

Price Waterhouse & Co Chartered Accountants LLP

Independent Auditor's Report To the Members of Titagarh Wagons Limited Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Titagarh Wagons Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and joint venture (refer Note 1(a) to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2021 and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at March 31, 2021, of consolidated total comprehensive income (comprising of loss and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, and jointly controlled entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 sub-paragraph 17 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

4. The following Emphasis of Matter (as reproduced) has been communicated to us by the auditors of Titagarh Firema S.p.A, a subsidiary of the Holding Company, vide their report dated June 4, 2021:

"In the reporting package ended as at 31 March 2021, the Company incurred a net loss for some 6,9 million of Euro, has a shareholders' equity for some 11,5 million of Euro and has a significant bank debt for some 84,3 million of Euro, of which some 48,6 million of Euro expiring beyond twelve months. As of 31 March 2021, the Company reported significant negative differences on net result as compared to the budget / plan 2021 - 2025, approved by the Board of Directors on 30 June 2020 which provided for a substantial financial balance of the Company, assuming the achievement of significant volumes of turnover. Trade payables, equal to some 34,5 million of Euro as at 31 March 2021, increased by some 16,7 million of Euro during the year, and include an overdue payable to suppliers for some 18,1 million of Euro at same date. Therefore, the Company does not currently have the necessary financial resources for the full repayment of its overdue debt position.

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In the explanatory note accompanying the reporting package, the directors of the Company indicate that the reporting package as at 31 March 2021 has been prepared according to the assumption of the going concern and illustrate the reasons. These reasons are based on the expectation that the Company implements an important growth plan, envisaged by the Budget 2021 / 2022 (the "Budget") approved by the Board of Directors on 24 March 2021, with the generation of significantly higher margins compared to the historical values resulting from the same, the failure of which would generate additional cash needs, also to meet the overdue debt to suppliers. In particular, the Budget provides for the partial payment of overdue trade payables for some 14,6 million of Euro, considering that renegotiation negotiations with overdue suppliers are in progress.

The directors indicate in the aforementioned explanatory notes that, despite the aforementioned uncertainty that may give rise to doubts about the Company's going concern, the reporting package has been drawn up according to operating criteria, having acquired the reasonable expectation of being able to reach a financial balance in a short time through the successful conclusion of the action previously indicated.

Our opinion is not modified in respect of this matter."

Paragraph "explanatory note accompanying the reporting package" as described above corresponds to Note 46 in the consolidated financial statements.

Our opinion is not modified in respect of this matter.

Key Audit matter

5. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of impairment of Property, Plant and Equipment of the Holding Company (Refer to Note 2.3 – "Property, Plant and Equipment", Refer Note 2.34 – "Critical Estimates and Judgements – Estimation of Expected Useful Lives of Property, Plant and Equipment and Intangible Assets", Note 4.1 – "Property, Plant and Equipment")</p> <p>Property, plant and equipment of the Holding Company represents 39.5% of total assets on the standalone balance sheet. If these were to be impaired, it would have a significant impact on the reported loss and the balance sheet position of the Group.</p> <p>Impairment assessment requires judgements and estimates towards future results of business including key assumptions like discount rate, growth rate etc.</p> <p>The carrying value of assets of the Holding Company is considered to be a key audit matter as the amount involved is significant and judgements inherent in impairment review.</p>	<p>Our audit procedures in respect of the Holding Company included the following:</p> <ul style="list-style-type: none">• Understanding, evaluating and validating the design and operating effectiveness of controls for identification and assessment of any potential impairment, including determining the carrying amount.• Assessed the appropriateness of the methodology used in the impairment model, and the underlying assumptions used such as future levels of operations, discount rate etc and considered historical performance vis-à-vis budgets. In doing this assessment, we have involved auditors' experts, as appropriate.• Checked the mathematical accuracy of the impairment model.• Performed sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment of Property, Plant and Equipment; and• Evaluated the adequacy of the disclosures made in the consolidated financial statements. <p>Based on the above procedures performed, we noted that the Holding Company's assessment of impairment of property, plant and equipment is reasonable.</p>

Also refer to the Key Audit Matters included by us in our audit report of even date on the standalone financial statements of the Holding Company.

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Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the consolidated financial statements and our auditor's report thereon.
7. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
8. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 17 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

9. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows and changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
10. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.
11. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for overseeing the financial reporting process of the Group and its joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.



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13. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated 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 Holding 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 ability of the Group and its joint ventures 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 consolidated 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 Group and its joint ventures to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
14. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.
15. 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.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Other Matters

17. We did not audit the financial statements/financial information of three subsidiaries whose financial statements/ financial information reflect total assets of Rs 132,624.60 lacs and net assets of Rs 11,424.08 lacs as at March 31, 2021, total revenue of Rs. 57,146.07 lacs, total comprehensive income (comprising of loss and other comprehensive income) of Rs. (9,751.59) lacs and net cash flows amounting to Rs 980.40 lacs for the year ended on that date, as considered in the consolidated 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 financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

18. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors' of its subsidiary company and joint venture incorporated in India, none of the directors of the Holding Company, its subsidiary company and its joint venture incorporated in India are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its joint ventures - Refer Note 17.1 and Note 37 to the consolidated financial statements.

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- (ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2021 - Refer Note 17.1 to the consolidated financial statements.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund, by the Holding Company. During the year ended March 31, 2021, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary and joint venture incorporated in India.
 - (iv) The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2021.
19. The Holding Company incorporated as public company in India, have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Chartered Accountants



Avijit Mukerji

Partner

Membership Number 056155

UDIN: 21056155AAAAAZ9683

Place: Gurugram

Date: June 8, 2021

TITAGARH WAGONS LIMITED CIN NO:- L27320WB1997PLC084819 REGISTERED OFFICE - 756, ANANDAPUR, E M BYPASS, KOLKATA - 700107 TEL: 033-4019 0800/FAX: 033-4019 0823, WEB SITE: WWW.TITAGARH.IN, EMAIL: CORP@TITAGARH.IN STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021						
SL. NO.	PARTICULARS	(Rs. in Lacs)				
		QUARTER ENDED		YEAR ENDED		
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
	Unaudited (Refer Note No. 6)	Unaudited	Unaudited	Audited	Audited	
1	Revenue from Operations	42,988.23	44,936.94	41,228.04	152,063.95	176,632.43
2	Other Income	1,394.30	583.50	535.76	2,485.92	3,402.20
3	Total Income	44,382.53	45,520.44	41,763.80	154,549.87	180,034.63
4	Expenses					
a)	Cost of Raw Materials & Components Consumed	30,218.32	30,650.86	26,661.25	104,566.24	119,229.77
b)	Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap	(2,355.96)	(1,238.17)	(1,413.38)	(5,224.37)	(4,080.53)
c)	Employee Benefits Expense	6,686.54	5,810.33	3,781.29	21,056.99	15,177.44
d)	Finance Costs	2,202.99	1,915.72	2,697.70	8,119.93	8,827.29
e)	Depreciation and Amortisation Expense	812.39	834.49	988.70	2,986.76	2,912.68
f)	Other Expenses	6,412.85	6,941.12	9,101.95	23,601.37	34,212.01
5	Total Expenses (a to f)	43,977.13	44,914.35	41,817.51	155,106.92	176,278.66
6	Profit / (Loss) before Share of Profit / (Loss) of Joint Ventures, Exceptional Items and Tax (3-5)	405.40	606.09	(53.71)	(557.05)	3,755.97
7	Share of Profit / (Loss) of Joint Ventures	-	-	13.26	(0.65)	(10.18)
8	Profit / (Loss) before Exceptional Items and Tax (6-7)	405.40	606.09	(40.45)	(557.70)	3,745.79
9	Exceptional Items	-	-	-	-	-
10	Profit / (Loss) before Tax from continuing operations (8-9)	405.40	606.09	(40.45)	(557.70)	3,745.79
11	Tax Expense					
a)	Current tax	(484.68)	661.64	(1,200.69)	176.96	-
b)	Tax relating to earlier years	-	-	871.36	-	871.36
c)	Deferred Tax -Charge/(Credit)	813.70	25.84	(2,980.36)	1,143.99	(2,921.91)
Total Tax Expense		329.02	687.48	(3,309.69)	1,320.95	(2,050.55)
12	Profit / (Loss) for the Period from continuing operations (10-11)	76.38	(81.39)	3,269.24	(1,878.65)	5,796.34
13	Profit / (Loss) from discontinued operations	-	-	(4,288.12)	-	(9,410.55)
14	Tax expense of discontinued operations	-	-	-	-	-
15	Profit / (Loss) for the Period from discontinued operations (13-14)	-	-	(4,288.12)	-	(9,410.55)
16	Profit / (Loss) for the period (12+15)	76.38	(81.39)	(1,018.88)	(1,878.65)	(3,614.21)
Attributable to:						
Shareholders of the Company		76.38	(19.73)	(893.22)	(1,499.65)	(3,418.82)
Non-Controlling Interest		-	(61.66)	(125.66)	(379.00)	(195.39)
17	Other Comprehensive Income					
a) Items that will be reclassified to profit or loss:						
i) Net Gain/(Loss) on Foreign Currency Translation Differences		(304.11)	258.58	440.49	348.92	540.03
ii) Fair value change of cash flow hedges		577.72	9.32	-	580.23	-
iii) Tax expenses on above		(145.40)	(2.34)	-	(146.03)	-
b) Items that will not be reclassified to profit or loss:						
i) Remeasurement gains/(losses) on defined benefit plans		53.68	(3.93)	(28.53)	41.90	(15.70)
ii) Tax expenses on above		(13.51)	0.98	8.44	(10.55)	3.95
18	Total Other Comprehensive Income	168.38	262.61	420.40	814.47	528.28
19	Total Comprehensive Income for the Period (16+18)	244.76	181.22	(598.48)	(1,064.18)	(3,085.93)
Attributable to:						
Shareholders of the Company		244.76	242.88	(472.26)	(685.18)	(2,891.15)
Non-Controlling Interest		-	(61.66)	(126.22)	(379.00)	(194.78)
Attributable to:						
Continuing Operations		244.76	181.22	3,689.64	(1,064.18)	6,324.62
Discontinued Operations		-	-	(4,288.12)	-	(9,410.55)
20	Paid-up Equity Share Capital (Face value Rs. 2/- each)	2,387.75	2,386.53	2,312.12	2,387.75	2,312.12
21	Other Equity				81,667.65	74,349.18
Earnings/(Loss) Per Equity Share (of Rs. 2/- each) (Not Annualised)						
For Continuing Operations						
- Basic (Rs.)		0.07	(0.02)	2.94	(1.28)	5.18
- Diluted (Rs.)		0.07	(0.02)	2.94	(1.28)	5.18
For Discontinued Operations						
- Basic (Rs.)		-	-	(3.71)	-	(8.14)
- Diluted (Rs.)		-	-	(3.71)	-	(8.14)
For Continuing and Discontinued Operations						
- Basic (Rs.)		0.07	(0.02)	(0.77)	(1.28)	(2.96)
- Diluted (Rs.)		0.07	(0.02)	(0.77)	(1.28)	(2.96)



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CONSOLIDATED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

SL NO.	PARTICULARS	(Rs. In Lacs)				
		CONSOLIDATED			YEAR ENDED	
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
		Unaudited (Refer Note No. 6)	Unaudited	Unaudited	Audited	Audited
1	Segment Revenue					
	a) Freight Rolling Stock	23,334.62	30,967.21	33,700.01	96,374.16	143,037.10
	b) Passenger Rolling Stock	18,766.45	13,540.63	6,967.79	54,107.07	28,962.93
	c) Shipbuilding	41.17	21.99	321.72	329.62	2,520.07
	d) Others	845.99	407.11	238.52	1,253.10	2,112.33
	Sales/ Income from Operations	42,988.23	44,936.94	41,228.04	152,063.95	176,632.43
2	Segment Results [Profit / (Loss) before Tax]					
	a) Freight Rolling Stock	2,619.05	3,990.79	2,696.21	12,377.74	13,968.48
	b) Passenger Rolling Stock	(1,004.85)	(1,286.00)	64.50	(4,282.63)	64.50
	c) Shipbuilding	(118.87)	(34.66)	29.42	(229.81)	318.21
	d) Others	(219.59)	67.21	20.11	(177.35)	345.82
	Total	1,275.74	2,737.34	2,810.24	7,687.95	14,697.01
	Less :					
	i) Interest Expense - Net	262.40	1,697.05	1,890.17	5,903.38	7,720.13
	ii) Unallocable expenditure net of income	607.94	434.20	960.52	2,342.27	3,231.09
	Total Profit / (Loss) before Tax from continuing operations	405.40	606.09	(40.45)	(557.70)	3,745.79
	Less: Tax Expenses	329.02	687.48	(3,309.69)	1,320.95	(2,050.55)
	Total Profit / (Loss) after Tax from continuing operations	76.38	(81.39)	3,269.24	(1,878.65)	5,796.34
	Profit / (Loss) from discontinued operations	-	-	(4,288.12)	-	(9,410.55)
	Less: Tax expense of discontinued operations	-	-	-	-	-
	Total Profit / (Loss) after Tax from discontinued operations	-	-	(4,288.12)	-	(9,410.55)
	Total Profit / (Loss) after Tax	76.38	(81.39)	(1,018.88)	(1,878.65)	(3,614.21)
3	Segment Assets					
	a) Freight Rolling Stock	74,610.15	77,450.24	91,477.82	74,610.15	91,477.82
	b) Passenger Rolling Stock	128,947.67	119,377.25	94,727.50	128,947.67	94,727.50
	c) Shipbuilding	917.57	2,415.71	3,112.32	917.57	3,112.32
	d) Others	3,554.33	4,475.68	4,169.24	3,554.33	4,169.24
	e) Unallocable	39,340.10	31,599.44	33,684.08	39,340.10	33,684.08
	Total	247,369.82	235,318.32	227,170.96	247,369.82	227,170.96
4	Segment Liabilities					
	a) Freight Rolling Stock	14,579.90	15,823.45	22,269.62	14,579.90	22,269.62
	b) Passenger Rolling Stock	58,319.17	56,964.30	40,733.67	58,319.17	40,733.67
	c) Shipbuilding	151.70	358.65	268.17	151.70	268.17
	d) Others	1,165.33	888.91	1,116.61	1,165.33	1,116.61
	e) Unallocable	89,098.32	77,998.50	78,234.86	89,098.32	78,234.86
	Total	163,314.42	152,033.81	142,622.93	163,314.42	142,622.93
5	Geographical Segment Revenue					
	a) India	24,458.69	32,075.29	34,504.92	99,469.51	146,404.42
	b) Rest of the World	18,529.54	12,861.65	6,723.12	52,594.44	30,228.01
	Total	42,988.23	44,936.94	41,228.04	152,063.95	176,632.43



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CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES

SL No	PARTICULARS	(Rs. In Lacs)	
		March 31, 2021	March 31, 2020
		Audited	Audited
ASSETS			
1	Non-current Assets		
a)	Property, Plant and Equipment	83,303.29	82,535.06
b)	Right-of-use Assets	152.15	-
c)	Investment Property	821.24	821.24
d)	Capital Work-in-progress	1,622.89	-
e)	Intangible Assets	2,851.12	3,805.52
f)	Intangible Assets under Development	2,509.41	-
g)	Investments Accounted for Using the Equity Method		29.81
h)	Financial Assets		
	(i) Investments	3,127.92	2,857.88
	(ii) Trade Receivables		142.99
	(iii) Loans and Deposits	359.64	358.24
	(iv) Others Financial Assets	4,921.87	4,278.61
i)	Deferred Tax Assets (Net)	3,783.04	3,983.52
j)	Non-current Tax Assets (Net)	2,640.77	2,914.51
k)	Other Non-current Assets	818.98	989.37
	Sub total - Non-current Assets	106,912.32	102,716.75
2	Current Assets		
a)	Inventories	38,518.95	37,629.30
b)	Financial Assets		
	(i) Trade Receivables	21,417.42	25,232.23
	(ii) Cash and Cash Equivalents	7,969.38	2,897.18
	(iii) Bank Balances other than (ii) above	4,434.30	2,709.01
	(iv) Loans and Deposits	4,022.70	4,957.56
	(v) Others Financial Assets	38,339.62	31,588.39
c)	Current Tax Assets (Net)	10.96	-
d)	Other Current Assets	25,744.17	19,440.54
	Sub total - Current Assets	140,457.50	124,454.21
TOTAL - ASSETS		247,369.82	227,170.96
EQUITY AND LIABILITIES			
EQUITY			
a)	Share Capital	2,387.75	2,312.12
b)	Other Equity	81,667.65	74,349.18
	Total Equity - Attributable to Owners of Titagarh Wagons Ltd	84,055.40	76,661.30
	Non - Controlling Interest		7,886.73
	Total Equity	84,055.40	84,548.03
LIABILITIES			
1	Non-current Liabilities		
a)	Financial Liabilities		
	(i) Borrowings	53,738.85	55,346.44
	(ii) Lease Liabilities	117.20	-
b)	Provisions	350.55	349.29
c)	Deferred Tax Liabilities (Net)	1,143.26	-
d)	Other Non-current Liabilities	17,535.77	14,406.29
	Sub total - Non-current Liabilities	72,885.63	70,102.02
2	Current Liabilities		
a)	Financial Liabilities		
	(i) Borrowings	30,714.44	17,526.89
	(ii) Trade Payables		
	a) Total Outstanding Dues of Micro Enterprises and Small Enterprises	771.78	158.31
	b) Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises	39,027.03	34,957.17
	(iii) Other Financial Liabilities	1,273.89	3,564.20
b)	Other Current Liabilities	10,831.95	6,469.40
c)	Provisions	7,786.80	9,822.04
d)	Current Tax Liability	22.90	22.90
	Sub total - Current Liabilities	90,428.79	72,520.91
TOTAL - LIABILITIES		163,314.42	142,622.93
TOTAL - EQUITY AND LIABILITIES		247,369.82	227,170.96



TITAGARH WAGONS LIMITED
CIN NO:- L27320WB1997PLC084819
REGISTERED OFFICE - 756, ANANDAPUR, E M BYPASS, KOLKATA - 700107
TEL: 033-4019 0800/FAX: 033-4019 0823, WEB SITE: WWW.TITAGARH.IN, EMAIL: CORP@TITAGARH.IN
CONSOLIDATED STATEMENT OF CASH FLOW

SL No.	PARTICULARS	(Rs. in Lacs)	
		YEAR ENDED	
		March 31, 2021	March 31, 2020
		Audited	Audited
1	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit/(Loss) before Tax from:		
	Continuing Operations	(557.70)	3,745.79
	Discontinued Operations	-	(9,410.55)
	Loss before Tax including discontinued operations	(557.70)	(5,664.76)
	Adjustments for:		
	Depreciation and Amortisation Expense	2,986.76	2,912.68
	Finance Cost	8,119.93	8,827.29
	Employee Stock Option Expenses	9.33	67.81
	Unrealised Foreign Exchange Fluctuations (Gain)/Loss	26.49	(13.48)
	Goodwill Written-off	-	24.85
	Irrecoverable Debts/ Advances Written Off (Net)	331.22	249.36
	Provision for Doubtful Debts and Advances	73.81	495.34
	Loss on fair valuation of Financial Liabilities measured at FVTPL	12.32	-
	Net Gain on Disposal of Property, Plant and Equipment	(61.57)	(18.00)
	Net Gain on Disposal of Investments	-	(237.74)
	Fair Value (Gain)/Loss on Investment in Equity Securities at FVTPL	(254.47)	89.86
	Share of Loss of Joint Ventures	0.65	10.18
	Unspent Liabilities / Provisions No Longer Required Written Back	(162.43)	(552.02)
	Interest Income Classified as Investing Cash Flows	(431.59)	(392.36)
	Exceptional Item-Impairment of Discontinued Operation	-	9,410.55
	Operating Profit before Changes in Operating Assets and Liabilities	10,092.75	15,209.56
	Increase / (Decrease) in Non-current and Current Financial and Non-financial Liabilities and Provisions	7,460.98	(9,334.40)
	Decrease in Trade Receivables	3,701.51	4,393.14
	(Increase) / Decrease in Inventories	(2,730.58)	7,363.08
	Increase in Non-current and Current Financial and Non-financial Assets	(11,892.63)	(1,238.57)
	Cash Generated From Operations	6,632.03	16,392.81
	Income Taxes (Paid) / Refund (net)	137.37	(1,019.37)
	Net Cash From Operating Activities	6,769.40	15,373.44
2	CASH FLOWS FROM INVESTING ACTIVITIES		
	Payments for Acquisition of Property, Plant and Equipment including Capital Work-in-Progress, Intangible Assets and Intangible Assets under Development	(5,999.31)	(3,550.91)
	Proceeds from Disposal of Property, Plant and Equipment	105.00	1,100.12
	Proceeds from Sale of Investments	-	5,948.05
	Purchase of Business	(13.59)	-
	Fixed Deposits Made	(6,800.72)	(6,845.74)
	Fixed Deposits Matured	5,256.21	1,960.29
	Investment in a Joint venture	-	(0.50)
	Dividend Received	-	3.01
	Interest Received	245.10	430.58
	Net Cash (Used in) Investing Activities	(7,207.31)	(955.10)
3	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from Issue of Employee Stock Option Scheme	26.96	19.11
	Transactions with Non-controlling Interests	-	365.23
	Proceeds from Long-term Borrowings	11,162.04	10,987.38
	Repayment of Long-term Borrowings	(4,650.00)	(15,833.88)
	Repayment of Lease Liabilities	(10.76)	-
	Receipts/(Payments) of Short-term Borrowings (Net)	4,147.15	(9,346.95)
	Finance Costs Paid	(6,351.81)	(8,481.72)
	Dividend Paid (including Dividend Distribution Tax)	(2.08)	(417.44)
	Net Cash From / (Used in) Financing Activities	4,321.50	(22,708.27)
4	Exchange Differences on Translation of Foreign Currency Cash and Cash Equivalents	790.28	1,321.86
	Net Increase / (Decrease) in Cash and Cash Equivalents (1+2+3+4)	4,673.87	(6,968.07)
	Cash and Cash Equivalents - Opening Balance	2,897.18	9,865.25
	Cash acquired on account of purchase of Business	398.33	-
	Cash and Cash Equivalents - Closing Balance	7,969.38	2,897.18



[Signature]

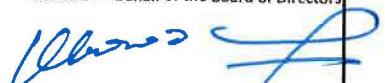
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 STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

Notes:

- 1 The consolidated audited financial results of Titagarh Wagons Limited (hereinafter referred to as "the Parent Company") include results of subsidiaries namely- Titagarh Firema S.p.A (TFA), Titagarh Singapore Pte Limited (TSPL) and Titagarh Bridges & International Private Limited (formerly Matiere Titagarh Bridges Private Limited), collectively referred to as "the Group" and Joint Venture namely Titagarh Mermec Private Limited. During the year, the direct foreign subsidiaries of the Parent Company have been transferred to its Indian subsidiary.
- 2 During the year, the Group revisited its operating segment and segregated the "Wagons and Coaches" segment into "Freight Rolling Stock" and "Passenger Rolling Stock". The reason for such segregation is to provide additional information to Chief Operating Decision Maker ('CODM') in order to enable them to benchmark and set the performance targets for both the businesses in line with the industry norms and the CODM believes that the margin drivers for both the business would be different going forward considering the demand, growing competition, changes in the tendering conditions, scope of supplies etc. Accordingly, in accordance with Ind AS 108 - Segment Reporting, Operating segments based on the Group's products have been identified by the CODM as "Freight Rolling Stock", "Passenger Rolling Stock", "Shipbuilding" and "Others". Segment "Others" consists of miscellaneous items like specialised equipment's for Defence, Bridge Girders, Tractors etc which comprises of less than 10% revenue on individual basis. In view of the aforesaid change, "Wagons & Coaches" and "Specialised equipments & Bridges" are no longer reportable segment. Accordingly, all comparative figures have been restated for comparability purpose in keeping with said standard.
- 3 The Hon'ble National Company Law Tribunal, Kolkata Bench by an order dated September 30, 2020 has sanctioned the Scheme of Amalgamation (the "Scheme") filed by Titagarh Wagons Limited (the Company or the Parent Company) and its subsidiary Cimmco Limited (Cimmco), and its wholly owned subsidiary Titagarh Capital Private Limited (TCPL) for amalgamation of aforesaid subsidiaries with the Parent Company with effect from April 1, 2019, being the appointed date as per the Scheme. The certified true copy of the said Order has been received and filed with the Ministry of Company Affairs on October 2, 2020.

CIMMCO and TCPL were already consolidated as subsidiaries in the consolidated financial statements prior to the amalgamation in accordance with Indian Accounting Standard (IND AS) 110 Consolidated Financial Statements and accordingly amalgamation did not result in any significant impact on the consolidated financial statements. In terms of the Scheme, the Company made allotment of 37,20,469 equity shares of Rs. 2/- each of the Company to the eligible members of Cimmco as on 23rd October, 2020 (Record Date) in the share exchange ratio of 13 equity share of Rs. 2/- each of the Company for every 24 equity shares of Rs. 10/- each held in Cimmco by its non-controlling shareholders as on the record date stated therein. With this allotment on November 07, 2020, the paid-up Equity Share Capital of the Company has been increased to Rs. 23,86,53,278/- divided into 11,93,26,639 equity shares of Rs. 2/- each.
- 4 In case of Titagarh Firema SpA, during the year ended 31 March 2021, the Company incurred a net loss of some 6.9 million of Euro (Euro 2.3 million as on 31st March 2020), has a shareholders' equity for some 11.5 million of Euro and has a significant bank debt for some 84.3 million of Euro, of which some 48.6 million of Euro expiring beyond twelve months. As of 31 March 2021, the Company reported significant negative differences on net result as compared to the budget / plan 2021 - 2025, approved by the Board of Directors on 30 June 2020 which provided for a substantial financial balance of the Company, assuming the achievement of significant volumes of turnover. Trade payables, equal to some 34.5 million of Euro as at 31 March 2021, increased by some 16.7 million of Euro during the year, and include an overdue payable to suppliers for some 18.1 million of Euro at same date. Therefore, the Company does not currently have the necessary financial resources for the full repayment of its overdue debt position. The reporting package, as at 31 March 2021 has been prepared according to the assumption of the going concern based on the expectation that the Company implements an important growth plan, envisaged by the Budget 2021 / 2022 (the "Budget") approved by the Board of Directors on 24 March 2021, with the generation of higher margins compared to the historical values resulting from the same, the failure of which would generate additional cash needs, also to meet the overdue debt to suppliers. In particular, the Budget provides for the partial payment of overdue trade payables for some 14.6 million of Euro, considering that renegotiations negotiations with overdue suppliers are in progress.
Despite the aforementioned uncertainty that may give rise to doubts about the Company's going concern, the reporting package has been drawn up according to operating criteria, because the Directors having acquired the reasonable expectation of the Company being able to reach a financial balance in a short time through the successful conclusion of several actions put in place.
- 5 The Group is in the business of manufacturing freight and passengers rolling stock and other allied activities, which support activities that are fundamental to the Global economy. Worldwide the Government had imposed lock down / restrictions due to the Covid-19 pandemic that had impacted the Group's production, sales, and other operations, however, the Group's operations in India have gradually come back to pre-Covid-19 level while the European operations may still take sometime, through there is improvement in performance. In view of the recent surge in Covid-19 cases, in some of the geographies, intermittent lockdowns have been imposed, however, the Group continues to be vigilant and cautious, which currently is not expected to have any significant impact on the Group's overall operations / performance. Considering the current internal and external factors, the Group has made detailed assessment of its liquidity position / cash flows for the next one year including ability to pay its debt obligations, and carrying amounts / values of Property, Plant and Equipment, trade receivables, inventories, investments and other assets as at March 31, 2021, and has concluded that there are no material adjustments required in the consolidated financial result.
- 6 The figures for last quarter are the balancing figures between audited figures in respect of the full financial year ended March 31, 2021 and the published year to date figures upto December 31, 2020, being the date of end of the third quarter of the financial year ended March 31, 2021 which were subject to limited review, other than applicable regrouping / reclassification as set out in Note 2 and 7.
- 7 Figures for previous periods have been regrouped/restated to conform to the classification of the current period, wherever necessary.
- 8 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Parent Company and its Indian Subsidiary will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 9 The above consolidated financial results for the quarter and year ended March 31, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on June 7, 2021 and June 8, 2021.

For and on behalf of the Board of Directors



UMESH CHOWDHARY
Vice Chairman and Managing Director

Place: Kolkata
Date: June 8, 2021

