

# Price Waterhouse & Co Chartered Accountants LLP

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

1. We have reviewed the unaudited consolidated financial results of Titagarh Wagons Limited (the "Company"), its subsidiaries and jointly controlled entity (hereinafter referred to as the "Group") (refer Note 1 on the Statement) for the quarter ended June 30, 2017 which are included in the accompanying 'STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2017' (the "Statement"). The Statement has been prepared by the Company's Management pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's Management and has been approved by its Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of group personnel and analytical procedures applied to group's financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. We draw attention to Note 3 to the financial results regarding certain claims of a subsidiary company amounting to Rs. 854.81 lacs (Rs. 854.81 lacs as at March 31, 2017) net of expected credit loss of Rs. 3,097.53 lacs, which has been considered good of recovery by the management. Pending outcome of the subsidiary company's appeal against the arbitration order and final decision of the Court, we are unable to comment on the recoverability of the above, and its consequential impact on these financial results.
5. We did not review the financial statements of two subsidiaries considered in the preparation of the Statement and which constitute total revenue of Rs. 21,882.28 lacs and total comprehensive income (comprising of profit/ loss and other comprehensive income) of Rs. (264.20) lacs for the quarter ended June 30, 2017. These financial statements and other financial information have been reviewed by other auditors whose reports have been furnished to us, and our conclusion on the Statement to the extent they have been derived from such financial statements is based solely on the report of such other auditors.
6. We did not review the financial results of one jointly controlled entity considered in the preparation of the Statement and which constitute share of loss of Rs. 7.49 lacs for the quarter ended June 30, 2017. These financial results have been furnished to us by the Management, and our conclusion on the Statement insofar as it relates to the amounts and disclosures included in respect of this jointly controlled entity, is based solely on such financial results.
7. Based on our review conducted as above, except for the indeterminate effects of the matter stated in paragraph 4 above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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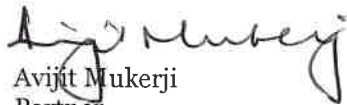
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## Price Waterhouse & Co Chartered Accountants LLP

8. We draw attention to Note 4 to the financial results in respect of proposed Scheme of Amalgamation to merge the business of Titagarh Agrico Private Limited with Cimmco Limited with effect from April 1, 2016 subject to necessary approvals, no adjustment has been made in these financial results. Our conclusion is not qualified in respect of this matter.
9. (a) The consolidated financial results of the Group for the quarter and year ended March 31, 2017 were audited by another firm of chartered accountants who issued their modified opinion vide their report dated May 19, 2017.
- (b) The consolidated financial results of the Group for the quarter ended June 30, 2016 have been presented solely based on the information compiled by the Management and approved by the Board of Directors and have not been subject to review/audit as reported by the another firm of chartered accountants vide their report dated December 14, 2016.

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



Avijit Mukerji  
Partner

Membership Number 056155

Kolkata  
August 10, 2017

## TITAGARH WAGONS LIMITED

REGISTERED OFFICE- 756, ANANDAPUR, E M BYPASS, KOLKATA - 700107

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2017

		(Rs.in Lacs)			
SL. NO.	PARTICULARS	QUARTER ENDED			YEAR ENDED
		June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
		Unaudited	Refer Note 5	Refer Note 5	Audited
1	Revenue from Operations	32,881.16	66,187.23	28,593.18	173,918.93
2	Other Income	500.79	773.64	925.98	2,901.78
3	Total Income	33,381.95	66,960.87	29,519.16	176,820.71
4	Expenses				
a)	Cost of Raw Materials & Components Consumed	18,145.61	34,652.31	16,554.98	91,519.83
b)	Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap	(1,236.39)	6,524.50	(458.18)	16,460.11
c)	Excise Duty Expense	325.20	981.54	441.97	2,559.05
d)	Employee Benefits Expense	6,181.96	5,687.75	5,747.82	21,213.14
e)	Finance Costs	894.78	990.72	610.28	3,130.89
f)	Depreciation and Amortisation Expense	1,235.01	1,557.88	1,195.12	5,152.44
g)	Other Expenses	7,316.18	14,757.93	4,862.37	31,359.88
5	Total Expenses (a to g)	32,862.35	65,152.63	28,954.36	171,395.34
6	Profit before Share of loss of a Joint Venture, Exceptional Items and Tax (3-5)	519.60	1,808.24	564.80	5,425.37
7	Share of loss of a Joint Venture	7.49	5.80	-	5.80
8	Profit before Exceptional Items and Tax (6-7)	512.11	1,802.44	564.80	5,419.57
9	Exceptional Items	-	124.91	-	449.91
10	Profit before Tax (8-9)	512.11	1,677.53	564.80	4,969.66
11	Tax Expense				
a)	Current tax including tax relating to earlier years (Refer Note 7)	260.75	797.10	281.59	2,528.11
b)	Deferred Tax Charge/(Credit)	170.46	(318.50)	151.78	(301.52)
12	Profit for the Period (10-11)	80.90	1,198.93	131.43	2,743.07
	Attributable to:				
	Share holders of the Company	38.09	1,132.29	206.51	2,690.27
	Non-Controlling Interest	42.81	66.64	(75.08)	52.80
13	Other Comprehensive Income				
	Items not to be reclassified to profit or loss in subsequent periods :				
	Remeasurement gains/(losses) on defined benefit plans	(62.36)	(61.47)	23.96	(69.41)
	Income tax relating to above	20.58	16.98	(7.99)	26.04
14	Total Other Comprehensive Income	(41.78)	(44.49)	15.97	(43.37)
15	Total Comprehensive Income for the Period (12+14)	39.12	1,154.44	147.40	2,699.70
	Attributable to:				
	Share holders of the Company	(3.49)	1,089.99	223.34	2,647.68
	Non-Controlling Interest	42.61	64.45	(75.94)	52.02
16	Paid-up Equity Share Capital (Face value Rs. 2/- each)	2,308.91	2,308.24	2,307.69	2,308.24
17	Earnings Per Equity Share (of Rs. 2/- each) (Not Annualised)				
	- Basic (Rs.)	0.07	1.04	0.11	2.38
	- Diluted (Rs.)	0.07	1.04	0.11	2.38



**TITAGARH WAGONS LIMITED**  
REGISTERED OFFICE- 756, ANANDAPUR, E M BYPASS, KOLKATA - 700107

**SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES**

		(Rs.in Lacs)			
SL. NO.	PARTICULARS	QUARTER ENDED			YEAR ENDED
		June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
		Unaudited	Refer Note 5	Refer Note 5	Audited
<b>1</b>	<b>Segment Revenue</b>				
	a) Wagons & Coaches	31,344.77	63,903.22	25,684.25	165,829.60
	b) Specialised Equipments & Bridges	949.49	2,011.18	2,601.88	7,171.52
	c) Shipbuilding	467.85	-	-	-
	d) Others	119.05	272.83	307.05	917.81
	<b>Sales/ Income from Operations</b>	<b>32,881.16</b>	<b>66,187.23</b>	<b>28,593.18</b>	<b>173,918.93</b>
<b>2</b>	<b>Segment Results [Profit / (Loss) before Tax and Interest]</b>				
	a) Wagons & Coaches	1,592.83	2,251.93	863.04	7,151.42
	b) Specialised Equipments & Bridges	194.92	403.38	513.64	1,392.75
	c) Shipbuilding	81.37	(9.39)	(25.47)	(192.19)
	d) Others	(262.69)	(187.51)	(156.17)	(555.05)
	<b>Total</b>	<b>1,606.43</b>	<b>2,458.41</b>	<b>1,195.04</b>	<b>7,796.93</b>
	Less :				
	i Interest - Net	440.04	400.20	83.25	938.51
	ii Unallocable expenditure net of income	654.28	380.68	546.99	1,888.76
	<b>Total Profit before Tax</b>	<b>512.11</b>	<b>1,677.53</b>	<b>564.80</b>	<b>4,969.66</b>
<b>3</b>	<b>Segment Assets</b>				
	a) Wagons & Coaches	262,272.51	237,022.19	233,147.58	237,022.19
	b) Specialised Equipments & Bridges	4,798.84	5,366.14	5,947.72	5,366.14
	c) Shipbuilding	1,110.72	653.85	699.35	653.85
	d) Others	6,416.01	7,010.75	7,153.93	7,010.75
	e) Unallocable	14,930.41	20,138.17	17,246.25	20,138.17
	<b>Total</b>	<b>289,528.49</b>	<b>270,191.10</b>	<b>264,194.83</b>	<b>270,191.10</b>
<b>4</b>	<b>Segment Liabilities</b>				
	a) Wagons & Coaches	163,571.68	148,846.02	179,208.75	148,846.02
	b) Specialised Equipments & Bridges	1,165.24	2,394.44	1,389.18	2,394.44
	c) Shipbuilding	1,823.94	817.09	44.55	817.09
	d) Others	9,466.55	4,837.96	475.36	4,837.96
	e) Unallocable	7,965.97	8,658.21	3,211.42	8,658.21
	<b>Total</b>	<b>183,993.38</b>	<b>165,553.72</b>	<b>184,329.26</b>	<b>165,553.72</b>



*Sanjay*  
*Basu*

Notes:

- 1 The consolidated unaudited financial results of Titagarh Wagons Limited (herein referred to as "the Company") include results of subsidiaries / step down subsidiaries and jointly controlled entity namely- Cimmco Limited (Cimmco), Titagarh Wagons AFR (TWAFFR), Titagarh Firema S.p.A (TFA), Titagarh Singapore Pte Limited (TSPL), Titagarh Capital Private Limited (TCPL), Titagarh Agrico Private Limited (TAPL) and Matiere Titagarh Bridges Private Limited collectively referred to as "the Group".
- 2 Operating segments based on the Group's 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. Segment "Shipbuilding" has been shown separately from the current quarter as it is expected to become a separate reportable segment from the current financial year.
- 3 In case of Cimmco Limited, the auditors in their audit report for the year ended March 31, 2017 had commented upon the recoverability of claims of Rs. 854.81 lacs (net of expected credit loss of Rs. 3,097.53 lacs) receivable from Indian Railways against which the arbitration award has been upheld against the Company and the Company has filed an appeal in the Hon'ble Delhi High Court against the said arbitration award which is pending adjudication. The Auditors in their limited review report for the quarter ended June 30, 2017 has also commented on above. The management is hopeful to recover these claims in full.
- 4 In case of Cimmco Limited, the Board of Directors of Cimmco at its meeting held on September 9, 2016 has approved a Scheme of Amalgamation of its fellow subsidiary Titagarh Agrico Private Limited with it in terms of the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act 1956 and Companies Act 2013 to the extent applicable, subject to necessary approvals. The Company is in process of obtaining necessary approvals from various concerned authorities and pending such approvals no adjustment has been made in these consolidated financial results.
- 5 The figures of quarter ended March 31, 2017 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2017 and the unaudited published year to date figures up to third quarter ended December 31, 2016 which were subject to limited review. The figures of quarter ended June 30, 2016 have been compiled by the Management and approved by the Board of Directors and have not been subject to review/audit.
- 6 Figures for the previous periods have been regrouped/ rearranged wherever necessary to conform to current period's classification.
- 7 Current tax is net of MAT credit entitlement.
- 8 During the quarter, 33,750 equity shares of Rs.2/- each fully paid up were allotted pursuant to Employee Stock Option Scheme, 2014 of the Company to the eligible employees which has resulted in increase of the paid up capital of the Company by Rs 0.67 lacs to Rs 2,308.91 lacs.
- 9 Pursuant to approval of shareholders, Nomination and Remuneration Committee at its meeting held on May 19, 2017 in accordance with the Employee Stock Option Scheme, 2014 of the Company extended 500,000 options to the eligible employees to be converted into equivalent number of equity shares of Rs 2 each fully paid up.
- 10 Titagarh Singapore Pte Ltd (TSPL), the Company's wholly owned subsidiary, has acquired the shares held by Adler Plastic SpA, Italy in June 2017, representing 10% of the total paid-up share capital of Titagarh Firema Adler SpA (TFA), a subsidiary of the Company. As a result, TFA has become a wholly owned subsidiary of the Company in which the Company holds 1.8% directly and balance 98.2% is now held by TSPL. Further, the name of the wholly owned subsidiary has been changed to Titagarh Firema SpA.
- 11 There were no exceptional items during the quarter ended June 30, 2017. Exceptional items for the previous quarter/year end included the following relating to Cimmco:  
(a) Rs. 325.00 lacs paid in October 2016 in terms of settlement agreement towards full and final settlement of entire claim of a subcontractor.  
(b) Rs. 124.91 lacs paid in February 2017 under the amnesty scheme of Government of Rajasthan in relation to Sales tax due for the year relating to pre lock out period.
- 12 The above consolidated financial results for the quarter ended June 30, 2017 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 10, 2017. The Auditors of the Company have carried out a Limited Review of the above consolidated financial results for the quarter ended June 30, 2017 in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Place: Kolkata  
Date: August 10, 2017



For and on behalf of the Board of Directors

UMESH CHOWDHARY  
Vice Chairman & Managing Director



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