

Siemens Rail Automation Private Limited

Audited Financial Statements for the financial year ended
30th September, 2023

CIN: U31200MH2003PTC259831

Registered Office: Birla Aurora, Level 21, Plot no. 1080, Dr. Annie Besant Road,
Worli, Mumbai – 400 030

INDEPENDENT AUDITOR'S REPORT

To the Members of Siemens Rail Automation Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Siemens Rail Automation Private Limited ("the Company"), which comprise the Balance sheet as at September 30, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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, as amended ("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, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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 audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors 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 such 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.

Responsibility of Management for the Financial Statements

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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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.

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

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

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

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

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.

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

Report on Other Legal and Regulatory Requirements

1. 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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except as disclosed in note 48 of financial statements, the Company did not have an established process of maintaining daily back-up of books of accounts on a server physically located in India upto June 20, 2023. Effective June 21, 2023, the Company has kept back-up of books of accounts on servers physically located in India on a daily basis and has also taken a back-up of books of accounts and records for the period October 1, 2022 to June 20, 2023 on June 21, 2023.
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on September 30, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on September 30, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above;
 - (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (h) In our opinion and according to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended September 30, 2023, as no managerial remuneration has been paid/provided to the Directors;

- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements – refer note 32 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief and as disclosed in the 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 persons or entities, 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 and as disclosed in the note 47(i) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been 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 final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 45 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Aruna Kumaraswamy
Partner
Membership Number: 219350
UDIN: 23219350BGXWMH2636

Place of Signature: Mumbai
Date: November 20, 2023

Annexure 1 referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Siemens Rail Automation Private Limited (“the Company”)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i)(a)(B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (i)(b) All Property, Plant and Equipment were physically verified by the management in the previous years in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on 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 ended September 30, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)(a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at September 30, 2023 and no discrepancies were noticed in respect of such confirmation. Discrepancies of 10% or more in aggregate for each class of inventory were not noted in case of such verification.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

- (iii)(a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) is not applicable to the Company.
- (d) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 (“the Act”) are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, related to electricals or electronic machinery, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however made a detailed examination of the same.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, custom duty, cess and other statutory dues applicable to it. The provisions relating to employees' state insurance, sales-tax, service tax, excise duty and value added tax are not applicable to the Company. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of sales tax have not been deposited on account of any dispute, are as follows:

(in Rs. lakhs)

Name of the statute	Nature of dues	Amount including interest	Amount paid under protest	Period to which the amount relates (Financial year)	Forum where the dispute is pending
Central Sales Tax Act, 1956	Karnataka Sales Tax	87.35	36.60	2016-17	Joint Commissioner of Commercial Taxes (Appeals)

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)(a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause (ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year. Hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year. Hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

- (x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on 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 / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)(a) No fraud by the Company or on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by the cost auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of Act and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Act. Therefore, the requirement to report under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

- (xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 46 to the financial statements, ageing and expected dates of realization 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) In respect of other than ongoing projects, the Company has transferred unspent amount to a fund specified in Schedule VII of the Act within a period of six months of the expiry of the financial year, in compliance with second proviso to sub section 5 of Section 135 of the Act. This matter has been disclosed in note 44 to the financial statements.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Aruna Kumaraswamy
Partner
Membership Number: 219350
UDIN: 23219350BGXWMH2636

Place of Signature: Mumbai
Date: November 20, 2023

Annexure 2 to the Independent Auditor's Report of even date on the financial statements of Siemens Rail Automation Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Siemens Rail Automation Private Limited ("the Company") as of September 30, 2023 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

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 the 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

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these 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 these 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.

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 with reference to these financial statements.

Meaning of Internal Financial Controls with reference to these Financial Statements

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.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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 control 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

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at September 30, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Aruna Kumaraswamy
Partner
Membership Number: 219350
UDIN: 23219350BGXWMH2636

Place of Signature: Mumbai
Date: November 20, 2023

Siemens Rail Automation Private Limited

Balance sheet

as at 30 September 2023

(Currency : Indian rupees Lakhs)

	Notes	30 September 2023	30 September 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3a	30.56	32.13
Right to use assets	4	397.82	66.03
Capital work-in-progress	3b	58.65	-
Financial assets			
- Trade receivables	5	6.07	47.23
- Other financial assets	6	92.87	93.12
Deferred tax assets (net)	7	292.60	264.22
Income tax assets (net)	8	231.95	253.30
Other non-current assets	9	44.49	38.62
		1,155.01	794.65
Current assets			
Inventories	10	2,188.51	481.04
Financial assets			
- Trade receivables	11	3,115.46	3,415.02
- Cash and cash equivalents	12	6,049.62	7,706.44
- Other bank balances	13	22,359.12	20,951.19
- Other financial assets	14	209.95	192.68
Contract assets	15	1,295.22	1,314.13
Other current assets	16	40.69	135.08
		35,258.57	34,195.58
TOTAL		36,413.58	34,990.23
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	6.49	6.49
Other equity	18	8,161.49	8,847.17
		8,167.98	8,853.66
Liabilities			
Non-current liabilities			
Long term provisions	19	188.87	137.58
Financial liabilities			
- Lease liabilities	4	229.68	-
		418.55	137.58
Current liabilities			
- Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	477.95	443.47
Total outstanding dues of creditors other than micro enterprises and small enterpris	20	3,317.26	3,445.90
- Lease liabilities	4	178.31	76.11
- Other financial liabilities	21	271.62	43.06
Contract liabilities	25	21,752.51	20,199.14
Short term provisions	22	968.90	767.15
Current tax liabilities (net)	23	268.18	264.40
Other current liabilities	24	592.32	759.76
		27,827.05	25,998.99
TOTAL		36,413.58	34,990.23

Significant accounting policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration Number:- 324982E / E300003

Chartered Accountants

For and on behalf of the Board of Directors of

Siemens Rail Automation Private Limited

per Aruna Kumaraswamy

Partner

Membership No: 219350

Alka Garg

Director

DIN : 09461837

Vaibhav Haria

Director

DIN : 07867271

Place : Mumbai

Date: 20 November 2023

Place : New Delhi

Date: 20 November 2023

Place : Mumbai

Date: 20 November 2023

Siemens Rail Automation Private Limited

Statement of profit and loss

for the period ended 30 September 2023

(Currency : Indian rupees Lakhs)

	Notes	30 September 2023	30 September 2022
Income			
Revenue from contracts with customers	26	21,065.75	16,040.57
Other income	27	1,546.89	952.23
Total income		22,612.64	16,992.80
Expenses			
Project bought outs and other direct costs	28	10,701.93	8,030.99
Employee benefits expense	29	971.74	780.44
Finance costs	30	35.68	27.46
Depreciation and amortization expense	3 & 4	130.48	114.35
Other expenses	31	2,931.85	2,074.27
Total expenses		14,771.68	11,027.51
Profit before tax		7,840.96	5,965.29
Tax expense			
Current tax	7	2,023.25	1,425.21
Deferred tax charge		(25.51)	83.32
For earlier years			
Current tax		-	113.71
Deferred tax		-	-
Total tax expense		1,997.74	1,622.24
Profit for the year		5,843.22	4,343.05
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement gains/(losses) on defined benefit plans		(34.91)	(1.60)
Income tax effect		8.79	0.40
Total other comprehensive income for the year, net of tax		(26.12)	(1.20)
Total comprehensive income for the year (comprising profit and other comprehensive income)		5,817.10	4,341.85
Basic and diluted earnings per share (in Rs.)			
(Equity shares of face value of Rs 10 each)	38	9,003.70	6,692.12

Significant accounting policies

1

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

For S R B C & CO LLP

ICAI Firm Registration Number:- 324982E / E300003

Chartered Accountants

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

per Aruna Kumaraswamy

Partner

Membership No: 219350

Alka Garg

Director

DIN : 09461837

Vaibhav Haria

Director

DIN : 07867271

Place : Mumbai

Date: 20 November 2023

Place : New Delhi

Date: 20 November 2023

Place : Mumbai

Date: 20 November 2023

Siemens Rail Automation Private Limited

Cash flow statement

for the period ended 30 September 2023

(Currency : Indian rupees Lakhs)

	30 September 2023	30 September 2022
<u>Cash flow from operating activities</u>		
Profit before tax	7,840.96	5,965.29
Adjustments for:		
Finance costs	35.68	27.46
Bad debts	14.20	(23.43)
Provision for doubtful debts / advances, net	(40.63)	(186.89)
Depreciation and amortization expense	130.48	114.35
Other liabilities written back	(25.34)	(61.59)
Unrealised exchange loss / (gain), net	4.25	(10.31)
Interest income	(1,546.89)	(921.19)
Operating profit before working capital changes	6,412.71	4,903.69
(Increase)/ decrease in working capital		
Decrease / (Increase) in inventories	(1,707.47)	(73.26)
Decrease / (Increase) in trade and other receivables	474.83	(737.72)
(Decrease) / Increase in trade payables and other liabilities	1,541.42	3,045.98
(Decrease) / Increase in provisions	218.13	125.75
Net change in working capital	526.91	2,360.75
Cash generated from operations	6,939.62	7,264.44
Direct taxes paid, net	(1,992.20)	(1,229.42)
Net cash generated from operating activities	4,947.42	6,035.02
<u>Cash flow from investing activities</u>		
Purchase of property, plant and equipments and Capital work-in-progress	(67.19)	(31.62)
Interest received	1,529.62	795.12
Investment in deposits with original maturity more than 3 months with bank	(41,820.00)	(66,530.00)
Deposits (with original maturity more than 3 months) with banks matured	40,412.07	64,190.00
Net cash from/ (used in) investing activities	54.50	(1,576.50)
<u>Cash flow from financing activities</u>		
Interest paid	(23.64)	(19.87)
Payment of lease liabilities	(132.32)	(117.36)
Dividend paid	(6,502.78)	(2,644.59)
Net cash from/ (used in) financing activities	(6,658.74)	(2,781.82)
Net increase / (decrease) in cash and bank balance	(1,656.82)	1,676.70
Cash and cash equivalents at beginning of the year	7,706.44	6,029.74
Cash and cash equivalents at the end of the year	6,049.62	7,706.44

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Note:

- The cash flow statement is prepared using the 'indirect method' set out in Ind AS 7 - Statement of Cash Flows.
- The changes in liabilities arising from financing activities is on account of cash flow changes and there are no non-cash changes.

Significant accounting policies

1

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

For S R B C & CO LLP

ICAI Firm Registration Number:- 324982E / E300003
Chartered Accountants

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

per Aruna Kumaraswamy

Partner
Membership No: 219350

Alka Garg

Director
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Vaibhav Haria

Director
DIN : 07867271

Place : Mumbai
Date: 20 November 2023

Place : New Delhi
Date: 20 November 2023

Place : Mumbai
Date: 20 November 2023

Siemens Rail Automation Private Limited

Statement of changes in equity

as at 30 September 2023

(Currency : Indian rupees Lakhs)

A Equity share capital (refer note 17)

	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
Equity shares of Rs. 10 each issued, subscribed and fully paid					
As at 30 September 2022	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	Retained earnings	
Balance as at 30 September 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
Interim dividend paid (refer note 45)		(6,502.78)	(6,502.78)
Balance at 30 September 2023	1,728.22	6,433.27	8,161.49

Previous reporting period

	Reserves and surplus		Total
	Securities premium	Retained earnings	
Balance as at 30 September 2021	1,728.22	5,421.69	7,149.91
Profit for the year	-	4,343.05	4,343.05
Other comprehensive income, net	-	(1.20)	(1.20)
Total comprehensive income for the year	-	4,341.85	4,341.85
Interim dividend paid (refer note 45)		(2,644.59)	(2,644.59)
Balance as at 30 September 2022	1,728.22	7,118.95	8,847.17

Significant accounting policies

1

The accompanying notes are an integral part of the financials statements

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration Number:- 324982E / E300003

Chartered Accountants

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

per Aruna Kumaraswamy

Partner

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Director

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Place : Mumbai

Date: 20 November 2023

Place : New Delhi

Date: 20 November 2023

Place : Mumbai

Date: 20 November 2023

Siemens Rail Automation Private Limited

Notes to the financial statements

for the year ended 30 September 2023

(Currency: Indian rupees)

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. Significant 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 20 November 2023.

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.

Siemens Rail Automation Private Limited

Notes to the financial statements (*Continued*)

for the year ended 30 September 2023

(Currency: Indian rupees)

1. Significant accounting policies (*Continued*)

1.3 Use of estimates

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 and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

1.4 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
Computers	3 years
Furniture and fixtures	5 years
Office equipment	5 years

Items of property, plant and equipments that have been retired from active use and are held for disposal are stated at the lower of their net book value and estimated net realizable value and are disclosed separately in the financial statements.

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 2023

(Currency: Indian rupees)

1. Significant accounting policies (Continued)

1.5 Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Construction Contracts

Performance obligation in case of construction contracts is satisfied over a period of time, as the Company creates an asset that the customer control and the Company has an enforceable right to payment for performance completed to date if it meets the agreed specifications. Revenue from construction contracts is recognised under the percentage of completion by reference to the stage of completion of the contract activity. The stage of completion is measured by input method i.e. the proportion that costs incurred to date bear to the estimated total costs of a contract. The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as “contract asset” and billing in excess of contract revenue is reflected under “contract liabilities”. Retention money receivable from project customers does not contain any significant financing element and are retained for satisfactory performance of contract.

Revenue from services

Revenue from services represents service income other than from services which are incidental to sale of products and projects. Revenue from services are recognised pro-rata over the period of contract. Revenue from services rendered over a period of time, such as annual maintenance contracts, are recognized on straight line basis over the period of the performance obligation.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Siemens Rail Automation Private Limited

Notes to the financial statements (*Continued*)

for the year ended 30 September 2023

(Currency: Indian rupees)

1. *Significant accounting policies (Continued)*

1.5 *Revenue recognition (Continued)*

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

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.

1.7 *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

Siemens Rail Automation Private Limited

Notes to the financial statements (*Continued*)

for the year ended 30 September 2023

(Currency: Indian rupees)

1. Significant accounting policies (*Continued*)

1.7 Employee benefits (*continued*)

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 and medical benefit scheme are defined benefit plan. Leave wages, silver jubilee, star awards and retirement gift 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.

Provision for gratuity, leave wages, medical benefit, silver jubilee and star awards which is expected to be utilized within the next 12 months is treated as short term employee benefits and beyond 12 months as long term employee benefits. For the purpose of presentation, the allocation between short and long term provisions has been made as determined by an actuary.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

for the year ended 30 September 2023

(Currency: Indian rupees)

1. Significant accounting policies (Continued)

1.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

On initial recognition, financial assets are recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed 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)
- (c) Financial assets at fair value through other comprehensive income (FVTOCI)

(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 profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans and other financial assets.

Siemens Rail Automation Private Limited

Notes to the financial statements (*Continued*)

for the year ended 30 September 2023

(Currency: Indian rupees)

1. Significant accounting policies (*Continued*)

1.8 Financial instruments (*continued*)

(b) Financial assets 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)

Derivative instruments included in FVTOCI category are measured initially as well as at each reporting date at fair value. Movement in fair value is recognised in OCI.

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.

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.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies 'expected credit loss' (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are measured at amortised cost e.g. deposits
- (b) Trade receivables or any another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables (including Revenue earned in excess of billing).

Siemens Rail Automation Private Limited

Notes to the financial statements (*Continued*)

for the year ended 30 September 2023

(Currency: Indian rupees)

1. *Significant accounting policies (Continued)*

1.8 *Financial instruments (continued)*

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that 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 entity 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on unsecured trade receivables (including revenue earned in excess of billing and project excess cost).

The Company does not have any purchased or originated credit-impaired financial assets, i.e., financial assets which are credit impaired on purchase/origination.

Siemens Rail Automation Private Limited

Notes to the financial statements (*Continued*)

for the year ended 30 September 2023

(Currency: Indian rupees)

1. *Significant accounting policies (Continued)*

1.8 *Financial instruments (Continued)*

ECL impairment loss allowance (or reversal) recognized during the period is recognized in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

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 transactions costs are attributed to the acquisition or issue of the value of the financial liabilities.

Subsequent measurement

All financial liabilities are recognised initially at fair value and in the case of payables, net of directly attributable transaction costs.

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

Financial liabilities 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 Effective Interest Rate (EIR) method.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts that approximates 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

Siemens Rail Automation Private Limited

Notes to the financial statements (*Continued*)

for the year ended 30 September 2023

(Currency: Indian rupees)

1. Significant accounting policies (Continued)

1.8 Financial instruments (Continued)

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 or 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.

1.9 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 recognized in the statement of profit and loss of 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 recognized 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.

1.10 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

Siemens Rail Automation Private Limited

Notes to the financial statements (*Continued*)

for the year ended 30 September 2023

(Currency: Indian rupees)

1. Significant accounting policies (*Continued*)

1.10 Fair value measurement (*continued*)

- 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.

1.11 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 between accounting income and taxable income for the year) 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 other comprehensive income 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 tax paying units intend to settle the asset and liability on a net basis.

Siemens Rail Automation Private Limited

Notes to the financial statements (*Continued*)

for the year ended 30 September 2023

(Currency: Indian rupees)

1. Significant accounting policies (Continued)

1.11 Taxation (Continued)

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.

Deferred tax is recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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 assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

1.12 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 period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.13 Provisions and Contingencies

Provisions are recognized when the Company recognises it 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

Siemens Rail Automation Private Limited

Notes to the financial statements (*Continued*)

for the year ended 30 September 2023

(Currency: Indian rupees)

1. Significant accounting policies (Continued)

1.13 Provisions and Contingencies (Continued)

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 recognized 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 or present obligation which 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 or 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.

Contingent assets are not recognized in the financial statements.

1.14 Cash and cash equivalents

Cash and cash equivalents include cash, cheques in hand, cash at bank and deposits with banks having maturity of three months or less. The bank deposits with original maturity of upto three months are classified as cash and cash equivalents and bank deposits with original maturity of more than three months are classified as other bank balances.

1.15 Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Siemens Rail Automation Private Limited

Notes to the financial statements (*Continued*)

for the year ended 30 September 2023

(Currency: Indian rupees)

2. Significant accounting judgments, estimates and assumptions

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.

2.1 Project revenue and costs

The percentage-of-completion 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. The Company re-assesses these estimates on periodic basis and makes appropriate revisions accordingly.

2.2 Taxes

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.3 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.

Siemens Rail Automation Private Limited

Notes to the financial statements (*Continued*)

for the year ended 30 September 2023

(Currency: Indian rupees)

2. Significant accounting judgments, estimates and assumptions (Continued)

2.4 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.

The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost, had no impairment been recognised.

2.5 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 and mortality rates. 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 37 for details of the key assumptions used in determining the accounting of these plans.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management 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 and gratuity increases are based on expected future inflation rates for the respective countries.

Siemens Rail Automation Private Limited

Notes to the financial statements (*Continued*)

for the year ended 30 September 2023

(Currency: Indian rupees)

2. Significant accounting judgments, estimates and assumptions (Continued)

2.6 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.

2.7 Provisions

Significant estimates are involved in the determination of provisions related to liquidated damages, onerous contracts, warranty costs, asset retirement obligations, legal and regulatory proceedings (Legal Proceedings). The Company records a provision for onerous sales contracts when current estimates of total contract costs exceed expected contract revenue. The provision for warranty, liquidated damages onerous contracts is based on the best estimate required to settle the present obligation at the end of reporting period.

Legal Proceedings 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 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.

Siemens Rail Automation Private Limited

Notes to the financial statements (*Continued*)

for the year ended 30 September 2023

(Currency: Indian rupees)

2. Significant accounting judgments, estimates and assumptions (*Continued*)

Standards or amendments issued that are not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. On 31 March, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 October, 2023 as below:

(i) **Ind AS 1 – Presentation of Financial Statements**

The amendments specify that companies are now required to disclose material accounting policies rather than their significant accounting policies. The Company does not expect the amendment to have any significant impact in its financial statements.

(ii) **Ind AS 8 – Accounting policies, Changes in Accounting Estimates and Errors**

The amendments specify that definition of “change in accounting estimates” is substituted with the definition of “accounting estimates”. Accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty. The Company does not expect the amendment to have any significant impact in its financial statements.

(iii) **Ind AS 12 – Income Taxes**

The amendments specify that companies are now required to recognize deferred tax liability for all temporary differences arising from initial recognition of an asset or liability in a transaction that give rise to equal taxable and deductible temporary differences. The Company does not expect the amendment to have any significant impact in its financial statements.

(iv) **Ind AS 109 - Financial Instruments**

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability or to consider as modification of existing financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2023

(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 2021	325.09	63.71	92.69	481.49
Additions	-	-	31.62	31.62
At 30 September 2022	325.09	63.71	124.31	513.11
Accumulated depreciation				
At 1 October 2021	321.74	60.60	92.69	475.03
Charge for the year	1.96	2.13	1.86	5.95
At 30 September 2022	323.70	62.73	94.55	480.98
Net block				
At 30 September 2022	1.39	0.98	29.76	32.13
At 30 September 2021	3.35	3.11	-	6.46

Particulars	Plant and equipments	Furniture and fixtures	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 block				
At 30 September 2023	0.07	-	30.49	30.56
At 30 September 2022	1.39	0.98	29.76	32.13

3b Capital work-in-progress

Particulars	Amount
As at 1 October 2021	-
Addition	-
Capitalisation	-
As at 30 September 2022	-
As at 1 October 2022	-
Addition	58.65
Capitalisation	-
As at 30 September 2023	58.65

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 2023					
Projects in progress	58.65	-	-	-	58.65
Projects temporarily suspended	-	-	-	-	-
Total	58.65	-	-	-	58.65
As at 30 September 2022					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Note :

i) There are no projects which are overdue or has exceeded its cost compared to its original plan for the reported periods.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2023

(Currency : Indian rupees Lakhs)

4 Leases:

The Company has lease contracts for office space and warehouse for a term of 28 to 36 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 2023

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

As at 30 September 2022

Particulars	Land and building
Balance as at 1 October 2021	174.43
Depreciation	(108.40)
Balance as at 30 September 2022	66.03

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

Particulars	30 September 2023	30 September 2022
Balance as at beginning of the reporting period	76.11	185.88
Additions	452.16	-
Finance cost accrued during the period	12.04	7.59
Payment of lease liabilities	(132.32)	(117.36)
Balance as at the end of reporting period	407.99	76.11

(iii) Maturity analysis of lease liabilities:

(Contractual undiscounted cash flows)

Particulars	30 September 2023	30 September 2022
Less than one year	172.47	73.57
One to five years	267.73	-
Total undiscounted lease liabilities	440.20	73.57

Lease liabilities included in the statement of financial position

Current lease liability	178.31	76.11
Non-current lease liability	229.68	-
Total	407.99	76.11

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 2023

(Currency : Indian rupees Lakhs)

30 September 2023 30 September 2022

5 Trade receivables - Non - current (unsecured)

of which

- considered good

6.07 47.23

6.07 47.23

Impairment allowance

- -

6.07 47.23

Trade receivables ageing schedule

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
Total	6.07	-	-	-	-	-	6.07

As at 30 September 2022

	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	47.23	-	-	-	-	-	47.23
Total	47.23	-	-	-	-	-	47.23

6 Other financial assets - Non - current

Financial assets at amortised cost

Deposits

92.87 93.12

92.87 93.12

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

for the period ended 30 September 2023

(Currency : Indian rupees Lakhs)

7 Income tax disclosure

(a) Income tax expense

Particulars	30 September 2023	30 September 2022
(a) Tax expense for current year		
Current tax:		
Current income tax charge	2,023.25	1,425.21
Deferred tax		
In respect of current year origination of temporary differences	(25.51)	83.32
(b) Tax expense for earlier years (refer note below)		
Current tax	-	113.71
Total tax expense recognised in statement of profit and loss	1,997.74	1,622.24

Note:

During the year ended 30 September 2022, the Company had commenced a comprehensive exercise of reconciling their income tax balances in the accounting records to the respective year's tax records with an objective of aligning and reconciling the differences. The Company had concluded the exercise during previous year and based on such reconciliations, adjustments amounting to Rs. 113.71 lakhs have been accounted as disclosed above.

(b) Income tax on other comprehensive income

Particulars	30 September 2023	30 September 2022
Remeasurements of defined benefit plans	(8.79)	(0.40)
Total income tax charged to other comprehensive income	(8.79)	(0.40)

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

Particulars	30 September 2023	30 September 2022
Applicable tax rate - normal rate	25.168%	25.168%
Profit before tax	7,840.96	5,965.29
Other comprehensive income	(34.91)	(1.60)
Total	7,806.05	5,963.69
Tax at statutory income tax rate of 25.168% (30 September 2022 : 25.168%)-A	1,964.63	1,500.94
Tax effect of expenses not deductible for tax purpose	24.32	7.19
Tax expense for earlier years	-	113.71
Total	1,988.95	1,621.84
Average effective tax rate (tax expense divided by profit before tax)	25.480%	27.195%
Tax expense reported in statement of profit and loss	1,997.74	1,622.24
Tax expense of other comprehensive income	(8.79)	(0.40)
Total	1,988.95	1,621.84

(d) Movement of deferred tax

Particulars	30 September 2023	30 September 2022
Deferred tax assets		
a. Provision for doubtful debts, advances and deposits	74.00	85.64
b. Provision for inventory	128.00	89.80
c. Impact of expenditure charged to the statement of profit and loss but allowable for tax purposes in following years	53.33	47.11
d. Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation charged for financial reporting	37.27	41.67
Deferred tax assets (net)	292.60	264.22

(e) Reconciliation of deferred tax assets, net

Particulars	30 September 2023	30 September 2022
Opening balance as on 1st October	264.22	346.75
Tax expense during the period recognised in profit or loss	25.51	(83.32)
Tax expense during the period recognised in OCI	2.87	0.79
Deferred tax assets (net)	292.60	264.22

Siemens Rail Automation Private Limited

Notes to the financial statements (continued)

as at 30 September 2023

(Currency : Indian rupees)

	30 September 2023	30 September 2022
8 Income tax assets		
Advance income tax, net	231.95	253.30
	231.95	253.30
9 Other non-current assets		
Balances with statutory / government authorities	36.60	36.60
Prepaid lease	7.89	2.02
	44.49	38.62
10 Inventories (valued at lower of cost and net realisable value)		
Raw materials and spares	2,188.51	481.04
	2,188.51	481.04
11 Trade receivables - Current (unsecured)		
Trade receivables	2,856.68	2,956.21
Receivables from related parties (refer note 36)	516.91	731.03
	3,373.59	3,687.24
Of which		
- considered good	3,115.46	3,415.02
- significant increase in credit risk	0.09	52.15
- credit impaired	258.04	220.07
	3,373.59	3,687.24
Impairment allowance	(258.13)	(272.22)
	3,115.46	3,415.02

Trade receivables ageing schedule

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	1,839.34	1,204.04	7.36	30.08	16.52	18.12	3,115.46
Significant increase in credit risk	-	0.09	-	-	-	-	0.09
Credit impaired	14.32	10.93	20.80	35.94	58.38	117.67	258.04
Total	1,853.66	1,215.06	28.16	66.02	74.90	135.79	3,373.59

As at 30 September 2022

	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	2,064.55	1,301.50	1.76	43.14	0.63	3.44	3,415.02
Significant increase in credit risk	37.20	6.62	0.33	8.00	-	-	52.15
Credit impaired	3.75	33.66	10.15	40.11	2.90	129.50	220.07
Total	2,105.50	1,341.78	12.24	91.25	3.53	132.94	3,687.24

- 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. There are no dues receivable from firms or private companies in which any director is a partner, a director or a member.
- 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.

Siemens Rail Automation Private Limited

Notes to the financial statements (continued)

as at 30 September 2023

(Currency : Indian rupees)

	30 September 2023	30 September 2022
12 Cash and cash equivalents		
<i>Balances with banks</i>		
- On current accounts	754.43	994.20
- Bank deposits with original maturity of less than 3 months	5,080.00	6,465.00
Cheques on hand	215.19	247.24
	<u>6,049.62</u>	<u>7,706.44</u>
13 Other bank balances		
Bank deposits with original maturity of more than 3 months but less than 12 months	22,359.12	20,951.19
	<u>22,359.12</u>	<u>20,951.19</u>
Bank deposit includes fixed deposits with banks Rs. 8.44 Lakhs (net of provision of Rs. 22.99 Lakhs) (2022: Rs. 8.44 Lakhs (net of provision of Rs. 22.99 Lakhs)) marked as lien for third party on behalf of the Company.		
14 Other financial assets - Current		
Financial assets at amortised cost		
Interest accrued on bank deposits	209.95	192.68
	<u>209.95</u>	<u>192.68</u>
15 Contract assets - current		
of which		
- considered good	1,295.22	1,314.13
- considered doubtful	13.19	39.73
	<u>1,308.41</u>	<u>1,353.86</u>
Impairment allowance	(13.19)	(39.73)
	<u>1,295.22</u>	<u>1,314.13</u>
16 Other current assets		
Advance to suppliers	3.74	93.42
Prepaid expenses	4.59	3.47
Balances with statutory / government authorities, net	32.36	38.19
	<u>40.69</u>	<u>135.08</u>

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2023

(Currency : Indian rupees Lakhs)

	30 September 2023	30 September 2022
17 Share capital		
Authorised		
15,000,000 equity shares of Rs 10 each (2022: 15,000,000)	1,500.00	1,500.00
	1,500.00	1,500.00
Issued		
64,898 equity shares of Rs 10 each (2022: 64,898)	6.49	6.49
	6.49	6.49
Subscribed and fully paid-up		
64,898 equity shares of Rs 10 each fully paid-up (2022: 64,898)	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:**

	30 September 2023		30 September 2022	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	64,898	6.49	64,898	6.49
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	30 September 2023		30 September 2022	
	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	30 September 2023			30 September 2022		
	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.

Siemens Rail Automation Private Limited

Notes to the financial statements (continued)

as at 30 September 2023

(Currency : Indian rupees Lakhs)

30 September 2023 30 September 2022

19 Long-term provisions

Provision for employee benefits

- Gratuity (refer note 37)	96.22	71.22
- Leave wages	38.33	40.95
- Medical benefits (refer note 37)	38.26	12.36
- Silver jubilee and star awards	13.80	11.50
- Retirement gift (refer note 37)	2.26	1.55
	188.87	137.58

20 Trade payables - Current

Total outstanding dues of micro enterprises and small enterprises	477.95	443.47
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,317.26	3,445.90
	3,795.21	3,889.37

Trade payable ageing schedule

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 others than MSMED	295.42	2,111.50	824.46	37.24	16.76	31.88	3,317.26
(ii) Undisputed dues – MSMED	-	440.52	37.43	-	-	-	477.95
Total	295.42	2,552.02	861.89	37.24	16.76	31.88	3,795.21

As at 30 September 2022

	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 others than MSMED	235.27	1,272.54	1,129.05	572.07	198.44	38.53	3,445.90
(ii) Undisputed dues – MSMED	-	297.76	145.71	-	-	-	443.47
Total	235.27	1,570.30	1,274.76	572.07	198.44	38.53	3,889.37

21 Other financial liabilities - Current

Financial liabilities at amortised cost

Variable pay compensation	47.22	39.86
Liabilities related to share based payments (refer note 40)	6.50	3.20
Liability for capital goods	58.65	-
Deposit payable	14.00	-
Others	145.25	-
	271.62	43.06

22 Short-term provisions

a) Provision for employee benefits

- Leave wages	3.36	3.57
- Gratuity (refer note 37)	0.23	-
- Silver jubilee and star awards	1.06	0.67
	4.65	4.24

b) Others

- Warranty (refer note 34)	860.50	661.47
- Other matters (refer note 34)	103.75	101.44
	964.25	762.91
	968.90	767.15

23 Current tax liabilities

Provision for tax	268.18	264.40
	268.18	264.40

24 Other current liabilities

Accrual for employee reimbursements	31.86	27.57
Other liabilities		
- Withholding and other taxes payable	84.12	296.60
- Other project related provisions	429.61	411.00
- Others	46.73	24.59
	592.32	759.76

25 Contract liabilities

Advances from customers	137.13	1,047.15
Billing in excess / advance billings	21,615.38	19,151.99
	21,752.51	20,199.14

Siemens Rail Automation Private Limited

Notes to the financial statements (continued)

for the period ended 30 September 2023

(Currency : Indian rupees Lakhs)

	30 September 2023	30 September 2022
26 Revenue from contracts with customer		
<i>Revenue from operations</i>		
Revenue from sale of product and its related services	19,278.17	14,355.99
Sale of services	<u>1,762.24</u>	<u>1,654.03</u>
	21,040.41	16,010.02
<i>Other operating revenue</i>		
Liabilities written back	<u>25.34</u>	<u>30.55</u>
	<u>21,065.75</u>	<u>16,040.57</u>
27 Other income		
Interest income		
- on bank deposits	1,541.26	917.56
- others	<u>5.63</u>	<u>3.63</u>
Liabilities written back	<u>-</u>	<u>31.04</u>
	<u>1,546.89</u>	<u>952.23</u>
28 Project bought outs and other direct costs		
Project bought outs	<u>10,701.93</u>	<u>8,030.99</u>
	<u>10,701.93</u>	<u>8,030.99</u>
29 Employee benefits expense		
Salaries, wages and bonus	919.85	709.28
Contribution to provident and other funds	<u>40.72</u>	<u>52.45</u>
Staff welfare expenses	<u>11.17</u>	<u>18.71</u>
	<u>971.74</u>	<u>780.44</u>
30 Finance costs		
Interest on lease liabilities	12.04	7.59
Interest - Others	<u>23.64</u>	<u>19.87</u>
	<u>35.68</u>	<u>27.46</u>
31 Other expenses		
Exchange difference, net	125.19	(22.40)
Travel and conveyance	412.08	359.68
Software license fees and other information technology related costs	173.67	86.43
Rates and taxes	9.57	37.25
Communications	36.18	32.36
Power and fuel	39.46	29.41
Insurance	46.04	39.60
Rent	45.71	27.60
Repairs		
- on building	7.60	18.76
- on machinery	9.74	26.45
- others	11.28	15.30
Legal and professional [includes auditors' remuneration (refer note 33)]	644.63	604.33
Other subcontracting cost	857.50	652.10
Office supplies, printing and stationery	68.24	29.27
Bank guarantee commission / bank charges	4.66	3.29
Royalty expenses	282.45	183.27
CSR expenditure (refer note 44)	73.52	49.43
Bad debts	14.20	(23.43)
Provision for doubtful debts and advances, net	(40.63)	(186.89)
Miscellaneous expenses	<u>110.76</u>	<u>112.46</u>
	<u>2,931.85</u>	<u>2,074.27</u>

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2023

(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. Thus, no amounts have been disclosed as a contingent liability.

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

30 September 2023

30 September 2022

As auditor

- Audit fees

10.63

9.68

- Tax audit fees

3.50

3.50

In other capacity

- Other audit related services

3.00

3.00

- Reimbursement of expenses

0.41

0.43

17.54

16.61

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2023

(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 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	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
Balance as at the beginning of the reporting period	661.47	475.91	101.44	169.33
Provisions :				
- Created	614.15	435.60	2.31	-
- Released	(172.07)	(164.80)	-	(67.89)
- Utilised	(243.05)	(85.24)	-	-
Balance as at the end of the reporting period	860.50	661.47	103.75	101.44
- Current	860.50	661.47	103.75	101.44
- Non-current	-	-	-	-

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2023

(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:

	30 September 2023	30 September 2022
Recognised over period to time	<u>21,040.41</u>	<u>16,010.02</u>
Total revenue from contract with customers	<u>21,040.41</u>	<u>16,010.02</u>

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

(iii) **Contract balances:**

	30 September 2023	30 September 2022
Trade receivables	3,121.53	3,462.25
Contract assets	1,295.22	1,314.13
Contract liabilities	21,752.51	20,199.14

(iv) **Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

	30 September 2023	30 September 2022
Revenue as per contracted price	41,347.38	33,808.15
Adjustments		
Add: Contract assets	1,308.41	1,353.86
Less: Billing in excess / advance billings	<u>(21,615.38)</u>	<u>(19,151.99)</u>
Revenue from contract with customers	<u>21,040.41</u>	<u>16,010.02</u>

(v) **Remaining performance obligation:**

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

	30 September 2023	30 September 2022
Within one year	15,525.37	12,262.02
More than one year	<u>32,466.44</u>	<u>31,348.00</u>
	<u>47,991.81</u>	<u>43,610.02</u>

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2023

(Currency : Indian rupees Lakhs)

36 Related party transactions

36.1 Parties where control exists

Siemens AG	Ultimate holding company	Germany
Siemens Limited	Holding company	India

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

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

36.3 Related party transactions

Description	30 September 2023		30 September 2022	
	Holding Company and Ultimate Holding Company	Fellow Subsidiaries	Holding Company and Ultimate Holding Company	Fellow Subsidiaries
Revenue (net of taxes) - sale of materials				
- Siemens Ltd.	2,759.54	-	1,778.87	-
- PT Siemens Mobility Indonesia	-	12.63	-	-
Purchase of goods and services				
- Siemens Ltd.	601.31	-	589.14	-
- Siemens AG	115.65	-	15.79	-
- Siemens Technology and Services Pvt Ltd.	-	128.18	-	77.83
- Siemens Rail Automation S.A.U.	-	79.71	-	110.18
- Siemens Mobility Ltd.	-	119.37	-	151.97
- Others	-	18.33	-	19.05
Bank guarantee charges				
- Siemens AG	0.84	-	0.48	-
Royalty expenses				
- Siemens AG	282.45	-	183.27	-
Purchase of property, plant and equipment				
- Siemens Ltd.	7.51	-	7.53	-
Dividend paid				
- Siemens Ltd.	6,502.78	-	2,644.59	-
Outstanding balances				
Receivables				
- Siemens Ltd.	515.76	-	713.01	-
- Siemens AG	1.15	-	18.03	-
Payables				
- Siemens Ltd.	45.53	-	12.85	-
- Siemens Mobility GmbH	-	18.78	-	0.98
- Siemens AG	97.54	-	103.32	-
- Siemens Rail Automation S.A.U.	-	62.72	-	36.11
- Siemens Mobility Ltd.	-	4.44	-	125.22
- Others	-	10.71	-	17.58

There are no payments to key managerial personnel.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2023

(Currency : Indian rupees Lakhs)

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

(i) **Defined contribution plans**

Amount of Rs. 43.52 Lakhs (2022: Rs.33.49 Lakhs) is recognised as an expense and included in "employee benefits expense" (refer note 29) in the statement of profit and loss.

(ii) **Defined benefit plans**

a) **Amounts for the current period are as follows :**

Particulars	Gratuity		Medical		Retirement Gift	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022	30 September 2023	30 September 2022
I Change in defined benefit obligation						
Liability at the beginning of the year	75.50	68.88	12.36	11.68	1.55	1.30
Expenses recognised in profit and loss Account						
- Interest cost	5.52	4.29	0.94	0.81	0.12	0.09
- Current service cost	14.74	13.17	1.76	1.33	0.28	0.23
Remeasurement gains/(losses)						
Actuarial (gain) / loss arising from						
i Change in financial assumptions	4.79	1.32	12.55	1.92	0.15	0.05
ii Demographic assumption	(0.18)	-	(0.00)	(1.07)	(0.00)	-
iii Experience variance	6.46	1.51	10.65	(2.31)	0.16	(0.12)
Benefits paid	(6.10)	(13.67)	-	-	-	-
Liability at the end of the year	100.73	75.50	38.26	12.36	2.26	1.55
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	0.33	0.30	-	-	-	-
Actuarial gain / (loss) on plan assets	(0.33)	(0.30)	-	-	-	-
Fair value of plan assets at the end of the year	4.28	4.28	-	-	-	-
III Actual return on plan assets						
Expected return on plan assets	0.33	0.30	-	-	-	-
Actuarial gain / (loss) on plan assets	(0.33)	(0.30)	-	-	-	-
Actual return on plan assets	-	-	-	-	-	-
IV Amount recognised in the balance sheet						
Defined benefit obligation at the end of the year	100.73	75.50	38.26	12.36	2.26	1.55
Fair value of plan assets at the end of the year	4.28	4.28	-	-	-	-
(Surplus)/Deficit	96.45	71.22	38.26	12.36	2.26	1.55
Current portion of the above	0.23	-	-	-	-	-
Non current portion of the above	96.22	71.22	38.26	12.36	2.26	1.55
V.a Expenses recognised in the statement of profit and loss						
Net interest expense	5.20	3.99	0.94	0.81	0.12	0.09
Current service cost	14.74	13.17	1.76	1.33	0.28	0.23
Expense recognised in statement of profit and loss	19.94	17.16	2.70	2.14	0.40	0.32
V.b Included in other comprehensive income						
Return on plan assets excluding net interest	0.33	0.30	-	-	-	-
Net actuarial (gain) / loss recognised	11.07	2.83	23.20	(1.46)	0.31	(0.07)
Actuarial (gain) or loss recognised in OCI	11.40	3.13	23.20	(1.46)	0.31	(0.07)

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2023

(Currency : Indian rupees Lakhs)

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

		Gratuity		Medical		Retirement Gift	
		30 September 2023	30 September 2022	30 September 2023	30 September 2022	30 September 2023	30 September 2022
VII	Actuarial Assumptions						
	Discount Rate	7.20%	7.61%	7.20%	7.61%	7.20%	7.61%
	Attrition rate:						
	upto 30 years	10.00%	9.00%	10.00%	9.00%	10.00%	9.00%
	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%	6.00%	9.00%	9.00%
VIII	Sensitivity						
	Change in liability for 0.5% decrease in discount rate	6.33	4.70	6.26	2.00	0.20	0.14
	Change in liability for 0.5% increase in discount rate	(5.79)	(4.30)	(5.26)	(1.69)	(0.18)	(0.13)
	Change in liability for 0.5% decrease in salary/ medical inflation rate	(5.73)	(4.27)	(5.05)	(1.59)	(0.18)	(0.13)
	Change in liability for 0.5% increase in salary/ medical inflation rate	6.20	4.62	5.95	1.87	0.20	0.14
IX	Maturity Profile of Defined Benefit Obligation (Undiscounted amount)						
	Year 1	4.67	3.91	-	-	-	-
	Year 2	5.49	4.46	-	-	-	-
	Year 3	6.75	5.30	-	-	-	-
	Year 4	8.09	6.75	-	-	-	-
	Year 5	10.94	8.05	-	-	-	-
	Years 6 to 10	83.71	61.32	-	-	-	-
X	Weighted Average Duration of Defined Benefit Obligation Duration (Years)	12.00	12.00	-	-	-	-

b) The gratuity balance is funded only to the extent of Rs. 4.28 Lakhs (2022: 4.28 Lakhs). The Company expects to contribute Rs. 4.67 Lakhs (2022: Rs. 3.91 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.

III Retirement Gift

Retirement gift is paid as a token of appreciation to the permanent employees who are separating on their retirement from 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 2023		30 September 2022	
	Amount	%	Amount	%
Insurance company	4.28	100%	4.28	100%
Total plan assets	4.28	100%	4.28	100%

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2023

(Currency : Indian rupees Lakhs)

38 Earnings per share:

	30 September 2023	30 September 2022
Weighted average number of equity shares outstanding during the year	64,898	64,898
Profit after tax	5,843.22	4,343.05
Basic and diluted earnings per share	9,003.70	6,692.12

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

	30 September 2023	30 September 2022
Principal amount due to suppliers under MSMED Act	477.95	443.47
Interest accrued and due to suppliers under Section 16 of MSMED Act, 2006 on the above amount, unpaid	-	-
Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
Interest paid to suppliers under the MSMED Act	-	-
Interest due and payable towards suppliers under MSMED Act towards payments already made	22.14	13.62
Interest accrued and remaining unpaid at the end of the accounting year	46.73	24.59

interest accrued is considered due upon claim from vendors.

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.

40 Share-based payment transactions

All the share-based payment awards at Company are classified as cash-settled transactions. The employees of the Company are eligible for the Ultimate Holding Company's share awards namely Share Matching Plan (SMP). 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 gets one free share for every three shares purchased.

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

	30 September 2023	30 September 2022
Other current financial liabilities (refer note 21)	6.50	3.20
Total	6.50	3.20

Effect of share-based payment transaction on the profit and loss, shown under the head employee benefits expense is Rs. 3.39 Lakhs (2022: Rs. 1.74 Lakhs)

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2023

(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 / Fair value	
		30 September 2023	30 September 2022
<u>Measured at amortised cost:</u>			
(a) Trade receivables	5 & 11	3,121.53	3,462.25
(b) Cash and cash equivalents and other bank balances	12 & 13	28,408.74	28,657.63
(c) Other financial assets	6 & 14	302.82	285.80
Total		31,833.09	32,405.68

ii) Category-wise classification for applicable financial liabilities:

Particulars	Notes	Carrying value / Fair value	
		30 September 2023	30 September 2022
<u>Measured at amortised cost:</u>			
(a) Trade payables	20	3,795.21	3,889.37
(b) Other liabilities	21	271.62	43.06
(c) Lease liabilities	4	407.99	76.11
Total		4,474.82	4,008.54

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

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2023

(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.

Trade 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	30 September 2023	30 September 2022
Balance at the beginning of the year	(311.95)	(498.84)
(Charge) / reversal during the year	40.63	186.89
Balance at the year end	<u>(271.32)</u>	<u>(311.95)</u>

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 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	-
		<u>4,507.03</u>	<u>4,239.30</u>	<u>267.73</u>
As at 30 September 2022				
Trade payables	20	3,889.37	3,889.37	-
Lease liabilities *	4	73.57	73.57	-
Other financial liabilities	21	43.06	43.06	-
		<u>4,006.00</u>	<u>4,006.00</u>	<u>-</u>

* contractual undiscounted cash flow.

44 Corporate social responsibility

Description	30 September 2023	30 September 2022
(i) Gross amount required to be spent by the Company during the year	73.52	47.09
(ii) Amount actually spent on CSR activities in cash (other than construction/acquisition of any asset)	28.00	49.43
(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	NA

45 Distribution made and proposed

	30 September 2023	30 September 2022
Dividends on equity shares declared and paid		
Final and Interim dividend for the year ended 30 September 2022 of Rs. 10,020 per share and Rs. 4,075 per share respectively	6,502.78	2,644.59
	<u>6,502.78</u>	<u>2,644.59</u>
Proposed dividend on equity shares:		
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
	<u>5,837.58</u>	<u>6,502.78</u>

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2023

(Currency : Indian rupees Lakhs)

46 Ratio Analysis

Sr. no.	Ratio	Numerator / Denominator	30 September 2023	30 September 2022	% change	Reason for variance in case % change is greater than 25%
(a)	Current ratio (times)	Current assets / Current liabilities	1.27	1.32	-3.66%	
(b)	Return on equity ratio (times)	Net profit after tax / Average shareholders equity (equity share capital + retained earnings)	0.86	0.69	24.51%	
(c)	Inventory turnover ratio	Project bought outs and other direct costs / Average inventory	8.02	18.07	-55.63%	Due to liquidation of inventories in current year
(d)	Trade receivables turnover ratio (times)	Revenue from operations (excluding other operating revenue) / Average trade receivables	6.39	5.39	18.59%	
(e)	Trade payables turnover ratio (times)	Project bought outs and other direct costs / Average trade payables	2.79	2.60	7.10%	
(f)	Net capital turnover ratio (times)	Revenue from operations (excluding other operating revenue) / Working capital	2.83	1.95	44.95%	Due to increase in contract liabilities
(g)	Net profit ratio (%)	Net profit / Revenue from operations (excluding other operating revenue)	27.77%	27.13%	2.38%	
(h)	Return on capital employed (%)	Earnings before interest and taxes / Tangible net worth	96.43%	67.69%	42.47%	Increase due to savings during execution of projects

Note:

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

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.
- (h) 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:
 - (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.
- (i) 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) 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.

Siemens Rail Automation Private Limited

Notes to the financial statements (Continued)

as at 30 September 2023

(Currency : Indian rupees Lakhs)

- 48** Pursuant to the amendment in the Companies (Accounts) Rules, 2014 effective from August 5, 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 books of accounts are maintained by the Company in electronic mode and are accessible in India at all times. The Company did not have an established process of maintaining daily back-up of books of accounts on a server physically located in India upto June 20, 2023. Effective June 21, 2023, the Company has kept back-up of books of accounts on servers physically located in India on a daily basis and has also taken a back-up of books of accounts and records for the period October 1, 2022 to June 20, 2023 on June 21, 2023.
- 49 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.
- 50** Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current year's classification.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration Number:- 324982E / E300003

Chartered Accountants

For and on behalf of the Board of Directors of

Siemens Rail Automation Private Limited

per Aruna Kumaraswamy

Partner

Membership No: 219350

Alka Garg

Director

DIN : 09461837

Vaibhav Haria

Director

DIN : 07867271

Place : Mumbai

Date: 20 November 2023

Place : New Delhi

Date: 20 November 2023

Place : Mumbai

Date: 20 November 2023