

# Price Waterhouse & Co Chartered Accountants LLP

## Review Report

To

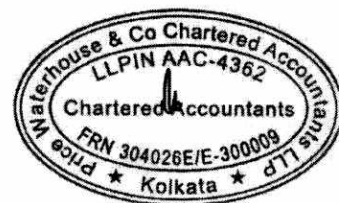
The Board of Directors  
Titagarh Wagons Limited  
756, Anandapur  
E M Bypass  
Kolkata 700 107

1. We have reviewed the unaudited consolidated financial results of Titagarh Wagons Limited (the "Parent") its subsidiaries (the parent and its subsidiaries hereinafter referred to as "the Group") and joint venture (refer Note 1 on the Statement) for the quarter ended December 31, 2020 and year to date results for the period April 1, 2020 to December 31, 2020 which are included in the accompanying 'Statement of Consolidated Unaudited Financial Results for the Quarter and Nine months Ended December 31, 2020 (the "Statement")'. The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

1.	Titagarh Wagons Limited
	Subsidiaries
2.	Titagarh Bridges and International Private Limited
3.	Titagarh Singapore Pte Ltd
4.	Titagarh Firema S.p.A
	Joint Venture
5.	Titagarh Mermec Private Limited



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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)

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5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We draw attention to the following matters:

(a) Note 5 to the consolidated financial results which explains the uncertainties and management's assessment of the financial impact due to lockdown / restrictions related to the COVID-19 pandemic imposed by the Government, for which a definitive assessment of the impact is dependent upon future economic conditions.

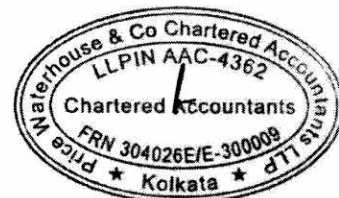
(b) The following Emphasis of Matter (as reproduced) has been communicated to us by the auditors of Titagarh Firema Spa, a subsidiary of the Parent, vide their report dated January 27, 2021:

"We point out that the special purpose financial information has been prepared on going concern basis as described in the paragraph "Significant Matters" of "Memorandum of Work Performed". Our conclusion is not modified in respect of this matter."

Refer Note 4 to the consolidated financial results in this regard.

Our conclusion is not modified in respect of these matters.

7. We did not review the interim financial statements / financial information of two subsidiaries included in the consolidated unaudited financial results, whose interim financial statements / financial information reflect total revenues of Rs. 13,138.28 lacs and Rs. 35,370.22 lacs, total net profit/(loss) after tax of Rs. (1,841.33) lacs and Rs. (4,476.82) lacs and total comprehensive income of Rs. (1,471.56) lacs and Rs. (3,599.84) lacs, for the quarter ended December 31, 2020 and for the period from April 1, 2020 to December 31, 2020, respectively, as considered in the consolidated unaudited financial results. These interim financial statements / financial information have been reviewed by other auditors and their reports dated January 27, 2021 and January 30, 2021, vide which they have issued an unmodified conclusion, have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matters.

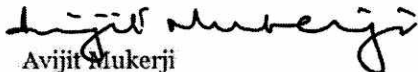


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8. The consolidated unaudited financial results includes the interim financial statements/ financial information of one subsidiary which have not been reviewed by their auditor, whose interim financial statements/ financial information reflect total revenue of Rs. Nil and Rs. Nil, total net profit/(loss) after tax of Rs. (21.66) lacs and Rs. (63.27) lacs and total comprehensive income / loss of Rs. (132.83) lacs and Rs. (287.22) lacs for the quarter ended December 31, 2020 and for the period from April 1, 2020 to December 31, 2020, respectively, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net profit/(loss) after tax of Rs. Nil and Rs. (0.65) lacs and total comprehensive income / loss of Rs. Nil and Rs. (0.65) lacs for the quarter ended December 31, 2020 and for the period from April 1, 2020 to December 31, 2020, respectively, as considered in the consolidated unaudited financial results, in respect of one joint venture, based on their interim financial statements/ financial information which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial statements / financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

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



Avijit Mukerji  
Partner  
Membership Number 056155

UDIN: 21056155AAAAAJ7634  
Place: Kolkata  
Date: January 30, 2021

<p style="text-align: center;">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 UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED DECEMBER 31, 2020</p>							
(Rs. in Lacs)							
SL. NO.	PARTICULARS	QUARTER ENDED			NINE MONTH ENDED		YEAR ENDED
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	44,936.94	42,300.81	45,415.52	109,075.72	135,404.39	176,632.43
2	Other Income	583.50	308.42	674.32	1,091.62	2,866.44	3,402.20
3	<b>Total Income</b>	<b>45,520.44</b>	<b>42,609.23</b>	<b>46,089.84</b>	<b>110,167.34</b>	<b>138,270.83</b>	<b>180,034.63</b>
4	<b>Expenses</b>						
a)	Cost of Raw Materials & Components Consumed	30,650.86	28,780.15	30,032.49	74,347.92	92,568.52	119,229.77
b)	Changes in Inventories of Finished Goods, Work-in-progress and Saleable Scrap	(1,238.17)	(409.89)	(1,324.89)	(2,868.41)	(2,667.15)	(4,080.53)
c)	Employee Benefits Expense	5,810.33	4,847.87	4,072.50	14,370.45	11,396.15	15,177.44
d)	Finance Costs	1,915.72	2,028.77	2,192.11	5,916.94	6,129.59	8,827.29
e)	Depreciation and Amortisation Expense	834.49	450.16	634.17	2,174.37	1,923.98	2,912.68
f)	Other Expenses	6,941.12	6,076.70	9,250.01	17,188.52	25,110.06	34,212.01
5	<b>Total Expenses (a to f)</b>	<b>44,914.35</b>	<b>41,773.76</b>	<b>44,856.39</b>	<b>111,129.79</b>	<b>134,461.15</b>	<b>176,278.66</b>
6	<b>Profit / (Loss) before Share of Profit / (Loss) of Joint Ventures, Exceptional Items and Tax (3-5)</b>	<b>606.09</b>	<b>835.47</b>	<b>1,233.45</b>	<b>(962.45)</b>	<b>3,809.68</b>	<b>3,755.97</b>
7	Share of Profit / (Loss) of Joint Ventures	-	-	(7.59)	(0.65)	(23.44)	(10.18)
8	<b>Profit / (Loss) before Exceptional Items and Tax (6-7)</b>	<b>606.09</b>	<b>835.47</b>	<b>1,225.86</b>	<b>(963.10)</b>	<b>3,786.24</b>	<b>3,745.79</b>
9	Exceptional Items	-	-	-	-	-	-
10	<b>Profit / (Loss) before Tax from continuing operations (8-9)</b>	<b>606.09</b>	<b>835.47</b>	<b>1,225.86</b>	<b>(963.10)</b>	<b>3,786.24</b>	<b>3,745.79</b>
11	<b>Tax Expense</b>						
a)	Current tax	661.64	-	373.74	661.64	1,200.69	-
b)	Tax relating to earlier years	-	-	-	-	-	871.36
c)	Deferred Tax -Charge/(Credit)	25.84	534.45	53.83	330.29	58.45	(2,921.91)
	<b>Total Tax Expense</b>	<b>687.48</b>	<b>534.45</b>	<b>427.57</b>	<b>991.93</b>	<b>1,259.14</b>	<b>(2,050.55)</b>
12	<b>Profit / (Loss) for the Period from continuing operations (10-11)</b>	<b>(81.39)</b>	<b>301.02</b>	<b>798.29</b>	<b>(1,955.03)</b>	<b>2,527.10</b>	<b>5,796.34</b>
13	Profit / (Loss) from discontinued operations	-	-	-	-	(5,122.43)	(9,410.55)
14	Tax expense of discontinued operations	-	-	-	-	-	-
15	<b>Profit / (Loss) for the Period from discontinued operations (13-14)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,122.43)</b>	<b>(9,410.55)</b>
16	<b>Profit / (Loss) for the period (12+15)</b>	<b>(81.39)</b>	<b>301.02</b>	<b>798.29</b>	<b>(1,955.03)</b>	<b>(2,595.33)</b>	<b>(3,614.21)</b>
	<b>Attributable to:</b>						
	Shareholders of the Company	(19.73)	474.54	782.17	(1,576.03)	(2,525.60)	(3,418.82)
	Non-Controlling Interest	(61.66)	(173.52)	16.12	(379.00)	(69.73)	(195.39)
17	<b>Other Comprehensive Income</b>						
a)	Items that will be reclassified to profit or loss:						
i)	Net Gain/(Loss) on Foreign Currency Translation Differences	258.58	216.53	84.43	653.03	99.54	540.03
ii)	Deferred gains/(Losses) on cash flow hedges	9.32	(6.81)	-	2.51	-	-
iii)	Income tax relating to (ii)	(2.34)	1.71	-	(0.63)	-	-
b)	Items that will not be reclassified to profit or loss:						
i)	Remeasurement gains/(losses) on defined benefit plans	(3.93)	(3.92)	11.79	(11.78)	12.83	(15.70)
ii)	Income tax on above	0.98	0.99	(4.13)	2.96	(4.49)	3.95
18	<b>Total Other Comprehensive Income</b>	<b>262.61</b>	<b>208.50</b>	<b>92.09</b>	<b>646.09</b>	<b>107.88</b>	<b>528.28</b>
19	<b>Total Comprehensive Income for the Period (16+18)</b>	<b>181.22</b>	<b>509.52</b>	<b>890.38</b>	<b>(1,308.94)</b>	<b>(2,487.45)</b>	<b>(3,085.93)</b>
	<b>Attributable to:</b>						
	Shareholders of the Company	242.88	683.04	873.87	(929.94)	(2,418.89)	(2,891.15)
	Non-Controlling Interest	(61.66)	(173.52)	16.51	(379.00)	(68.56)	(194.78)
	<b>Attributable to:</b>						
	Continuing Operations	181.22	509.52	890.38	(1,308.94)	2,634.98	6,324.62
	Discontinued Operations	-	-	-	-	(5,122.43)	(9,410.55)
20	<b>Paid-up Equity Share Capital (Face value Rs. 2/- each)</b>	<b>2,386.53</b>	<b>2,312.12</b>	<b>2,312.12</b>	<b>2,386.53</b>	<b>2,312.12</b>	<b>2,312.12</b>
	<b>Other Equity</b>						<b>74,349.18</b>
21	<b>Earnings/(Loss) Per Equity Share (of Rs. 2/- each) (Not Annualised)</b>						
	<b>For Continuing Operations</b>						
	- Basic (Rs.)	(0.02)	0.41	0.68	(1.36)	2.25	5.18
	- Diluted (Rs.)	(0.02)	0.41	0.68	(1.36)	2.25	5.18
	<b>For Discontinued Operations</b>						
	- Basic (Rs.)	-	-	-	-	(4.43)	(8.14)
	- Diluted (Rs.)	-	-	-	-	(4.43)	(8.14)
	<b>For Continuing and Discontinued Operations</b>						
	- Basic (Rs.)	(0.02)	0.41	0.68	(1.36)	(2.19)	(2.96)
	- Diluted (Rs.)	(0.02)	0.41	0.68	(1.36)	(2.19)	(2.96)



TITAGARH WAGONS LIMITED						
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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 SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES						
						(Rs. in Lacs)
CONSOLIDATED						
SL. NO.	PARTICULARS	QUARTER ENDED			NINE MONTH ENDED	
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue					
	a) Wagons & Coaches	44,507.84	42,034.35	44,650.96	108,380.16	131,332.23
	b) Specialised Equipments & Bridges	407.11	-	336.89	407.11	1,873.81
	c) Shipbuilding	21.99	266.46	427.67	288.45	2,198.35
	d) Others	-	-	-	-	-
	Sales/ Income from Operations	44,936.94	42,300.81	45,415.52	109,075.72	135,404.39
2	Segment Results [Profit / (Loss) before Tax]					
	a) Wagons & Coaches	2,816.25	3,507.33	4,106.23	6,480.91	11,105.87
	b) Specialised Equipments & Bridges	67.21	(24.62)	32.51	42.24	492.12
	c) Shipbuilding	(34.66)	(31.74)	40.63	(110.94)	288.79
	d) Others	-	-	-	-	-
	Total	2,848.80	3,450.97	4,179.37	6,412.21	11,886.78
	Less :					
	i Interest Expense - Net	1,808.51	1,949.66	1,996.52	5,640.98	5,829.96
	ii Unallocable expenditure net of income	434.20	665.84	956.99	1,734.33	2,270.58
	Total Profit / (Loss) before Tax from continuing operations	606.09	835.47	1,225.86	(963.10)	3,786.24
	Less: Tax Expenses	687.48	534.45	427.57	991.93	1,259.14
	Total Profit / (Loss) after Tax from continuing operations	(81.39)	301.02	798.29	(1,955.03)	2,527.10
	Profit / (Loss) from discontinued operations	-	-	-	-	(5,122.43)
	Less: Tax expense of discontinued operations	-	-	-	-	-
	Total Profit / (Loss) after Tax from discontinued operations	-	-	-	-	(5,122.43)
	Total Profit / (Loss) after Tax	(81.39)	301.02	798.29	(1,955.03)	(2,595.33)
3	Segment Assets					
	a) Wagons & Coaches	204,376.02	199,798.46	193,970.01	204,376.02	193,970.01
	b) Specialised Equipments & Bridges	3,752.61	3,334.48	4,909.24	3,752.61	4,909.24
	c) Shipbuilding	2,415.71	2,441.14	6,599.19	2,415.71	6,599.19
	d) Others	723.07	593.32	472.68	723.07	472.68
	e) Unallocable	24,050.91	24,315.73	36,914.69	24,050.91	36,914.69
	Total	235,318.32	230,483.13	242,865.81	235,318.32	242,865.81
4	Segment Liabilities					
	a) Wagons & Coaches	140,242.90	135,001.52	120,817.91	140,242.90	120,817.91
	b) Specialised Equipments & Bridges	874.12	1,042.42	1,318.15	874.12	1,318.15
	c) Shipbuilding	358.65	633.82	602.03	358.65	602.03
	d) Others	14.79	6.27	12.92	14.79	12.92
	e) Unallocable	10,543.35	10,690.50	34,972.99	10,543.35	34,972.99
	Total	152,033.81	147,374.53	157,724.00	152,033.81	157,724.00
5	Geographical Segment Revenue					
	a) India	32,075.29	29,115.54	37,110.38	75,010.82	111,899.50
	b) Rest of the World	12,861.65	13,185.27	8,305.14	34,064.90	23,504.89
	Total	44,936.94	42,300.81	45,415.52	109,075.72	135,404.39



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## 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 UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED DECEMBER 31, 2020

## Notes:

- The consolidated unaudited 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 quarter, the direct foreign subsidiaries of the Parent Company have been transferred to its Indian subsidiary.
- Operating segments based on the Group's products have been identified by the Chief operating decision maker as "Wagons & Coaches", "Specialised Equipments & Bridges", "Shipbuilding" and "Others". Segment "Others" consists of miscellaneous business like heavy earth moving machineries, tractors etc.
- 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.
- In case of Titagarh Firema SPA, during the quarter and nine month ended December 31, 2020, the Company incurred a loss of Euro 2.1 million and Euro 5.2 million respectively. The Company recorded a cash absorption for Euro 0.2 million and a cash generation of Euro 1.3 million during the quarter and nine month ended December 31, 2020 respectively. The management prepared a Budget / Plan 2021-2025 (the "Budget / Plan"), approved by the Board of Directors on June 30, 2020 which provides for a substantial financial balance of the Company, also considering the effects deriving from Covid-19. The Budget / Plan were examined also with regard to the reasonableness of the assumptions underlying the projections made by the management, by a qualified independent external firm. The management have reasonable expectation that Titagarh Firema SPA can be equipped with adequate capital and financial resources to continue ordinary operations and to meet its obligations for the next twelve months based on the assumption of availing the already existing and potential financial support/ credit lines, actions for which have already been initiated by the company, specially availing of the various financial support schemes decrees launched by the Italian government as an aftermath of the covid crisis. The financial results as of December 31, 2020 was therefore prepared on the assumption of going concern, for the reasons outlined above, which are based substantially on the implementation of the 2020/2021 budget and on the actual short-term implementation of the several actions under discussion.
- Due to the lockdown imposed by the Governments across various territories, as part of pre-emptive measures to combat the COVID-19 pandemic, the operations of the Group were temporarily suspended from March 24, 2020. The operations were resumed in phased manner from May, 2020. As at December 31, 2020, the Group has made detailed assessment upto the date of approval of these financial results of the recoverability of the carrying values of its assets like property, plant and equipment, investments, trade receivables etc, its liquidity position including ability to pay its debt obligations and effectiveness of internal financial controls and has concluded that there is no material impact or adjustments required in the financial results. However, given the uncertainties associated with its nature and duration, the eventual outcome of the impact of COVID-19 pandemic may be different from those estimated as on the date of approval of these financial results and the Company continues to closely monitor the situation including any material changes to future economic conditions and consequential impact, if any on its financial results.
- Previous period figures have been regrouped / rearranged to confirm to current periods classification.
- The above consolidated financial results for the quarter and nine month ended December 31, 2020 have been reviewed by the Audit Committee at its meeting held on January 30, 2021 (adjourned from January 29, 2021) and approved by the Board of Directors at its meetings held on January 30, 2021. The Auditors of the Company have carried out a Limited Review of the above consolidated financials results for the quarter and nine month ended December 31, 2020 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board of Directors

Place: Kolkata  
Date: January 30, 2021

  
UMESH CHOWDHARY  
Vice Chairman and Managing Director

