

Siemens Rail Automation Private Limited

Financial Statements

for the year ended 30 September 2024

Independent Auditor's Report

To the Members of Siemens Rail Automation Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Siemens Rail Automation Private Limited ("the Company"), which comprise the Balance Sheet as at September 30, 2024, and the Statement of Profit and Loss (including Other Comprehensive loss), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at September 30, 2024, and total comprehensive income (comprising of profit and other comprehensive loss), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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.

We have nothing to report in this regard.

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

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

10. The financial statements of the Company for the year ended September 30, 2023, were audited by another firm of Chartered Accountants under the Companies Act, 2013 who, vide their report dated November 20, 2023, expressed an unmodified opinion on those financial statements.
Our opinion is not modified in respect of the above matter.

Report on other legal and regulatory requirements

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

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To the Members of Siemens Rail Automation Private Limited
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12. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account and books and paper as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive loss), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid 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 September 30, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on September 30, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under Section 143(3)(b) and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Rules.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company 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 Auditors) Rules, 2014, 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 financial statements – Refer Note 32 to the financial statements.
 - ii. The Company was not required to recognise a provision as at September 30, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at September 30, 2024.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended September 30, 2024.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 47(h) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 47(i) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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(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 dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

vi. Based on our examination, which included test checks, the Company has used multiple accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in these software, except for the following:

(a) in respect of the core accounting software, the edit log is not maintained in case of modification made with specific access and no audit trail has been enabled at the database level;

(b) with respect to one application operated by a third party service provider for maintaining certain employee records for the period April 1, 2024 to September 30, 2024, in the absence of any information pertaining to audit trail in the independent service auditor's report, we are unable to comment on the audit trail (edit log) feature in that accounting software; and

(c) with respect to another application operated by a third party service provider for maintaining certain payroll records for the period July 1, 2024 to September 30, 2024, in the absence of the independent service auditor's report, we are unable to comment on the audit trail (edit log) feature in that accounting software.

During the course of performing our procedures, other than the aforesaid instances of audit trail feature mentioned in clause 12(h)(vi)(a) to 12(h)(vi)(c) above where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with.

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

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vineet Bhiwandikar
Partner
Membership Number: 132692
UDIN: 24132692BKHXW6633

Place: Mumbai
Date: November 19, 2024

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of Siemens Rail Automation Private Limited on the financial statements for the year ended September 30, 2024
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Report on the Internal Financial Controls with reference to 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 financial statements of Siemens Rail Automation Private Limited ("the Company") as of September 30, 2024 in conjunction with our audit of the 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 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 financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 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 financial statements.

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of Siemens Rail Automation Private Limited on the financial statements for the year ended September 30, 2024
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Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 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 financial statements and such internal financial controls with reference to financial statements were operating effectively as at September 30, 2024, 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 Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vineet Bhiwandikar
Partner
Membership Number: 132692
UDIN: 24132692BKHXW6633

Place: Mumbai
Date: November 19, 2024

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Siemens Rail Automation Private Limited on the financial statements as of and for the year ended September 30, 2024
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In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

(B) The Company does not have any Intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The Company does not own any immovable properties (Refer Note 3a to the financial statements). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The 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 and have been appropriately dealt with in the books of account.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clauses 3(iii), (iii)(a), (iii)(b),(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order is not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order is not applicable to the Company.

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Siemens Rail Automation Private Limited on the financial statements as of and for the year ended September 30, 2024
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- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. Further, the provisions of sub-section (1) of Section 73 are not applicable to the Company as it is a non-banking financial company registered with RBI, engaged in the business of giving loans.
- 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 certain products and services. 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) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) There are no statutory dues of provident fund, employees' state insurance, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at September 30, 2024 which have not been deposited on account of a dispute, are as follows:

(Amounts in Rs. Lakhs)

Name of the statute	Nature of dues	Amount (Net of payments)	Amount paid under protest	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Karnataka Sales Tax	50.75	36.60	2016-17	Joint Commissioner of Commercial Taxes (Appeals)

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Siemens Rail Automation Private Limited on the financial statements as of and for the year ended September 30, 2024
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- raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Siemens Rail Automation Private Limited on the financial statements as of and for the year ended September 30, 2024
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- xiv. (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out every year. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (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 (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

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Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Siemens Rail Automation Private Limited on the financial statements as of and for the year ended September 30, 2024
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- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- 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 Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Place: Mumbai
Date: November 19, 2024

Vineet Bhiwandikar
Partner
Membership Number: 132692
UDIN: 24132692BKHXW6633

Siemens Rail Automation Private Limited

Balance sheet

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

	Notes	As at 30 September 2024	As at 30 September 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3a	114.05	30.56
Right-of-use assets	4	270.49	397.82
Capital work-in-progress	3b	9.97	58.65
Financial assets			
- Trade receivables	5	-	6.07
- Other financial assets	6	79.87	92.87
Deferred tax assets (net)	7	299.19	292.60
Non-current tax assets (net)	8	199.76	233.51
Other non-current assets	9	42.36	44.49
Total Non-current assets		1,015.69	1,156.57
Current assets			
Inventories	10	3,583.31	2,188.51
Financial assets			
- Trade receivables	11	770.98	1,970.74
- Cash and cash equivalents	12	10,604.62	6,049.62
- Bank balances other than cash and cash equivalents	13	19,441.19	22,359.12
- Other financial assets	14	169.99	209.95
Contract assets	15	2,421.62	2,439.94
Other current assets	16	34.09	40.69
Total current assets		37,025.80	35,258.57
TOTAL ASSETS		38,041.49	36,415.14
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	6.49	6.49
Other equity	18	7,756.44	8,161.49
Total equity		7,762.93	8,167.98
Liabilities			
Non-current liabilities			
Non-current provisions	19	710.98	607.92
Financial liabilities			
- Lease liabilities	4	94.26	229.68
Total non-current liabilities		805.24	837.60
Current liabilities			
Financial liabilities			
- Trade payables			
Total outstanding dues of micro and small enterprises	20	1,033.67	477.95
Total outstanding dues of creditors other than micro and small enterprises	20	2,651.85	3,317.26
- Lease liabilities	4	188.44	178.31
- Other financial liabilities	21	105.93	271.62
Contract liabilities	25	23,175.04	21,752.51
Current provisions	22	1,230.33	979.46
Current tax liabilities (net)	23	310.19	268.18
Other current liabilities	24	777.87	164.27
Total current liabilities		29,473.32	27,409.56
Total liabilities		30,278.56	28,247.16
TOTAL EQUITY AND LIABILITIES		38,041.49	36,415.14

Material accounting policies

1

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number:- 012754N / N500016

For and on behalf of the Board of Directors of
Siemens Rail Automation Private Limited
CIN: U31200MH2003PTC259831

Vineet Bhiwandikar
Partner
Membership No: 132692

Orban Benedict von Fedak
Director
DIN : 10806395

Vaibhav Haria
Director
DIN : 07867271

Place : Mumbai
Date: 19 November 2024

Place : New Delhi
Date: 19 November 2024

Place : Bangaluru
Date: 19 November 2024

Siemens Rail Automation Private Limited

Statement of profit and loss

for the period ended 30 September 2024

(Currency : Indian Rupees Lakhs)

	Notes	Year ended 30 September 2024	Year ended 30 September 2023
Income			
Revenue from operations	26	23,197.38	21,065.75
Other income	27	1,656.50	1,546.89
Total income		24,853.88	22,612.64
Expenses			
Project bought outs and other related costs	28	13,114.36	11,559.43
Employee benefits expense	29	1,223.84	971.74
Finance costs	30	44.57	35.68
Depreciation and amortisation expense	3 & 4	177.67	130.48
Other expenses, net	31	2,928.55	2,074.35
Total expenses		17,488.99	14,771.68
Profit before tax		7,364.89	7,840.96
Tax expense			
Current tax	7	1,916.93	2,023.25
Deferred tax credit / (expense)		(3.37)	(25.51)
Total tax expense		1,913.56	1,997.74
Profit for the year		5,451.33	5,843.22
Other comprehensive income / (loss)			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement gains / (losses) on defined benefit plans		(22.88)	(34.91)
Income tax effect credit / (expense)		5.76	8.79
Total other comprehensive income / (loss) for the year, net of tax		(17.12)	(26.12)
Total Comprehensive Income for the year (Comprising Profit and Other Comprehensive Income for the year)		5,434.21	5,817.10
Basic and diluted earnings per share (in Rs.)			
(Equity shares of face value of Rs 10 each)	38	8,399.84	9,003.70

Material accounting policies

1

The accompanying notes are an integral part of the financials statements.
As per our report of even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number:- 012754N / N500016

For and on behalf of the Board of Directors of

Siemens Rail Automation Private Limited

CIN: U31200MH2003PTC259831

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Place : Mumbai

Date: 19 November 2024

Place : New Delhi

Date: 19 November 2024

Place : Bangaluru

Date: 19 November 2024

Siemens Rail Automation Private Limited

Cash flow statement

for the period ended 30 September 2024

(Currency : Indian Rupees Lakhs)

	Year ended 30 September 2024	Year ended 30 September 2023
<u>Cash flow from operating activities</u>		
Profit before tax	7,364.89	7,840.96
Adjustments for:		
Finance costs	44.57	35.68
Bad debts	8.39	14.20
Impairment allowance on financial and contract assets, net	(100.36)	(40.63)
Depreciation and amortization expense	177.67	130.48
Other liabilities written back	-	(25.34)
Share based payments to employees, net	2.29	3.38
Unrealised exchange loss / (gain), net	8.75	4.25
Interest income	(1,652.95)	(1,546.89)
Operating profit before working capital changes	5,853.25	6,416.09
(Increase)/ decrease in working capital		
(Increase) / Decrease in inventories	(1,394.80)	(1,707.47)
(Increase) / Decrease in trade and other receivables	1,312.75	474.83
Increase / (Decrease) in trade payables and other liabilities	1,798.95	1,538.04
Increase / (Decrease) in provisions	331.05	218.13
Net change in working capital	2,047.95	523.53
Cash generated from operations	7,901.20	6,939.62
Direct taxes paid, net	(1,839.19)	(1,992.20)
Net cash generated from operating activities	6,062.01	4,947.42
<u>Cash flow from investing activities</u>		
Purchase of property, plant and equipments and Capital work-in-progress	(108.13)	(67.19)
Interest received	1,718.01	1,529.62
Investment in deposits with original maturity more than 3 months with bank	(34,150.00)	(41,820.00)
Deposits (with original maturity more than 3 months) with banks matured	37,067.93	40,412.07
Net cash (used) in / generated from investing activities	4,527.81	54.50
<u>Cash flow from financing activities</u>		
Interest paid	(20.44)	(23.64)
Payment of principal of lease liabilities	(175.12)	(132.32)
Dividend paid (including tax thereon)	(5,837.58)	(6,502.78)
Recharge for share-based payment	(1.68)	-
Net cash used in financing activities	(6,034.82)	(6,658.74)
Net increase / (decrease) in cash and bank balance	4,555.00	(1,656.82)
Cash and cash equivalents at beginning of the year	6,049.62	7,706.44
Cash and cash equivalents at the end of the year	10,604.62	6,049.62

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Note:

- The above Statement of Cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 - Statement of Cash Flows.
- The changes in liabilities arising from financing activities is on account of cashflow changes only and there are no non-cash changes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number:- 012754N / N500016

**For and on behalf of the Board of Directors
of Siemens Rail Automation Private Limited**
CIN: U31200MH2003PTC259831

Vineet Bhiwandikar
Partner
Membership No: 132692

Orban Benedict von Fedak
Director
DIN : 10806395

Vaibhav Haria
Director
DIN : 07867271

Place : Mumbai
Date: 19 November 2024

Place : New Delhi
Date: 19 November 2024

Place : Bengaluru
Date: 19 November 2024

Siemens Rail Automation Private Limited

Statement of changes in equity

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

A Equity share capital (refer note 17)

	Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
As at 30 September 2024	6.49	-	6.49
As at 30 September 2023	6.49	-	6.49

B Other equity (refer note 18)

Current reporting period

	Reserves and surplus			Total
	Securities premium	Stock option reserve	Retained earnings	
As at 1 October 2023	1,728.22	-	6,433.27	8,161.49
Profit for the year	-	-	5,451.33	5,451.33
Other comprehensive income, net	-	-	(17.12)	(17.12)
Total comprehensive income for the year	-	-	5,434.21	5,434.21
Dividend paid (refer note 45)			(5,837.58)	(5,837.58)
Share based payments to employees		2.29		2.29
Liability recognised for share based payments (net of tax)		(2.29)	(1.68)	(3.97)
AS at 30 September 2024	1,728.22	-	6,028.22	7,756.44

Previous reporting period

	Reserves and surplus			Total
	Securities premium	Stock option reserve	Retained earnings	
As at 1 October 2022	1,728.22		7,118.95	8,847.17
Profit for the year	-		5,843.22	5,843.22
Other comprehensive income, net	-		(26.12)	(26.12)
Total comprehensive income for the year	-	-	5,817.10	5,817.10
Dividend paid (refer note 45)			(6,502.78)	(6,502.78)
As at 30 September 2023	1,728.22	-	6,433.27	8,161.49

The accompanying notes are an integral part of the financials statements.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number:- 012754N / N500016

For and on behalf of the Board of Directors
of Siemens Rail Automation Private Limited

CIN: U31200MH2003PTC259831

Vineet Bhiwandikar

Partner

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Director

DIN : 10806395

Vaibhav Haria

Director

DIN : 07867271

Place : Mumbai

Date: 19 November 2024

Place : New Delhi

Date: 19 November 2024

Place : Bangalore

Date: 19 November 2024

Siemens Rail Automation Private Limited

Notes to the financial statements

for the year ended 30 September 2024

(Currency : Indian Rupees Lakhs)

Corporate Information

Siemens Rail Automation Private Limited (“the Company”) was incorporated on November 12, 2003. The Company’s parent company is Siemens Limited and ultimate parent company is Siemens AG, Germany.

The Company is engaged in the business of designing, manufacturing, integration, installation, testing, commissioning, buying and selling of integrated rail management and control products and systems including train control, signaling system, information systems, protection systems, including electronic interlocking and safety processors, trackside on-board equipments and providing maintenance, support and consultancy services in relation to the above.

1 Material accounting policies

1.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified pursuant to section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared and presented under the historical cost convention, except for derivative instruments and certain other financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The accounting policies adopted in the preparation of financial statements are consistent for all the periods presented.

The financial statements are presented in Indian Rupees. Further, figures less than a Lakhs are denoted by (*) in the financial statements.

The financial statements were authorised for issue in accordance with a resolution of Board of directors on 19 November 2024.

1.2 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle. Based on the nature of business and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

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

1.3 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost includes taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future economic benefits from the existing assets beyond its previously assessed standard of performance.

Depreciation on property, plant and equipment is provided on a straight-line basis over the useful lives of assets estimated by the management, taking into account the nature of the asset on technical evaluation of the useful life, which may not necessarily be in alignment with the indicative useful lives prescribed by Schedule II to the Companies Act, 2013. Such class of assets and their estimated useful lives are as under:

Assets	Estimated useful lives
Plant and equipment	5 years
Furniture and fixtures	5 years
Office equipment and computers	3 - 5 years

Items of property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their carrying value and estimated net realizable value and are disclosed separately in the financial statements. Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

Capital work-in-progress includes the cost of property, plant and equipments that are not ready for use at the balance sheet date.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

for the year ended 30 September 2024

(Currency : Indian Rupees Lakhs)

1 Material accounting policies (Continued)

1.4 Revenue recognition

Revenue from sale of product and its related services

Revenue from contracts with customers is recognized over the period of time if any of the below mentioned criteria is met:

- 1 the customer simultaneously receives and consumes the benefits as the Company performs. The same includes annual maintenance contracts, customer services etc.
- 2 the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced
- 3 the Company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date.

When the outcome of a project contract can be estimated reliably, revenue from projects is recognized using input method based on the percentage of costs incurred to date compared to the total estimated contract costs. The Company uses input method because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts.

Transaction Price for projects is the amount which entity expects to receive from customer in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The Company includes certain variable considerations as part of transaction price such as price escalations, performance related incentives and penalties including liquidated damages. The amount of variable consideration is estimated considering the expected value method or most likely amount method as appropriate in a given circumstance to the extent it is highly probable that the significant reversal of revenue will not occur.

An expected loss on the project contract is recognised as an expense immediately. Contract revenue earned in excess of billing has been reflected as "Contract assets" and billing in excess of contract revenue has been reflected under "Contract liabilities" in the balance sheet. Contract assets and liabilities are netted off at contract level. The amount of retention money held by the customers pending completion of performance is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

Revenue are stated exclusive of goods and services tax and net of consideration payable to customers including refund liabilities.

For the significant judgements used in determining revenue, refer Judgements in Note 2(a).

1.5 Interest income

Interest income on financial assets at amortised cost is recognised on time proportion basis using the effective interest rate method, based on the underlying interest rates.

1.6 Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Project raw materials are valued at lower of cost and net realizable value. Costs are determined on a weighted average basis.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

for the year ended 30 September 2024

(Currency : Indian Rupees Lakhs)

1 Material accounting policies (Continued)

1.7 IND AS 116 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract is (or contains) a lease, at inception of a contract. A contract is (or contains), a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Company has substantially all the economic benefits from use of the asset through the period of the lease;
- (iii) the Company has the right to direct the use of the asset.

Where the Company is the lessee:

At the date of commencement of the lease, the Company recognises a Right-of-Use asset ("ROU") and a corresponding Lease Liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as re-assessment of the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the ROU assets and impact of gain/loss on remeasurement is given in the statement of profit and loss.

Lease liability and ROU asset have been separately presented in the Balance Sheet and Lease payments have been classified as financing cash flows.

1.8 Employee benefits

(a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and short term compensated absences, etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service.

(b) Post-employment benefits

- (i) **Defined Contribution Plans:** Benefits in the form of Provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceed the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre- payment will lead to, for example a reduction in future payment or a cash refund.
- (ii) **Defined Benefit Plans and other Long Term Benefits:** The Company's gratuity, medical benefit scheme and retirement gift are defined benefit plan. Leave wages, silver jubilee and star awards to employees are other long term benefits. The present value of the obligation under such defined benefit plans and other long term benefits are determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

In case of defined benefit plans, re-measurement comprising of actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (wherever applicable) is recognized in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss. In case of other long term benefits, all remeasurements including actuarial gain or loss are charged to Statement of Profit and Loss

The Company recognises the changes in the following items in the net defined benefit obligation as an expense in statement of profit and loss:

- * Service cost including current service cost, past service cost and gains and losses on curtailments and settlements; and
- * Net interest expense or income.

For the purpose of presentation, the allocation between current and non-current provisions has been made as determined by an actuary except for compensated absences.

Provision for compensated absences are presented as current liabilities, as the Company does not have an unconditional right to defer settlement for atleast 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

for the year ended 30 September 2024

(Currency : Indian Rupees Lakhs)

1 Material accounting policies (Continued)

1.9 Share-based payment

Share-based payment consists of share awards of the Ultimate Holding Company to the employees of the Company, which subsequently makes a recharge to the Company. These awards are predominantly designed as equity-settled transactions as the ultimate obligation to settle the transaction is on the Ultimate Holding Company. The costs of stock awards granted to the employees of the Company are measured at the fair value of the stock awards granted of the Ultimate Holding Company.

The cost is recognised in the statement of profit or loss, together with a corresponding increase in stock awards reserve in equity, over the period in which the service conditions are fulfilled. At the end of each reporting period upto the date of settlement, the Company remeasures the fair value of the liability based on the share price of the Ultimate Holding Company with a corresponding adjustment to equity.

1.10 Financial instruments

Financial assets and/or financial liabilities are recognised when the Company becomes party to a contract embodying the related financial instruments.

Initial recognition and measurement

On initial recognition, financial assets are recognised at fair value except trade receivables which are recognized at transaction price which do not contain a significant financing component. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are added to the acquisition value of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the below categories:

- (a) Financial assets at amortised cost;
- (b) Financial assets including derivatives at fair value through profit or loss (FVTPL); and
- (c) Financial assets at fair value through other comprehensive income (FVTOCI).

For trade and other receivables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value, due to the short maturity of these instruments.

Subsequent measurement

(a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business where the objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables, loans and other financial assets.

(b) Financial assets including derivatives at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit and loss are immediately recognised in the statement of profit and loss.

(c) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business where the objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Derecognition

A financial asset is primarily derecognised when:

- (a) the right to receive cash flows from the asset has expired, or
- (b) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and a) the Company has transferred substantially all the risks and rewards of the asset, or b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in the statement of profit and loss.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

for the year ended 30 September 2024

(Currency : Indian Rupees Lakhs)

1 Material accounting policies (Continued)

1.10 Financial instruments (Continued)

Impairment of financial assets

The Company applies the expected credit loss (ECL) model for recognition and measurement of impairment losses on the following financial assets and credit risk exposures:

- (a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.
- (b) Financial assets that are debt instruments and are measured as at FVTOCI.
- (c) Lease receivables under Ind AS 116.
- (d) Trade receivables, contract assets or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows the simplified approach for recognition of impairment loss allowance on trade receivables and contract assets. The application of the simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on trade receivables and contract assets.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on twelve-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve-month ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months after the reporting date.

ECL is the difference between net of all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or cash generating unit.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss (FVTPL), payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

On initial recognition, financial liabilities are recognised at fair value. In case of financial liabilities which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are added to the acquisition or issue of the financial liabilities.

The Company's financial liabilities include trade and other payables and derivative financial instruments.

Subsequent measurement

Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. All other financial liabilities such as deposits are measured at amortised cost using EIR method.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value, due to the short maturity of these instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.11 Foreign currency transactions

The Company is exposed to currency fluctuations on foreign currency transactions. Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the year.

Translation

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognised in the statement of profit and loss. Non-monetary items are stated in the balance sheet using the exchange rate at the date of the transaction / date when fair value was determined.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

for the year ended 30 September 2024

(Currency : Indian Rupees Lakhs)

1 Material accounting policies (Continued)

1.12 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In determining the fair value of its 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 includes discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result from general approximation of value and the same may differ from the actual realised value.

1.13 Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effect of temporary differences) computed in accordance with the relevant provisions of the Income Tax Act, 1961. Current tax and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in OCI or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

The current tax payable is based on taxable profit for the year. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant taxpaying units intend to settle the asset and liability on a net basis.

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against those deductible temporary differences and can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down to the extent it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax base of investments in subsidiaries and associate where the Company is able to control the timing of the reversal of the temporary differences and it is not probable that the differences will reverse in foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax base of investments in subsidiaries and associate where it is probable that the differences will not reverse in foreseeable future.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Uncertain tax positions are reflected in the overall measurement of the Company's tax expense and are based on the most likely amount or the expected value arrived by the Company, which provides a better prediction of the resolution of uncertainty. Uncertain tax positions are monitored and updated as and when new information becomes available, typically upon examination or action by the taxing authorities or through statute expiration and judicial precedent.

1.14 Earnings per share

Basic earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

for the year ended 30 September 2024

(Currency : Indian Rupees Lakhs)

1 Material accounting policies (Continued)

1.15 Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events and 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. If the effect is material, provisions are recognised at present value by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money. When a contract becomes onerous, the present obligation under the contract is recognised as a provision. These are reviewed at each balance sheet date and adjusted to reflect current best estimates.

Disclosures for contingent liability are made when there is a possible and present obligation that arises from past events which is not recognised since it is not probable that there will be an outflow of resources. When there is a possible and present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Provisions for warranty related cost are recognised when the service is provided to the customer. Initial recognition is based on past experience.

Contingent assets are not recognised in the financial statements.

1.16 Cash and Cash equivalents

Cash and cash equivalents include cash, cheques in hand, cash at bank and deposits with banks having original maturity of three months or less. Bank deposits with original maturity of up to three months are classified as 'Cash and cash equivalents' and with original maturity of more than three months are classified as 'Other bank balances'.

2 Critical estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively.

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Project revenue and costs

The input method places considerable importance on accurate estimates to the extent of progress towards completion and may involve estimates on the scope of deliveries and services required for fulfilling the contractually defined obligations. These significant estimates include total contract costs, total contract revenues, contract risks, including technical, political and regulatory risks, and other judgments viz. variable considerations such as claims, liquidated damages, etc. The Company re-assesses these estimates on periodic basis and makes appropriate revisions accordingly.

(b) Property, plant and equipment and intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(c) Leases

The Company use estimates and judgements in identification of leases, identification of non-lease component of lease, lease term assessment considering termination and renewal option and the discounting rate used.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(d) Employee benefits

The Company's obligation for employee benefits is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition, mortality rates and medical inflation rate. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Refer note 36 for details of the key assumptions used in determining the accounting of these plans.

The parameter most sensitive to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the Actuary considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

for the year ended 30 September 2024

(Currency : Indian Rupees Lakhs)

2 Critical estimates and judgments (Continued)

(e) Impairment of financial assets

The Company assesses impairment on financial assets based on Expected Credit Loss (ECL) model. The provision matrix is based on its historically observed default rates over the expected life of the financial assets and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward looking estimates are analysed.

(g) Impairment of financial assets

Significant estimates are involved in the determination of provisions related to onerous contracts, warranty costs, legal and regulatory proceedings (legal proceedings) including direct and indirect tax matters.

The Company recognises the estimated liability for warranty cost when the service is provided. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions or product failures. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claim could differ from the historical amount.

The Company records a provision for onerous sales contracts when current estimates of total contract costs exceed expected contract revenue.

The provision for warranty and onerous contracts is based on the best estimate required to settle the present obligation at the end of reporting period.

Legal proceedings including direct and indirect tax matters often involve complex legal issues and are subject to substantial uncertainties. Accordingly, considerable judgment is part of determining whether it is probable that there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a legal proceeding including direct and indirect tax matters will result in an outflow of resources and whether the amount of the obligation can be reliably estimated. Internal and external counsels are generally part of the determination process. All the estimates are revised periodically.

New Standards, Interpretations and Amendments Adopted by the Company

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

The Ministry of Corporate Affairs vide notification dated 31 March 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective from 1 April 2023:

- Disclosure of accounting policies – amendments to Ind AS 1
- Definition of accounting estimates – amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction – amendments to Ind AS 12.

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

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

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

3a Property, plant and equipment

Particulars	Plant and equipments	Furniture and fixture	Office equipments	Total
Gross carrying value				
At 1 October 2022	325.09	63.71	124.31	513.11
Additions	-	-	8.54	8.54
At 30 September 2023	325.09	63.71	132.85	521.65
Accumulated depreciation				
At 1 October 2022	323.70	62.73	94.55	480.98
Charge for the year	1.32	0.98	7.81	10.11
At 30 September 2023	325.02	63.71	102.36	491.09
Net carrying value				
At 30 September 2023	0.07	-	30.49	30.56

Particulars	Plant and equipments	Furniture and fixtures	Office equipments	Total
Gross carrying value				
At 1 October 2023	325.09	63.71	132.85	521.65
Additions	46.96	2.52	58.65	108.13
At 30 September 2024	372.05	66.23	191.50	629.78
Accumulated depreciation				
At 1 October 2023	325.02	63.71	102.36	491.09
Charge for the year	2.90	0.15	21.59	24.64
At 30 September 2024	327.92	63.86	123.95	515.73
Net carrying value				
At 30 September 2024	44.13	2.37	67.56	114.05

3b Capital work-in-progress

Particulars	Amount
As at 1 October 2022	-
Addition	58.65
Capitalisation	-
As at 30 September 2023	58.65
As at 1 October 2023	58.65
Addition	59.45
Capitalisation	(108.13)
As at 30 September 2024	9.97

Capital work-in-progress (CWIP) ageing schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 30 September 2024					
Projects in progress	9.97	-	-	-	9.97
Projects temporarily suspended	-	-	-	-	-
Total	9.97	-	-	-	9.97
As at 30 September 2023					
Projects in progress	58.65	-	-	-	58.65
Projects temporarily suspended	-	-	-	-	-
Total	58.65	-	-	-	58.65

Note :

i) There are Rs. Nil (2023 Rs. Nil) projects which are overdue or has exceeded its cost compared to its original plan.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian rupees Lakhs)

4 Disclosure pursuant to Ind AS 116 "Leases"

The Company has lease contracts for office space, warehouse and Car for a term of 28 to 60 months. The Company has recognised right to use of asset and corresponding lease liability at the present value of the remaining lease payments discounted using Company's incremental borrowing rate.

(i) Carrying value of right of use assets (RoU):

As at 30 September 2024

Particulars	Land and building	Vehicle	Total
Balance as at 1 October 2023	397.82	-	397.82
Additions	6.99	18.71	25.70
Depreciation	(151.16)	(1.87)	(153.03)
Balance as at 30 September 2024	253.65	16.84	270.49

As at 30 September 2023

Particulars	Land and building	Vehicle	Total
Balance as at 1 October 2022	66.03	-	66.03
Additions	452.16	-	452.16
Depreciation	(120.37)	-	(120.37)
Balance as at 30 September 2023	397.82	-	397.82

(ii) The following is the movement in lease liabilities:

Particulars	As at 30 September 2024	As at 30 September 2023
Balance as at beginning of the reporting period	407.99	76.11
Additions	25.70	452.16
Finance cost accrued during the period	24.13	12.04
Payment of lease liabilities	(175.12)	(132.32)
Balance as at the end of reporting period	282.70	407.99

(iii) Maturity analysis of lease liabilities: (Contractual undiscounted cash flows)

Particulars	As at 30 September 2024	As at 30 September 2023
Less than one year	184.72	172.47
One to five years	108.22	267.73
Total undiscounted lease liabilities	292.94	440.20
Lease liabilities included in the statement of financial position		
Current lease liability	188.44	178.31
Non-current lease liability	94.26	229.68
Total	282.70	407.99

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Siemens Rail Automation Private Limited

Notes to the financial statements (continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

As at
30 September 2024 As at
30 September 2023

5 Trade receivables - Non - current (unsecured)

Trade receivables - considered good	-	6.07
Impairment allowance	-	-
	-	<u>6.07</u>

Trade receivables - non-current ageing schedule

As at 30 September 2024

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables considered good	-	-	-	-	-	-	-

As at 30 September 2023

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables considered good	6.07	-	-	-	-	-	6.07

6 Other financial assets - Non - current

Financial assets at amortised cost (unsecured and considered good, unless otherwise stated)

Security deposits	79.87	92.87
	<u>79.87</u>	<u>92.87</u>

Siemens Rail Automation Private Limited

Notes to the financial statements (continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

	As at 30 September 2024	As at 30 September 2023
8 Non-current tax assets (net)		
Advance income tax [net of provision for tax Rs. 4,890.15 Lakhs (2023: Rs. 4863.56)]	199.76	233.51
	<u>199.76</u>	<u>233.51</u>
9 Other non-current assets (unsecured and considered good, unless otherwise stated)		
Balances with statutory / government authorities	36.60	36.60
Prepaid lease	5.76	7.89
	<u>42.36</u>	<u>44.49</u>
10 Inventories (valued at lower of cost and net realisable value)		
Raw materials and spares	3,583.31	2,188.51
	<u>3,583.31</u>	<u>2,188.51</u>
Amount of write down of inventories to net realisable value and other provisions recognised in the Statement of Profit and Loss as an expense is Rs. 86.45 Lakhs (2023: Rs. 151.41 Lakhs)		
11 Trade receivables - Current (unsecured)		
Trade receivables	827.26	1,497.84
Receivables from related parties (refer note 36)	60.07	731.03
	<u>887.33</u>	<u>2,228.87</u>
Of which		
- considered good	887.33	2,228.87
Impairment allowance	(116.35)	(258.13)
	<u>770.98</u>	<u>1,970.74</u>

Trade receivables ageing schedule

As at 30 September 2024

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables -considered good	590.05	179.27	7.54	10.62	0.11	99.74	887.33

As at 30 September 2023

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables -considered good	771.69	1,165.36	15.11	66.02	74.90	135.79	2,228.87

- i) Trade receivable does not consist any amounts due from directors or other officers of the Company either severally or jointly with any other person.
- ii) For related party receivables, refer note 36.
- iii) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days of credit period.
- iv) The above includes Credit impaired Rs.101.28 Lakhs (2023: Rs. 258.04 Lakhs)

Siemens Rail Automation Private Limited

Notes to the financial statements (continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

	As at 30 September 2024	As at 30 September 2023
12 Cash and cash equivalents		
<i>Balances with banks</i>		
- In current accounts	2,434.91	754.43
- Bank deposits with original maturity of less than 3 months	8,169.71	5,080.00
Cheques on hand	-	215.19
	<u>10,604.62</u>	<u>6,049.62</u>
13 Other bank balances		
Bank deposits with original maturity of more than 3 months but less than 12 months *	19,441.19	22,359.12
	<u>19,441.19</u>	<u>22,359.12</u>
* Bank deposit includes fixed deposits with banks Rs. 1.19 Lakhs (net of provision of Rs. 22.99 Lakhs) (2023: Rs. 8.44 Lakhs [net of provision of Rs. 22.99 Lakhs]) marked as lien for 3rd party on behalf of the Company.		
14 Other financial assets - Current		
Financial assets at amortised cost (unsecured and considered good, unless otherwise stated)		
Security deposits [Includes earnest money deposit of Rs. 1.67 lakhs (2023: Rs. Nil)]	25.10	-
Interest accrued on bank deposits	144.89	209.95
	<u>169.99</u>	<u>209.95</u>
15 Contract assets - current		
of which		
- considered good	2,421.62	2,439.94
- considered doubtful	28.81	13.19
	<u>2,450.43</u>	<u>2,453.13</u>
Impairment allowance	(28.81)	(13.19)
	<u>2,421.62</u>	<u>2,439.94</u>
For credit risk disclosures, refer note 43A		
16 Other current assets		
Advance to suppliers	4.29	3.74
Prepaid expenses	6.93	4.59
Balances with statutory / government authorities, net	21.88	32.36
Advances to employees	0.99	-
	<u>34.09</u>	<u>40.69</u>

Siemens Rail Automation Private Limited

Notes to the financial statements (continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

	As at 30 September 2024	As at 30 September 2023
19 Non-current provisions		
Provision for employee benefits		
- Gratuity (refer note 37)	137.10	96.22
- Medical benefits (refer note 37)	55.61	38.26
- Silver jubilee and star awards	18.86	13.80
- Retirement gift (refer note 37)	3.44	2.26
	215.01	150.54
b) Others		
- Warranty (Refer notes 34)	495.97	457.38
	495.97	457.38
	710.98	607.92
20 Trade Payables		
Total outstanding dues of micro enterprises and small enterprises (Refer note 39)	1,033.67	477.95
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,651.85	3,317.26
	3,685.52	3,795.21

Trade payable ageing schedule As at 30 September 2024

	Unbilled expenses	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)Undisputed dues other than micro enterprises and small enterprises	19.19	713.83	1,918.83	-	-	-	2,651.85
(ii) Unisputed dues - micro enterprises and small enterprises	37.06	996.61	-	-	-	-	1,033.67
Total	56.25	1,710.44	1,918.83	-	-	-	3,685.52

As at 30 September 2023

	Unbilled expenses	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)Undisputed dues other than micro enterprises and small enterprises	295.42	2,111.50	824.46	37.24	16.76	31.88	3,317.26
(ii) Unisputed dues - micro enterprises and small enterprises	-	440.52	37.43	-	-	-	477.95
Total	295.42	2,552.02	861.89	37.24	16.76	31.88	3,795.21

21 Other financial liabilities - Current		
Financial liabilities at amortised cost		
- Employee related liabilities	89.93	48.01
- Liability for capital goods	9.97	58.65
- Deposit payable	-	14.00
- Others	-	145.25
Liabilities related to share based payments (refer note 40)	6.03	5.71
	105.93	271.62
22 Current provisions		
a) Provision for employee benefits		
- Compensated absences	57.23	41.69
- Gratuity (refer note 37)	-	0.23
- Silver jubilee and star awards	0.97	1.06
	58.20	42.98
b) Others		
- Warranty (refer note 34)	1,068.38	832.73
- Other matters (refer note 34)	103.75	103.75
	1,172.13	936.48
	1,230.33	979.46
23 Current tax liabilities		
Provision for tax [net of advance tax Rs. 2,667.73 Lakhs (2023: Rs. 828.90 Lakhs)]	310.19	268.18
	310.19	268.18
24 Other current liabilities		
Other liabilities		
- Withholding and other taxes payable	712.01	85.68
- Others	65.86	78.59
	777.87	164.27
25 Contract liabilities		
Advances from customers	134.36	137.13
Billing in excess of contract revenue	23,040.68	21,615.38
	23,175.04	21,752.51

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

for the period ended 30 September 2024

(Currency : Indian Rupees Lakhs)

7 Income tax disclosure

(a) Income tax expense

Particulars	As at 30 September 2024	As at 30 September 2023
(a) Tax expense for current year		
Current tax:		
Current income tax charge	1,916.93	2,023.25
Deferred tax		
In respect of current year origination of temporary differences	(3.37)	(25.51)
Total tax expense recognised in statement of profit and loss	1,913.56	1,997.74

(b) Income tax on other comprehensive income

Particulars	As at 30 September 2024	As at 30 September 2023
Remeasurements of defined benefit plans	(5.76)	(8.79)
Total income tax charged to other comprehensive income	(5.76)	(8.79)

(c) Amounts Recognised Directly in Equity

Particulars	As at 30 September 2024	As at 30 September 2023
Current Tax		
Current Tax Impact arising in respect of distribution of employee stock option directly recognised in Equity	(0.57)	-

(d) Numerical reconciliation between average effective tax rate and applicable tax rate

Particulars	As at 30 September 2024	As at 30 September 2023
Applicable tax rate - normal rate	25.168%	25.168%
Profit before tax	7,364.89	7,840.96
Other comprehensive income	(22.88)	(34.91)
Other equity	(2.25)	-
Total	7,339.76	7,806.05
Tax at statutory income tax rate of 25.168% (30 September 2023 : 25.168%)-A	1,847.27	1,964.63
Interest on MSMED vendors & donations	33.37	24.32
Total	1,880.64	1,988.95
Tax adjustment for earlier years (net)	26.59	-
	1,907.23	1,988.95
Average effective tax rate (tax expense divided by profit before tax)	25.98%	25.48%
Tax expense reported in statement of profit and loss	1,913.56	1,997.74
Tax expense of other comprehensive income	(5.76)	(8.79)
Tax expense of other equity	(0.57)	-
Total	1,907.23	1,988.95

(e) Deferred tax balance

Particulars	As at 30 September 2024	As at 30 September 2023
Deferred tax assets		
a. Provision for doubtful debts, advances and deposits	42.32	74.00
b. Provision for inventory	149.67	128.00
c. Impact of expenditure charged to the statement of profit and loss but allowable for tax purposes in following years	75.03	53.33
d. Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation charged for financial reporting	32.17	37.27
Deferred tax assets (net)	299.19	292.60

(f) Reconciliation of deferred tax assets, net

Particulars	As at 30 September 2024	As at 30 September 2023
Opening balance as on 1st October	292.60	264.22
Tax income/(expense) during the period recognised in profit or loss	3.37	25.51
Tax income/(expense) during the period recognised in other comprehensive income	3.22	2.87
Deferred tax assets (net)	299.19	292.60

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

	As at 30 September 2024	As at 30 September 2023
17 Share capital		
Authorised		
15,000,000 equity shares of Rs 10 each (2023: 15,000,000 equity shares of Rs 10 each)	1,500.00	1,500.00
	1,500.00	1,500.00
Issued		
64,898 equity shares of Rs 10 each (2023: 64,898 equity shares of Rs 10 each)	6.49	6.49
	6.49	6.49
Subscribed and fully paid-up		
64,898 equity shares of Rs 10 each fully paid-up (2023: 64,898 equity shares of Rs 10 each fully paid-up)	6.49	6.49
	6.49	6.49

a) **Reconciliation of the number of shares outstanding at the beginning and at the end of the year:**

	As at 30 September 2024		As at 30 September 2023	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	64,898	6.49	64,898	6.49
Shares issued / subscribed during the year	-	-	-	-
Shares outstanding at the end of the year	64,898	6.49	64,898	6.49

b) **Details of shareholders holding more than 5% shares in the Company and shares held by holding company:**

Name of shareholder	As at 30 September 2024		As at 30 September 2023	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Siemens Limited, the holding company	64,897	99.99%	64,897	99.99%

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 both legal and beneficial ownerships of shares.

c) **Details of shares held by promoters**

Promoter name	As at 30 September 2024			As at 30 September 2023		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Siemens Limited, the holding company	64,897	99.99%	-	64,897	99.99%	-

d) **Terms / rights attached to equity shares:**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

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

18 Other equity

Nature and purpose of reserve

- Securities premium account represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.
- Retained earnings are the profits that the Company has earned till date, less any transfers to General reserve and payment of dividend.

Siemens Rail Automation Private Limited

Notes to the financial statements (continued)

for the period ended 30 September 2024

(Currency : Indian Rupees Lakhs)

	As at 30 September 2024	As at 30 September 2023
26 Revenue from operations		
<i>Revenue from contracts with customers</i>		
Revenue from sale of product and its related services	21,055.91	19,278.17
Sale of services	2,141.47	1,762.24
	<u>23,197.38</u>	<u>21,040.41</u>
<i>Other operating revenue</i>		
Liabilities written back	-	25.34
	<u>23,197.38</u>	<u>21,065.75</u>
27 Other income		
Interest income		
- on bank deposits	1,652.95	1,541.26
- on income tax refund	0.12	-
- others	3.43	5.63
	<u>1,656.50</u>	<u>1,546.89</u>
28 Project bought outs and other related costs		
Spares and stores consumed	3.99	2.80
Project bought outs	8,839.77	7,673.04
Other related costs	4,270.60	3,883.59
	<u>13,114.36</u>	<u>11,559.43</u>
Project bought outs includes changes in inventories and materials purchased during the year.		
Other related costs majorly includes third party services, engineering services , warranty and other provisions.		
29 Employee benefits expense		
Salaries, wages and bonus	1,120.68	916.47
Contribution to provident and other funds (refer note 37)	83.26	40.72
Share based payments to employees (refer note 40)	2.29	3.38
Staff welfare expenses	17.61	11.17
	<u>1,223.84</u>	<u>971.74</u>
30 Finance costs		
Interest on lease liabilities	24.13	12.04
Interest - Others	20.44	23.64
	<u>44.57</u>	<u>35.68</u>
31 Other expenses		
Exchange losses / (gains), net	(77.77)	125.19
Travel and conveyance	410.06	412.08
Software license fees and other information technology related costs	194.02	173.67
Rates and taxes	53.55	9.57
Communications	71.37	36.18
Power and fuel	35.76	39.46
Insurance	54.31	46.04
Rent	124.25	45.71
Repairs		
- on building	7.12	7.60
- on machinery	34.13	9.74
- others	16.27	11.28
Legal and professional [includes auditors' remuneration (refer note 33)]	489.96	644.63
Office supplies, printing and stationery	27.78	68.24
Guarantee commission / bank charges	3.64	4.66
Royalty expenses	1,353.91	282.45
Corporate Social Responsibility expenditure (refer note 44)	112.72	73.52
Bad debts [net of reversal of provision for doubtful debts of Rs.25.80 Lakhs (2023: Rs. Nil)]	8.39	14.20
Impairment allowance on financial and contract assets, net	(100.36)	(40.63)
Miscellaneous expenses	109.44	110.76
	<u>2,928.55</u>	<u>2,074.35</u>

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

32 Commitments and contingent liabilities

(a) Pending litigation

The Company has fully provided for pending litigation against the Company on account of non-submission of C Forms (refer note 34). Thus, no amounts have been disclosed as a contingent liability.

33 Auditors' remuneration (for audit services exclusive of GST)

	As at 30 September 2024	As at 30 September 2023
As auditor		
- Audit fees	18.94	10.63
- Tax audit fees	3.50	3.50
In other capacity		
- Other audit related services	-	3.00
- Reimbursement of expenses	-	0.41
	<u>22.44</u>	<u>17.54</u>

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

34 Disclosure relating to provisions

Provision for warranty

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing, preventive maintenance and past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period.

Provision for other matters

The Company has made provisions for known pending assessments in respect of taxes, duties and other levies, the outflow of which would depend on the outcome of the respective events.

The movements in the above provisions are summarised below:

	Warranty		Other matters	
	As at 30 September 2024	As at 30 September 2023	As at 30 September 2024	As at 30 September 2023
Balance as at the beginning of the reporting period	1,290.11	1,072.47	103.75	101.44
Provisions :				
- Created	914.97	710.16	-	2.31
- Reversed/Adjustment	(235.47)	(172.07)	-	-
- Utilised	(405.26)	(320.45)	-	-
Balance as at the end of the reporting period	1,564.35	1,290.11	103.75	103.75
- Current	1,068.38	832.73	103.75	103.75
- Non-current	495.97	457.38	-	-

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

35 Disclosure pursuant to Ind AS 115 'Revenue from contracts with customers':

(i) The performance obligation is satisfied over a period of time. The timing of revenue recognition is as under:

	As at 30 September 2024	As at 30 September 2023
Recognised over period to time	23,197.38	21,040.41
Total revenue from contract with customers	23,197.38	21,040.41

(ii) Entire revenue from contracts with customers is from within India.

(iii) Contract balances:

	As at 30 September 2024	As at 30 September 2023
Trade receivables (net)	770.98	1,976.81
Contract assets (net)	2,421.62	2,439.94
Contract liabilities	23,175.04	21,752.51

(iv) Reconciliation between revenue recognised and contract price:

	As at 30 September 2024	As at 30 September 2023
Revenue as per contracted price	43,787.63	40,202.66
Adjustments		
Add: Contract assets (Gross)	2,450.43	2,453.13
Less: Billing in excess / advance billings	(23,040.68)	(21,615.38)
Revenue from contract with customers	23,197.38	21,040.41

There are no adjustments towards variable consideration components.

(v) Remaining performance obligation:

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at reporting period are as follows:

	As at 30 September 2024	As at 30 September 2023
Within one year	19,000.40	15,525.37
More than one year	38,192.08	32,466.44
	57,192.48	47,991.81

(b) Revenue recognised during the year from opening balance of contract liabilities amounts to Rs. 10,894 Lakhs (2023: Rs. 11,292 Lakhs)

(c) Revenue recognised during the year from the performance obligation satisfied upto previous year (arising out of contract modifications) amounts to Rs. Nil (2023: Rs. Nil)

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

36 Related party transactions

36.1 Parties where control exists

	Name	Country
Ultimate holding company	Siemens AG	Germany
Holding company	Siemens Limited	India

36.2 Other related parties where transactions have taken place during the year

Fellow Subsidiaries

Siemens Limited	Australia
Siemens Rail Automation Pty Limited	Australia
Siemens Mobility GmbH	Germany
Siemens Industry Software (India) Private Limited	India
Siemens Healthcare Private Limited	India
Siemens Technology and Services Private Limited	India
PT Siemens Mobility Indonesia	Indonesia
Siemens Malaysia Sdn. Bhd.	Malaysia
Siemens Pte. Limited	Singapore
Siemens Rail Automation S.A.U.	Spain
Siemens Mobility Limited	United Kingdom

36.3 Related party transactions

Description	30 September 2024		30 September 2023	
	Holding Company and Ultimate Holding Company	Fellow Subsidiaries	Holding Company and Ultimate Holding Company	Fellow Subsidiaries
Revenue (net of taxes) - sale of materials				
- Siemens Limited	4,554.12		2,759.54	-
- Siemens Technology and Services Private Limited		24.40		
- PT Siemens Mobility Indonesia			-	12.63
Purchase of goods and services				
- Siemens Limited	1,145.07	-	601.31	-
- Siemens AG	171.36	-	115.65	-
- Siemens Technology and Services Private Limited	-	303.20	-	128.18
- Siemens Rail Automation S.A.U.	-	353.64	-	79.71
- Siemens Mobility Limited	-	148.33	-	119.37
- Others	-	31.64	-	18.33
Bank guarantee charges				
- Siemens AG	0.69	-	0.84	-
Royalty expenses				
- Siemens AG	259.25	-	282.45	-
- Siemens Rail Automation S.A.U.	-	1,095	-	-
Purchase of property, plant and equipment / capital work in progress				
- Siemens Limited	9.57	-	7.51	-
Dividend paid				
- Siemens Limited	5,837.58	-	6,502.78	-
Outstanding balances				
Trade and other receivables				
- Siemens Limited	31.00	-	515.76	-
- Siemens AG	0.25	-	1.15	-
- Siemens Technology and Services Private Limited	-	28.82	-	-
Trade Payables and other liabilities				
- Siemens Limited	60.90		45.53	-
- Siemens Mobility GmbH		0.01	-	18.78
- Siemens AG	129.33		97.54	-
- Siemens Rail Automation S.A.U.		663.13	-	62.72
- Siemens Mobility Limited		153.68	-	4.44
- Others		31.06	-	10.71

Section 203 of the Companies Act, 2013 with respect to appointment of Key Managerial Personnel is not applicable to the Company.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

37 Disclosure pursuant to Ind AS 19 'Employee Benefits' :

(i) Defined contribution plans

Amount of Rs. 55.39 Lakhs (2023: Rs.43.52 Lakhs) is recognised as an expense and included in "employee benefits expense" (refer note 29) in the statement of profit and loss as contribution to provident and other funds.

(ii) Defined benefit plans

a) Amounts for the current period are as follows :

Particulars	Gratuity		Medical		Retirement Gift	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023	30 September 2024	30 September 2023
I Change in defined benefit obligation						
Liability at the beginning of the year	100.73	75.50	38.26	12.36	2.26	1.55
Recognised in statement of profit and loss						
- Interest cost	7.25	5.52	2.75	0.94	0.17	0.12
- Current service cost	20.93	14.74	5.08	1.76	0.43	0.28
Remeasurement (gains) /losses						
Actuarial (gain) / loss arising from						
i Change in financial assumptions	8.33	4.79	7.65	12.55	0.27	0.15
ii Experience variance	6.89	(0.18)	1.87	(0.00)	0.31	(0.00)
iii Change in Demographic assumptions	-	6.46	-	10.65	-	0.16
Benefits paid	-	(6.10)	-	-	-	-
Liability at the end of the year	144.13	100.73	55.61	38.26	3.44	2.26
II Fair value of plan assets						
Fair value of plan assets at the beginning of the year	4.28	4.28	-	-	-	-
Expected return on plan assets	0.31	0.33	-	-	-	-
Actuarial gain / (loss) on plan assets	2.44	(0.33)	-	-	-	-
Fair value of plan assets at the end of the year	7.03	4.28	-	-	-	-
III Actual return on plan assets						
Expected return on plan assets	0.31	0.33	-	-	-	-
Actuarial gain / (loss) on plan assets	2.44	(0.33)	-	-	-	-
Actual return on plan assets	2.75	-	-	-	-	-
IV Amount recognised in the balance sheet						
Defined benefit obligation at the end of the year	144.13	100.73	55.61	38.26	3.44	2.26
Fair value of plan assets at the end of the year	7.03	4.28	-	-	-	-
(Surplus)/Deficit	137.10	96.45	55.61	38.26	3.44	2.26
Current portion of the above	-	0.23	-	-	-	-
Non current portion of the above	137.10	96.22	55.61	38.26	3.44	2.26
V.a Expenses recognised in the statement of profit and loss						
Interest cost	6.94	5.20	2.75	0.94	0.17	0.12
Current service cost	20.93	14.74	5.08	1.76	0.43	0.28
Expense recognised in statement of profit and loss	27.87	19.94	7.83	2.70	0.60	0.39
V.b Included in other comprehensive income						
Return on plan assets excluding net interest	(2.44)	0.33	-	-	-	-
Net actuarial (gain) / loss recognised	15.22	11.07	9.52	23.20	0.58	0.31
Actuarial (gain) or loss recognised in other comprehensive income	12.78	11.40	9.52	23.20	0.58	0.31

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

37 Disclosure pursuant to Accounting Standard - Ind AS 19 'Employee Benefits' : (Continued) :

		Gratuity		Medical		Retirement Gift	
		30 September 2024	30 September 2023	30 September 2024	30 September 2023	30 September 2024	30 September 2023
VII	Actuarial Assumptions						
	Discount Rate	6.70%	7.20%	6.70%	7.20%	6.70%	7.20%
	Attrition rate:						
	upto 30 years	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
	31-50 years	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
	above 50 years	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
	Salary escalation / Medical cost increase rate	9.00%	9.00%	7.00%	7.00%	9.00%	9.00%
VIII	Sensitivity						
	Change in liability for 0.5% decrease in discount rate	9.12	6.33	9.10	6.26	0.30	0.20
	Change in liability for 0.5% increase in discount rate	(8.33)	(5.79)	(7.65)	(5.26)	(0.27)	(0.18)
	Change in liability for 0.5% decrease in salary/ medical inflation rate	(9.21)	(5.73)	(7.30)	(5.05)	(0.26)	(0.18)
	Change in liability for 0.5% increase in salary/ medical inflation rate	8.88	6.20	8.59	5.95	0.29	0.20
IX	Maturity Profile of Defined Benefit Obligation (Undiscounted amount) / Expected benefit payments						
	Year 1	6.29	4.67	-	-	-	-
	Year 2	7.39	5.49	-	-	-	-
	Year 3	8.73	6.75	-	-	-	-
	Year 4	11.51	8.09	-	-	-	-
	Year 5	14.18	10.94	-	-	-	-
	Years 6 to 10	109.18	83.71	-	-	-	-
X	Weighted Average Duration of Defined Benefit Obligation						
	Duration (Years)	11.00	12.00	-	-	-	-

b) The gratuity balance is funded only to the extent of Rs. 7.03 Lakhs (2023: 4.28 Lakhs). The Company expects to contribute Rs. Nil (2023: Rs. 4.67 Lakhs) in next year.

c) The estimates of future salary increases, considered in actuarial valuation, take in to account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(iii) General descriptions of significant defined plans

I Gratuity Plan

Gratuity is payable to all eligible employees of the Group on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's Scheme whichever is more beneficial. Under the Act, employee who has completed five years of service is entitled to the benefit. The level of benefits provided depends on the members length of service and salary at retirement age.

II Medical

Post retirement medical benefit is paid to the retired employees till their survival and after their death, benefits are available to the employee's spouse. It consists of 3 components, which is health insurance, domiciliary medical allowance and Company support in case the expenses incurred are more than the health insurance coverage subject to the ceiling limit as per the grades and Company's policy.

III Retirement Gift

Retirement gift is paid as a token of appreciation to the permanent employees who are separating on their retirement or after their long association with the Company.

(iv) Broad category of fair value of plan assets & as a percentage of total plan assets of the gratuity plan

Particulars (Unquoted)	30 September 2024		30 September 2023	
	Amount	%	Amount	%
Insurance company	7.03	100%	4.28	100%
Total plan assets	7.03	100%	4.28	100%

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

38 Earnings per share:

	As at 30 September 2024	As at 30 September 2023
Weighted average number of equity shares outstanding during the year (nos.)	64,898	64,898
Profit after tax	5,451.33	5,843.22
Basic and diluted earnings per share (Rs.)	8,399.84	9,003.70

39 Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

	As at 30 September 2024	As at 30 September 2023
The Company has amounts due to suppliers under MSMED Act, 2006 as at 31 March. The disclosure pursuant to the said Act is as under:		
Principal amount payable to suppliers under MSMED Act, 2006	1,033.67	477.95
Interest accrued and due to suppliers under Section 16 of MSMED Act, 2006 #	-	-
Payment made to suppliers (other than interest) beyond the appointed day during the year	4,764.31	3,079.60
Interest paid to suppliers under the MSMED Act, 2006	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006 #	19.13	22.14
Interest due and payable towards suppliers under MSMED Act towards payments already made	65.86	46.73
Interest accrued and remaining unpaid at the end of the accounting year	65.86	46.73
Amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006.	65.86	46.73

The information has been given in respect to such vendors to the extent they could be identified as 'micro and small enterprises' on the basis of information available with the Company.

interest accrued is considered due upon claim from vendors.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

40 Share-based payment transactions

Share matching plan (SMP) and Siemens Stock Awards (SSA) are classified as equity-settled transactions. The employees of the Company are eligible for the Ultimate Holding Company's share awards, i.e. SMP and SSA. Under SMP the employee may invest a specified part of their compensation in the Ultimate Holding Company's shares and at the end of 3 years (vesting period) employee receives one free share for every three shares purchased.

Under SSA, the Company grants stock awards of the Ultimate Holding Company's shares to the Senior management and other eligible employees. SSA includes two schemes that have a vesting period upto 4 years. Under Special Allocation Stock Awards, the shares are awarded to reward the performance of the employee. Under Performance Oriented Siemens Stock Awards (PoSSA), these awards vest on the achievement of the performance criteria of Ultimate Holding Company.

Details of above liabilities arising from the share-based payment transactions are as follows:

	As at 30 September 2024	As at 30 September 2023
Other current financial liabilities (refer note 21)	6.03	5.71
Total carrying amount of the liabilities	6.03	5.71

Effect of share-based payment transaction on the profit and loss, shown under the head employee benefits expense (refer note 29) is Rs. 2.29 Lakhs (2023: Rs. 3.38 Lakhs)

The details pertaining to number of share matching plans, weighted average grant date fair value and expiry schedule are disclosed below:

Plan	Particulars	30 September 2024		
		Weighted average grant date fair value (in EUR)	Weighted average grant date fair value (in INR)	Number of Stock awards
SSA	Units outstanding at the beginning of the year	115.06	10,793.80	101.00
	Units granted during the year	-	-	-
	Exercised during the year	94.65	8,879.75	32.00
	Adjustments / lapsed	-	-	-
	Units outstanding at the end of the year	124.52	11,681.47	69.00
SMP	Units outstanding at the beginning of the year	121.48	11,396.55	4.07
	Units granted during the year	127.36	11,948.02	1.35
	Exercised during the year	127.76	11,985.55	2.99
	Adjustments / lapsed	-	-	(0.62)
	Units outstanding at the end of the year	121.44	11,393.06	1.80

Share awards outstanding at the end of the year have the following expiry dates:

Plan	Grant Year	Expiry Year	30 September 2024	
			Number of Stock awards	Weighted average remaining contractual life
SSA	2020-21	2024-25	42.00	0.79
	2022-23	2024-25	9.00	
	2022-23	2025-26	9.00	
	2022-23	2026-27	9.00	
SMP	2022-23	2024-25	0.46	1.11
	2023-24	2025-26	1.35	

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

41 Capital management

For the purpose of the Company's capital management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the shareholders and makes adjustments to it in light of changes in economic conditions or its business requirements. The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The management and the Board of Directors monitors the return on capital.

42 Financial instruments

A) Accounting classifications and fair values

i) Category-wise classification for applicable financial assets:

Particulars	Notes	Carrying value	
		As at 30 September 2024	As at 30 September 2023
<u>Measured at amortised cost:</u>			
(a) Trade receivables	5 & 11	770.98	1,976.81
(b) Cash and cash equivalents and bank balances other than cash and cash equivalent	12 & 13	30,045.81	28,408.74
(c) Other financial assets	6 & 14	249.86	302.82
Total		31,066.65	30,688.37

ii) Category-wise classification for applicable financial liabilities:

Particulars	Notes	As at	As at
		30 September 2024	30 September 2023
<u>Measured at amortised cost:</u>			
(a) Trade payables	20	3,685.52	3,795.21
(b) Other financial liabilities	21	105.93	271.62
(c) Lease liabilities	4	282.70	407.99
Total		4,074.15	4,474.82

All financial assets and liabilities are primarily short term in nature. Hence, their value is not expected to be materially different from carrying

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

43 Financial risk management

A Credit risk

Credit risk is defined as an unexpected loss in financial instruments if the contractual partner is failing to discharge its obligations in full and on time. The Company is exposed to credit risk from its operating and financing activities like trade receivables, deposits with banks and other financial instruments.

Receivables

The major exposure to credit risk at the reporting date is primarily from receivables comprising of trade and project unbilled receivables (net). Credit risk on receivables is limited due to the Company's large and diverse customer base which includes public sector enterprises, state owned companies and private corporates. The effective monitoring and controlling of credit risk through credit evaluations and ratings is a core competency of the Company's risk management system.

For receivables, as a practical expedient, the Company computes expected credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The ECL is calculated on rating and default probability percentage arrived from the historic default trend. In order to determine the default probability percentage, a simple average of customer wise specific allowances or actual bad debts incurred in succeeding year (derived rates) (whichever is higher) for the preceding three years is considered as a percentage of gross receivables positions for each grading i.e. rating and division of each customer as at reporting date. The impairment allowance also includes provision for customer specific receivables.

The reconciliation of impairment allowances is as follows:

Particulars	As at	As at
	30 September 2024	30 September 2023
Balance at the beginning of the year	(271.32)	(311.95)
(Charge) / reversal during the year	100.36	40.63
Utilisation of provision towards Bad debts	25.80	-
Balance at the year end	(145.16)	(271.32)

B Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company regularly monitors the rolling forecasts and actual cashflows, to ensure it has sufficient funds to meet the operational needs.

The table below summarise the maturity profile of the Company's financial liabilities based on contractually agreed undiscounted cash flows :

Particulars	Notes	Total	Payable within 1 year	More than 1 year
As at 30 September 2024				
Trade payables	20	3,685.52	3,685.52	-
Lease liabilities *	4	292.94	184.72	108.22
Other financial liabilities	21	105.93	105.93	-
		4,084.39	3,976.17	108.22
As at 30 September 2023				
Trade payables	20	3,795.21	3,795.21	-
Lease liabilities *	4	440.20	172.47	267.73
Other financial liabilities	21	271.62	271.62	-
		4,507.03	4,239.30	267.73

* contractual undiscounted cash flow.

44 Corporate social responsibility

Description

Description	As at	As at
	30 September 2024	30 September 2023
(i) Gross amount required to be spent by the Company during the year	112.72	73.52
(ii) Amount actually spent on CSR activities in cash (other than construction/acquisition of any asset)	112.72	28.00
(iii) Amount yet to be spent in cash during the year (if any)	-	45.52
(iv) Reason for shortfall		Due to increased lead time and global supply chain delays, the said project timelines stood extended

45 Distribution made and proposed

Dividends on equity shares declared and paid	As at	As at
	30 September 2024	30 September 2023
Final dividend for the year ended 30 September 2023 of Rs. 8,995 per share (30 September 2022: Rs. 10,020 per share)	5,837.58	6,502.78
	5,837.58	6,502.78
Proposed dividend on equity shares:		
Final dividend for the year ended 30 September 2024 of Rs. 8,398 per share * (30 September 2023: Rs. 8,995 per share)	5,450.13	5,837.58
	5,450.13	5,837.58

*The final dividend has been proposed by the Board of Directors at the meeting dated November 19, 2024 which is subject to the approval of shareholders at the Annual General Meeting.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

46 Ratio Analysis

Sr. no.	Ratio	Numerator	Denominator	Notes	30 September 2024	30 September 2023	% change	Reason for variance in case % change is greater than 25%
(a)	Current ratio (times)	Total Current assets	Total Current liabilities		1.26	1.29	-2.34%	
(b)	Return on equity ratio (times)	Profit for the year	Average Shareholders' equity	i	0.87	0.86	1.45%	
(c)	Inventory turnover ratio	Cost of goods sold	Average inventories	ii	4.54	8.66	-47.53%	Due to increase in inventories in current year
(d)	Trade receivables turnover ratio (times)	Revenue from contracts with customers	Average Trade receivables		16.88	10.29	64.09%	Due to higher collections in current year
(e)	Trade payables turnover ratio (times)	Net credit purchases	Average Trade payables	ii & iii	4.29	3.50	22.54%	
(f)	Net capital turnover ratio (times)	Revenue from contracts with customers	Average working capital	iv	3.01	2.62	14.86%	
(g)	Net profit ratio (%)	Profit for the year	Revenue from contracts with customers		23.50%	27.77%	-15.38%	
(h)	Return on capital employed (%)	Profit before interest and tax	Capital employed	v	92.09%	91.85%	0.27%	
(i)	Return on Investment	Earnings before interest and tax	Average total Assets		19.90%	22.06%	-9.79%	

Note:

- i) Shareholders' equity: Equity share capital and Other equity.
- ii) Cost of goods sold comprises of Project bought outs and other related costs
- iii) Net credit purchases comprises of (a) cost of goods sold and (b) Other expenses excluding bad debts, impairment loss on financial and contract assets, net loss on foreign exchange (including commodity gain/loss), rates and taxes, commission to directors, donations and Corporate Social Responsibility expenditure.
- iv) Working Capital is current assets less current liabilities.
- v) Capital employed comprises of total shareholders' equity and total debt i.e. lease liabilities.

Debt-equity ratio and debt service coverage ratio has not been disclosed as the Company does not have any borrowings.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

47 Other statutory information

- (a) The Company does not hold any Benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988).
- (b) The Company has not revalued its property, plant and equipment and intangible assets, thus valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.
- (c) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (d) The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (e) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (f) The Company does not have any subsidiary, associate or joint ventures and hence compliance under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
- (g) The Company has not entered into any scheme of arrangements as approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

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

- (h) (i) 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
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

- (i) (i) 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
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (j) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

- (k) During the statutory period, no search or survey under the Income Tax Act, 1961 has been conducted nor any tax assessments have been completed, thus, disclosure relating to undisclosed income assessed is not applicable.

- (l) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

- (m) The Company have not traded or invested in Crypto currency or Virtual Currency during the year.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

48 Previous period figures have been regrouped/reclassified to conform to current year's classification as under:

Note No	Note Description	Previously Reported amount	Revised amount	Change	Particular
8	Non-current tax assets (net)	231.95	233.51	(1.56)	Reclassification of Income tax payable to Other current liabilities Rs.1.56 Lakhs
11	Trade receivables - Current	3,115.46	1,970.74	1,144.72	Reclassification of Retention balances of Rs. 1144.72 Lakhs to Contract asset
15	Contract Assets - Current	1,295.22	2,439.94	(1,144.72)	Reclassification of Retention balances of Rs. 1144.72 Lakhs from Trade receivables - Current
19	Non-current provisions	188.87	607.92	(419.05)	i) Reclassification of Compensated absences of Rs. 38.33 Lakhs to Current provisions ii) Reclassification of warranty provision from short-term provisions Rs. 457.38 Lakhs
22	Current provisions	968.90	979.46	(10.56)	i) Reclassification of Compensated absences of Rs.38.33 Lakhs from Non-current provisions to current provisions ii) Reclassification of Other project related provisions Rs. 429.61 Lakhs from Other current liabilities to current provisions iii) Reclassification of warranty provision to Non-current provisions Rs. 457.38 Lakhs
24	Other current liabilities	592.32	164.27	428.05	i) Reclassification of Rs. 429.61 Lakhs to Current provisions ii) Reclassification of Income tax payable Rs.1.56 Lakhs from Current tax assets (net)
28	Project bought outs and other related costs	10,701.93	11,559.43	(857.50)	Reclassification of other subcontracting cost Rs. 857.50 Lakhs from other expenses
31	Other expenses	2,931.85	2,074.35	857.50	Reclassification of other subcontracting cost Rs. 857.50 Lakhs to Project bought outs and other related costs

49 With effect from April 1, 2023, the Ministry of Corporate Affairs (MCA) has made it mandatory for every company, which uses accounting software for maintaining its books of account, to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses multiple accounting software including SAP Enterprise Resource Planning (ERP) software to maintain its books of accounts. Implementation of the above notification to ensure enabling appropriate audit log on financial tables in aforesaid SAP, which have high frequency database operations would lead to a severe system performance degradation thereby adversely impacting business operations and users, besides requiring significant additional storage and supporting infrastructure.

With a view to address the above challenges, the Company is in the process of evaluating alternate measures over modification made with specific access and direct change at database level.

Pursuant to the amendment in the Companies (Accounts) Rules, 2014 effective from 11 August 2022, requires that books of accounts and other relevant books and papers maintained in electronic mode should remain accessible in India at all times and backup must be taken on servers physically located in India.

The Company has kept proper books of accounts in electronic mode on servers physically located in India on daily basis during the year except for certain books of account, the backup of which on daily basis has been maintained effective from September 1, 2024 and in respect of certain other books of accounts and books and papers, the Company is in the process of evaluating and implementing necessary back up measures

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2024

(Currency : Indian Rupees Lakhs)

50 Segment information:

Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance as a whole. Accordingly, the business of designing, manufacturing, commissioning and maintenance support of electronic interlocking system in relation to the above is considered as single operating segment.

Further the entire revenue and business activities are carried out in India.

**The accompanying notes are an integral part of the financials statements
As per our report of even date**

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number:- 012754N / N500016

**For and on behalf of the Board of Directors of
Siemens Rail Automation Private Limited**
CIN: U31200MH2003PTC259831

Vineet Bhiwandikar
Partner
Membership No: 132692

Orban Benedict von Fedak
Director
DIN : 10806395

Vaibhav Haria
Director
DIN : 07867271

Place : Mumbai
Date: 19 November 2024

Place : New Delhi
Date: 19 November 2024

Place : Bangaluru
Date: 19 November 2024