

Price Waterhouse & Co Chartered Accountants LLP
56 & 57, Block DN, Ground Floor
'A' Wing, Sector V, Salt Lake
Kolkata 700 091

Salarpuria & Partners
Chartered Accountants
7, C.R. Avenue, Kolkata- 700 072

Review Report

To
The Board of Directors
Titagarh Rail Systems Limited,
Poddar Point, 10th Floor,
113 Park Street, Kolkata-700016

1. We have reviewed the unaudited financial results of Titagarh Rail Systems Limited (Formely known as Titagarh Wagons Limited) (the "Company") for the quarter ended September 30, 2023 and the year to date results for the period April 1, 2023 to September 30, 2023, which are included in the accompanying 'Statement of Standalone Unaudited Financial Results for the Quarter and Half Year Ended September 30, 2023', the Standalone Statement of Assets and Liabilities as on that date and the Statement of Standalone Cash Flows for the half-year ended on that date (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (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 the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to 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. Based on our review conducted as 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.

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



Pramit Agrawal
Partner
Membership Number 099903
UDIN: 23099903BGWLQR6587
Place: Kolkata
Date: October 18, 2023

For Salarpuria & Partners
Firm Registration Number: 302113E
Chartered Accountants



Anand Prakash
Partner
Membership Number 056485
UDIN: 23056485BGZEJF7806
Place: Kolkata
Date: October 18, 2023



TITAGARH RAIL SYSTEMS LIMITED (FORMERLY TITAGARH WAGONS LIMITED)
 CIN NO:- L27320WB1997PLC084819
 REGISTERED OFFICE - PODDAR POINT, 113 PARK STREET, 10TH FLOOR, KOLKATA – 700016
 TEL: 033-4019 0800/FAX: 033-4019 0823, WEB SITE: WWW.TITAGARH.IN, EMAIL: INFO@TITAGARH.IN
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

Sl. No.	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
							(Rs. in Lacs)
1	Revenue from Operations	93,545.17	91,075.87	60,620.45	184,621.04	103,991.07	278,052.90
2	Other Income	677.14	968.19	1,622.39	1,645.33	2,522.87	4,398.39
3	Total Income	94,222.31	92,044.06	62,242.84	186,266.37	106,513.94	282,451.29
4	Expenses						
	a) Cost of Raw Materials & Components Consumed	67,963.91	72,669.26	46,681.68	140,633.17	83,108.59	216,541.91
	b) Changes in Inventories of Finished Goods, Work in progress and Storable Surplus	1,181.78	(1,485.23)	532.20	2,710.55	(3,404.01)	(1,330.00)
	c) Employee Benefits Expense	1,727.95	1,580.14	1,302.89	3,308.09	2,545.79	5,652.64
	d) Finance Costs	2,028.28	1,910.27	1,080.86	3,038.66	3,545.01	0,074.07
	e) Depreciation and Amortization Expense	668.81	663.49	530.75	1,332.30	1,070.98	2,250.35
	f) Other Expenses	8,162.87	7,681.04	6,595.86	15,843.91	12,204.86	30,963.52
	Total Expenses (a to f)	84,733.60	83,038.97	57,633.33	167,772.57	98,991.22	261,946.53
5	Profit before Exceptional Items and Tax (3-4)	9,488.71	9,005.09	4,609.51	18,493.80	7,522.72	20,504.76
6	Exceptional Item (Refer Note 4)	-	-	4,627.55	-	4,627.55	4,627.55
7	Profit / (Loss) before Tax (5-6)	9,488.71	9,005.09	(18.04)	18,493.80	2,895.17	15,877.21
8	Income Tax Expense						
	a) Current tax	2,595.81	2,348.44	1,134.84	4,944.25	1,931.40	5,305.50
	b) Deferred Tax - Charge / (Credit)	(196.58)	(100.54)	35.76	(297.12)	(149.29)	235.07
	Total Income Tax Expense	2,399.23	2,247.90	1,170.60	4,647.13	1,782.11	5,540.57
9	Profit / (Loss) for the Period/ Year (7-8)	7,089.48	6,757.19	(1,188.64)	13,846.67	1,113.06	10,336.64
10	Other Comprehensive Income						
	Item that will be reclassified to profit or loss:						
	Fair Value change in Cash Flow hedges	(58.36)	137.60	(954.50)	79.24	(1,161.39)	(1,361.11)
	Income tax on above	14.69	(34.63)	240.23	(19.94)	292.30	342.56
	Item that will not be reclassified to profit or loss:						
	Remeasurement (gains) / loss on defined benefit plans	(0.46)	(0.47)	4.87	(0.93)	9.75	(2.10)
	Income tax on above	0.12	0.12	(1.22)	0.24	(2.45)	0.53
	Total Other Comprehensive Income	(44.01)	102.62	(710.62)	58.61	(861.79)	(1,020.12)
11	Total Comprehensive Income for the Period (9+10)	7,045.47	6,859.81	(1,899.26)	13,905.28	251.27	9,316.52
12	Equity Share Capital (Face value Rs. 2/- each)	2,543.42	2,391.42	2,391.42	2,543.42	2,391.42	2,391.42
13	Other Equity	-	-	-	-	-	93,900.81
14	Earnings per Equity Share (of Rs. 2/- each) (Not Annualised except for March 31, 2023)						
	- Basic (Rs.)	5.60	5.65	(0.99)	11.25	0.93	8.64
	- Diluted (Rs.)	5.60	5.65	(0.99)	11.25	0.93	8.64



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TEL: 033-4019 0800/FAX: 033-4019 0823, WEB SITE: WWW.TITAGARH.IN, EMAIL: INFO@TITAGARH.IN
UNAUDITED STANDALONE SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(Rs. in Lacs)

Sl. No	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	a) Freight Rail Systems	80,086.07	74,607.94	48,011.89	154,694.01	83,130.12	225,093.47
	b) Passenger Rail Systems	13,459.10	16,467.93	12,608.56	29,927.03	20,860.95	52,959.43
	Revenue from Operations	93,545.17	91,075.87	60,620.45	184,621.04	103,991.07	278,052.90
2	Segment Results (Profit before tax and interest)						
	a) Freight Rail Systems	10,819.15	9,719.63	5,174.08	20,538.78	8,755.22	23,570.92
	b) Passenger Rail Systems	359.28	638.07	432.21	997.35	685.47	2,198.14
	Total	11,178.43	10,357.70	5,606.29	21,536.13	9,440.69	25,769.06
	(Add) / Less :						
	i Interest Expense / (Income) - Net	957.37	1,074.93	1,095.90	2,032.30	1,870.20	4,572.41
	ii Unallocable expenditure net of income	732.35	277.68	(99.12)	1,010.03	47.77	691.89
	Profit before Exceptional Items and Tax	9,488.71	9,005.09	4,609.51	18,493.80	7,522.72	20,504.76
	Exceptional Item	-	-	4,627.55	-	4,627.55	4,627.55
	Profit / (Loss) before Tax	9,488.71	9,005.09	(18.04)	18,493.80	2,895.17	15,877.21
	Less: Tax Expenses	2,399.23	2,247.90	1,170.60	4,647.13	1,782.11	5,540.57
	Total Profit / (Loss) after Tax	7,089.48	6,757.19	(1,188.64)	13,846.67	1,113.06	10,336.64
3	Segment Assets						
	a) Freight Rail Systems	148,582.50	126,922.62	100,131.64	148,582.50	100,131.64	117,946.12
	b) Passenger Rail Systems	76,289.54	70,400.04	49,566.02	76,289.54	49,566.02	61,807.28
	c) Unallocable	48,469.01	46,883.02	52,669.17	48,469.01	52,669.17	44,983.18
	Total	273,341.05	244,205.68	202,366.83	273,341.05	202,366.83	224,736.58
4	Segment Liabilities						
	a) Freight Rail Systems	67,590.50	55,324.46	50,917.02	67,590.50	50,917.02	63,270.39
	b) Passenger Rail Systems	33,576.31	33,910.88	31,820.79	33,576.31	31,820.79	36,407.46
	c) Unallocable	33,163.71	51,818.27	32,402.04	33,163.71	32,402.04	28,766.50
	Total	134,330.52	141,053.61	115,139.86	134,330.52	115,139.86	128,444.35
5	Geographical Segment						
	a) India	93,444.12	91,075.87	60,620.45	184,519.99	103,991.07	277,749.57
	b) Rest of the World	101.05	-	-	101.05	-	303.33
	Total	93,545.17	91,075.87	60,620.45	184,621.04	103,991.07	278,052.90



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STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lacs)

	PARTICULARS	AS AT	
		September 30, 2023	March 31, 2023
		Unaudited	Audited
ASSETS			
1	Non-current Assets		
	a) Property, Plant and Equipment	61,413.20	62,001.02
	b) Right-of-Use Assets	9,630.84	10,191.97
	c) Capital Work-in-progress	5,849.92	1,227.91
	d) Investment Properties	821.24	821.24
	e) Intangible Assets	122.05	164.09
	f) Financial Assets		
	i) Investments	4,507.94	4,452.93
	ii) Other Financial Assets	5,710.44	6,060.15
	g) Contract Assets	-	87.38
	h) Non-current Tax Assets (Net)	2,868.68	2,868.68
	i) Other Non-current Assets	6,057.37	4,106.41
	Sub total - Non-current Assets	96,981.68	91,981.78
2	Current Assets		
	a) Inventories	40,342.47	46,137.13
	b) Financial Assets		
	i) Trade Receivables	61,958.22	27,914.49
	ii) Cash and Cash Equivalents	9,403.34	4,079.23
	iii) Bank Balances other than (ii) above	6,725.16	4,457.79
	iv) Other Financial Assets	3,848.65	634.22
	c) Contract Assets	28,203.46	27,080.65
	d) Other Current Assets	25,806.94	22,380.16
	Sub total - Current Assets	176,288.24	132,683.67
3	Asset held for sale	71.13	71.13
	TOTAL - ASSETS	273,341.05	224,736.58
EQUITY AND LIABILITIES			
EQUITY			
	a) Equity Share Capital	2,543.42	2,391.42
	b) Other Equity	136,467.11	93,900.81
	Sub total - Equity	139,010.53	96,292.23
LIABILITIES			
1	Non-current Liabilities		
	a) Financial Liabilities		
	i) Borrowings	4,355.53	4,962.50
	ii) Lease Liabilities	9,667.51	9,945.92
	b) Contract Liabilities	14,228.16	2,826.72
	c) Provisions	356.01	343.64
	d) Deferred Tax Liabilities (Net)	1,068.98	1,346.36
	Sub total - Non-current Liabilities	29,676.19	19,425.14
2	Current Liabilities		
	a) Financial Liabilities		
	i) Borrowings	21,683.67	19,969.91
	ii) Lease Liabilities	509.01	447.69
	iii) Trade Payables		
	a) Total Outstanding Dues of Micro, Small & Medium Enterprises	1,459.45	574.92
	b) Total Outstanding Dues of Creditors Other Than Micro, Small & Medium Enterprises	24,720.17	31,725.85
	iv) Other Financial Liabilities	3,046.58	751.13
	b) Contract Liabilities	49,480.73	53,863.86
	c) Other Current Liabilities	342.83	306.62
	d) Provisions	748.15	772.12
	e) Current Tax Liabilities (net)	2,584.24	527.61
	Sub total - Current Liabilities	104,574.83	108,939.71
3	Liabilities Held for sale	79.50	79.50
	TOTAL - LIABILITIES	134,330.52	128,444.35
	TOTAL - EQUITY AND LIABILITIES	273,341.05	224,736.58



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STATEMENT OF STANDALONE CASH FLOWS FOR THE HALF YEAR ENDED

PARTICULARS		HALF YEAR ENDED		YEAR ENDED
		September 30, 2023	September 30, 2022	March 31, 2023
		Unaudited	Unaudited	Audited
(Rs. in Lacs)				
A.	CASH FLOWS FROM OPERATING ACTIVITIES			
	Profit before Tax	18,493.80	2,895.17	15,877.21
	Adjustments for:			
	Depreciation and Amortisation Expense	1,332.30	1,070.98	2,250.35
	Finance Costs	3,938.55	3,545.61	8,074.87
	Provision for Doubtful Debts	452.31	-	-
	Uncalled Foreign Exchange Fluctuations (Gain)/ Loss (net)	109.23	(500.68)	(1,404.85)
	Irrecoverable Debts/ Advances Written Off (net)	-	111.93	2,526.81
	Dividend income from subsidiary	(579.40)	-	-
	Net (Gain)/ Loss on Disposal of Property, Plant and Equipment	-	(0.47)	(17.95)
	Fair Value Gain on Investment - FVTPL	-	-	(164.55)
	Unspent Liabilities / Provisions No Longer Required Written Back	(2.61)	(239.73)	(467.07)
	Interest Income	(553.04)	(275.99)	(750.15)
	Other Income for Security Deposit of Leases	-	(7.40)	(16.55)
	Exceptional Items - Non Cash Portion	-	4,627.55	4,972.82
	Operating Profit before Changes in Operating Assets and Liabilities	23,251.14	11,136.97	30,820.74
	Increase/(decrease) in Trade Payables	(6,109.27)	14,548.73	9,620.45
	Increase/(decrease) in Contract Liabilities	7,018.31	(777.92)	22,899.76
	Increase in Other Non-current and Current Financial and Non-financial Liabilities and Provisions	1,781.81	5,854.16	400.41
	(Increase)/ Decrease in Trade Receivables	(34,630.96)	(565.87)	(6,710.31)
	(Increase) in Inventories	4,785.66	(13,894.13)	(17,277.43)
	Decrease in Contract Assets	(1,035.43)	(4,779.61)	(17,296.90)
	Increase in Other Non-current and Current Financial and Non-financial Assets	(6,917.62)	(6,103.86)	(9,664.16)
	Cash Generated From Operations	(11,856.36)	5,418.47	12,792.56
	Income Taxes Paid (Net of Refunds)	(2,887.62)	(2,000.80)	(6,595.25)
	Net Cash Generated from / (Used in) Operating Activities	(14,743.98)	3,417.67	6,197.31
B.	CASH FLOWS FROM INVESTING ACTIVITIES			
	Payments for Acquisition of Property, Plant and Equipment including Capital Work-in-Progress and Intangible Assets	(5,846.40)	(665.47)	(3,674.09)
	Proceeds from Disposal of Property, Plant and Equipment	-	2.50	23.18
	Investments in Subsidiaries	-	(1,640.07)	(1,640.06)
	Investments in Joint Venture	(55.00)	-	-
	Fixed Deposits Made	(5,009.07)	(1,884.21)	(7,125.07)
	Fixed Deposits Matured	3,184.43	543.97	4,053.43
	Dividend income from subsidiary	579.40	-	-
	Interest Received	405.37	86.48	615.88
	Net Cash Used in Investing Activities	(6,741.27)	(3,556.80)	(7,746.73)
C.	CASH FLOWS FROM FINANCING ACTIVITIES			
	Proceeds from issue of Share Capital	152.00	-	-
	Receipts of Securities Premium	28,728.00	-	-
	Share Issue Expenses	(67.00)	-	-
	Repayment of Long-term Borrowings	(2,365.00)	(1,591.82)	(2,705.03)
	Proceeds from Long-term Borrowings	-	-	4,962.50
	Repayment of Loan to Related Parties	-	-	(2,000.00)
	Payment of Lease Liabilities	(673.87)	(381.34)	(864.83)
	Short Term Borrowings - Receipts/ (Payments) (net)	3,404.66	15,966.93	10,798.89
	Finance Costs Paid	(2,365.55)	(2,074.96)	(5,193.51)
	Dividend Paid (including Dividend Distribution Tax) for earlier years	(3.88)	-	(2.28)
	Net Cash From Financing Activities	26,809.36	11,918.81	4,995.74
	Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	5,324.11	11,779.68	3,446.32
	Cash and Cash Equivalents - Opening Balance	4,079.23	632.91	632.91
	Cash and Cash Equivalents - Closing Balance	9,403.34	12,412.59	4,079.23

Note:
For the quarter and half year ended September 30, 2023 and for year ended March 31, 2023, the following transactions being non cash in nature have been excluded from above Statement of Cash Flows

- (i) conversion of loan of Rs. 1,608.54 lacs to investment in subsidiary
- (ii) loss of control in subsidiary resulting in such investment of Rs. 1,272.63 lacs being classified as associate.



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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

Notes:

- 1 The Operating segment based on the Company's products has been identified as "Freight Rail Systems" (which includes shipbuilding, bridges and defence) and "Passenger Rail Systems".
- 2 Pursuant to approval by the Board of Directors and the Shareholders of the Company in their meetings held on June 10, 2023 on July 4, 2023 respectively, and approval of Bombay Stock Exchange (BSE) and National Stock Exchange (NSE), the Audit Committee as authorised by the Board of Directors, allotted 76,00,000 Equity Shares on Preferential basis to Smallcap World Fund Inc, a SEBI Registered FPI, at a price of Rs.380 per share (Face Value: Rs. 2 each fully paid up) including premium of Rs.378 per share. The Company received listing approval from BSE and NSE on July 19, 2023 and July 20, 2023 respectively and trading approval on July 25, 2023. These allotted equity shares shall be under lock in for six months from the date of trading approval as per existing regulations.
- 3 A Joint Venture named Titagarh Firema Engineering Services Private Limited ("TFESPL") has been incorporated on September 16, 2023 having Titagarh Rail Systems Limited ("TRSL") and Titagarh Firema SPA ("Firema") as Joint Venturers. TFESPL will acquire the Company's design centre in Hyderabad and will carry on the business of research, engineering and design related services to support passenger rail segment business. The above business arrangement will be effective from October 1, 2023.
- 4 (i) Exceptional items for the year ended March 31, 2023 includes:
 - a. an amount of Rs. 4,972.82 lacs being the impairment loss of investment in TFA based on the valuation report obtained from an independent valuer. The residual value of investment in TFA as on March 31, 2023 is Rs 1,272.63 lacs.
 - b. an amount of Rs. 345.27 lacs being the claim partially awarded in favour of the Company by the Commercial Court of Paris with respect to its claim relating to its erstwhile subsidiary Titagarh Wagons AFR, France (under liquidation).
- 5 Majority of the orders in the passenger rail segment i.e. Vande Bharat trainsets order (in consortium with BHEL), metro coaches order for Surat and Ahmedabad from GMRL has been awarded recently and is currently under design and developmental phase, whose delivery schedule as per the contractual terms will commence from second half of next year onwards.
- 6 The above standalone financial results for the quarter and six months ended September 30, 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 18, 2023.

For and on behalf of the Board of Directors



Place: Kolkata
Dated : October 18, 2023

ANIL KUMAR AGARWAL
Director Finance and Chief Financial Officer

