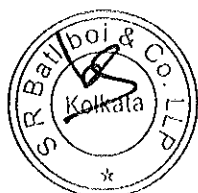


## Limited Review Report

**Review Report to  
The Board of Directors  
Titagarh Wagons Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Titagarh Wagons Limited Group comprising Titagarh Wagons Limited ('the Company') and its subsidiaries (together, 'the Group'), for the quarter ended June 30, 2015 (the "Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This 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 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. 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.
3. We draw attention to the following:
  - a. Note no. 3(a) of the unaudited consolidated financial results regarding certain claims of a step down subsidiary Company amounting to Rs 4,695.36 lacs (Rs 4,695.36 lacs as at March 31, 2015), net of Rs 150.00 lacs received under a guarantee given by the Company, which have been considered good of recovery by the management. Although the management is hopeful to recover the claims in full, pending decision of the Courts/ Arbitration proceedings we are unable to comment on their recoverability and any other consequential impact that may arise in this regard in these financial results.
  - b. Note no. 3(b) regarding recognition of net deferred tax assets (DTA) of Rs 301.84 lacs (Rs 286.55 lacs as on March 31, 2015) on unabsorbed depreciation and brought forward business losses by a step down subsidiary company based on the future profitability projections made by the management. However, in absence of sufficient appropriate audit evidence, subsidiary's auditors are unable to express an opinion on the virtual certainty of achieving these projections as required by Accounting Standard 22, Accounting for Taxes on Income, and the consequential impact, if any, on these unaudited consolidated financial results.
  - c. Note no. 3(c) regarding recognition of certain indirect expenses including expenses on business and market development amounting to Rs 424.28 lacs (including Rs 92.08 lacs capitalised during the quarter ended June 30, 2015) as a part of intangible assets under development by a step down subsidiary company on the basis that the project has not started commercial production. This being a matter of management estimation and in the absence of adequate information on the evaluation of nature of activities performed during the period, we are unable to comment on the appropriateness of such capitalisation in terms of Accounting Standard 26 on Intangible Assets including any consequential adjustments that may be required in this regard in these unaudited consolidated financial results,



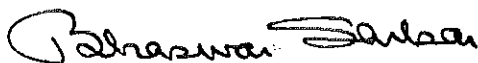
# **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

Our audit opinion on the consolidated financial statements for the previous year ended March 31, 2015 was also qualified in respect of the above matters.

4.
  - a. We did not review revenues and profit after taxes of Rs. 8,862.96 lacs and Rs. 104.71 lacs respectively, included in the accompanying unaudited consolidated financial results relating to subsidiaries, whose financial information have been reviewed by the other auditors and whose reports have been furnished to us. Our conclusion on the unaudited quarterly financial results, in so far as it relates to such subsidiaries, is based solely on the reports of the other auditors.
  - b. The accompanying statement of unaudited consolidated financial results include financial results of two foreign subsidiaries of the Company, which reflect revenue and loss after tax of Rs Nil and Rs 4.42 lacs respectively for the quarter ended June 30, 2015, which were not reviewed by the respective auditors. These unaudited results are certified and furnished to us by the management.
5. Based on our review conducted as above and on consideration of reports of other auditors on the unaudited separate quarterly financial information of the components, except for the possible effect of the matter described in the paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 Interim Financial Reporting specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The group's results for the quarter ended March 31, 2015 and June 30, 2014 are neither audited nor reviewed and are as certified by the management.

**For S.R. BATLIBOI & CO. LLP**  
**ICAI Firm registration number: 301003E**  
Chartered Accountants



**per Bhaswar Sarkar**  
Partner  
Membership No.: 55596

Place: Kolkata  
Date August 12, 2015

