

**TITAGARH WAGONS LIMITED**  
39, SHAKESPEARE SARANI, KOLKATA - 700 017

**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2011 (STANDALONE)**

(Rs. in Lacs)

Sl.	PARTICULARS	QUARTER ENDED		YEAR ENDED	
		March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
		Unaudited		Audited	
1	a) Gross Sales/Income from Operations	23,278.44	18,611.00	68,590.16	57,172.53
	Less: Excise Duty & Cess	415.19	509.62	1,919.38	1,750.21
	Net Sales/ Income from Operations	22,863.25	18,101.38	66,670.78	55,422.32
	b) Other Operating Income	75.32	342.83	516.99	954.64
	<b>Sub-total (a to b)</b>	<b>22,938.57</b>	<b>18,444.21</b>	<b>67,187.77</b>	<b>56,376.96</b>
2	<b>Expenditure</b>				
	a) (Increase)/ Decrease in stock in trade and Work in progress	731.79	(875.65)	(637.76)	865.00
	b) Consumption of Raw materials, Components, etc.	12,588.66	11,412.30	39,431.64	32,956.86
	c) Power and Fuel	1,054.02	582.28	2,740.69	2,069.90
	d) Other Manufacturing Expenses	2,226.34	1,947.39	7,384.48	5,967.59
	e) Employees Cost	559.84	416.11	1,850.77	1,558.13
	f) Depreciation	126.55	55.39	576.92	443.58
	g) Other Expenditure	1,691.24	920.39	4,536.49	3,420.17
	<b>Sub-total (a to g)</b>	<b>18,978.44</b>	<b>14,458.21</b>	<b>55,883.23</b>	<b>47,281.23</b>
3	<b>Profit from Operations before Other Income, Interest &amp; Taxes (1-2)</b>	<b>3,960.13</b>	<b>3,986.00</b>	<b>11,304.54</b>	<b>9,095.73</b>
4	Other Income	0.15	95.14	4.25	99.33
5	<b>Profit before Interest and Taxes (3-4)</b>	<b>3,960.28</b>	<b>4,081.14</b>	<b>11,308.79</b>	<b>9,195.06</b>
6	Interest (Net)	(47.83)	123.96	(952.36)	(688.66)
7	<b>Profit from Ordinary Activities before Taxes (5-6)</b>	<b>4,008.11</b>	<b>3,957.18</b>	<b>12,261.15</b>	<b>9,883.72</b>
8	<b>Tax Expenses</b>				
	a) Current Tax	1,504.28	1,133.21	4,189.29	3,003.00
	b) For Earlier Year	(45.72)	20.54	(35.68)	20.54
	c) Deferred Tax Charge / (Credit)	(179.83)	209.48	(31.88)	323.13
9	<b>Net Profit from Ordinary Activities after Taxes (7-8)</b>	<b>2,729.38</b>	<b>2,593.95</b>	<b>8,139.42</b>	<b>6,537.05</b>
10	Paid up Equity Share Capital (Face value Rs. 10/- each)	1,880.91	1,880.91	1,880.91	1,880.91
11	Reserves excluding Revaluation Reserves				42,806.90
12	<b>Earning Per Share (Not Annualised)</b>				
	- Basic	Rs 14.51	13.79	43.27	34.75
	- Diluted	Rs 14.27	13.79	42.88	34.75
13	<b>Public Shareholdings</b>				
	- Number of Shares	9,406,362	9,583,740	9,406,362	9,583,740
	- Percentage of Shareholding	50.01%	50.95%	50.01%	50.95%
14	<b>Promoters and Promoter Group Shareholding</b>				
	a) Pledged/ Encumbered				
	- Number of Shares	NIL	NIL	NIL	NIL
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	N.A	N.A	N.A	N.A
	- Percentage of Shares (as a % of the total share capital of the Company)	N.A	N.A	N.A	N.A
	b) Non-Encumbered				
	- Number of Shares	9,402,738	9,225,329	9,402,738	9,225,329
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%
	- Percentage of Shares (as a % of the total share capital of the Company)	49.99%	49.05%	49.99%	49.05%

*Nilish Kumar*

**TITAGARH WAGONS LIMITED**  
**39, SHAKESPEARE SARANI, KOLKATA - 700 017**  
**SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED**

		(Rs. in Lacs)			
SL.	PARTICULARS	QUARTER ENDED		YEAR ENDED	
		March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
		Unaudited		Audited	
<b>1</b>	<b>Segment Revenue (Net of Excise Duty)</b>				
	a) Wagons & Coaches	21,194.21	16,884.16	61,173.31	50,546.60
	b) HEMM	624.40	672.56	1,413.30	2,595.46
	c) Steel Castings	5,231.96	2,211.81	12,045.25	11,296.54
	d) Others	201.22	222.61	1,831.73	742.74
	<b>Total</b>	<b>27,251.79</b>	<b>19,991.14</b>	<b>76,463.59</b>	<b>65,181.34</b>
	Less: Inter Segment Revenue	4,388.54	1,899.76	9,792.81	9,759.02
	<b>Net Sales/ Income from Operations</b>	<b>22,863.25</b>	<b>18,101.38</b>	<b>66,670.78</b>	<b>55,422.32</b>
<b>2</b>	<b>Segment Results</b>				
	a) Wagons & Coaches	5,082.67	4,240.78	12,553.55	8,952.08
	b) HEMM	23.08	70.51	139.18	177.14
	c) Steel Castings	395.97	165.54	1,278.57	1,148.40
	d) Others	21.95	91.99	474.42	305.00
	<b>Total</b>	<b>5,523.67</b>	<b>4,568.82</b>	<b>14,445.72</b>	<b>10,582.62</b>
	Less :				
	i Interest (net)	(47.83)	123.96	(952.36)	(688.66)
	ii Unallocable expenditure net of income	1,563.39	487.68	3,136.93	1,387.56
	<b>Total Profit before tax</b>	<b>4,008.11</b>	<b>3,957.18</b>	<b>12,261.15</b>	<b>9,883.72</b>
<b>3</b>	<b>Capital Employed</b>				
	a) Wagons & Coaches	20,964.80	15,448.93	20,964.80	15,448.93
	b) HEMM	1,242.51	1,206.67	1,242.51	1,206.67
	c) Steel Castings	6,634.69	8,508.43	6,634.69	8,508.43
	d) Others	835.65	1,649.18	835.65	1,649.18
	e) Unallocated	23,601.90	19,039.33	23,601.90	19,039.33
	<b>Total</b>	<b>53,279.55</b>	<b>45,852.54</b>	<b>53,279.55</b>	<b>45,852.54</b>

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**TITAGARH WAGONS LIMITED**  
**39, SHAKESPEARE SARANI, KOLKATA - 700 017**

**STATEMENT OF ASSETS AND LIABILITIES AS PER CLAUSE 41 OF THE LISTING AGREEMENT**

Sl	PARTICULARS	(Rs. in Lacs)	
		AS AT	
		March 31, 2011	March 31, 2010
		<b>AUDITED</b>	
<b>1</b>	<b>SHAREHOLDER'S FUNDS</b>		
	a) Share Capital	1,880.91	1,880.91
	b) Advance towards Equity Warrants	1,209.38	-
	c) Reserves & Surplus	50,189.26	43,971.83
<b>2</b>	<b>LOAN FUNDS</b>	7,194.43	7,431.59
<b>3</b>	<b>DEFERRED TAX LIABILITY (NET)</b>	-	12.35
		<b>60,473.98</b>	<b>53,296.48</b>
<b>4</b>	<b>FIXED ASSETS (INCLUDING CAPITAL WORK IN PROGRESS)</b>	10,717.86	10,884.15
<b>5</b>	<b>INVESTMENTS</b>	7,441.24	4,916.28
<b>6</b>	<b>DEFERRED TAX ASSETS (NET)</b>	19.53	-
<b>7</b>	<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
	a) Inventories	16,709.17	18,959.13
	b) Sundry Debtors	12,066.44	9,548.96
	c) Cash & Bank Balances	9,575.98	10,604.92
	d) Other Current Assets	1,431.77	854.06
	e) Loans & Advances	17,987.33	13,867.17
		<b>57,770.69</b>	<b>53,834.24</b>
<b>8</b>	<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>		
	a) Current Liabilities	10,987.30	13,496.83
	b) Provisions	4,498.04	2,841.36
	Sub Total	<b>15,475.34</b>	<b>16,338.19</b>
	<b>NET CURRENT ASSETS</b>	<b>42,295.35</b>	<b>37,496.05</b>
		<b>60,473.98</b>	<b>53,296.48</b>

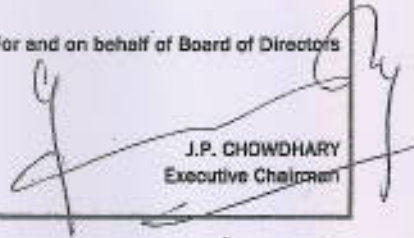
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**Notes:**

1. Figures for the previous periods have been rearranged / regrouped wherever considered necessary to make them comparable.
2. Business segments based on the Company's products have been identified as "Wagons & Coaches", "Heavy Earth Moving & Mining Equipments (HEMMI)", "Steel Castings" and "Others". Segment "Others" consists of miscellaneous business comprising of less than 10% of revenue.
3. There were no exceptional/extraordinary items during the respective periods reported above.
4. During the year, the Company has implemented a new ERP system which required a change in the method of valuation of raw materials & components and stores & spares parts inventories from "First in First out" to weighted average basis. Further, the management also believes that such change in the method of valuation of inventories will result in a more appropriate presentation of these inventories and will give a systematic basis of charge for raw materials & components and stores & spares parts consumption and would be more representative of the time pattern in which the economic benefits will be derived from the use of such inventories. Had the Company continued to use the earlier basis of valuation, the charge to profit & loss account for the quarter and year ended March 31, 2011 would have been lower by Rs 33.45 lacs (approximately) and higher by Rs 18.99 lacs (approximately) respectively.
5. The Auditors' in their audit report for the year ended March 31, 2010 had drawn attention to the following, whose impact if any, on the Company's profit was not ascertainable:
  - a. Investments, Loans and advances of Rs.14,145.38 lacs as at March 31, 2010 given to a subsidiary and a joint venture Company for the purpose of acquiring certain financial assets like leased wagons, debts/loans and investments in a sick company, rehabilitation of which pursuant to Sanctioned Scheme of BIFR was under implementation.  
  
The net worth of the said company has since turned positive and BIFR has also de-registered the company from its purview based on progress of rehabilitation scheme. Since the said company has started operations and has also started making profits, the above amounts are considered good of recovery by the management.  
  
Further, since the revival plan of the said company is under implementation, the statutory auditors have drawn attention to the above matter in their audit report for the year ended March 31, 2011.
  - b. Based on the audited financial statements as at June 30, 2009 of Titagarh Papers Limited, there was a diminution in the value of investments to the extent of Rs. 329.03 Lacs. However, considering the strategic nature of these investments and also because the current realisable value of the assets held by the aforesaid Company is likely to be significantly higher than the book value, no provision towards such diminution in the value of investments was considered necessary.  
  
As a matter of prudent accounting policy, the management has however, made provision for the above diminution in the value of investment during the year.
  - c. Debts amounting to Rs.746.57 lacs as at March 31, 2010 recoverable from a customer have not been realised since earlier years.  
  
The Company has recovered Rs 475.00 lacs from the above customer during the year and has further received Rs 40.00 lacs after March 31, 2011. The Customer has confirmed the balance of Rs. 231.57 Lacs, which has been considered good of recovery. Further, the auditors had also drawn attention to the related pending terminal excise duty claim of Rs.195.34 lacs from Director General of Foreign Trade, a claim of which has now been filed by the Company as a result of the above recovery from the party and the Company expects to recover this claim very shortly.
6. During the year, the Company has set up Titagarh Wagons AFR (formerly, La Compagnie AFR Titagarh), a 90% subsidiary in France to takeover the wagon manufacturing facility of another Company in France. The Company has invested Rs 2,864.60 lacs towards share capital and has also given interest bearing loan of Rs 3,984.12 lacs to fund the operations of the said Company.
7. During the year, the Company has issued 1,250,000 convertible equity warrants to its promoter group on preferential basis at a resultant price of Rs 387 each per share (Face value - Rs 10/- each) and has received a sum of Rs. 1209.38 Lacs as advance payment thereagainst. The warrants are convertible into one equity share at the option of warrant holders within 18 months from the date of allotment of the warrants subject to receipt of full consideration.
8. The Board of Directors have recommended dividend of Rs. 8/- per share for the financial year 2010-11 subject to approval of the shareholders.
9. The position of investor complaints pursuant to clause 41 of the Listing Agreement pertaining to the Quarter is, Opening: NIL, Received and resolved during the Quarter: 22 and outstanding at the end of the Quarter: NIL.
10. The above financial results for the quarter and year ended March 31, 2011 were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 12, 2011.

For and on behalf of Board of Directors

  
J.P. CHOWDHARY  
Executive Chairman

Place: Kolkata  
Date: May 12, 2011

