



Date: 31/05/2019

The Listing Department
BSE Limited
P.J. Towers, Dalal Street
Mumbai 400 001
Scrip Code: 532966

The National Stock Exchange of India Limited
Exchange Plaza, 5th floor
Plot No.C/1, G Block
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Scrip Code: TWL

Dear Sirs,

Sub: Outcome of the Adjourned Board Meeting held on 30th May, 2019 (continuation of the Board Meeting held on 29th May, 2019)

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("LODR Regulations"), read with SEBI Circulars No. CIR/CFD/CMD/4/2015, dated September 09, 2015 and No. CFD/DIL3/CIR/2017/21, dated March 10, 2017 ("SEBI Circular"), this is to inform you that the Board of Directors of **Titagarh Wagons Limited** ("Company"), at its meeting held on 30th May, 2019 (continuation of the Board Meeting held on 29th May, 2019), has inter alia :

1. Considered and approved a Scheme of Arrangement under Sections 230 to 232, read with other applicable/enabling provisions of the Companies Act, 2013 and provisions of other applicable laws, for amalgamation of Cimcco Limited (Transferor Company No. 1- a listed subsidiary of the Transferee), Titagarh Capital Private Limited (Transferor Company No. 2- wholly owned subsidiary of the Transferee) and Titagarh Enterprises Limited (Transferor Company No. 3- a promoter group entity) with the Company (Transferee Company). Transferor Company No.1 is a listed entity and Transferor Companies No.2 and 3 are unlisted entities.
2. The Appointed Date for the Scheme is 01/04/2019 or such other date as directed by the Kolkata Bench of the National Company Law Tribunal ("NCLT").
3. The Scheme is subject to the approval of BSE Limited, the National Stock Exchange of India Limited, SEBI, shareholders and creditors of the Company and such other statutory authorities as may be required and also subject to sanction by the NCLT.

The proposed Scheme has been reviewed and recommended by the Audit Committee of the Board of Directors of the Company, at its meeting today.

Enclosed, as **Annexure 1**, is the relevant information in relation to the Scheme.

Thanking you,
For Titagarh Wagons Limited


Dinesh Arya
Company Secretary
ICSI Membership No: F3665



TITAGARH WAGONS LIMITED

CIN: L27320WB1997PLC084819

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ANNEXURE 1

Disclosure of information pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with SEBI Circulars No. CIR/CFD/CMD/4/2015, dated September 09, 2015 and No. CFD/DIL3/CIR/2017/21, dated March 10, 2017

1. Name of the entity(ies) forming part of the amalgamation/merger along with details such as size, turnover etc:
 - a. Titagarh Wagons Limited (Transferee Company)
[Turnover (Standalone) for year ended 31.03.2019: Rs. 91,011.28 lakhs]
 - b. Cimmco Limited (Transferor Company No. 1)
[Turnover for year ended 31.03.2019: Rs. 25,718.56 lakhs]
 - c. Titagarh Capital Private Limited (Transferor Company No. 2)
[Turnover for year ended 31.03.2019: Rs. 67.37 lakhs]
 - d. Titagarh Enterprises Limited (Transferor Company No. 3)
[Turnover for year ended 31.03.2018: Rs. 435.51 lakhs]

2. Whether the transaction would fall within related party transactions and if yes whether the same is done at "arm's length basis"

The Transferor Company No. 1 (Cimmco Limited) is subsidiary of the Transferee Company.

The Transferor Company No.2 (Titagarh Capital Private Limited) is wholly owned subsidiary of the Transferee Company.

The Transferor Company No. 3 (Titagarh Enterprises Limited) is a promoter group entity of the Transferee Company.

The transaction shall not attract the provisions of Section 188 of the Companies Act, 2013 (related party transactions), however the transaction shall be considered a related party transaction under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

3. Area of business of the entity(ies)

- a. Titagarh Wagons Limited was incorporated to deal in and carry on in India and elsewhere either directly or by means of subsidiary companies the business of founders of ferrous and non-ferrous metals, sheet-metal workers, mechanical, structural, electrical and metallurgical engineers, to carry on the work of cast iron and sheet foundry for the manufacture of cast iron and steel railway castings including bogies, fishplates, wheels and other fittings all types of pipes and pipe-fittings, water reservoirs, drainage requisites including manhole frames and covers, gratings and ladders, cast-iron sanitary appliance and fittings including flushing cisterns, bath tubes, wash basins, cast iron building requisites including railings, spiral stairs, ladders, ventilators, ornamental window frames, agricultural implements including choppers and plugs, household requisites and utensils including cooking pans, containers, coal mining and engineering requisites including pinions, tub-wheels, pump part and other general and special castings.
- b. Cimmco Limited was incorporated to establish and carry on the business of manufacturing machinery, engines, turbines, tanks, ships, bodies, tools, implements, accessories, equipments, and other materials and products, to carry on the business of buyers, sellers, dealers, exporters and importers of any goods or merchandise whatsoever and to transact all manufacturing or treating and preparing processes and mercantile business and to purchase and vend raw materials and manufactured articles, to acquire and work mines, plantations, forests, lands and licences, leases and other rights and privileges, to purchase and hold in free or on lease or otherwise and to make advances on any land or lands and to purchase, acquire, hire, hold, make and maintain roads, canals, watercourses, ferries, piers, wharves and other ways and to make, construct, purchase, acquire, hire, hold, improve, alter, manage, let, sell, exchange, barter and dispose of lands, leases, buildings, warehouses, works, railway sidings, tramways, ships, boats, aeroplanes, engines, machinery and apparatus whatsoever.



- c. Titagarh Capital Private Limited was incorporated to carry on and undertake the business of finance, hire purchase and leasing and to purchasing, selling, hiring, or letting on the hire land, Building, plant and machinery and equipment including transport vehicles, that the company may think fit and to assisting financing of all and every kind Of description of hire purchase, leasing or deferred payment of similar transaction and to subsidies finance or assists in subsidizing or financing the sale and maintenance of any goods, articles or commodities of every kind or description upon any terms whatsoever and do finance and provide gifts to members to members and other persons who is engaged to business activity by circulate system and membership by chain system and to lend money either with or without security upon such terms and condition as the company may think fit to the subscribers and to establish finance encourage saving Scheme Gift or saving Schemes, house building Schemes, hire purchase, and installment supply scheme, committee fund scheme, crop loan scheme, small scale industry loan scheme Bill discounting scheme and pursue the policy of wise economy and to lend the money to unemployed person for self-employment purposes but will not do any activity totally banned under RBI Banking Regulation Act 1949.
- d. Titagarh Enterprises Limited was incorporated to carry on the business in India or abroad to take on lease, rent, hire, construct, build, establish, erect, promote, undertake, acquire, own, operate, equip, manage, renovate, recondition, turn to account, maintain and to run warehouses, godowns, open platforms, refrigeration houses, stores and other similar establishments to provide facilities for storage of commodities, goods, railway rolling stock, assets, properties, articles and things, and for the purpose to act as C & F agent, custodian, warehouseman, transportation and distribution agent, stockist, financier, auctioneer, importer, exporter, advisor, promoter or otherwise to store, distribute, handle, deal in all sorts of commodities, vegetables, fruits, edibles and similar goods.

4. Rationale for amalgamation/merger

- The Transferor Companies and Transferee Company belong to Titagarh Group.
- All the entities are engaged in similar and ancillary businesses pertaining to manufacturing of wagons, transportation, warehousing and logistics etc.
- Further, Cimmco Limited and the Transferee Company both are listed and carry on similar line of businesses.
- Hence, with a view to consolidate similar businesses under a single entity and to achieve simplified corporate structure by way of group reorganisation, the management has envisaged to undertake the amalgamation of the Transferor Companies in the Transferee Company under this Scheme.
- The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Help in achieving improved operational efficiency and optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company;
- b) The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- c) The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins.
- d) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, business expertise, business processes and assets for common purpose and hence optimum utilization;
- e) The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;



- f) The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- g) Cost savings are expected to flow from more focused operational efforts, rationalisation, standardisation and simplification of business processes, productivity and improvements, improved procurement and the elimination of duplication and rationalization of administrative expenses.
- h) The consolidation of the companies engaged in similar line of business in one entity, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the Companies. This will also result in the management being enabled to undertake any re-structuring /re-organization of the various business undertakings of the companies for the purposes of achieving optimum efficiency /and or to attract investments in the individual business undertakings of the Companies.

In view of the aforesaid, the Board of Directors of the Transferor Companies as well as the Transferee Company have considered and proposed the amalgamation of the entire undertakings and businesses of the Transferor Companies with the Transferee Company in order to benefit the stakeholders of both Transferor Companies and Transferee Company. Accordingly, the Board of Directors of all the companies have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertakings and businesses of the Transferor Companies to the Transferee Company pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

The Scheme is in the interest of the shareholders, creditors and employees of both the Companies and their stakeholders and would enable the Transferee Company to adopt a focused business approach for the maximization of benefits to the stakeholders. The Scheme shall not in any manner be prejudicial to the general public at large.

5. In case of cash consideration - amount or otherwise share exchange ratio

Transferor Company No. 1: Upon the Scheme coming into effect, the Transferee Company shall without any further act or deed issue and allot 13 (Thirteen) Equity Shares of Rs.2/- each fully paid up for every 24 (Twenty Four) Equity Shares of Rs.10/- each fully paid up held by the shareholders of the Transferor Company No.1 whose names appear in the register of members as on the Record Date (as defined in the Scheme).

Transferor Company No. 2: Titagarh Capital Private Limited (TCPL) being wholly owned subsidiary of the Transferee Company, no consideration is payable and the equity and preference shares held by the Transferee Company in TCPL shall, without further act or deed stand cancelled

Transferor Company No. 3: Upon the Scheme coming into effect, the Transferee Company shall without any further act or deed issue and allot 11 (Eleven) Equity Shares of Rs.2/- each fully paid up for every 13 (Thirteen) Equity Shares of Rs.10/- each fully paid up held by the shareholders of the Transferor Company No. 3 whose names appear in the register of members as on the Record Date (as defined the Scheme).

6. Brief details of change in shareholding pattern (if any) of listed entity

Category	Number of Shares & % of Voting Rights Pre-Amalgamation		Number of Shares & % of Voting Rights Post-Amalgamation	
	No.	%	No.	%
Promoter & Promoter Group	5,28,38,340	45.72%	6,93,82,438	50.94
Public	6,27,24,580	54.28%	6,68,15,486	49.06

