

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2010

SL.	PARTICULARS	(Rs.in Lacs)				
		QUARTER ENDED		NINE MONTHS ENDED		YEAR ENDED
		Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009	March 31, 2010
		Unaudited				Audited
1	a) Gross Sales/Income from Operations	13,063.13	14,073.71	45,311.72	38,561.53	57,172.53
	Less: Excise Duty & Cess	367.76	456.46	1,504.19	1,240.59	1,750.21
	Net Sales/ Income from Operations	12,695.37	13,617.25	43,807.53	37,320.94	55,422.32
	b) Other Operating Income	108.91	116.15	441.67	611.81	954.64
	Sub-total (a to b)	12,804.28	13,733.40	44,249.20	37,932.75	56,376.96
2	Expenditure					
	a) (Increase)/ Decrease in stock in trade and Work in progress	(765.88)	(1,402.32)	(1,369.55)	1,740.65	865.00
	b) Consumption of Raw materials, Components, etc.	7,851.63	9,699.55	26,842.98	21,544.56	32,956.86
	c) Power and Fuel	622.94	561.42	1,686.67	1,487.62	2,069.90
	d) Other Manufacturing Expenses	1,450.26	1,474.85	5,158.14	4,020.20	5,967.59
	e) Employees Cost	464.57	337.55	1,290.93	1,142.02	1,558.13
	f) Depreciation	217.15	107.47	450.37	388.19	443.58
	g) Other Expenditure	829.21	1,047.37	2,845.25	2,499.78	3,420.17
	Sub-total (a to g)	10,669.88	11,825.89	36,904.79	32,823.02	47,281.23
3	Profit from Operations before Other Income, Interest & Taxes (1-2)	2,134.40	1,907.51	7,344.41	5,109.73	9,095.73
4	Other Income	0.43	-	4.10	4.19	99.33
5	Profit before Interest and Taxes (3-4)	2,134.83	1,907.51	7,348.51	5,113.92	9,195.06
6	Interest (Net)	(396.76)	(276.11)	(904.53)	(812.62)	(688.66)
7	Profit from Ordinary Activities before Taxes (5-6)	2,531.59	2,183.62	8,253.04	5,926.54	9,883.72
8	Tax Expenses					
	a) Current Tax	823.72	608.90	2,685.01	1,869.79	3,003.00
	b) For Earlier Year	10.04	-	10.04	-	20.54
	c) Deferred Tax	109.36	28.46	147.95	113.65	323.13
9	Net Profit from Ordinary Activities after Taxes (7-8)	1,588.47	1,546.26	5,410.04	3,943.10	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 8.45	8.38	28.76	21.38	34.75
	- Diluted	Rs 8.31	8.22	28.57	20.96	34.75
13	Public Shareholdings					
	- Number of Shares	9,499,331	9,359,602	9,499,331	9,359,602	9,583,740
	- Percentage of Shareholding	50.50%	50.75%	50.50%	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	9,309,738	9,082,513	9,309,738	9,082,513	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)	49.50%	49.25%	49.50%	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		NINE MONTHS ENDED		YEAR ENDED
		Dec 31, 2010	Dec 31, 2009	Dec 31, 2010	Dec 31, 2009	March 31, 2010
		Unaudited				Audited
1	Segment Revenue (Net of Excise Duty)	10,604.88	12,156.65	39,979.10	33,662.44	50,546.60
	a) Wagons & Coaches	387.85	672.46	788.90	1,922.90	2,595.46
	b) HEMM	2,728.21	3,304.04	6,813.29	9,084.73	11,296.54
	c) Steel Castings	1,056.51	340.56	1,630.51	520.13	742.74
	d) Others	14,777.45	16,473.71	49,211.80	45,190.20	65,181.34
	Total	2,082.08	2,856.46	5,404.27	7,869.26	9,759.02
	Less: Inter Segment Revenue	12,695.37	13,617.25	43,807.53	37,320.94	55,422.32
	Net Sales/ Income from Operations					
2	Segment Results	1,935.25	1,704.49	7,470.88	4,785.12	8,952.08
	a) Wagons & Coaches	96.84	62.49	116.10	106.63	177.14
	b) HEMM	334.14	480.88	882.60	982.86	1,148.40
	c) Steel Castings	221.97	72.00	452.48	139.19	305.00
	d) Others	2,588.21	2,319.86	8,922.06	6,013.80	10,582.62
	Total					
	Less :	(396.76)	(276.11)	(904.52)	(812.62)	(688.66)
	i Interest (net)	453.38	412.35	1,573.54	899.88	1,387.56
	ii Unallocable expenditure net of income	2,531.59	2,183.62	8,253.04	5,926.54	9,883.72
	Total Profit before tax					
3	Capital Employed	9,336.40	8,667.32	9,336.40	8,667.32	15,448.93
	a) Wagons & Coaches	1,097.33	1,554.45	1,097.33	1,554.45	1,206.67
	b) HEMM	7,329.46	7,940.97	7,329.46	7,940.97	8,508.43
	c) Steel Castings	2,352.28	3,701.74	2,352.28	3,701.74	1,649.18
	d) Others	32,226.89	22,168.21	32,226.89	22,168.21	19,039.32
	e) Unallocated	52,342.36	44,032.69	52,342.36	44,032.69	45,852.53
	Total					

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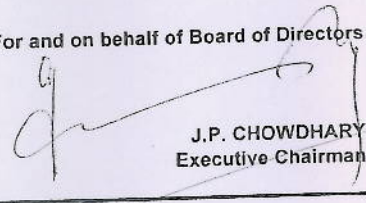
Notes:

- 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 (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 earlier 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 and nine month period ended December 31, 2010 would have been lower by Rs 33.32 lacs (approximately) and higher by Rs 52.44 lacs (approximately) respectively.
- 5 The Auditors' in their audit report for the year ended March 31, 2010 and review report for the quarter ended September 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 14,770.36 lacs as at September 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 was under implementation.
Since the said company's network has become positive and it has come out of purview of BIFR and also since it has restarted its operations and expects to make profit in the coming years, the said amounts are considered good of recovery by the management.
 - 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, management has made provision for diminution in the value of above investment in the quarter ended September 30, 2010.
 - c. Debts amounting to Rs.746.57 lacs as at March 31, 2010 (Rs. 271.57 lacs as at September 30, 2010) recoverable from a customer have not been realised since earlier years. The Company has recovered Rs 475 lacs during the quarter ended September 30, 2010 and is hopeful to recover these dues. 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, but the same has now been filed by the Company as a result of part recovery from the party.

The management representations included in the aforesaid are self explanatory.

- 6 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: 44 and outstanding at the end of the Quarter: NIL.
- 7 The above financial results for the quarter ended December 31, 2010 were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 4, 2011. The said results have also been reviewed by the Auditors of the Company.

For and on behalf of Board of Directors


J.P. CHOWDHARY
Executive Chairman

Place: Kolkata
Date: February 4, 2011

replied