TITAGARH

14th March, 2020

1. **National Stock Exchange of India Limited**
   Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400051
   Scrip Code: TWL(EQ)

2. **BSE Limited**
   Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001
   Scrip Code: 532966

Re.: **Investor Presentation March 2020**

Dear Sirs,

Please find attached the "*Investor Presentation March 2020*" containing a presentation on the ongoing Scheme of Amalgamation of Cimmco Limited and Titagarh Capital Private Limited with the Company, for dissemination at your portal.

Please take the above on record.

Thanking You,
Yours faithfully,

For Titagarh Wagons Limited

Dinesh Arya
Company Secretary

Encl.: As above.

TITAGARH WAGONS LIMITED
CIN: L27320WB1997PLC084819
Registered & Corporate Office: Titagarh Towers, 756 Anandapur, E. M. Bypass, Kolkata - 700 107, India
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Scheme of Amalgamation

Investor Presentation
March 2020

Titagarh Wagons Ltd

(BSE:532966 ; NSE:TWL)

Amalgamation Highlights

Pre-Amalgamation Structure	Post-Amalgamation Structure
Titagarh Wagons Ltd. (TWL) → Cimmco Ltd. (CIMMCO) 75%; Titagarh Capital Private Ltd. (TCPL) 100%	**TWL** **(TWL + CIMMCO + TCPL)** **Simplified Corporate Structure**

Strategic Rationale:

1. **Consolidation of similar businesses:** TWL and CIMMCO, both are engaged in the manufacturing of railway wagons, heavy engineering equipment and products for defense
2. **Strengthened market position:** Market leader with combined wagons capacity of 8,400 units p.a. Synergies from the combination of management expertise, vast knowledge base and experience to compete more effectively in an increased competitive environment
3. **Cost optimization:** Reduction in fixed costs and economies of scale through consolidation of departments and operations
4. **Better operational efficiency:** Centralization of operations and management resulting in better efficiency and control
5. **Strengthened financial position:** Optimized capital structure and enhanced financial performance to deliver sustainable long-term returns

Transaction Overview

Transaction Details

- Merger of CIMMCO and TCPL into TWL
- TWL will issue and allot 13 Equity Shares of Rs. 2 each fully paid up for every 24 Equity Shares ("New Equity Shares") of Rs. 10 each fully paid up held by the shareholders of CIMMCO ("Share Exchange Ratio")
- TCPL (100% Subsidiary) will be merged with cancellation of shares; there will not be any exchange of consideration
- Post NCLT approval, the New Equity Shares to be issued and allotted by TWL, shall be listed and shall be admitted for trading on stock exchanges

TWL Equity Shareholding

Shareholders	Pre-Amalgamation	Post-Amalgamation
Promoters	**45.71%**	**44.29%**
Institutions	**13.24%**	**12.89%**
Others	**41.05%**	**42.82%**

Important Dates

14-Aug-2019
- Draft scheme of amalgamation approved BoD

24-Jan-2020
- BSE and NSE approval of scheme of amalgamation

29-Feb-2020
- Remote E-voting start date

29-Mar-2020
- Remote E-voting end date

30-Mar-2020
- NCLT Convened Meeting

Capital Structure

Capital	Type	Titagarh Wagons Ltd. (TWL)	Cimmco Ltd. (CIMMCO)	Titagarh Capital Private Ltd (TCPL)
Capital before the Scheme of Amalgamation	Paid up Capital (Rs.) Equity Shares	Rs. 23.1 Crores 115.6 million; Rs. 2 /- each	Rs. 27.3 Crores 27.3 million; Rs. 10 /- each 52.0 million; Rs. 10 /- each	Rs. 228.1 Crores 880.5 million; Rs. 2 /- each 52.0 million; Rs. 10 /- each
	Preference Shares	NA	RS. 40.0 Crores 40 million shares of Rs. 10/- each	Rs. 25.0 Crores 2.5 million Non Cumulative Compulsory Convertible Preference Shares of Rs. 100/- each
New Shares to be Issued under the Scheme of Amalgamation	**3.72 million shares of Rs. 2 /- each**			
Capital after the Scheme of Amalgamation	**Rs. 23.9 Crores; 119.3 million equity shares of Rs.2/- each fully paid aggregating**			

Shareholders	TWL Pre-Amalgamation		CIMMCO		New Shares Issued under the Scheme of Amalgamation	TWL Post-Amalgamation	
	mn	**%**	**mn**	**%**	**mn**	**mn**	**%**
Promoter and Promoter Group							
Individual and HUF's	31.17	*26.96%*	0.03	*0.11%*	0.02	31.19	*26.13%*
Titagarh Wagons Ltd	21.67	*18.74%*	20.48	*74.89%*	0.00	21.67	*18.16%*
Promoter and Promoter Group	52.84	*45.71%*	20.51	*75.00%*	0.02	52.86	*44.29%*
Institutions	15.30	*13.24%*	0.14	*0.50%*	0.07	15.38	*12.89%*
Others	47.46	*41.06%*	6.70	*24.50%*	3.63	51.09	*42.82%*
Total Equity Shares	**115.61**	***100.00%***	**27.35**	***100.00%***	**3.72**	**119.33**	***100.00%***

Note: Cancellation of shares on account of cross holding:

1. 20.47 million equity shares of Rs. 10/- each and 25.00 million Preference Shares of Rs.10 each held by TWL in CIMMCO will be cancelled
2. 1.50 million equity shares of Rs. 100/- each held and 2.50 million Preference Shares of Rs.100 each by TWL in TCPL will be cancelled
3. 15 million Preference Shares of Rs.10/- each held by the TCPL in CIMMCO will be cancelled

Domestic Operations

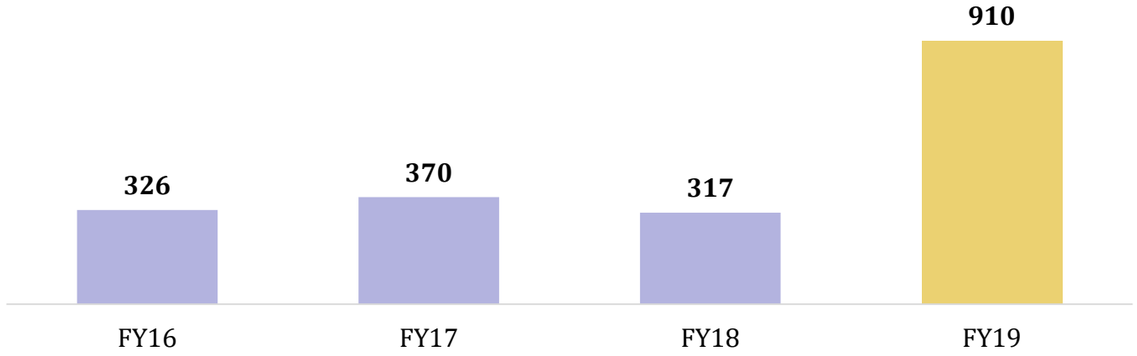
Titagarh Wagons Limited (TWL)

- **Year of Establishment:** 1997
- **Manufacturing Facility:** Titagarh and Uttarpara (West Bangal)
- **Capacity**:
  - Wagons: 6,000
  - Shipbuilding
  - Bridges
  - Specialised Equipments

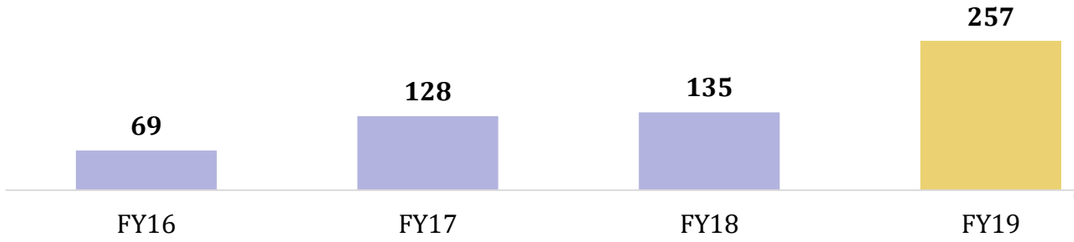
CIMMCO Ltd.

- **Year of Establishment:** 1943
- **Major business:** Manufacturing of Railway Wagons and Heavy Engineering Projects/ Products
- **Manufacturing Facility:** Bharatpur (Rajasthan)
- **Capacity**:
  - Wagons: 2,400
- Acquired Industrial license for manufacture of various defence products

Revenue from Operations (Rs. Cr)



Revenue from Operations (Rs. Cr)



Domestic Operations - FY2019

Titagarh Wagons Domestic Business

Wagons Capacity: **8,400**	Order Book As on Mar-2019: **Rs. 2,576 Cr**	FY2019 Revenue from Operations: **Rs.1,167 Cr**	FY2019 EBITDA: **Rs.102 Cr**

Titagarh Wagons Ltd. (TWL)

Wagons Capacity: **6,000**	Order Book As on Mar-2019: **Rs. 2,068 Cr**
FY2019 Revenue from Operations: **Rs.910 Cr**	FY2019 EBITDA: **Rs. 76 Cr**

Cimmco Ltd. (CIMMCO)

Wagons Capacity: **2,400**	Order Book As on Mar-2019: **Rs. 508 Cr**
FY2019 Revenue from Operations: **Rs. 257 Cr**	FY2019 EBITDA: **Rs. 27 Cr**

Group Strategy

1	Reduction of Debt	Debt reduction has been the key focus for TWL and it has been able to reduce the debt during Q3 FY20 and continues to do so in Q4 FY20 and FY 21
2	Expand into Global Markets	Leveraging Italy business experience and advanced technology, the Company plans to expand its footprint into global markets specially into metro and train electricals
3	Consolidation of Subsidiaries	Consolidation of subsidiaries to simplify organization structure and improve overall operational efficiency
4	Diversified Product Portfolio	Diversified revenue profile with increasing focus on additional products such as passenger rolling stocks, bridges and shipbuilding
5	Strong Order Book	Strong, replenishing and advance backed orders with better margin level

Disclaimer

This presentation contains statements that are "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Titagarh Wagons' future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Titagarh Wagons undertakes no obligation to publicly revise any forward looking statements to reflect future/ likely events or circumstances.

For further information, please contact:

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