecured Borrowings

c) Term Loan from Banks

In case of Titagarh Firema S.P.A (TFA):

Term Loan of Rs. 8,465.99 Lacs (March 31, 2021: Rs. 8609.90 Lacs) has been received from Intesa San Paolo under the Liquidity Decree issued by the Government of Italy in order to support the companies from the Covid crisis. The loan is backed by the guarantee from SACE SPA. The loan carries interest of 1.73%p.a.

Reoayment Schedule	Year	Original	(In Euro)
	upto 1 year	625,000	
	1 - 2 year	2,500,000	
	2 - 3 year	2,500,000	
	3 - 4 year	4,375,000	
	4 - 5 year	-	
	> 5 year	-	
		10,000,000	

d) Financial Covenant - In case of TFA, The Tern loan agreements with the banks stipulates certain key financial ratios that needs to be complied wtih as on 31st March, 2022, all of which are note met. The Company has already applied for the waiver for testing of the said financial covenants which are not met with the respective banks. We have heen informed by the banks that they have taken up our proposal with their competent authirty on priority. Considering the ongoing discussions and email correspondences with the banks, the management is hopeful of receiving such waivers shortly, and morever in the absence of a specific request by the banks for an immediate repayment of the debt exposure, the compnay continues to report the term loan repayable after one year as non-current in line with the terms of the existing loan agreements. Refer note 46 for certain breach of covenants.

e) Optionally Fully Convertible Debenture (OFCD)

In case of Titagarh Bridges & International Pvt Ltd (TBIPL):

OFCD of Rs. 1,681.18 Lacs as on March 31, 2021 are unsecured, unlisted and non transferable debentures. The tenure of OFCD is 7 years from the date of allotment. The OFCDs shall be converted into Equity Shares at the option of the holder at the end of one year or three years or five years or seven years respectively from the date of allotment. The OFCD will be payable on annual basis on every March 31 with rate of interest of 4% p.a. Pursuant to the conversion, OFCD shall Rank Pari Passu with existing Equity Shares of TBIPL. If OFCD holder does not choose the option of conversion then the OFCD will be compulsorily redeemed by TBIPL on the expiry of seven years from the date of allotment. During the current year, the aforesaid OFCD has been redeemed fully.

f) Loan from Related Party

In case of Titagarh Bridges & International Pvt Ltd (TBIPL):

Loan from Related Party of Rs. 2,000 Lacs (March 31, 2021: Rs. Nil) are unsecured and are repayable on demand. The loan carries interest of 9.5% p.a.

g) Refer Note 42 for information about market risk and liquidity risk on borrowings.

h) Term Loan obtained in earlier years have been applied for the purpose for which it has been obtained.

15 Other Financial Liabilities

Rs. in Lacs

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Measured at Amortised Cost				
Interest accrued and due on Borrowings	-	-	-	14.82
Interest accrued and not due on Borrowings	-	-	93.33	6.20
Investor Education and Protection Fund will be credited by following amounts (as and when due)				
Unpaid Dividends	-	-	14.45	17.18
Unpaid fractional share	-	-	8.59	-
Others				
Employee Related Liabilities	-	-	923.87	1,109.91
Payable for Purchase of Property, Plant and Equipment :-	-	-	125.89	-
Other Liabilities	-	-	16.26	-
Total	**-**	**-**	**1,182.39**	**1,148.11**

16.1 Provisions

Rs. in Lacs

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Provisions for Employee Benefits:				
Gratuity [Refer Note 32(i)]	340.93	350.55	102.37	107.23
Leave Benefits [Refer Note 32(iii)]	-	-	1,100.77	1,139.15
	340.93	**350.55**	**1,203.14**	**1,246.38**
Other Provisions:				
Warranties [Refer (a) below for movement]	-	-	1,420.83	2,110.49
Loss on Onerous Contract [Refer (a) below for movement]	-	-	-	1,853.71
Litigation, Claims and Contingencies [Refer (b) below for movement] & [37 (i)]	-	-	5,369.15	2,073.34
Other Provisions [Refer (b) below for movement]	-	-	785.18	502.88
	-	**-**	**7,575.16**	**6,540.42**
Total	**340.93**	**350.55**	**8,778.30**	**7,786.80**

a) Movement of provisions for warranties and Loss on Onerous Contract are as follows:

	Warranties		Loss on Onerous Contract	
	2021-22	2020-21	2021-22	2020-21
At the Beginning of the Year	2,110.49	3,964.35	1,853.71	2,093.00
Made during the Year*	49.60	33.98	-	1,661.83
Utilised during the Year	(681.48)	(1,887.84)	(1,853.71)	(1,901.13)
Unused amount reversed	(57.78)	-	-	-
At the End of the Year	**1,420.83**	**2,110.49**	**-**	**1,853.71**

b) Movement of Provisions for Litigation, Claims and Contingencies are as follows:

	Litigations, Claims and Contingencies		Other Provision	
	2021-22	2020-21	2021-22	2020-21
At the Beginning of the Year	2,073.34	2,083.87	502.88	-
Made during the Year	3,324.59	121.09	282.30	502.88
Utilised during the Year	(28.78)	-	-	-
Unused Amounts Reversed during the Year	-	(131.62)	-	-
At the End of the Year	**5,369.15**	**2,073.34**	**785.18**	**502.88**

*includes adjustment of exchange fluctuation on consolidation of Rs. (134.17) Lacs (March 31, 2021 Rs. 286.37 Lacs).

Information about individual provisions and significant estimates:

Warranties

Provision is made for estimated warranty Claims in respect of products sold which are under warranty at the end of the reporting period. Management estimates the provision based on contractual terms, historical warranty claims information and any recent trends that may suggest future claims could differ from historical amounts.

Litigation, claims and contingencies

The amounts represent best possible estimates of pending litigations / claims filed by vendors, customers, labours etc and probable claims arising out of certain tax matters. The timing and probability of outflow and expected reimbursements, if any, with regard to these matters depends on the ultimate outcome of the legal process or settlement / conclusion of the matter with the relevant authorities / customers / vendors etc.

Onerous contract

Onerous contract represents provision made towards excess of contract costs over contract revenues pertaining to one of the subsidiary company "Titagarh Firema S.p.A".

Other Provisions

The amount represents provisions made towards one time employeee costs for shifting the production of Tito to Caserta w.e.f. January, 01, 2022 and settlement of claims in relation to the ongoing disputes with ex-employees of Firema Transporti (in extraordinary administration) as part of the acquisition process for is in respect of Titagarth Firema SpA, a step down subsidiary.

16.2 Current Tax Liabilities **Rs. in Lacs**

	As at March 31, 2022	As at March 31, 2021
Provision for Income Tax (Net of Advance tax and TDS Rs. 1,049.95 Lacs; March 31, 2021 Rs. Nil)	1,589.45	22.90
Total	**1,589.45**	**22.90**

17 Deferred Tax Assets / (Liabilities) **Rs. in Lacs**

	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities		
Arising out of Temporary Differences in Depreciable Assets and non-depreciable assets	7,924.71	6,582.45
Unrealised Gain on Fair value through Profit & Loss (FVTPL) Securities*	498.74	572.95
Fair valuation of Derivative Assets	333.03	146.03
Others	30.41	104.72
Gross Deferred Tax Liabilities (A)	**8,786.89**	**7,406.15**
Deferred Tax Assets		
Provision for fall in value of Investments	5,329.68	5,525.55
Provision for Doubtful Debts, Advances and Claims Receivable	147.46	302.95
Provision for Warranties and Liquidated Damages	3,890.04	3,914.77

Provision for Litigations, Claims and Contingencies	106.78	88.43
Provision for Employee Benefits	165.14	173.40
Lease Liabilities	1,491.55	37.26
Carried Forward Business Losses	-	3.57
Deferred Tax Assets (B)	**11,130.65**	**10,045.93**
Deferred Tax Liabilities (Net) (A-B)	**(2,343.76)**	**(2,639.78)**
Reflected in the Consolidated Balance Sheet as:		
Deferred Tax Assets	3,792.36	3,783.04
Deferred Tax Liabilities	1,448.60	1,143.26
Deferred Tax Liabilities (Net)	**(2,343.76)**	**(2,639.78)**

The movement in deferred tax assets and liabilities during the year ended March 31, 2022 and March 31, 2021:

	As at April 1, 2020 Deferred tax Asset / (Liability)	Adjustment in Other Equity *	Credit / (Charge), in Statement of Profit and Loss #	As at March 31, 2021 Deferred tax Asset/ (Liability)	Adjustment in Other Equity *	Credit / (Charge) in Statement of Profit and Loss #	As at March 31, 2022 Deferred tax Asset / (Liability)
Arising out of Temporary Differences in Depreciable Assets and Non-Depreciable Assets	(6,329.91)		252.54	(6,582.45)		1,342.26	(7,924.71)
Fair value through Profit & Loss (FVTPL) Securities*	(294.81)	173.44	104.70	(572.95)	(173.44)	99.23	(498.74)
Fair valuation of Derivative Assets	-		146.03	(146.03)		187.00	(333.03)
Others	(68.54)		36.18	(104.72)		(74.31)	(30.41)
Total Deferred Tax Liabilities	**(6,693.26)**	**173.44**	**539.45**	**(7,406.15)**	**(173.44)**	**1,554.18**	**(8,786.89)**
Provision for fall in value of Investments	4,998.95		526.60	5,525.55		(195.87)	5,329.68
Provision for Doubtful Debts and Advances	744.28		(441.33)	302.95		(155.49)	147.46
Provision for Warranties & Liquidated Damages	3,921.67		(6.90)	3,914.77		(24.73)	3,890.04
Provision for Litigation, Claims & Contingencies	750.54		(662.11)	88.43		18.35	106.78
Provision for Employee Benefits	176.17		(2.77)	173.40		(8.26)	165.14
Lease Liabilities	-		37.26	37.26		1,454.29	1,491.55
Carried Forward Business Losses	85.17		(81.60)	3.57		(3.57)	-
Gross Deferred Tax Assets	**10,676.78**	**-**	**(630.85)**	**10,045.93**		**1,084.72**	**11,130.65**
Deferred Tax Asset / (Liabilities) (Net)	**3,983.52**	**173.44**	**1,170.30**	**2,639.78**	**(173.44)**	**(469.46)**	**2,343.76**

Includes income tax impact on remeasurement gains/(losses) on defined benefit plan amounting to Rs. 4.91 Lacs [March 31, 2021 Rs. 10.55 Lacs] and income tax impact on Fair value change of cash flow hedges amounting to Rs. 187.00 Lacs [March 31, 2021 Rs. 146.03 Lacs)] included in Other Comprehensive Income and income tax impact on exchange difference on consolidation of Rs. 64.82 Lacs [March 31, 2021 Rs. (130.27) Lacs] included in foreign currency translation reserve.

18 Trade Payables (At Amortised Cost) **Rs. in Lacs**

	As at March 31, 2022	As at March 31, 2021
Trade Payables		
Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 38)	686.99	771.78
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	43,185.84	39,027.03
	43,872.83	**39,798.81**

Trade Payables Ageing Schedule — Rs. in Lacs

Particulars	Outstanding as at March 31, 2022				
	Less than 1 year	1-2 Year	2-3 Year	More than 3 Year	Total
Undisputed Trade Payables					
Micro enterprises and small enterprises	457.65	-	-	-	457.65
Others	23,660.16	1,286.94	115.16	352.93	25,415.19
Disputed Trade Payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	**24,117.81**	**1,286.94**	**115.16**	**352.93**	**25,872.84**
Not Due					
Micro enterprises and small enterprises					229.34
Others					11,715.77
Unbilled					
Micro enterprises and small enterprises					-
Others					6,055.38
Total	**24,117.81**	**1,286.94**	**115.16**	**352.93**	**43,872.83**

Particulars	Outstanding as at March 31, 2021				
	Less than 1 year	1-2 Year	2-3 Year	More than 3 Year	Total
Undisputed Trade Payables					
Micro enterprises and small enterprises	377.72	92.48	-	-	470.20
Others	15,666.11	987.23	202.05	175.10	17,030.49
Disputed Trade Payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	**16,043.83**	**1,079.71**	**202.05**	**175.10**	**17,500.69**
Not Due					
Micro enterprises and small enterprises					301.58
Others					9,277.58
Unbilled					
Micro enterprises and small enterprises					-
Others					12,718.96
Total	**16,043.83**	**1,079.71**	**202.05**	**175.10**	**39,798.81**

a) Refer Note 42 for information about market risk and liquidity risk on trade payables.

19 Other Liabilities — Rs. in Lacs

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Advances from Customers	-	17,535.77	33,790.89	9,660.26
Statutory Dues	-	-	680.76	781.06
Other Liabilities	-	-	-	390.63
	-	**17,535.77**	**34,471.65**	**10,831.95**

Non-current and current advance received from customers as at March 31, 2021 include an advance of Rs. 22916.27, which will be adjusted over a period of 3 years against sale of passenger wagons. Out of such advance outstanding, Rs. 5,200.41 lacs would be recognised within one year and remaining thereafter

20 Revenue from Operations **Rs. in Lacs**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from Contract with Customers:-		
Sale of Products		
Finished Goods	1,82,367.09	1,40,262.56
Raw Materials and Components	8,168.38	9,506.04
Other Operating Revenues		
Scrap Sales	2,543.72	2,282.51
Export Entitlement (MEIS Benefit, etc.)	-	12.84
Total	**1,93,079.19**	**1,52,063.95**

Revenue from operation includes revenue from contract with customers under IND AS 115 amounting to Rs. 190,535.47 Lacs (March 31, 2021 Rs 149,768.60 Lacs). The details of which are given below:-

	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue recognised at a point in time	1,20,598.90	95,474.64
Revenue recognised over time	69,936.57	54,293.96
	1,90,535.47	**1,49,768.60**

Reconciliation of revenue recognised with contract price:

	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract price	**1,81,335.74**	**1,48,861.96**
Adjustment for:		
Liquidated Damages	**(359.85)**	(829.41)
Escalation	**9,559.58**	1,736.05
Revenue from operation	**1,90,535.47**	**1,49,768.60**

21 Other Income **Rs. In Lacs**

	For the year ended March 31, 2022	For the year ended March 31, 2021
21.1 Interest Income		
From Financial Assets at Amortised Cost		
Bank Deposits	525.73	356.01
On Others	50.65	1.75
From Income Tax Authorities	-	73.83
	576.38	**431.59**

21 Other Income (Conted) **Rs. In Lacs**

	For the year ended March 31, 2022	For the year ended March 31, 2021
21.2 Others		
Unspent Liabilities / Provisions No Longer Required Written Back	14.20	162.43
Net Gain on Sale of Investments	24.27	-
Irrecoverable debts written off in earlier years, now recovered	-	12.75
Net Gain on Disposal of Property, Plant and Equipment	290.32	61.57
Insurance Claim Received	684.28	-
Other Non-operating Income	1,810.83	1,563.11
	2,823.90	**1,799.86**
21.3 Other Gains / (Losses)		
Fair Value Gain / (Loss) on Investment - FVTPL	183.28	254.47
	183.28	254.47
Total	**3,583.56**	**2,485.92**

22 Cost of Raw Materials and Components Consumed **Rs. in Lacs**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the Beginning of the Year	29,583.88	27,570.18
Add: Purchases #	1,35,326.49	1,06,579.95
	1,64,910.37	1,34,150.13
Less: Inventories at the End of the Year	42,285.33	29,583.89
Cost of Raw Materials and Components Consumed	**1,22,625.04**	**1,04,566.24**

This includes Project execution expenses of Rs.1,545.39 (March 31, 2021: Rs.386.27 Lacs) incurred at TBIPL.

Note to Consolidated Financial Statements as at and for the year ended March 31, 2022

23 Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap

Rs. In Lacs

		For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the end of the year			
Finished Goods		-	883.85
Work-in-Progress		5,765.44	5,980.09
Saleable Scrap		761.55	695.30
	(A)	**6,526.99**	**7,559.24**
Inventories at the beginning of the year			
Finished Goods		883.85	912.85
Work-in-Progress		5,980.09	7,035.71
Saleable Scrap		695.30	981.17
	(B)	**7,559.24**	**8,929.73**
Decrease in Inventories	(A-B)	**1,032.25**	**1,370.49**
Inventories Transferred to Property, Plant & Equipment		1,192.43	2,525.98
		(160.18)	**(1,155.49)**
Less: Reversal of provision for onerous contract and warranty cost		1,636.91	4,089.96
Add: Pre Acquisition Inventories of TBIPL		-	21.08
		(1,797.09)	**(5,224.37)**

24 Employee Benefits Expense

Rs. In Lacs

	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, Wages and Bonus	21,831.61	20,626.44
Employee Stock Options Expense (Refer Note 34)	16.68	9.33
Contribution to Provident & Other Funds [Refer Note 32(ii) and 49]	229.56	187.62
Gratuity Expense [Refer Note 32(i)]	70.47	67.20
Staff Welfare Expenses	202.61	166.40
Total	**22,350.93**	**21,056.99**

25 Finance Costs

Rs. In Lacs

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Expenses on Financial Liabilities Carried at Amortised Cost - Borrowings, etc.	6,715.11	6,328.22
Interest & Finance Charge on Lease Liabilities	223.81	3.76
Other Borrowing Costs (Bank Charges, etc.)	2,400.58	1,787.95
Total	**9,339.50**	**8,119.93**

Interest Expenses on Financial Liabilities Carried at Amortised Cost - Borrowings, etc includes Rs. 2,315.71 Lacs (March 31, 2021: Rs. 1,862.01 Lacs) representing cost of financing component @ 9% against long term advance from customers

26 Depreciation and Amortisation Expense **Rs. In Lacs**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation of Property, Plant and Equipments (Refer Note 4.1)	1,953.89	1,641.15
Depreciation of Right-of-use Assets (Refer Note 4.6)	296.39	9.99
Amortisation of Intangible Assets (Refer Note 4.2)	1,077.20	1,335.62
Total	**3,327.48**	**2,986.76**

27 Other Expenses **Rs. In Lacs**

	For the year ended March 31, 2022		For the year ended March 31, 2021	
Consumption of Stores and Spares		4,996.13		2,972.32
Job Processing and Other Machining Charges (including Contract Labour Charges)		10,768.59		6,941.90
Power and Fuel		4,521.69		3,422.12
Design and Development Expenses		223.82		208.38
Repairs				
Plant and Machinery		188.28		327.76
Buildings		113.07		108.60
Others		205.00		582.32
Rent and Hire Charges		507.20		913.12
Rates and Taxes		924.88		1,104.63
Insurance		815.02		610.32
Security Services		563.76		529.22
Advertising and Sales Promotion		86.17		34.08
Brokerage and Commission		93.53		144.99
Travelling and Conveyance		855.43		452.49
Legal and Professional Fees		1,579.12		1,600.66
Commission to non-whole time directors		10.00		10.00
Directors Sitting Fees		66.60		38.20
Payment to Auditors:				
As Auditors				
Audit Fee	48.00		48.00	
Limited Review	12.00		12.00	
Other Certification Services	8.50		18.25	
Reimbursement of Expenses	2.98	71.48	2.19	80.44
Warranty Claims (net)	(8.18)		1,925.82	
Less: Adjusted with Provision	-	(8.18)	1,891.83	33.99
Provision for Claims	-	3,399.11		
Irrecoverable Debts/ Advances Written Off	3,062.32	-	405.03	-
Less: Adjusted with Provision	808.84	2,253.48	-	405.03
Loss on fair valuation of Financial Liabilities measured at FVTPL		-		12.32
Foreign Exchange Fluctuations		159.73		178.13
Corporate Social Responsibility Expenses (Refer Note 28)		7.68		5.15
Miscellaneous Expenses		4,206.34		2,885.20
Total		**36,607.93**		**23,601.37**

28.1 Corporate Social Responsibility Expenses — Rs. In Lacs

		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Amount required to be spent by the Parent Company during the year	-	-
(b)	Amount spent during the year by the Parent Company on		
	(i) Construction/acquisition of an asset	-	-
	(ii) On purposes other than (i) above (fully paid)	7.68	5.15
	Total	**7.68**	**5.15**

28.2 Foreign Exchange Fluctuations is net of gain of Rs. 127.20 Lacs (March 31, 2021: Rs. Nil) on account of cancellation of forward contracts during the year.

29 Exceptional Items — Rs. In Lacs

	For the year ended March 31, 2022	For the year ended March 31, 2021
Restructuring Cost [Refer Note (a) below]	1,313.44	-
	1,313.44	-

a) Exceptional costs represents costs incurred towards one time employee costs for shifting the production of Tito to Caserta w.e.f 1st January 2022 and settlement of litigation claims in relation to the ongoing disputes with ex-employees of Firema Trasporti (in extraordinary administration) as part of the acquisition process.

30 Income Tax Expense / (Benefit) — Rs. In Lacs

		For the year ended March 31, 2022	For the year ended March 31, 2021
(A)	**Amount Recognised in the Statement of Profit and Loss**		
	Current Tax	**2,751.37**	**176.96**
	Deferred Tax	**212.70**	**1,143.99**
	Total Income Tax Expense Recognised in Profit and Loss	**2,964.07**	**1,320.95**
(B)	**Numerical Reconciliation of Income Tax Expense to Prima Facie Tax Payable**		
	Accounting Profit /(Loss) before Tax	2,895.52	(557.70)
	At India's Statutory Income Tax Rate of 25.168% (March 31, 2021: 25.168%)	**728.74**	**(140.36)**
	Adjustments:		
	Non-deductible Income / (Expenses) for Tax Purposes		
	Expenses not allowed as deductions	76.40	(51.99)
	Income not taxable	-	14.83
	Deferred tax not recognised	2,337.70	1,768.95
	Impact of lower tax rate (capital gains tax rate) on the fair valuation of land and Investment in equity shares through FVTPL	-	(70.25)
	Adjustment for change in tax rate	(189.59)	20.63
	Effect of Different Tax Rate for Foreign Subsidiaries.	-	(85.70)
	Impact on Intercompany Elimination	24.94	(19.72)
	Others	(14.12)	(115.44)
		2,964.07	**1,320.95**

31 Earnings/(Loss) Per Equity Share **Rs. In Lacs**

		For the year ended March 31, 2022	For the year ended March 31, 2021
(A)	**Basic**		
(i)	Number of Equity Shares at the Beginning of the Year	11,93,87,589	11,56,06,170
(ii)	Number of Equity Shares at the End of the Year	11,95,71,089	11,93,87,589
(iii)	Weighted Average Number of Equity Shares Outstanding during the year	11,94,91,175	11,69,95,927
(iv)	Face Value of Each Equity Share (Rs)	2.00	2.00
(v)	Profit / (Loss) after Tax Available for Equity Shareholders of the Parent Company (Rs. In Lacs):	(32.84)	(1,499.65)
(vi)	Basic Earnings/(Loss) per Equity Share (Rs.) [(v)/(iii)] #	(0.03)	(1.28)
(B)	**Diluted**		
(i)	Dilutive Potential Equity Shares on account of Employee Stock Options Outstanding	-	-
(ii)	Weighted Average Number of Equity Shares Outstanding during the year for Diluted Earnings per Equity Share	11,94,91,175	11,69,95,927
(iii)	Diluted Earnings/(Loss) per Equity Share (Rs) [A(v)/B(ii)] #		
	From Continuing Operation	(0.03)	(1.28)
	From Discontinuing Operation	-	-
	From Continuing and Discontinuing Operation	(0.03)	(1.28)

Basic and Diluted earning per share are same as the potential dilutive equity shares are anti-dilutive.

32 Employee Benefits:

(i) Post-employment Defined Benefit Plans:

Gratuity

The Parent Company has a defined benefit gratuity plan which is unfunded (except for one unit where it is administered through a trust and funded with a bank through its special deposit scheme with State Bank of Bikaner and Jaipur). Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972.

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

	Gratuity (Funded)		Gratuity (Unfunded)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Statement of Profit and Loss				
Net Employee Benefits Expense recognised in the Employee Cost				
Current Service Cost	7.65	5.10	36.84	35.92
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	2.73	4.05	23.24	22.13
Total	**10.38**	**9.15**	**60.08**	**58.05**

32 Employee Benefits: (Contd.) Rs.in Lacs

	Gratuity (Funded)		Gratuity (Unfunded)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Expenses Recognised in Other Comprehensive Income (OCI)				
Remeasurements (Gains) / Losses	36.63	(15.48)	56.13	(26.42)
Total	**36.63**	**(15.48)**	**56.13**	**(26.42)**
Net Liability Recognised in Balance Sheet				
Benefit liability				
Present value of Defined Benefit Obligation	123.07	96.30	366.89	408.15
Fair value of Plan Assets	46.66	46.67	-	-
Net Liability	**76.41**	**49.63**	**366.89**	**408.15**
Bifurcation of Net Liability at the end of the year as per revised Schedule III of the Companies Act, 2013				
Current Liability (Short term)	-	8.05	102.37	99.18
Non-Current Liability (Long term)	76.41	41.58	264.52	308.97
	76.41	**49.63**	**366.89**	**408.15**
Changes in the Present Value of the Defined Benefit Obligation are as follows:				
Opening Defined Benefit Obligation	96.30	120.40	408.15	395.43
Current Service Cost	7.65	5.10	36.84	35.92
Interest Cost	5.30	6.62	23.25	22.13
Benefits Paid	(20.24)	(17.76)	(45.23)	(18.91)
Remeasurement (Gains)/ Losses				
Financial Assumptions Changes	(1.26)	-	(2.11)	(1.74)
Demographic Assumptions	(0.03)	-	(1.53)	-
Experience Variance	35.35	(18.06)	(52.49)	(24.69)
Closing Defined Benefit Obligation	**123.07**	**96.30**	**366.89**	**408.15**
Changes in the Fair Value of Plan Assets are as follows:				
Fair value of plan assets at the beginning of the year	46.67	46.67		
Return on Plan Assets	(2.57)	(2.57)		
Investment Income	2.56	2.57		
Fair Value of Plan Assets at the end of the year	**46.66**	**46.67**		
The major categories of Plan Assets as a percentage of the Fair Value of Total Plan Assets are as follows:				
Special Deposit Scheme with State Bank of Bikaner and Jaipur	100%	100%		
Maturity Profile of the Defined Benefit Obligation				
Weighted Average Duration of the Defined Benefit Obligation	3 years	2 years	4 years	3/4 years

32 Employee Benefits: (Contd.) **Rs.in Lacs**

	Gratuity (Funded)		Gratuity (Unfunded)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Expected Benefit Payments for the year ending				
Not later than 1 year	42.64	54.72	102.37	99.18
Later than 1 year and not later than 5 years	74.72	43.27	216.99	241.65
Later than 5 year and not later than 10 years	25.31	5.37	107.99	122.95
More than 10 years	6.58	3.73	45.49	64.40
The principal assumptions used in determining gratuity obligation are shown below:				
Discount Rate	6.00%	5.50%	6.10%	5.70%
Rate of increase in Salary	6.50%	6.44%	5.00%	3.00-4.80%

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

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

The Parent Company expects to contribute Rs.82.84 Lacs (March 31, 2021 Rs.53.07 Lacs) to the funded gratuity plans during the next financial year.

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

Rs. in Lacs

Sensitivity level	Gratuity (Funded)				Gratuity (Unfunded)			
	As at March 31, 2022		As at March 31, 2021		As at March 31, 2022		As at March 31, 2021	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	126.94	119.43	98.28	94.41	381.25	353.54	425.37	392.25
Salary Growth Rate (- / + 1%)	119.41	126.88	94.41	98.24	354.47	379.93	392.35	424.72

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

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(ii) Post-employment Defined Contribution Plans:

(A) **Provident Fund and Employee State Insurance Scheme (ESI)**

Certain categories of employees of the Parent Company receive benefits from a provident fund and ESI, a defined contribution plan. Both the employee and employer make monthly contributions to a government administered fund at specified percentage of the covered employee's qualifying salary. The Parent Company 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, 2022	For the year ended March 31, 2021
Provident Fund (refer note 49)	192.91	162.17
ESI	23.71	18.94
Total	**216.62**	**181.11**

(iii) Leave Benefits

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

The total provision recorded by the Parent Company and a subsidiary towards these benefits at year end was Rs.1,100.77 Lacs (March 31, 2021: Rs.1,139.15 Lacs). The amount of the provision is presented as current, since the Parent Company and the subsidiary does not have an unconditional right to defer settlement for any of these benefits. However, based on past experience, the Parent Company and the subsidiary does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

(Rs.in Lacs)

	As at March 31, 2022	As at March 31, 2021
Leave provision not expected to be settled within the next 12 months	420.20	351.92

(iv) Risk Exposure

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

(a) **Discount Rate Risk**

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

(b) **Salary Growth Risks**

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

(c) **Demographic Risk**

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

33 Research and Development expenditure of revenue nature recognised in profit and loss during the year amounts to Rs. 322.96 Lacs (March 31, 2021: Rs. 13.14 Lacs)

34 Employee Stock Option Plan (ESOP)

The Parent Company provides share-based payment schemes to its employees. On September 11, 2014, the shareholders, by way of a special resolution passed at the Annual General Meeting, approved the issue of shares to eligible employees under Employee Stock Option Scheme (Scheme 2014). The Scheme has been approved by the authorized Compensation Committee pursuant to a resolution passed at its meeting held on March 4, 2015. According to the Scheme 2014, the employee selected by the ESOS Compensation Committee from time to time will be entitled to the stock options. The total number of options granted should not exceed 25,00,000 options and will be granted in one or more tranches over a period of 5 years. Each option, when exercised, will be converted into 1 equity share of Rs 2 each fully paid up.

Tranche 1 - First Allotment

a)	Vesting period	As stated below
	Exercise period	Within a period of 6 months from the date of vesting
	Grant Date	March 4, 2015
	Exercise price	Rs. 44.20
	Market price at March 4, 2015	Rs. 135.60
	The vesting schedule of the options is as follows:	
	At the end of first year from the date of grant	10%
	At the end of second year from the date of grant	15%
	At the end of third year from the date of grant	25%
	At the end of fourth year from the date of grant	50%

The movement of the option is summarised below:

	For the Year Ended March 31, 2022		For the Year Ended March 31, 2021	
	No. of Options	Weighted Average Exercise Price (WAEP) (Rs.)	No. of Options	Weighted Average Exercise Price (WAEP) (Rs.)
Outstanding at the beginning of the year	-	-	2,500	44.20
Lapsed during the year	-	-	-	-
Forfeited during the year	-	-	2,500	44.20
Exercised during the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

The weighted average fair value of the option as on the grant date is Rs.Nil (March 31, 2021: Rs. Nil) and weighted average contractual life of the option as at March 31, 2022 is Nil years (March 31, 2021: Nil years). The weighted average remaining contractual life of options outstanding at end of period is Nil years (March 31, 2021: Nil years). The weighted average fair value of stock options granted was Rs. Nil (March 31, 2021: Rs. Nil).

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

The share prices on the date of exercise are:

Date of Exercise	**Share Price (Rs.)**
March 31, 2021	
November 16, 2020	44.09

	Grant Date-March 4, 2015			
Share price (Rs)	135.60	135.60	135.60	135.60
Exercise price (Rs)	44.20	44.20	44.20	44.20
Risk-free interest rate	7.70%	7.70%	7.70%	7.70%
Expected volatility	67.00%	58.00%	51.00%	47.00%
Dividend yield	0.59%	0.59%	0.59%	0.59%
Term to maturity	1.00	2.00	3.00	4.00

Tranche 1 - Second Allotment

b)	Vesting period	As stated below
	Exercise period	Within a period of 6 months from the date of vesting
	Grant Date	May 19, 2017
	Exercise price	Rs. 44.20
	Market price at May 19, 2017	Rs. 122.80
	The vesting schedule of the options is as follows:	
	At the end of first year from the date of grant	10%
	At the end of second year from the date of grant	15%
	At the end of third year from the date of grant	25%
	At the end of fourth year from the date of grant	50%

The movement of the option is summarised below:

	For the Year Ended March 31, 2022		For the Year Ended March 31, 2021	
	No. of Options	Weighted Average Exercise Price (WAEP) (Rs.)	No. of Options	Weighted Average Exercise Price (WAEP) (Rs.)
Outstanding at the beginning of the year	57,500	44.20	86,250	44.20
Granted during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	28,750	44.20
Outstanding at the end of the year	57,500	44.20	57,500	44.20
Exercisable at the end of the year	-	-	-	-

The weighted average fair value of the option as on the grant date is Rs.Nil (March 31, 2021: Rs 90.97) and weighted average contractual life of the option as at March 31, 2022 is Nil years (March 31, 2021: 4 years). The weighted average remaining contractual life of options outstanding at end of period is Nil years (March 31, 2021: 0.13 years). The weighted average fair value of stock options granted was Rs.Nil (March 31, 2021: Rs 37.36 lacs).

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

The share prices on the date of exercise are:

Date of Exercise	Share Price (Rs.)
March 31, 2022	
August 10, 2021	86.53
March 31, 2021	
November 16, 2020	44.09

	Grant Date-May 19, 2017			
Share price (Rs)	122.80	122.80	122.80	122.80
Exercise price (Rs)	44.20	44.20	44.20	44.20
Risk-free interest rate	6.70%	6.70%	6.70%	6.70%
Expected volatility	35.68%	47.71%	54.92%	55.08%
Dividend yield	0.59%	0.59%	0.59%	0.59%
Term to maturity	1.00	2.00	3.00	4.00

Tranche 2 - First Allotment

c)	Vesting period	As stated below
	Exercise period	Within a period of 6 months from the date of vesting
	Grant Date	May 19, 2017
	Exercise price	Rs. 44.20
	Market price at May 19, 2017	Rs. 122.80
	The vesting schedule of the options is as follows:	
	At the end of first year from the date of grant	2%
	At the end of second year from the date of grant	10%
	At the end of third year from the date of grant	28%
	At the end of fourth year from the date of grant	60%

The movement of the option is summarised below:

	For the Year Ended March 31, 2022		For the Year Ended March 31, 2021	
	No. of Options	Weighted Average Exercise Price (WAEP) (Rs.)	No. of Options	Weighted Average Exercise Price (WAEP) (Rs.)
Outstanding at the beginning of the year	1,47,000	44.20	2,55,200	44.20
Granted during the year	-	-	-	-
Lapsed during the year	18,000	44.20	43,400	44.20
Forfeited during the year	3,000	44.20	32,600	44.20
Exercised during the year	1,26,000	44.20	32,200	44.20
Outstanding at the end of the year	-	-	1,47,000	44.20
Exercisable at the end of the year	-	-	-	-

The weighted average fair value of the option as on the grant date is Rs.Nil (March 31, 2021: Rs 90.97) and weighted average contractual life of the option as at March 31, 2021 is Nil years (March 31, 2021: 4 years). The weighted average remaining contractual life of options outstanding at end of period is Nil years (March 31, 2021: 0.13 years). The weighted average fair value of stock options granted was Rs.Nil (March 31, 2021: 129.25 lacs).

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

The share prices on the date of exercise are:

Date of Exercise	Share Price (Rs.)
March 31, 2022	
August 10, 2021	86.53
November 13, 2021	93.29
March 31, 2021	
November 16, 2020	44.09

	Grant Date-May 19, 2017			
Share price (Rs)	122.80	122.80	122.80	122.80
Exercise price (Rs)	44.20	44.20	44.20	44.20
Risk-free interest rate	6.70%	6.70%	6.70%	6.70%
Expected volatility	35.68%	47.71%	54.92%	55.08%
Dividend yield	0.59%	0.59%	0.59%	0.59%
Term to maturity	1.00	2.00	3.00	4.00

Tranche 2 - Second Allotment

d)	Vesting period	As stated below
	Exercise period	Within a period of 6 months from the date of vesting
	Grant Date	November 9, 2017
	Exercise price	Rs. 44.20
	Market price at November 9, 2017	Rs. 146.75
	The vesting schedule of the options is as follows:	
	At the end of first year from the date of grant	2%
	At the end of second year from the date of grant	10%
	At the end of third year from the date of grant	28%
	At the end of fourth year from the date of grant	60%

The movement of the option is summarised below:

	For the Year Ended March 31, 2022		For the Year Ended March 31, 2021	
	No. of Options	Weighted Average Exercise Price (WAEP) (Rs.)	No. of Options	Weighted Average Exercise Price (WAEP) (Rs.)
Outstanding at the beginning of the year	-	-	4,900	44.20
Granted during the year	-	-	-	-
Lapsed during the year	-	-	500	44.20
Forfeited during the year	-	-	4,400	44.20
Exercised during the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

The weighted average fair value of the options as on the grant date is Rs. Nil (March 31, 2020: Rs Nil) and weighted average contractual life of the option as at March 31, 2022 is Nil years (March 31, 2021: Nil years). The weighted average remaining contractual life of options outstanding at end of period is Nil years (March 31, 2021: Nil years). The weighted average fair value of stock options granted was Rs. Nil (March 31, 2021: Rs Nil).

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

The share prices on the date of exercise are:

Date of Exercise	**Share Price (Rs.)**
March 31, 2021	
November 16, 2020	44.09

	Grant Date-May 19, 2017			
Share price (Rs)	146.75	146.75	146.75	146.75
Exercise price (Rs)	44.20	44.20	44.20	44.20
Risk-free interest rate	6.50%	6.50%	6.50%	6.50%
Expected volatility	35.68%	47.71%	54.92%	55.08%
Dividend yield	0.59%	0.59%	0.59%	0.59%
Term to maturity	1.00	2.00	3.00	4.00

The expected life of the stock Option is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

During the year ended the Parent Company recorded an employee compensation expense of Rs. 16.68 Lacs (March 31, 2021: Rs.9.33 Lacs) in the Statement of Profit and loss.

35 There are no loans and advances in the nature of loans granted to pormoters, directors, key managerial personnel and related parties.

36 Commitments Rs. In Lacs

	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	1,258.98	3,288.11

37 Contingent Liabilities Rs. In Lacs

		As at March 31, 2022	As at March 31, 2021
(i)	**Claims against the Group not acknowledged as debt**		
	Disputed claims contested by the Group and pending at various courts/arbitration	3,277.12	3,277.12
	Matters under appeal with:		
	Sales tax authorities	2,522.97	2,203.32
	Income tax authorities	5,368.90	5,368.90
	Customs and Excise Authorities	13,868.42	14,390.92
	Goods and service tax Authorities	168.88	
	Custom Duty on import of equipments and spare parts under EPCG scheme	1,190.54	1,190.54
		26,396.83	**26,430.80**

* Includes Rs.1,360.45 Lacs (March 31, 2021: Rs.1,360.45 Lacs) which in terms of BIFR order, even if decided against the Group, would stand at Rs.136.04 Lacs (March 31, 2021: Rs.136.04 Lacs) only.

In respect of above cases based on favourable decisions in similar cases/legal opinions taken by the Group/discussions with the solicitors etc., the management is of the opinion that it is possible, but not probable, that the action will succeed and accordingly no provision for any liability has been made in the consolidated financial statements.

In respect of above contingent liabilities, it is not practicable for the Group to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings. The Group does not expect any reimbursements in respect of the above.

(ii) Further:

(a) Erstwhile Cimmco Limited (Since merged with the Parent Company) had prior to year 2000, obtained certain advance licenses for making duty free import of inputs subject to fulfilment of export obligation (EO) within the specified time limit/extended time limit (as extended pursuant to sanctioned scheme of BIFR) from the date of issuance of such licenses. However, in absence of complete list of licenses along with the imports made against each license, the amount of contingent liability towards custom duty saved on unfulfilled export obligations and penal interest if any, is presently unascertainable.

(b) SBI Caps has raised a claim of Rs. 1,128.95 lacs on erstwhile Cimmco Limited (since merged with the Parent Company) on account of disallowance of depreciation by the income tax authorities on the wagons leased by SBI Caps to erstwhile Cimmco Limited (since merged with the Parent Company) which in turn has been sub leased to Indian Railways. The same pertains to the assessment year 1998-99 to 2004-05 (period prior to change of management in terms of the BIFR order) and the matter is pending with ITAT Mumbai. As per the separate lease agreements entered between SBI CAPS, erstwhile Cimmco Limited (since merged with the Parent Company) and Indian Railways, any claims, charges, duties taxes and penalties as may be levied by the Government or any other authority pertaining to leased wagons shall be borne by the Indian Railways. Considering the above terms contained in the above agreements and also favourable ITAT judgements regarding the admissibility of the depreciation on the leased assets the Company believes that there would not be any liability that would crystallise on account of the above.

38 Information relating to Micro and Small Enterprises (MSEs): **Rs. In Lacs**

		As at March 31, 2022	As at March 31, 2021
(i)	The Principal amount and Interest due thereon remaining unpaid to any supplier at the end of the accounting year		
	Principal	686.99	771.78
	Interest	0.84	3.52
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.		
	Principal	-	-
	Interest	-	-
(iii)	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.		
	Principal	2,142.63	1,192.41
	Interest	25.96	8.52
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	47.63	20.83

The above particulars, as applicable, have been given in respect of MSEs to the extent they could be identified on the basis of the information available with the Group.

39 Segment Information

The Parent Company's Board of Directors being the Chief Operating Decision Maker examines the Group's performance on the basis of its business and has identified the following reportable segments:

a) **Freight Rolling Stock -** Consists of manufacturing of Wagons, Loco Shells, bogies, couplers and its components.

b) **Passenger Rolling Stock -** Consists of designing and manufacturing of Metro, Passenger Coaches, EMUs, Train Sets, Mono Rail, Propulsion equipment, Traction Motors and its components.

c) **Shipbuilding, Bridge & Defence -** Consists of Designing and Construction of Warships, Passenger Vessels, Tug and specialised equipment's for Defence, Bridge Girders etc.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Also, the Group's borrowings (includes finance costs), income taxes, investments and derivative instruments are managed at head office and are not allocated to operating segments.

Segment Revenue is measured in the same way as in the consolidated statement of profit and loss.

Segment Assets and Liabilities are measured in teh same way as in the consolidated financial statements.

These asset and liabilities are allocated based on the operations of the segment and physical location of assets.

Information about Operating Segments

For the year ended March 31, 2022 **Rs. in Lacs**

	Freight Rolling Stock	Passenger Rolling Stock	Shipbuilding	Total
Revenue from Operations				
Segment Revenue (External)	**1,21,436.40**	**65,771.68**	**5,871.11**	**1,93,079.19**
Segment Profit/(Loss)	**15,781.12**	**(4,077.62)**	**1,521.34**	**13,224.84**
Unallocated (Income) / Expenses				
Finance Costs				6,798.43
Interest Income				(754.07)
Depreciation and Amortisation Expense				275.38
Other Corporate Income				(3,007.18)
Other Corporate Expenses				7,016.77
Profit before Taxes				**2,895.52**
Tax Expenses (Credit)				2,964.07
Profit for the year				**(68.55)**
Material Non-cash (Income) / Expenses:				
Depreciation and Amortisation Expense	1,259.31	1,746.05	46.74	3,052.10
Unspent Liabilities / Provisions No Longer Required Written Back	(3.59)	-	-	(3.59)
Segment Assets	**74,928.27**	**1,46,729.78**	**6,801.60**	**2,28,459.65**
Unallocated Assets				
Investments				3,015.26
Cash and Cash Equivalents				895.85
Other Bank Balances				3,309.76
Non-current / Current Tax Assets (Net)				2,640.77
Deferred Tax Assets (Net)				3,792.36
Other Unallocated Assets				25,777.14
Total Assets				**2,67,890.79**
Segment Liabilities	**29,284.38**	**57,868.53**	**3,876.40**	**91,029.31**
Unallocated Liabilities				
Borrowings				86,053.04
Current Tax Liabilities (Net)				1,589.45
Deferred Tax Liabilities (Net)				1,448.60
Other Unallocated Liabilities				3,543.16
Total Liabilities				**1,83,663.56**

For the year ended March 31, 2021 **Rs. in Lacs**

	Freight Rolling Stock	Passenger Rolling Stock	Shipbuilding	Total
Revenue from Operations				
Segment Revenue (External)	96,374.16	54,107.07	1,582.72	1,52,063.95
Segment Profit/(Loss)	**12,377.74**	**(4,282.63)**	**(407.16)**	**7,687.95**
Unallocated (Income) / Expenses				
Finance Costs				6,334.97
Interest Income				(431.59)
Depreciation and Amortisation Expense				129.76
Other Corporate Income				(2,054.33)
Other Corporate Expenses				4,266.84
Loss before Taxes				**(557.70)**
Tax Expenses (Credit)				1,320.95
Loss for the year				**(1,878.65)**
Non-cash (Income) / Expenses:				
Depreciation and Amortisation Expense	1,278.87	1,427.59	150.54	2,857.00
Unspent Liabilities / Provisions No Longer Required Written Back	159.55	-	2.88	162.43
Segment Assets	**74,610.15**	**1,28,947.67**	**4,471.90**	**2,08,029.72**
Unallocated Assets				
Investments				3,127.92
Cash and Cash Equivalents				7,969.38
Other Bank Balances				4,434.30
Non-current / Current Tax Assets (Net)				2,651.73
Deferred Tax Assets (Net)				3,783.04
Other Unallocated Assets				17,373.73
Total Assets				**2,47,369.82**
Segment Liabilities	**14,579.90**	**58,319.17**	**1,317.03**	**74,216.10**
Unallocated Liabilities				
Borrowings				84,548.22
Lease Liabilities				148.05
Current Tax Liabilities (Net)				22.90
Deferred Tax Liabilities (Net)				1,143.26
Other Unallocated Liabilities				3,235.89
Total Liabilities				**1,63,314.42**

Entity-wide Disclosures:-

(a) The Parent Company is domiciled in India. The amount of Group's revenue from external customers broken down by location of the customers is shown below:- **Rs. in Lacs**

	For the year ended March 31, 2022	For the year ended March 31, 2021
India	1,46,753.97	99,469.51
Italy	46,325.22	52,103.74
Rest of the World	-	490.70
Total	**1,93,079.19**	**1,52,063.95**

(b) Non-current assets (excluding Financial Assets) by location of assets is shown below:

	For the year ended March 31, 2022	For the year ended March 31, 2021
India	74,372.87	62,625.82
Italy	36,517.33	35,877.07
Total	**1,10,890.20**	**98,502.89**

(c) Total revenue from external customers includes sales to Indian Railways of Rs. 86,292.93 Lacs (March 31, 2021: Rs. 75,221.86 Lacs), EAV of Rs. 13,366.37 Lacs (March 31, 2021: Rs. 15,508.68 Lacs) and FCE of Rs. 20,607.26 Lacs (March 31, 2021: Rs. Nil) which represents more than 10% of the total revenue from external customers of the Group.

40 Related Party Disclosures

Names of Related Parties and Related Party Relationship

Other Related Parties with whom transactions have taken place during the year:

Joint Venture Companies:

Titagarh Bridges & International Private Limited (TBIPL) (erstwhile Matiere Titagarh Bridges Pvt Ltd)(Upto July 13, 2020)

Titagarh Mermec Private Limited (Jointly controlled Entity w.e.f. May 17, 2018)

Key Management Personnel (KMPs):

Mr. J P Chowdhary – Executive Chairman

Mr. Umesh Chowdhary – Vice Chairman & Managing Director

Mr. Prithish Chowdhary - Non Executive Director (w.e.f. January 01, 2021)

Mr. Manoj Mohanka - Independent Director

Mrs. Rashmi Chowdhary - Non-Executive Director

Mr. Ramsebak Bandyopadhyay - Independent Director (upto May 04, 2020)

Mr. Atul Ravishanker Joshi - Independent Director

Mr. Sunirmal Talukdar - Independent Director

Mr. Sudipta Mukherjee - Director (Whole-time Director)

Mr. Anil Kumar Agarwal - Director (Finance) & Chief Financial Officer

Mr. Dinesh Arya - Company Secretary (Upto February 27, 2021)

Mr. Sumit Jaiswal - Company Secretary (w.e.f February 28, 2021)

Ms. Nayantara Palchoudhuri - Independent Director (w.e.f. June 22, 2020)

Mr. K.K. Jalan - Independent Director (w.e.f. August 13, 2020)

Mr. Sushil Kumar Roongta - Independent Director (w.e.f. January 01, 2021)

Dr. G.B. Rao - Independent Director [Erstwhile Cimmco Ltd (since merged with the Parent Company)]

Mr. J.K.Shukla - Independent Director [Erstwhile Cimmco Ltd (since merged with the Parent Company)]

Mr. Kanwar Satya Brata Sanyal - Independent Director [Erstwhile Cimmco Ltd (since merged with the Parent Company)]

Close Family Members of the KMPs:	Mrs. Savitri Devi Chowdhary, Wife of Mr. J P Chowdhary
	Mrs. Vinita Bajoria, Daughter of Mr. J P Chowdhary
	Mrs. Sumita Kandoi, Daughter of Mr. J P Chowdhary
	Mrs. Bimla Devi Kajaria, Mother of Mrs. Rashmi Chowdhary
Enterprises over which KMP/ Shareholders/Close Family Members of the KMPs have significant influence:	Titagarh Capital Management Services Private Limited
	Titagarh Enterprises Limited
	Titagarh Industries Limited
	Traco International Investment Private Limited (Since merge with Titagarh Industries Limited)

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

Rs. in Lacs

Nature of transactions	Year	Joint ventures	Enterprises over which KMPs/Shareholders/ Close Family Members of the KMPs have significant influence	KMP	Relatives of KMP	Total
In relation to the Consolidated Statement of Profit and Loss						
Payment for Lease Rental						
Titagarh Enterprises Limited	2021-22	-	675.86	-	-	675.86
	2020-21	-	675.86	-	-	675.86
Interest Expense						
Titagarh Enterprises Limited	2021-22	-	69.75	-	-	69.75
	2020-21	-	-	-	-	-

Rs. in Lacs

Nature of transactions	Year	Joint ventures	Enterprises over which KMPs/Shareholders/ Close Family Members of the KMPs have significant influence	KMP	Relatives of KMP	Total
In relation to the Consolidated Statement of Profit and Loss						
Interest Expense on 4% Optionally Fully Convertible Debentures						
Mr. J P Chowdhary	2021-22	-	-	6.65	-	6.65
	2020-21	-	-	0.82	-	0.82
Mr. Umesh Chowdhary	2021-22	-	-	2.22	-	2.22
	2020-21	-	-	0.27	-	0.27
Ms. Savitri Devi Chowdhary	2021-22	-	-	-	3.88	3.88
	2020-21	-	-	-	0.48	0.48
Ms. Rashmi Chowdhary	2021-22	-	-	1.66	-	1.66
	2020-21	-	-	0.20	-	0.20
Titagarh Enterprises Ltd	2021-22	-	55.85	-	-	55.85
	2020-21	-	6.85	-	-	6.85

Rs. in Lacs

Nature of transactions	Year	Joint ventures	Enterprises over which KMPs/Shareholders/ Close Family Members of the KMPs have significant influence	KMP	Relatives of KMP	Total
Remuneration (Excluding Employee Stock Option Expense) [Refer (b) below]						
Mr. J P Chowdhary	2021-22	-	-	257.28	-	257.28
	2020-21	-	-	257.28	-	257.28
Mr. Umesh Chowdhary	2021-22	-	-	257.28	-	257.28
	2020-21	-	-	212.80	-	212.80
Mr. Pritish Chowdhary	2021-22	-	-	-	-	-
	2020-21	-	-	15.80	-	15.80
Ms. Vinita Bajoria	2021-22	-	-	-	-	-
	2020-21	-	-	-	17.52	17.52
Mr. Anil Agarwal	2021-22	-	-	83.69	-	83.69
	2020-21	-	-	61.59	-	61.59
Mr. Dinesh Arya	2021-22	-	-	-	-	-
	2020-21	-	-	26.78	-	26.78
Mr. Sudipta Mukherjee	2021-22	-	-	65.42	-	65.42
	2020-21	-	-	49.91	-	49.91
Mr. Sumit Jaiswal	2021-22	-	-	12.60	-	12.60
	2020-21	-	-	1.89	-	1.89
Employee Stock Option Expense						
Mr. Anil Agarwal	2021-22	-	-	0.91	-	0.91
	2020-21	-	-	7.37	-	7.37
Mr. Sudipta Mukherjee	2021-22	-	-	0.91	-	0.91
	2020-21	-	-	7.37	-	7.37
Mr. Dinesh Arya	2021-22	-	-	-	-	-
	2020-21	-	-	4.42	-	4.42
Commission to non-whole time directors						
Mr. Sunirmal Talukedar	2021-22	-	-	1.67	-	1.67
	2020-21	-	-	2.30	-	2.30
Mr. Manoj Mkhanka	2021-22	-	-	1.67	-	1.67
	2020-21	-	-	2.30	-	2.30
Mr. Atul Ravishanker Joshi	2021-22	-	-	1.67	-	1.67
	2020-21	-	-	2.30	-	2.30
Mr. Sushil Kumar Roongta	2021-22	-	-	1.67	-	1.67
	2020-21	-	-	1.00	-	1.00

Rs. in Lacs

Nature of transactions	Year	Joint ventures	Enterprises over which KMPs/Shareholders/ Close Family Members of the KMPs have significant influence	KMP	Relatives of KMP	Total
Ms. Nayantara Palchoudhri	2021-22	-	-	1.67	-	1.67
	2020-21	-	-	1.05	-	1.05
Mr. Krishna Kumar Jalan	2021-22	-	-	1.67	-	1.67
	2020-21	-	-	1.05	-	1.05
Sitting Fees to Directors						
Mr. Manoj Mohanka	2021-22	-	-	12.60	-	12.60
	2020-21	-	-	8.40	-	8.40
Mr. Atul Ravishanker Joshi	2021-22	-	-	14.40	-	14.40
	2020-21	-	-	9.20	-	9.20
Mrs. Rashmi Chowdhary	2021-22	-	-	3.20	-	3.20
	2020-21	-	-	1.20	-	1.20
Mr. Sunirmal Talukdar	2021-22	-	-	16.00	-	16.00
	2020-21	-	-	10.40	-	10.40
Mrs. Vinita Bajoria	2021-22	-	-	-	-	-
	2020-21	-	-	-	0.20	0.20
Dr. G.B. Rao	2021-22	-	-	-	-	-
	2020-21	-	-	0.20	-	0.20
Mr. J.K. Shukla	2021-22	-	-	-	-	-
	2020-21	-	-	0.40	-	0.40
Mr. Kanwar Satya Brata Sanyal	2021-22	-	-	-	-	-
	2020-21	-	-	0.40	-	0.40
Ms. Nayantara Palchoudhuri	2021-22	-	-	5.00	-	5.00
	2020-21	-	-	3.00	-	3.00
Mr. Krishan Kumar Jalan	2021-22	-	-	5.00	-	5.00
	2020-21	-	-	2.40	-	2.40
Mr. Sushil Kumar Roongta	2021-22	-	-	6.40	-	6.40
	2020-21	-	-	1.60	-	1.60
Mr. Prithish Chowdhary	2021-22	-	-	4.00	-	4.00
	2020-21	-	-	0.80	-	0.80
In relation to the Consolidated Balance Sheet						
Loan Taken						
Titagarh Enterprises Limited	2021-22	-	2,000.00	-	-	2,000.00
	2020-21	-	-	-	-	

Rs. in Lacs

Nature of transactions	Year	Joint ventures	Enterprises over which KMPs/Shareholders/ Close Family Members of the KMPs have significant influence	KMP	Relatives of KMP	Total
Mr. Anil Agarwal	2021-22	-	-	-	-	-
	2020-21	-	-	0.49	-	0.49
Mr. Sudipta Mukherjee	2021-22	-	-	-	-	-
	2020-21	-	-	1.34	-	1.34
Redemption of 4% Optionally Fully Convertible Debentures						
Mr. J P Chowdhary	2021-22	-	-	84.93	-	84.93
	2020-21	-	-	-	-	-
Mr. Umesh Chowdhary	2021-22	-	-	28.31	-	28.31
	2020-21	-	-	-	-	-
Mrs. Savitri Devi Chowdhary	2021-22	-	-	-	49.54	49.54
	2020-21	-	-	-	-	-
Mrs. Rashmi Chowdhary	2021-22	-	-	21.23	-	21.23
	2020-21	-	-	-	-	-
Titagarh Enterprises Ltd	2021-22	-	713.41	-	-	713.41
	2020-21	-	-	-	-	-
Balances Outstanding as at the Year end Advances Recoverable in Cash or Kind						
Mr. Anil Agarwal	2021-22	-	-	30.00	-	30.00
	2020-21	-	-	30.49	-	30.49
Mr. Sudipta Mukherjee	2021-22	-	-	15.00	-	15.00
	2020-21	-	-	16.65	-	16.65
Mr. Dinesh Arya	2021-22	-	-	-	-	-
	2020-21	-	-	2.23	-	2.23
Commission payable to non-whole time directors						
Mr. Sunirmal Talukdar	2021-22	-	-	1.67	-	1.67
	2020-21	-	-	2.30	-	2.30
Mr. Manoj Mohanka	2021-22	-	-	1.67	-	1.67
	2020-21	-	-	2.30	-	2.30
Mr. Atul Ravishanker Joshi	2021-22	-	-	1.67	-	1.67
	2020-21	-	-	2.30	-	2.30
Mr. Sushil Kumar Roongta	2021-22	-	-	1.67	-	1.67
	2020-21	-	-	1.00	-	1.00

Rs. in Lacs

Nature of transactions	Year	Joint ventures	Enterprises over which KMPs/Shareholders/ Close Family Members of the KMPs have significant influence	KMP	Relatives of KMP	Total
Ms. Nayantara Palchoudhri	2021-22	-	-	1.67	-	1.67
	2020-21	-	-	1.05	-	1.05
Mr. Krishna Kumar Jalan	2021-22	-	-	1.67	-	1.67
	2020-21	-	-	1.05	-	1.05
Investments						
Titagarh Mermec Pvt Ltd	2021-22	-	-	-	-	-
Net of share of Loss Rs. Nil (March 31, 2021: Rs. Nil) 2020-21	-	-	-	-	-	
Titagarh Enterprises Limited	2021-22	-	2,972.63	-	-	2,972.63
	2020-21	-	2,777.13	-	-	2,777.13
Traco International Investment Private Limited	2021-22	-	-	-	-	-
	2020-21	-	18.37	-	-	18.37
Titagarh Industries Limited	2021-22	-	42.38	-	-	42.38
	2020-21	-	30.70	-	-	30.70
Loan Payable						
Titagarh Enterprises Limited	2021-22	-	2,000.00	-	-	2,000.00
	2020-21	-	-	-	-	-
Private placement of 4% Optionally Fully Convertible Debentures						
Mr. J P Chowdhary	2021-22	-	-	-	-	-
	2020-21	-	-	120.00	-	120.00
Mr. Umesh Chowdhary	2021-22	-	-	-	-	-
	2020-21	-	-	40.00	-	40.00
Mrs. Savitri Devi Chowdhary	2021-22	-	-	-	-	-
	2020-21	-	-	-	70.00	70.00
Mrs. Rashmi Chowdhary	2021-22	-	-	-	-	-
	2020-21	-	-	30.00	-	30.00
Titagarh Enterprises Ltd	2021-22	-	-	-	-	-
	2020-21	-	1,008.00	-	-	1,008.00
Interest Payable on loan						
Titagarh Enterprises Limited	2021-22	-	62.78	-	-	62.78
	2020-21	-	-	-	-	-
Security Deposit						
Titagarh Enterprises Limited	2021-22	-	147.50	-	-	147.50
	2020-21	-	321.84	-	-	321.84

Notes

a) **Terms and Conditions of Transtactins with Related Parties :**Transactions relating to dividend wre on the same terms and conditions that applied to other shareholders. The sales/services to and purchases from related parties are made on terms equivalent to those that prevail in arm's length trasactions. Outstanding balaces at teh year-end are unsecured and interest-free and settlement occurs in cash.

b) The balances outstanding in respect of Titagarh Wagons AFR [entity not consolidated as refer to Note 1(a)] has been fully provided in earlier years and hence not desclosed in the table above.

b) Compensation of Key Managerial Personnel **Rs. in Lacs**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Short-term employee benefits	634.94	570.18
Contribution to provident and other funds	41.32	40.07
Share-based payment transactions	1.82	19.16
	678.08	**629.41**

The remuneration to key management personnel does not include provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Parent Company as a whole.

41 Fair Values

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 fair value measurements during the year ended March 31, 2022 and March 31, 2021.

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

Rs. in Lacs

		Level 1	Level 2	Level 3	Total
Quantitative disclosures Fair Value Measurement hierarchy for Assets:	**Date of Valuation**				
Assets Measured at Fair Value:					
Investments	March 31, 2022	-	-	3,015.06	3,015.06
	March 31, 2021	301.47	-	2,826.25	3,127.72
Derivative financial assets	March 31, 2022	-	1,323.24	-	1,323.24
	March 31, 2021	-	580.23	-	580.23
Total Financial Assets	**March 31, 2022**	**-**	**1,323.24**	**3,015.06**	**4,338.30**
	March 31, 2021	**301.47**	**580.23**	**2,826.25**	**3,707.95**

(ii) Fair value measurements using significant unobservable inputs (Level 3)

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy -(FVTPL assets in unquoted equity shares/units valued using Discounted Cash Flow method) together with a quantitative sensitivity analysis as at March 31, 2022 and March 31, 2021 are as shown below:

Rs. in Lacs

	For the year ended March 31, 2022	For the year ended March 31, 2021
Significant Unobservable Input - Weighted Average Cost of Capital		
Impact of 1% Increase	(187.90)	(228.63)
Impact of 1% Decrease	250.81	307.34
Significant Unobservable Input - Circle Rate for land owned by the respective Investee Company		
Impact of 5% Increase	83.53	55.56
Impact of 5% Decrease	(83.53)	(55.56)

(iii) Reconciliation of fair value measurement of financial instruments classified as FVTPL assets: **Rs. in Lacs**

Particulars	Investment in equity shares
Closing Balance as on March 31, 2020	**2,857.68**
Re-measurement recognised in Consolidated Statement of Profit and Loss	270.04
Closing Balance as on March 31, 2021	**3,127.72**
Sale during the period	(295.95)
Re-measurement recognised in Consolidated Statement of Profit and Loss	183.29
Closing Balance as on March 31, 2022	**3,015.06**

(iv) Fair value of financial assets and liabilities

The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2021.

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

(a) The fair value of foreign exchange forward contracts is determined using forward exchange rates at the Balance Sheet date.

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

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

(d) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimate technique. Therefore, for substantially all financial instruments, the fair value estimates are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

42 Financial Risk Management Objectives and Policies

The Group's financial liabilities comprise borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's financial assets include trade and other receivables, cash and cash equivalents, investments, loans and deposits and other financial assets.

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

I) Market Risks

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

(i) Foreign currency risks

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

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

Rs. in Lacs

	March 31, 2022				
PARTICULARS	**NPR**	**USD**	**EURO**	**NOK**	**JPY**
Financial Assets					
Trade Receivables	316.66	568.23	2,274.07	-	2,151.87
Derivative Assets					
Foreign exchange forward contracts	-	-	-	-	1,323.24
Net exposure to Foreign Currency Risk (Assets)	**316.66**	**568.23**	**2,274.07**	**-**	**3,475.11**
Financial Liabilities					
Trade Payables	-	-	686.88	-	-
Net exposure to Foreign Currency Risk (Liabilities)	**-**	**-**	**686.88**	**-**	**-**
Net exposure to Foreign Currency Risk (Assets less Liabilities)	**316.66**	**568.23**	**1,587.19**	**-**	**3,475.11**

Rs. in Lacs

	March 31, 2021				
PARTICULARS	**NPR**	**USD**	**EURO**	**NOK**	**JPY**
Financial Assets					
Trade Receivables #	560.85	551.26	-	52.98	-
Cash & Cash Equivalents	-	-	-	289.64	-
Derivative Assets					
Foreign exchange forward contracts	-	-	-	-	580.23
Net exposure to Foreign Currency Risk (Assets)	**560.85**	**551.26**	**-**	**342.62**	**580.23**
Financial Liabilities					
Trade Payables	-	-	197.27	141.86	-
Net exposure to Foreign Currency Risk (Liabilities)	-	-	197.27	141.86	-
Net exposure to Foreign Currency Risk (Assets less Liabilities)	560.85	551.26	(197.27)	200.76	580.23

Foreign Currency Sensitivity

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

	Changes in Euro rate	Foreign currency (Payable) / Receivable (net)	Effect on Profit before Tax	Changes in USD rate	Foreign currency (Payable) / Receivable (net)	Effect on Profit before Tax
	%	Rs. in Lacs	Rs. in Lacs	%	Rs. in Lacs	Rs. in Lacs
March 31, 2022	5%	1,587.19	79.36	5%	568.23	28.41
	-5%		(79.36)	-5%		(28.41)
March 31, 2021	5%	(197.27)	(9.86)	5%	551.26	27.56
	-5%		9.86	-5%		(27.56)
	Changes in NPR rate	**Foreign currency (Payable) / Receivable (net)**	**Effect on Profit before Tax**	**Changes in NOK rate**	**Foreign currency (Payable) / Receivable (net)**	**Effect on Profit before Tax**
	%	Rs. in Lacs	Rs. in Lacs	%	Rs. in Lacs	Rs. in Lacs
March 31, 2022	5%	316.66	15.83	5%	-	-
	-5%		(15.83)	-5%		-
March 31, 2021	5%	560.85	28.04	5%	200.76	10.04
	-5%		(28.04)	-5%		(10.04)

	Changes in JPY rate	Foreign currency (Payable) / Receivable (net)	Effect on Profit before Tax
	%	Rs. in Lacs	Rs. in Lacs
March 31, 2022	5%	3,475.11	173.76
	-5%		(173.76)
March 31, 2021	5%	580.23	29.01
	-5%		(29.01)

(ii) Equity price risks

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in equity prices (other than those arising from interest rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market.

The Group only invests in the equity shares of some of the group companies as part of the Group's overall business strategy and policy. The Group manages the equity price risk through placing limits on individual and total equity investment in each of group companies based on the respective business plan of each of the companies. Reports on the investment portfolio alongwith the financial performance of the group companies are submitted to the Group's management on a regular basis. The Parent Company's Board of Directors reviews and approves all investment decisions.

The Group's investment in quoted equity instruments is not material. For sensitivity analysis of Group's investments in equity instruments, Refer Note 41(ii).

(iii) Interest rate risks

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to risk of changes in market interest rates relates primarily to the Group's debt interest obligation. Further the Group engages in financing activities at market linked rates, any changes in the interest rate environment may impact future rates of borrowings. The Group continuously monitor the situation and takes remedial actions if required.The Group's investments in term deposits with banks are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Interest rate risk exposure

The exposure of the Group' s borrowings to interest rate changes at the end of the reporting period are as follows:

Rs. in Lacs

Particulars	As at March 31, 2022	As at March 31, 2021
Variable Rate Borrowings	84,053.04	84,548.22
Total Borrowings	**84,053.04**	**84,548.22**

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Rs. in Lacs

Particulars	Impact on Profit before Tax	
	As at March 31, 2022	As at March 31, 2021
Interest Rates - Increase by 100 basis points *	840.53	845.48
Interest Rates - Decrease by 100 basis points *	(840.53)	(845.48)

* Holding all other variables constant and on the assumption that amount outstanding as at reporting dates were utilised for full financial year.

II) Credit Risks

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and loans / deposits) and from its investing activities (primarily deposits with banks). The Group's maximum exposure to credit risk for the components of the Balance Sheet as at March 31, 2022 and March 31, 2021 is their carrying amounts except for the financial guarantees.

(a) **Trade and Other Receivables**

Customer credit risk is managed by the Group through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing. The Group has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

The Group uses specific identification method in determining the allowance for credit losses of trade and other receivables considering historical credit loss experience and is adjusted for forward looking information.

Receivables are deemed to be past due or impaired with reference to the Group's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions.

(b) **Other Financial Assets and Deposits**

Credit Risk from Balances with Banks, deposits, etc. is managed by the Group's finance department. Investments of Surplus funds are made only with approved counterparties in accordance with the Group's policy.

(c) **Reconciliation of Impairment Provision** **Rs. in Lacs**

Particulars	**Trade Receivable**	**Other Financial Assets**
Opening Balance as at March 31, 2020	**2,257.79**	**148.35**
Provision made during the year ended March 31, 2021	262.91	13.99
Provision transferred from Litigation Claim and Contingencies		131.62
Provision adjusted with corresponding receivable balance during the year ended March 31, 2021	(1,892.35)	(40.88)
Closing Balance as at March 31, 2021	**628.35**	**253.08**
Provision adjusted with corresponding receivable balance during the year ended March 31, 2022	(377.04)	-
Closing Balance as at March 31, 2022	**251.31**	**-**

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

Movement of Liquidated Damages:

Particulars	**Rs. in Lacs**
Opening Balance as at March 31, 2020	**1,354.52**
Provision made during the year ended March 31, 2021	829.41
Provision utilized / reversed during the year ended March 31, 2021	(1,866.14)
Opening Balance as at March 31, 2021	**317.79**
Provision made during the year ended March 31, 2022	359.85
Provision utilized / reversed during the year ended March 31, 2022	(203.39)
Closing Balance as at March 31, 2022	**474.25**

III) Liquidity Risks

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Group has obtained fund and non-fund based working capital lines from various banks. The Group invests its surplus funds in bank fixed deposits , which carry no market risk. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits, bank loans among others.

Maturity profile of Financial liabilities

Maturity profile of all financial liabilities is as under:

Rs. in Lacs

Particulars	Upto 1 Year	2-3 years	More than 3 years
As at March 31, 2022			
Non-derivative Financial Liabilities			
Borrowings *			
- Revolving Credit Facility	31,245.77	-	-
- Term Loan	6,780.76	18,575.18	34,147.15
- Loan Repayable on demand	-	-	2,000.00
Lease Liabilities	766.84	812.38	7,437.41
Trade Payables	43,872.83	-	-
Other Financial Liabilities	1,089.06	-	-
	83,755.26	**19,387.56**	**43,584.56**
As at March 31, 2021			
Non-derivative Financial Liabilities			
Borrowings *			
- Revolving Credit Facility	21,674.04	-	-
- Term Loan	11,224.15	38,632.32	17,488.69
- OFCD	-	-	2,358.00
Lease Liabilities	44.26	95.27	91.09
Trade Payables	39,798.81	-	-
Other Financial Liabilities	1,157.94	-	-
	73,971.88	**38,836.85**	**19,937.78**

* Includes interest and transaction cost adjustment on borrowings and contractual interest payment based on interest rate prevailing at the end of the reporting period.

43 Capital Management

(a) Risk Management

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

The Group monitors capital on the basis of the net debt to equity ratio. Net debt are borrowings as reduced by cash and cash equivalents. The Group is not subject to any externally imposed capital requirements.

The following table summarises the capital of the Group: Rs. in Lacs

	As at March 31, 2022	As at March 31, 2021
Total Borrowings	86,053.04	84,548.22
Less: Cash and Cash Equivalents	895.85	7,969.38
Net Debt	**85,157.19**	**76,578.84**
Equity	**84,212.82**	**84,055.40**
Total Capital (Equity + Net Debt)	**1,69,370.01**	**1,60,634.24**
Net Debt to Equity Ratio	**101.12%**	**91.11%**

(b) Dividends on Equity Shares **Rs. in Lacs**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Dividend Declared and Paid during the year		
Final Dividend for the year ended March 31, 2021 of Rs. Nil (March 31, 2020 of Rs. Nil) per fully paid share	-	-
Dividend Distribution Tax on above	-	-

44 Debt Reconciliation

This section sets out an analysis of debt and the movement in debt during the year. **(Rs. in Lacs)**

Particulars	March 31, 2022	March 31, 2021
Non- current Borrowings	49,557.75	62,779.25
Current Maturities of Long-term Debt	5,249.52	94.93
Current Borrowings	31,245.77	21,674.04
Interest accrued and due on Borrowings	93.33	21.02
Lease Liabilities	5,926.37	148.05
Total	**92,072.74**	**84,717.29**

(Rs. in Lacs)

Particulars	Non- current Borrowings	Current Borrowings	Lease Liabilities	Total
Debt as at March 31, 2020	**55,446.75**	**17,747.11**	**-**	**73,193.86**
New Leases	-	-	155.22	155.22
Finance Costs	4,544.76	3,571.41	3.76	8,119.93
Less: Finance cost Capitalised in Inventory	(1,862.01)	-		(1,862.01)
Cash Flows				
Principal repayment of Leases	-	-	(10.76)	(10.76)
Proceeds from Long-term Borrowings from Banks	11,162.04	-	-	11,162.04
Repayment of Long-term Borrowings from Banks	(4,650.00)	-	-	(4,650.00)
Short-term Borrowings - Receipts/(Payments)	-	4,147.15	-	4,147.15
Finance Costs Paid	(2,581.20)	(3,770.61)	(0.17)	(6,351.98)
Non-cash Transactions				
Unrealised Foreign Exchange Fluctuation Loss on Borrowings	1,490.65	-	-	1,490.65
Loss on fair valuation of Financial Liabilities measured at FVTPL	12.32	-	-	12.32
Equity Portion of OFCD	(689.13)	-	-	(689.13)
Debt as at March 31, 2021	**62,874.18**	**21,695.06**	**148.05**	**84,717.29**
New Leases	-	-	5940.26	5,940.26
Finance Costs	4,296.30	4,819.39	223.81	9,339.50
Less: Finance cost Capitalised in Inventory	(2,315.71)	-		(2,315.71)
Cash Flows				
Principal repayment of Leases	-	-	(385.75)	(385.75)
Proceeds from Long-term Borrowings from Banks	2,000.00	-	-	2,000.00
Repayment of Long-term Borrowings from Banks	(10,325.53)	-	-	(10,325.53)
Short-term Borrowings - Receipts/(Payments)	-	9,571.73	-	9,571.73
Finance Costs Paid	(1,548.15)	(4,747.08)	-	(6,295.23)
Non-cash Transactions				
Unrealised Foreign Exchange Fluctuation Loss on Borrowings	(850.64)	-	-	(850.64)
Loss on fair valuation of Financial Liabilities measured at FVTPL	-	-	-	-
Derecognition of Equity Portion of OFCD (net)	676.82	-	-	676.82
Debt as at March 31, 2022	**54,807.27**	**31,339.10**	**5,926.37**	**92,072.74**

45 Assets and liabilities related to contract with customers Rs. in Lacs

	As at March 31, 2022	As at March 31, 2021
Contract Assets		
Unbillled Revenue	41998.47	35303.23
Total Contract assets	**41998.47**	**35303.23**
Contract Liabilities		
Advance from customers	33790.89	27196.03
Total Contract Liabilities	**33790.89**	**27196.03**
Revenue recognised in relation to contract liability		
Revenue recongnised that was included in the contract liability balance at the beginning of the period.	20202.84	25275.72

Trade receivables in respect of contract with customers has been included in Note-6

46 In case of Titagarh Firema SpA, during the the year, the Company reported a loss for Euro 9,2 million, shareholders' equity for Euro 2,4 million and has a significant bank debt for Euro 85,3 million, of which Euro 52,3 million is expiring beyond 12 months. Current assets exceed current liabilities by Euro 12,3 million. Trade payables, equal to Euro 28,6 million as at 31 March 2022, decreased by Euro 5,9 million during the year, and include an overdue payable to third party suppliers for Euro 18,1 million at same date. In particular, the Company is currently proceeding with the rescheduling and the payment of the overdue commercial debt for the main suppliers of the Company; at the moment, the negotiations are still underway for a residual overdue debt position of the Company. We highlight the Company has received n. 11 injunctions for payment from suppliers for some Euro 0,7 million.

The special purpose financial information have been prepared according to the assumption of the going concern, that is based on the expectation that the Company implements an important growth plan, envisaged by the Budget 1 April 2022 – 31 March 2023 (the “Budget”), approved by the Board of Directors on 27 May 2022, with the generation of significantly higher margins compared to the historical values achieved, the failure of which could affect the overall value of cash generation, also to meet the overdue debt to suppliers. In particular, the Budget’s assumption is based on the financial debt renegotiation, currently in place with an Italian credit institution, towards which the Company had a debt exposure for some Euro 10 million as at 31 March 2022, and a foreign credit institution, towards which the Company had a debt exposure for some Euro 75,3 million as at 31 March 2022, that is aimed at obtaining waiver for certain financial covenants which are in breach as of 31 March 2022. Negotiations are in progress with the creditor banks to formalize the waiver letters.

Despite the aforementioned material uncertainty that may rise doubts on the Company’s ability to continue as a going concern, the special purpose information have been drawn up on a going-concern basis, as the directors have a reasonable expectation that the Company will be able to reach a financial balance in a short time through the successful conclusion of the actions indicated above.

Moreover, the Company expects a share capital increase of Euro 19,9 million through the issue of shares to new shareholders including Invitalia, to be completed shortly. Out of the said Euro 19.90 mln, Euro 3.9 million has already been implemented by the existing shareholders.

Furthermore, as described, the formalizations of waiver letters with an Italian credit institution and a foreign credit institution are in progress due to the breach of some financial parameters. As of 31 March 2022, however, in the absence of a specific request by the banks for an immediate repayment of the debt exposure, the company continues to report the debt to the Italian credit institution, equal to Euro 10 million (of which Euro 0,6 million within twelve months and Euro 9,4 million beyond twelve months), and to the foreign credit institution, equal to Euro 75,3 million (of which Euro 32,4 million within twelve months and Euro 42,9 million beyond twelve months), maintaining the original classification in the financial statements as required by the financial agreements.

47 The Hon'ble National Company Law Tribunal, Kolkata Bench by an order dated September 30, 2020 has sanctioned the Scheme of Amalgamation (the ""Scheme"") filed by Titagarh Wagons Limited (the Company or the Parent Company) and it's subsidiary Cimmco Limited (Cimmco), and its wholly owned subsidiary Titagarh Capital Private Limited (TCPL) for amalgamation of aforesaid subsidiaries with the Parent Company with effect from April 1, 2019, being the appointed date as per the Scheme. The certified true copy of the said Order has been received and filed with the Ministry of Company Affairs on October 2, 2020.

CIMMCO and TCPL were already consolidated as subsidiaries in the consolidated financial statements prior to the amalgamation in accordance with Indian Accounting Standard (IND AS) 110 Consolidated Financial Statements and accordingly amalgamation did not result in any significant impact on the consolidated financial statements. In terms of the Scheme, the Company made allotment of 37,20,469 equity shares of Rs. 2/- each of the Company to the eligible members of Cimmco as on 23rd October, 2020 (Record Date) in the share exchange ratio of 13 equity share of Rs. 2/- each of the Company for every 24 equity shares of Rs. 10/- each held in Cimmco by its non-controlling shareholders as on the record date stated therein. With this allotment on November 07, 2020, the paid-up Equity Share Capital of the Company has been increased to Rs. 23,86,53,278/- divided into 11,93,26,639 equity shares of Rs. 2/- each.

48 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Parent Company and its Indian Subsidiary 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.

49 The Parent Company and its Indian Subsidiary has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the exposure is not material

50 The Groups has assessed the possible impact of COVID-19 on its consolidated financial statements based on the internal and external information and concluded no adjustments are required in these consolidated financial statements. The Group continues to monitor changes in future economic conditions.

51 Scheme of Amalgamation

In case of Parent Company, the Board of Directors at its meeting held on January 10, 2022 approved a draft scheme (the Scheme) for amalgamation of Titagarh Bridges and International Private Limited (TBIPL) = a sholly owned subsidiary with the Parent Company, pursuant to Sections 230 to 232 of the Comanies Act, 2013 with April 01, 2021 as the appointed Date, subject to intimation thereof to the stock exchanges concerned and such approvals as may be applicable including the sanction by the Hon'ble National Company Law Tribunal (NCLT). TBIPL being a wholly owned subsidiary of the Parent Company, no consideration is payable and the equity shares and optionally fully convertable debentures held by the Company in TBIPL shall stand cancelled upon the Scheme becoming effective. The Scheme was approved by the shareholders and creditors of the Company on May 10, 2022 at their respective meeting held pursuant to the order dated 16/03/2022 of NCLT. The Parent Company has filed the final confimation petition for sanction of the Scheme before the NCLT on May 28, 2022 and awaits listing for its hearing

52. The Parent Company has purchased the balance 50% equity shares held by Matiere SAS France in Matiere Titagarh Bridge Private Limited (MTBPL), the jointly controlled entity (JCE) at a consideration of Rs. 13.58 lacs on 14th July 2020 thereby making MTBPL a wholly owned subsidiary. Since the above acquisition falls under the definition of acquisition of business under IND AS 103 - Business Combination, the Group has carried out a fair valuation of all the assets and liabilities of the MTBPL business taken over and the difference between such fair value and the consideration paid amounting to Rs. 19.57 lacs has been shown as capital reserve Subsequently on October 21, 2020 MTBPL has been renamed as Titagarh Bridge & International Private Limited.

53 (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) Borrowing secured against current assets

The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the group with banks and financial institutions are in agreement with the books of accounts.

(iii) Wilful defaulter

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

(iv) Relationship with struck off companies

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

(v) Compliance with number of layers of companies

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

(vii) Utilisation of borrowed funds and share premium

The group 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:

a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

b. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The group 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 group shall:

a. 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

b. Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(ix) Undisclosed income

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

(ix) Details of crypto currency or virtual currency

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

(x) 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 or previous year.

54 Previous year figures have been regrouped/restated wherever necessary

For and on behalf of the Board of Directors of Titagarh Wagons Limited

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

Avijit Mukerji
Partner
Membership No. 056155

J P Chowdhary
Executive Chairman
DIN: 00313685

Umesh Chowdhary
Vice Chairman and Managing Director
DIN: 00313652

Anil Kumar Agarwal
Director (Finance) and Chief Financial Officer
DIN: 01501767

Sumit Jaiswal
Company Secretary

Place : Kolkata
Dated : May 30, 2022

Note