

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2010

SL.	PARTICULARS	(Rs. In Lacs)				
		QUARTER ENDED		HALF YEAR ENDED		YEAR ENDED
		Sept 30, 2010	Sept 30, 2009	Sept 30, 2010	Sept 30, 2009	March 31, 2010
		Unaudited				Audited
1	a) Gross Sales/Income from Operations	16,654.19	13,154.01	32,248.59	23,727.14	57,172.53
	Less: Excise Duty & Cess	725.98	548.95	1,136.43	726.43	1,750.21
	Net Sales/ Income from Operations	15,928.21	12,605.06	31,112.16	23,000.71	55,422.32
	b) Other Operating Income	323.92	233.38	332.76	491.03	954.64
2	Sub-total (a to b)	16,252.13	12,838.44	31,444.92	23,491.74	56,376.96
	Expenditure					
	a) (Increase)/ Decrease in stock in trade and Work in progress	(131.41)	1,131.05	(603.67)	3,071.93	865.00
	b) Consumption of Raw materials, Components, etc.	9,704.35	7,469.00	18,991.35	12,553.02	32,956.86
	c) Power and Fuel	511.11	222.15	1,063.73	429.15	2,069.90
	d) Other Manufacturing Expenses	2,061.47	1,316.40	3,707.88	2,326.22	5,967.59
	e) Employees Cost	394.61	286.88	826.36	553.88	1,558.13
	f) Depreciation	102.92	124.73	233.22	247.41	443.58
	g) Other Expenditure	1,200.80	734.69	2,016.04	1,320.58	3,420.17
3	Sub-total (a to g)	13,843.85	11,284.90	26,234.91	20,502.19	47,281.23
	Profit from Operations before Other Income, Interest & Taxes (1-2)	2,408.28	1,553.54	5,210.01	2,989.55	9,095.73
4	Other Income	2.19	1.01	3.67	1.08	99.33
5	Profit before Interest and Taxes (3-4)	2,410.47	1,554.55	5,213.68	2,990.63	9,195.06
6	Interest (Net)	(274.16)	(335.32)	(507.77)	(655.31)	(688.66)
7	Profit from Ordinary Activities before Taxes (5-6)	2,684.63	1,889.87	5,721.45	3,645.94	9,883.72
8	Tax Expenses					
	a) Current Tax	892.19	638.89	1,861.29	1,259.89	3,003.00
	b) For Earlier Year	-	-	-	-	20.54
	c) Deferred Tax	28.84	74.10	38.59	85.19	323.13
	d) Fringe Benefit Tax	-	(6.00)	-	-	-
9	Net Profit from Ordinary Activities after Taxes (7-8)	1,763.60	1,182.88	3,821.57	2,300.86	6,537.05
10	Paid up Equity Share Capital (Face value Rs. 10/- each)	1,880.91	1,844.21	1,880.91	1,844.21	1,880.91
11	Reserves excluding Revaluation Reserves					42,806.90
12	Earning Per Share (Not Annualised)					
	- Basic	Rs 9.38	6.42	20.32	12.48	34.75
	- Diluted	Rs 9.34	6.42	20.28	12.48	34.75
13	Public Shareholdings					
	- Number of Shares	9,583,740	9,359,422	9,583,740	9,359,422	9,583,740
	- Percentage of Shareholding	50.95%	50.75%	50.95%	50.75%	50.95%
14	Promoters and Promoter Group Shareholding					
	a) Pledged/ Encumbered					
	- Number of Shares	NIL	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	N.A
	- Percentage of Shares (as a % of the total share capital of the Company)	N.A	N.A	N.A	N.A	N.A
	b) Non-Encumbered					
	- Number of Shares	9,225,329	9,082,693	9,225,329	9,082,693	9,225,329
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of Shares (as a % of the total share capital of the Company)	49.05%	49.25%	49.05%	49.25%	49.05%

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TITAGARH WAGONS LIMITED

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SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs.in Lacs)

SL.	PARTICULARS	QUARTER ENDED		HALF YEAR ENDED		YEAR ENDED
		Sept 30, 2010	Sept 30, 2009	Sept 30, 2010	Sept 30, 2009	March 31, 2010
		Unaudited				Audited
1	Segment Revenue (Net of Excise Duty)					
	a) Wagons & Coaches	15,173.50	12,271.99	29,374.22	21,505.78	50,546.60
	b) HEMM	329.18	106.30	401.05	1,250.44	2,595.46
	c) Steel Castings	1,232.71	1,628.32	4,085.08	2,279.58	11,296.54
	d) Others	188.67	179.41	574.00	179.57	742.74
	Total	16,924.06	14,186.02	34,434.35	25,215.37	65,181.34
	Less: Inter Segment Revenue	995.85	1,580.96	3,322.19	2,214.66	9,759.02
	Net Sales/ Income from Operations	15,928.21	12,605.06	31,112.16	23,000.71	55,422.32
2	Segment Results					
	a) Wagons & Coaches	2,851.24	1,512.84	5,654.02	3,053.70	8,952.08
	b) HEMM	45.46	11.43	19.26	44.14	177.14
	c) Steel Castings	101.44	236.38	548.46	289.31	1,148.40
	d) Others	28.52	94.13	112.11	94.13	305.00
	Total	3,026.66	1,854.78	6,333.85	3,481.28	10,582.62
	Less :					
	i Interest (net)	(274.16)	(335.32)	(507.77)	(655.31)	(688.66)
	ii Unallocable expenditure net of income	616.19	300.23	1,120.17	490.65	1,387.56
	Total Profit before tax	2,684.63	1,889.87	5,721.45	3,645.94	9,883.72
3	Capital Employed					
	a) Wagons & Coaches	11,993.01	16,240.55	11,993.01	16,240.55	15,448.93
	b) HEMM	1,298.39	1,948.16	1,298.39	1,948.16	1,206.67
	c) Steel Castings	7,266.80	2,940.56	7,266.80	2,940.56	8,508.43
	d) Others	989.58	931.38	989.58	931.38	1,649.18
	e) Unallocated	29,245.39	19,397.95	29,245.39	19,397.95	19,039.32
	Total	50,793.17	41,458.60	50,793.17	41,458.60	45,852.53

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

(Rs. In Lacs)

SL.	PARTICULARS	AS AT SEPTEMBER 30	
		2010	2009 *
		(Unreviewed)	
		Unaudited	
1	SHAREHOLDER'S FUNDS		
a)	Share Capital	1,880.91	1,844.21
b)	Application Money towards Equity Warrants	1,209.38	-
c)	Reserves & Surplus	47,702.88	39,624.08
2	LOAN FUNDS	2,298.10	8,809.35
3	DEFERRED TAX LIABILITY	50.94	154.89
		53,142.21	50,432.53
4	FIXED ASSETS (INCLUDING CAPITAL WORK IN PROGRESS)	10,815.04	7,944.14
5	INVESTMENTS	6,034.63	783.83
6	CURRENT ASSETS, LOANS & ADVANCES		
a)	Inventories	14,047.88	16,677.51
b)	Sundry Debtors	9,489.92	6,577.93
c)	Cash & Bank Balances	7,913.18	16,068.91
d)	Other Current Assets	1,143.49	804.69
e)	Loans & Advances	17,083.12	16,592.96
		49,677.59	56,722.00
7	LESS: CURRENT LIABILITIES & PROVISIONS		
a)	Current Liabilities	11,601.11	14,263.76
b)	Provisions	1,783.94	763.37
	Sub Total	13,385.05	15,027.13
	NET CURRENT ASSETS	36,292.54	41,694.87
8	MISCELLANEOUS EXPENDITURE (NOT WRITTEN OFF OR ADJUSTED)	-	9.69
		53,142.21	50,432.53

* The above figures have not been reviewed by the auditors of the Company.

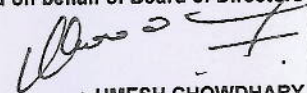
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Notes:

- 1 The Hon'ble High Court at Calcutta vide its order dated September 14, 2009 (certified copy of which was issued on November 27, 2009) has approved the merger of Titagarh Steels Limited (TSL) and Titagarh Biotec Private Limited (TBPL) with the Company with effect from April 1, 2009 (the Appointed Date). Accordingly, the figures for the current Quarter which include the figures of TSL and TBPL are not comparable with those of the corresponding quarter ended September 30, 2009.
- 2 Business segments based on the Company's products have been identified as "Wagons & Coaches", "Heavy Earth Moving & Mining Equipments (HEMM)", "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 current quarter, 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 would have been higher by Rs 85.76 lacs (approximately) and raw materials & components and stores & spares parts inventories would be lower by Rs 76.88 lacs and Rs 8.88 lacs respectively.
- 5 During the current quarter, the Company has issued 1,250,000 Equity Warrants convertible into Equity Shares to a promoter group individual on preferential basis at a resultant price of Rs 387 per share (Face value - Rs 10 each). Each warrant is convertible into one equity share at the option of warrant holders within March 8, 2012 subject to receipt of full consideration. The Company has received Rs 1209.38 lacs as application money towards such equity warrants.
- 6 The Auditors' in their audit report for the year ended March 31, 2010 and review report for the quarter ended June 30, 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 (Rs 14,552.53 lacs as at June 30, 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 is under implementation. The said amounts are considered good of recovery.
 - b. Based on the latest audited financial statements as at June 30, 2009 of Titagarh Papers Ltd., there is 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. However, as a matter of prudent accounting policy, the management has made provision for diminution in the value of above investment in the current quarter.
 - c. Debts amounting to Rs.746.57 lacs recoverable from a customer have not been realised since earlier years. The Company has recovered Rs 475 lacs during the quarter and is pursuing the party to recover the balance amount. Further, the auditors had also drawn attention to the related terminal excise duty claim of Rs.195.34 lacs from Director General of Foreign Trade, which has been filed by the Company during the quarter as a result of above recovery from the party.

The management representation included in the aforesaid are self explanatory.
- 7 The position of investor complaints pursuant to clause 41 of the Listing Agreement pertaining to the Quarter is NIL, Received and resolved during the Quarter: 22 and outstanding at the end of the Quarter: NIL.
- 8 The above financial results for the quarter ended September 30, 2010 were reviewed by the Audit Committee on November 12, 2010 and approved by the Board on November 13, 2010 at their respective meetings. The said results have also been reviewed by the Auditors of the Company.
- 9 Figures for the previous periods have been rearranged / regrouped wherever considered necessary to make them comparable.

For and on behalf of Board of Directors


UMESH CHOWDHARY
 Vice Chairman & Managing Director

Place: Kolkata
 Date: November 13, 2010

