

Price Waterhouse & Co Chartered Accountants LLP

The Board of Directors
Titagarh Wagons Limited
756, Anandapur
E M Bypass
Kolkata 700 107

Independent Auditor's Report on the Statement of consolidated financial results

1. We have audited the accompanying Statement containing the annual consolidated financial results of Titagarh Wagons Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures for the year ended March 31, 2019 together with the notes thereon (hereinafter referred to as the "Statement"), which we have signed under reference to this report.

Management's Responsibility for the consolidated financial results

2. Management of the Holding Company is responsible for the preparation of the accompanying Statement. The Management is also responsible for the preparation of the annual statutory consolidated financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual consolidated financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 10 below is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

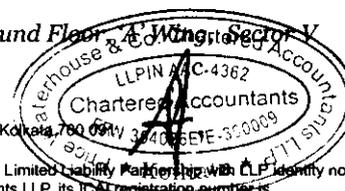
6. We draw your attention to the following paragraph included in the audit report on the financial statements of Cimmco Limited (a subsidiary of the Holding Company) issued by us vide our report dated May 30, 2019:

"We draw your attention to Note 8 to the Statements regarding public shareholding in the company being 20.512% as at March 31, 2019, which is below the minimum requirement of 25% under Rule

Price Waterhouse & Co Chartered Accountants LLP, 56 & 57, Block DN, Ground Floor, Salt Lake, Kolkata - 700091, India
T: +91 (33) 44001111 / 44662000, F: +91 (33) 44043065

Registered office and Head office: Plot No. Y-14, Block EP, Sector V, Salt Lake Electronic Complex, Bidhan Nagar, Kolkata, 700 091

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19A(2) of the Securities Contracts (Regulation) Rules, 1957. The consequential impact of the aforesaid non-compliance, if any, is presently not ascertainable.”

Note 8 as described above corresponds to Note 6(d) to the Statement.

Qualified Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial results for the year ended March 31, 2019 as set out in the Statement together with notes thereon:

- (i) include the financial results of the following entities:

1.	Titagarh Wagons Limited
Subsidiaries and step down subsidiaries	
2.	Titagarh Singapore Pte Ltd
3.	Titagarh Firema Spa
4.	Titagarh Wagons AFR
5.	Cimmco Limited
6.	Titagarh Capital Private Limited
Joint Ventures	
7.	Titagarh Mermec Private Limited
8.	Maitere Titagarh Private Limited

- (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

- (iii) except for the indeterminate impact of the matter referred in the Basis for Qualified Opinion section of our report, gives a true and fair view of the total consolidated comprehensive income (comprising of consolidated loss and consolidated other comprehensive income), and other financial information of the Group and its joint ventures for the year ended March 31, 2019 in accordance with the accounting principles generally accepted in India.

Material Uncertainty Relating to Going Concern in respect of a subsidiary

8. We draw attention to the Material Uncertainty Relating to Going Concern paragraph included in the audit report of the special purpose financial statements of Titagarh Wagons AFR (a subsidiary of the Holding Company) issued by the independent auditors vide their report dated May 29, 2019 reproduced as under:

“We draw attention to Note 1 in the special purpose information. The events or conditions described in Note 1 in the special purpose information indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.”

Note 1 as described above corresponds to Note 5 to the Statement.

Emphasis of Matter

9. We draw your attention to the following paragraph included in the audit report on the financial statements of Cimmco Limited (a subsidiary of the Holding Company) issued by us vide our report dated May 30, 2019:

“We draw your attention to Note 7 to the Statement regarding the Company’s claim of Rs. 2,361.23 lacs towards lease rental and interest thereon receivable from the Indian Railways, which is recognised based on the order from the Hon’ble High Court of Delhi dated March 15, 2019 reaffirming the



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Arbitration Award dated February 3, 2016 and based on the legal advice obtained by the Company in this regard.”

Note 7 as described above corresponds to Note 6(c) to the Statement.

Our opinion is not modified in respect of this matter.

Other Matter

10. We did not audit the financial statements/financial information of three subsidiaries whose financial statements/ financial information reflect total assets of Rs 138,024.55 lacs and net assets of Rs 21,917.16 lacs as at March 31, 2019, total revenue of Rs. 68,141.70 lacs and total comprehensive income (comprising of loss and other comprehensive income) of Rs 12,361.22 lacs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.
11. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of Rs. 3.64 lacs for the year ended March 31, 2019 as considered in the consolidated financial statements, in respect of two joint ventures whose financial statement/ financial information have not been audited by us. These financial statement/ financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these joint ventures, is based solely on such unaudited financial statement/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statement/ financial information is not material to the Group.

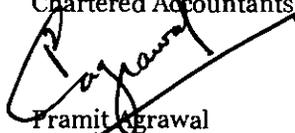
Our opinion is not modified in respect of these matters.

12. The Statement dealt with by this report has been prepared for the express purpose of filing with the Stock Exchanges. This Statement is based on and should be read with the audited consolidated financial statements of the group, for the year ended March 31, 2019 on which we issued a modified audit opinion vide our report dated May 30, 2019.

Restriction on Use

13. This report is addressed to the Board of Directors of the Holding Company and has been prepared for and only for the purposes set out in paragraph 12 above. This report should not be otherwise used by any other party for any other purpose.

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



Pramit Agrawal
Partner

Membership No. 099903

Place: Kolkata

Date: May 30, 2019

TITAGARH WAGONS LIMITED			
REGISTERED OFFICE- 756, ANANDAPUR, E M BYPASS, KOLKATA - 700107			
STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2019			
(Rs.in Lacs)			
		YEAR ENDED	
SL. NO.	PARTICULARS	Mar 31, 2019	Mar 31, 2018
		Audited	Audited
1	Revenue from Operations	171,077.50	127,143.84
2	Other Income	5,336.83	2,987.86
3	Total Income	176,414.33	130,131.70
4	Expenses		
a)	Cost of Raw Materials & Components Consumed	109,850.31	69,239.63
b)	Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap	(4,350.45)	6,484.22
c)	Excise Duty Expense	-	325.20
d)	Employee Benefits Expense	22,505.98	23,932.13
e)	Finance Costs	6,837.59	4,405.99
f)	Depreciation and Amortisation Expense	3,614.79	5,083.58
g)	Other Expenses	39,669.33	36,837.06
5	Total Expenses (a to g)	178,127.55	146,307.81
6	Loss before Share of loss of a Joint Venture, Exceptional Items and Tax (3-5)	(1,713.22)	(16,176.11)
7	Share of loss of a Joint Venture	3.64	32.36
8	Loss before Exceptional Items and Tax (6-7)	(1,716.86)	(16,208.47)
9	Exceptional Items (Refer Note 4)	3,832.55	509.12
10	Loss before Tax (8-9)	(5,549.41)	(16,717.59)
11	Tax Expense		
a)	Current tax	177.12	808.48
b)	Deferred Tax - Charge/(Credit)	(3,473.92)	(2,802.64)
	Total Tax Expense	(3,296.80)	(1,994.16)
12	Loss for the Period (10-11)	(2,252.61)	(14,723.43)
	Attributable to:		
	Shareholders of the Company	(2,852.31)	(14,362.26)
	Non-Controlling Interest	599.70	(361.17)
13	Other Comprehensive Income		
	Items that will be reclassified to profit or loss:		
	Net Gain/(Loss) on Foreign Currency Translation Differences	(726.58)	3,531.02
	Items that will not be reclassified to profit or loss:		
	Remeasurement gains/(losses) on defined benefit plans	2.08	(6.25)
	Income tax relating to above	(0.73)	1.97
14	Total Other Comprehensive Income	(725.23)	3,526.74
15	Total Comprehensive Income for the Period (12+14)	(2,977.84)	(11,196.69)
	Attributable to:		
	Shareholders of the Company	(3,578.80)	(10,835.29)
	Non-Controlling Interest	600.96	(361.40)
16	Paid-up Equity Share Capital (Face value Rs. 2/- each)	2,310.56	2,310.01
	Other Equity	79,307.01	83,156.69
17	Earnings/(Loss) Per Equity Share (of Rs. 2/- each) (Not Annualised)		
	- Basic (Rs.)	(2.47)	(12.44)
	- Diluted (Rs.)	(2.47)	(12.44)



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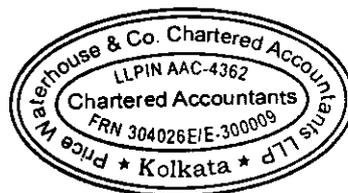
TITAGARH WAGONS LIMITED
REGISTERED OFFICE- 756, ANANDAPUR, E M BYPASS, KOLKATA - 700107
SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(Rs.in Lacs)

CONSOLIDATED

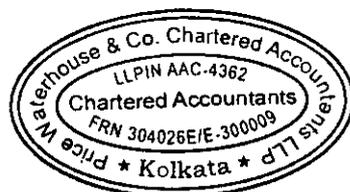
YEAR ENDED

SL. NO.	PARTICULARS	YEAR ENDED	
		Mar 31, 2019	Mar 31, 2018
		Audited	Audited
1	Segment Revenue		
	a) Wagons & Coaches	150,538.42	118,668.96
	b) Specialised Equipments & Bridges	7,352.70	4,150.84
	c) Shipbuilding	13,151.65	3,516.72
	d) Others	34.73	807.32
	Sales/ Income from Operations	171,077.50	127,143.84
2	Segment Results [Profit / (Loss) after Tax]		
	a) Wagons & Coaches	(803.25)	(11,553.81)
	b) Specialised Equipments & Bridges	978.27	357.47
	c) Shipbuilding	3,195.69	549.08
	d) Others	(218.88)	(1,780.85)
	Total	3,151.83	(12,428.11)
	Less :		
	i Interest Expense - Net	5,005.87	2,273.62
	ii Unallocable expenditure net of income	3,695.37	2,015.86
	Total Loss before Tax	(5,549.41)	(16,717.59)
	Less: Tax Expenses	(3,296.80)	(1,994.16)
	Total Loss after Tax	(2,252.61)	(14,723.43)
3	Segment Assets		
	a) Wagons & Coaches	228,893.96	235,889.32
	b) Specialised Equipments & Bridges	4,792.26	7,252.16
	c) Shipbuilding	7,672.36	6,121.34
	d) Others	1,010.91	1,154.03
	e) Unallocable	29,256.24	21,542.77
	Total	271,625.73	271,959.62
4	Segment Liabilities		
	a) Wagons & Coaches	129,468.70	115,102.80
	b) Specialised Equipments & Bridges	1,664.53	2,259.30
	c) Shipbuilding	1,093.40	7,182.45
	d) Others	158.89	462.79
	e) Unallocable	50,360.50	55,129.42
	Total	182,746.02	180,136.76



TITAGARH WAGONS LIMITED
REGISTERED OFFICE- 756, ANANDAPUR, E M BYPASS, KOLKATA - 700107
CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

		(Rs.in Lacs)	
SL No	PARTICULARS	Mar 31, 2019	Mar 31, 2018
		Audited	Audited
	ASSETS		
1	Non-current Assets		
	a) Property, Plant and Equipment	88,474.52	91,430.80
	b) Investment Property	821.24	821.24
	c) Capital Work-in-progress	3,323.92	2,323.16
	d) Intangible Assets	4,172.54	3,095.43
	e) Intangible Assets under Development	241.76	387.29
	f) Investments Accounted for Using the Equity Method	39.49	43.13
	g) Goodwill on Consolidation	24.85	402.25
	h) Financial Assets		
	(i) Investments	8,658.05	8,241.59
	(ii) Trade Receivables	269.17	171.68
	(iii) Loans and Deposits	306.34	233.79
	(iv) Others Financial Assets	20.23	1,047.19
	i) Deferred Tax Assets (Net)	3,469.76	3,076.72
	j) Non-current Tax Assets (Net)	2,848.70	1,692.76
	k) Other Non-current Assets	466.64	496.07
	Sub total - Non-current Assets	113,137.21	113,463.10
2	Current Assets		
	a) Inventories	52,126.01	44,153.96
	b) Financial Assets		
	(i) Trade Receivables	34,406.82	27,614.08
	(ii) Cash and Cash Equivalents	9,865.25	5,840.23
	(iii) Bank Balances other than (ii) above	2,081.27	1,531.47
	(iv) Loans and Deposits	4,569.77	9,467.35
	(v) Others Financial Assets	27,098.63	46,622.75
	c) Current Tax Assets (Net)	-	1,010.99
	d) Other Current Assets	28,340.77	22,255.69
	Sub total - Current Assets	158,488.52	158,496.52
	TOTAL - ASSETS	271,625.73	271,959.62
	EQUITY AND LIABILITIES		
	EQUITY		
	a) Share Capital	2,310.56	2,310.01
	b) Other Equity	79,307.01	83,156.69
	Sub total - Equity attributable to Owners of Titagarh Wagons Limited	81,617.57	85,466.70
	Non Controlling Interest	7,262.14	6,356.16
	Total Equity	88,879.71	91,822.86
	Liabilities		
1	Non-current Liabilities		
	a) Financial Liabilities		
	(i) Long-term Borrowings	57,558.77	18,725.05
	(ii) Other Financial Liabilities	1,800.23	4,548.12
	b) Provisions	313.51	298.08
	c) Deferred Tax Liabilities (Net)	2,879.69	6,391.41
	Sub total - Non-current Liabilities	62,552.20	29,962.66
2	Current Liabilities		
	a) Financial Liabilities		
	(i) Borrowings	29,439.73	38,920.94
	(i) Trade Payables		
	a) Total Outstanding Dues of Micro Enterprises and Small Enterprises	80.12	36.02
	b) Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises	53,435.60	30,594.53
	(iii) Other Financial Liabilities	8,575.95	11,498.58
	b) Other Current Liabilities	17,712.62	51,042.72
	c) Provisions	10,848.98	16,198.41
	d) Current tax Liability	100.82	1,882.90
	Sub total - Current Liabilities	120,193.82	150,174.10
	TOTAL - LIABILITIES	182,746.02	180,136.76
	TOTAL - EQUITY AND LIABILITIES	271,625.73	271,959.62



TITAGARH WAGONS LIMITED
REGISTERED OFFICE- 756, ANANDAPUR, E M BYPASS, KOLKATA - 700107
NOTES TO THE STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2019

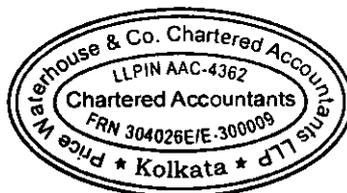
Notes:

- 1 The consolidated audited financial results of Titagarh Wagons Limited (hereinafter referred to as "the Company") include results of subsidiaries / step down subsidiaries namely- Cimmco Limited (Cimmco), Titagarh Wagons AFR (TWA FR), Titagarh Firema S.p.A (TFA), Titagarh Singapore Pte Limited (TSPL), Titagarh Capital Private Limited (TCPL), collectively referred to as "the Group" and Joint Ventures namely Matiere Titagarh Bridges Private Limited and Titagarh Mermec Private Limited.
- 2 Operating segments based on the Group's and its Joint Ventures products have been identified as "Wagons & Coaches", "Specialised Equipments & Bridges", "Shipbuilding" and "Others". Segment "Others" consists of miscellaneous business like heavy earth moving machineries, tractors etc.
- 3 Effective April 1, 2018, the Group and its Joint Venture has adopted IND AS 115 "Revenue from Contracts with Customers" using the modified retrospective approach which is applied to contracts that were not completed as of April 1, 2018. The comparatives for the year ended March 31, 2018 have not been restated and accordingly the results for the year ended March 31, 2019 are not comparable with previous year. As a result of adoption of the new standard, an amount of Rs. 90.61 lacs (net of tax), has been adjusted against retained earnings as on April 1, 2018. Further, the change in the timing of revenue recognition for certain contracts has following impact on the above consolidated results:

Particulars	Year Ended Mar 31, 2019
Increase in Revenue from Operations	3,989.19
Increase in Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap	(3,516.43)
Increase / (Decrease) in Profit before tax	472.76
(Increase) / Decrease in Tax expense	(165.20)
Increase / (Decrease) in Profit for the period and Total comprehensive income	307.56
Increase / (Decrease) in Earnings per Equity Share (of Rs. 2/- each) (Not Annualised)	0.27

- 4 Exceptional items for the year ended March 31, 2019 represents:
 - 1) In case of Titagarh Wagons AFR, Rs. 2,670.62 lacs represents following items:
 - (a) Consultancy charges paid to consultants in connection with their services relating to the procedure, separation cost paid to certain employees in line with the overall restructuring scheme of the Company and repair cost incurred towards AFR 22 bogies pursuant to the technical issues that were identified.
 - b) Impairment provision made for Rs 1,625.56 lacs towards the land and buiding considering the current market value of the assets.
 - 2) In case of Titgarh Firema SPA, Rs. 745.24 lacs represents costs incurred towards separation cost paid to the employees on account of closure of the two facilities (Milan and Spello) during the year and certain one-time payment to the parties as per the settlement agreement.
 - 3) Due to reasons as explained in note no 5 below, the Group has impaired goodwill on consolidation of TWA recognised in earlier years amounting to Rs 377.40 lacs.
- 5 In case of Titagarh Wagons AFR:
 The last two years has been a particularly difficult year for the Company mainly due to technical problems identified in the bogies and a couple of onerous contracts which adversely impacted the operations. As a result the Company has incurred cash losses in FY 1718 and FY 1819 which has impacted the net equity position of the Company and also impacted the cash availability to support the future operations.
 During the year, the Company has implemented a conciliation proceeding which was finally approved by the Commercial Court of Paris on December 4th, 2018. While the various obligations by the different stakeholders including the shareholders, bankers, other Government authorities as per the Conciliation agreement was fulfilled, still the performance of the Company and the cash situation could not improve and Company continued to incur cash losses due to various reasons. This continuing cash losses forced the Company to start a second Conciliation Procedure in early April 2019.

 In the current Conciliation Procedure the Company, based on an internal "Business Plan" for next two years has projected a turnaround in FY 2021 subject to the funding as per the said Business plan. The financing plan as per the said Business plan includes support from Shareholders, Region, Bankers, Douaisis Agglo, other Government Authorities, etc. While confirmation from few stakeholders have already been received subject to compliance of respective terms and conditions, the confirmation from the other stakeholders is still in the process.



TITAGARH WAGONS LIMITED
REGISTERED OFFICE- 756, ANANDAPUR, E M BYPASS, KOLKATA - 700107
NOTES TO THE STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2019

While as per the said business plan long term viability of the Company is established subject to receipt of funds, the Company in the short term is having cash shortage and due to this it has decided to stop the Conciliation Process and has filed an application before the Commercial Court of Paris to start the Rehabilitation Process in terms of Clause R631-31 of the Commercial Code. In terms of the said Rehabilitation procedure the Company would be submitting a Rehabilitation plan which will include the financing requirements from the various stakeholders as contained in the Business plan. This plan if approved will ensure long term rehabilitation of the Company. Due to this context, these events represents a significant uncertainty in the ability of the company to continue its business as going concern.

6 In case of Cimmco Limited:

a) Other Expenses for the year ended March 31, 2019 includes Rs. 854.82 Lacs being claims receivable written off pursuant to an unfavorable order of the Hon'ble Oelhi High Court dated March 15, 2019 against the Company. The Auditors in their audit report for the year ended March 31, 2018 had qualified the recoverability of the above amount.

b) During the year the Company has recognised deferred tax assets including those on unabsorbed depreciation and business losses pertaining to earlier assessment years as it is now probable that future taxable amounts will be available to utilise the deferred tax amount. The balance of such deferred tax assets as at March 31, 2019 was Rs. 2,563.99 Lacs, which is included in the standalone balance sheet under deferred tax assets (net) amounting to Rs. 260.90 Lacs.

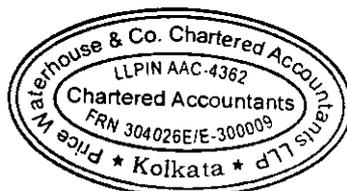
c) The Company had taken on lease 1,200 wagons from four lessors and given the same on sub-lease for a period of ten years to Indian Railways under four separate Sub-Lease Agreements, one dated May 28, 1997 and the other three dated October 20, 1997. During the subsistence of the sub-lease, the Company had initiated arbitration proceedings against Indian Railways in respect of disputes relating to the amount of sub-lease rentals for the first seven years of primary lease, considering the terms and conditions of the agreement. The Arbitrator, vide its award dated February 3, 2016 had rejected the claim of the Company for the aforesaid period, however had noted that the amount of sub-lease rental paid by the Indian Railways for balance three years of the primary sub-lease period was not justified keeping in view the terms of the agreement. The award also states the basis of interest to be charged. Accordingly, considering the arbitration award which is reaffirmed by the High Court of Delhi vide its order dated March 15, 2019, and based on legal advice obtained, the Company has recognized the differential sub-lease rental receivables for last three years of Rs. 898.32 lakhs (disclosed under "Revenue from Operations") and interest thereon of Rs. 1462.91 lakhs (disclosed under "Other Income").

d) Due to allotment of 72,00,000 equity shares to promoter of the Company pursuant to the Scheme of Amalgamation sanctioned by the Hon' ble National Company Law Tribunal resulting in minimum public shareholding (MPS) became 18.47%. Though the aforesaid allotment took place on December 02, 2017 but the shares were credited into the demat account of promoter after listing & trading approvals of the Stock Exchanges, on May 25, 2018 only. The promoter had since made two Offers for Sale (OFS) of the requisite equity shares to achieve the MPS of 25% as per Section 19A(2) of Securities Contracts (Regulation) Rules, 1957, however, due to low demand the OFS were undersubscribed, and the shareholding of public as at March 31, 2019 is 20.512%. As advised by the lawyers, the Company had also submitted an application to the SEBI and Stock Exchanges on December 06, 2018 seeking extension of time till September 30, 2019 to comply with the MPS requirement and waiver of penalty to which the SEBI responded by a letter dated January 24, 2019 informing that the provisions of Securities Contracts (Regulation) Rules, 1957 do not grant power to SEBI to grant extension of timeline for meeting MPS requirements for listed entity. However, the promoter although ready with the third OFS, can issue the same only after the trading window re-opens on June 01, 2019.

7 Post applicability of Goods and Service Tax (GST) w.e.f July 1, 2017, revenue from operations is disclosed net of GST. However, revenue for the period April 1, 2017 to June 30, 2017 is inclusive of excise duty. Accordingly, revenue from operations and total expenses for the year ended March 31, 2019 are not comparable with the corresponding period presented in the consolidated results.

8 During the year ended March 31, 2019, the Board has allotted 27,550 equity shares of Rs.2/- each fully paid up respectively pursuant to Employee Stock Option Scheme, 2014 of the Company to the eligible employees which has resulted in increase of the paid up equity share capital of the Company by Rs 0.55 lacs respectively.

9 The Board of Directors at its meeting held on May 29, 2019 (adjourned to May 30, 2019) approved a draft scheme (the Scheme) for merger of its two subsidiary companies namely Cimmco Limited and Titagarh Capital Private Limited (TCPL), and also Titagarh Enterprises Limited, a promoter group entity with the Company, pursuant to Sections 230 to 232 of the Companies Act, 2013 with April 01, 2019 as the Appointed Date, subject to such approvals as may be necessary including the SEBI/Stock Exchanges and sanction by the Hon' ble National Company Law Tribunal. Upon the Scheme becoming effective, the Company shall issue 13 (thirteen) equity shares of Rs. 2/- each fully paid up by the Company for every 24 (twenty four) equity share of Rs. 10/- each fully paid up held by the shareholders of the Cimmco Limited, issue 11 (eleven) equity shares of Rs. 2/- each fully paid up by the Company for every 13 (thirteen) equity share of Rs. 10/- each fully paid up held by the shareholders of the Titagarh Enterprises Limited on the record date (defined in the Scheme) to be determined in due course. TCPL being a wholly owned subsidiary of the Company, no consideration is payable and the equity and preferences shares held by the Company in TCPL shall stand cancelled.

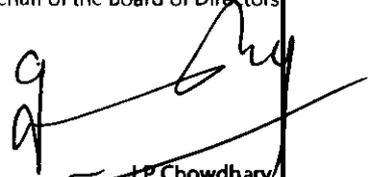


TITAGARH WAGONS LIMITED
REGISTERED OFFICE- 756, ANANDAPUR, E M BYPASS, KOLKATA - 700107
NOTES TO THE STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2019

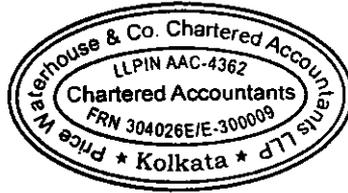
- 10 The Board of Directors of the holding company has recommended a dividend of Re 0.30 per equity share of face value of Rs 2/- each (i.e. @ 15%) subject to approval of the shareholders in the ensuing Annual General Meeting.

- 11 The above consolidated financial results for the year ended March 31, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 29, 2019 (adjourned to May 30, 2019).

For and on behalf of the Board of Directors


J.P. Chowdhary
EXECUTIVE CHAIRMAN

Place: Kolkata
Date: May 30, 2019



Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results of Titagarh Wagons Limited – Consolidated for the financial year ended March 31, 2019

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs in lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs in lakhs) (Refer Note below)
	1	Turnover / Total income (including other income)	176,414.33	176,414.33
	2	Total Expenditure (including tax expenses)	178,666.94	178,666.94
	3	Net Profit/(Loss) (attributable to Shareholders of the Company).	(2,852.31)	(2,852.31)
	4	Earning/(Loss) Per Share	(2.47)	(2.47)
	5	Total Assets	271,625.73	271,625.73
	6	Total Liabilities	182,746.02	182,746.02
	7	Net Worth (total equity)	88,879.71	88,879.71
	8	Any other financial item(s) (as felt appropriate by the management)	-	-
Note: Not applicable as impact of audit qualification cannot be quantified. Hence figures are same as reported before adjusting for qualifications.				
II.	Audit Qualification			
	a. Details of Audit Qualification (as reproduced from the audit report) “We draw your attention to Note 8 to the Statements regarding public shareholding in a the company being 20.512% as at March 31, 2019, which is below the minimum requirement of 25% under Rule 19A(2) of the Securities Contracts (Regulation) Rules, 1957. The consequential impact of the aforesaid non-compliance, if any, is presently not ascertainable.”			
	b. Type of Audit Qualification : Qualified Opinion			
	c. Frequency of qualification: Appeared first time.			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Impact not quantified by the auditors since the same is not ascertainable and therefore, not applicable.			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:			
	(i) Management's estimation on the impact of audit qualification: Impact of audit qualification cannot be quantified.			
	(ii) Management response and reasons for inability to estimate the impact: The Scheme of Amalgamation of Titagarh Agrico Private (TAPL) with Cimmco Limited (Cimmco) was sanctioned by the Hon'ble National Company Law Tribunal (NCLT) and its order filed with MCA on 14/11/2017 and thereby the Scheme became effective from the said date. On 23/11/2017 Cimmco submitted the documents prescribed to the Stock Exchanges in compliance of the Part B as per the SEBI circular CIR/CFD/CMD/16/2015 dated 30/11/2015. As per the above referred circular the transferee company (Cimmco) is required to take steps for listing of its shares within 30 days of receipt of NCLT's order and therefore in order to comply with the said circular, Cimmco allotted 72,00,000 equity shares to Titagarh Wagons Limited ('TWL') (the only shareholder of TAPL) on 02/12/2017. Consequent to the above allotment, TWL's shareholding in Cimmco went up to 81.53%. Although the allotment was made on 02/12/2017 the said 72,00,000 equity shares could be credited to TWL's account only on May 25, 2018 after the requisite listing approvals were received. The Minimum Public Shareholding (MPS) of 25% in Cimmco was to be achieved within twelve months from the date it fell below 25%.			

	<p>The Offer for Sale (OFS) being an approved method, has two categories of investors to whom shares are offered : Non Retail and Retail in the allocation prescribed by the SEBI.</p> <p>The promoter reached out to several institutional shareholders in regard to OFS, however considering the stock market conditions and financial performance of Cimmco, no commitment was forthcoming. Therefore, having thus waited for so much time when it was found that no firm demand was visible from the non-institutional shareholders, TWL decided to go ahead with the OFS.</p> <p>At the time of first OFS proposed to be issued by the promoter a format of Notice of OFS provided by the stock exchange was used as per which 75% allocation was for Non-Retail and 25% for Retail investors. The first OFS was issued by TWL on 14/11/2018 and a total of 242,294 equity shares only were subscribed of which 78,186 shares by Non-Retail and balance 164,108 by Retail. Thus with this dilution, public shareholding went up from 18.47% to 19.36%.</p> <p>The above OFS was followed up by the second OFS on 26/12/2018 and although there was a demand for 161365 equity shares from Non-Retail and 19,85,366 equity shares from Retail (the total thereof at 21,46,731 being substantially more than the number of equity shares required to be offered for achieving MPS), due to allocation mentioned in the notice of OFS i.e. 75% for Non-Retail and 25% for Retail, a total of 3,15,674 equity shares only were allowed to be taken up by all the investors. This resulted in public shareholding going up to 20.512%.</p> <p>As advised by the lawyers, an application was made by the Company in December, 2018 to SEBI, BSE and NSE requesting for extension of time till September, 2019 for achieving MPS. The SEBI replied in January, 2019 that the SCRR did not empower SEBI to grant such extension.</p> <p>It was decided to issue the third OFS in early May, 2019, however BSE has advised that the Promoter must wait for trading window to re-open before making the OFS.</p> <p>The trading window is scheduled to re-open on June 01, 2019. The promoter is ready to make the third OFS in June, 2019.</p> <p>In view of the above it is clear that the achievement of MPS still pending is due to factors beyond the control of the promoter/Cimmco.</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above: Refer details of audit qualification [para II (a) above]</p>
<p>III</p>	<p>For Titagarh Wagons Limited</p> <p>Sd/- Anil Agarwal Director (Finance) & CFO</p> <hr/> <p>Sd/- Atul Joshi Chairman of Audit Committee</p> <p>For Price Waterhouse & Co. Chartered Accountants LLP ICAI Firm Registration No.: 304026E/E-300009 CHARTERED ACCOUNTANTS</p> <p>Sd/- per Pramit Agrawal Partner Membership No. 099903</p> <p>Place: Kolkata</p> <p>Date: May 30, 2019</p>