

28th August, 2024

*National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex
Bandra (E), Mumbai - 400051*
Symbol - TEXRAIL

*BSE Limited
P. J. Towers,
Dalal Street,
Mumbai - 400001*
Scrip Code - 533326

Dear Sirs,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the investor presentation for your records.

The said presentation is also uploaded on the website of the Company
<https://www.texmaco.in/investors-relation/shareholders-information/> .

This is for your information and record.

Thanking you,

Yours faithfully,
For **Texmaco Rail & Engineering Limited**

K. K. Rajgaria
Company Secretary &
Compliance Officer

Texmaco

(BSE: 533326 NSE: TEXRAIL)

Rail & Engineering Ltd.

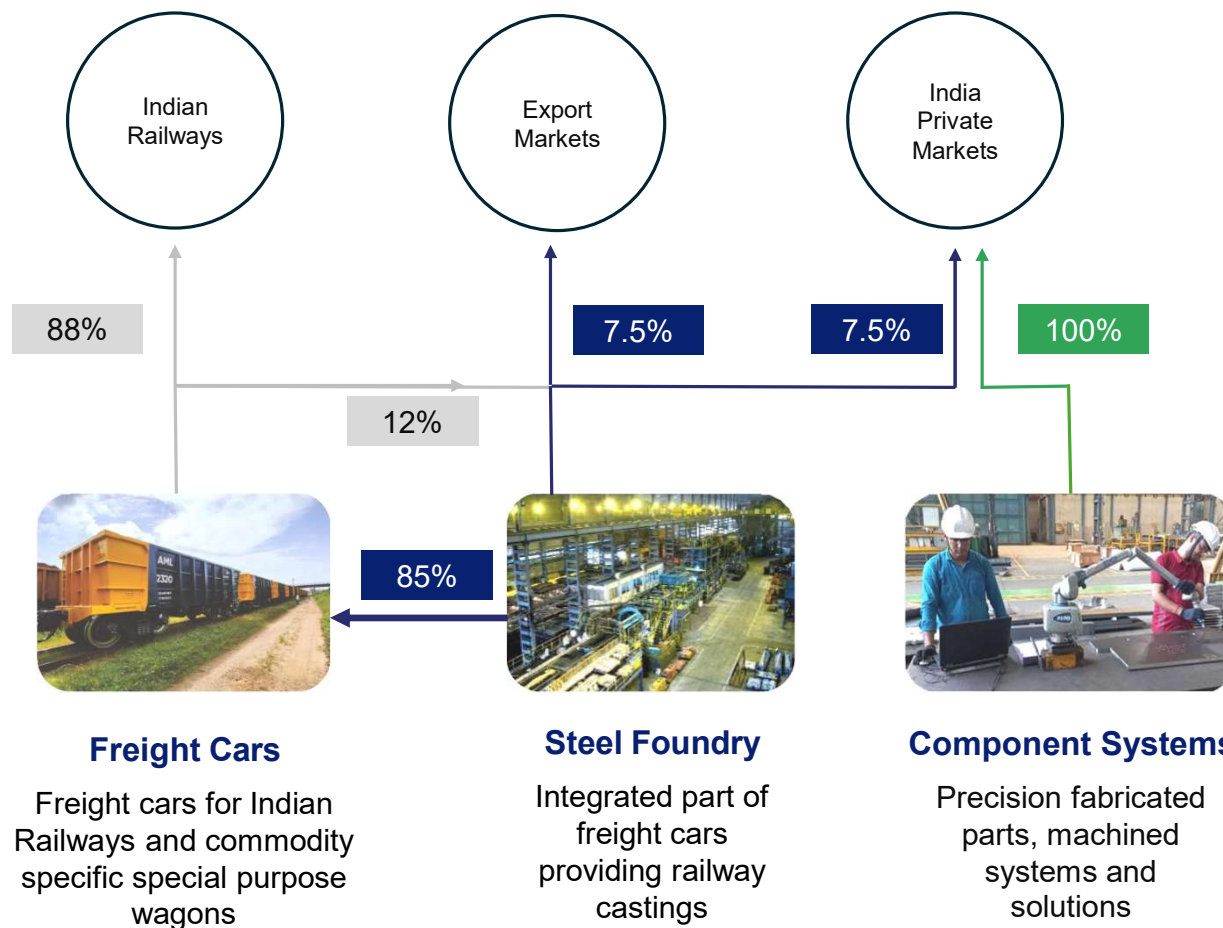
Investor Presentation

August 2024

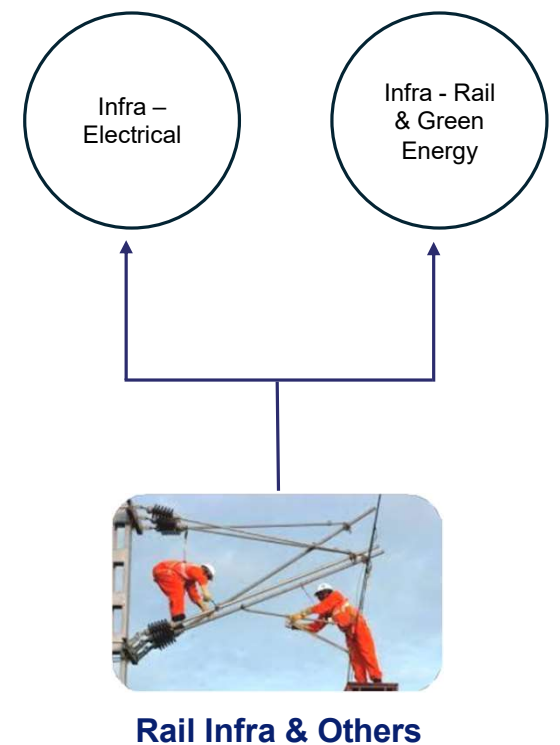


Texmaco: Business Snapshot

Freight Car Division



Rail Infra & Others



% of freight car volume
 % of steel foundry volume
 % of components systems volume

Management Commentary



Indrajit Mookerjee
Executive Director and Vice Chairman

"We are pleased to announce that the Q1 FY2025 financial results and operating performance set record first quarter milestones in the history of Texmaco.

The Company delivered the highest Q1 Revenue from Operations of Rs. 89,165 lakhs, representing growth of 35.8% YoY. From a profitability perspective, EBITDA during the quarter was Rs. 9,708 lakhs, a growth of 62% YoY and a margin of 10.9% which also represented a similar milestone. At the bottom line, PAT was Rs. 4,025 lakhs a growth of 176% YoY and a margin of 4.5%.

In July 2024, Texmaco announced the acquisition of Jindal Rail & Infrastructure Limited for a cash consideration of Rs. 61,500 lakhs. The transaction represents an acquisition FY 2024 EV/ EBITDA multiple of 8.1x and is expected to close in the coming weeks. This strategic development will significantly enhance Texmaco's capabilities and market presence, positioning us for sustained growth and ongoing innovation."



Sudipta Mukherjee
Managing Director

"During the quarter, Texmaco sold a total of 1,967 Freight Cars of which 1,655, around 84%, were delivered to Indian Railways and the reminder to Indian private and export markets.

Our steel foundries in Raipur and Belgharia sold a total of 9,747 MT of castings and other railway components. This represents a casting sales growth of 4.4% compared to Q1 FY24.

Looking forward, Texmaco's consolidated orderbook for Q1 FY25 is Rs. 7,45,970 lakhs, with 60% contributed by the Freight Car business, of which 88% is from Indian Railways. In the medium term, the railway industry dynamics are not just underpinned by the Indian Government's commitment through the National Rail Plan Vision 2030 but also private sector growth which is aligned to the country's economic prosperity."

Texmaco: Investment Case (1/2)

1. Sustained Leadership in Freight Cars

- One of the largest suppliers of freight cars in India, manufacturing one out of every four wagons on the IR network
- Manufacturing track record of over 55,000+ freight cars supplied over 20 years
- 8,000+ freight cars sold to private customers in the last 10 years
- 20+ types of freight cars supplied for a broad range of end industry applications
- Currently manufacturing 2,000 – 2,500 of wagons per quarter

2. Leading Exporter of Freight Cars and Railway Castings from India

- Leading position in the export of freight cars and railway components for the past five decades
- Export track record of 550+ freight cars to international markets over 10 years
- Texmaco is one of the leading exporter of railway castings from India
- Supplies to international markets also benefitting from geopolitical shift in supply chains

3. Cost Optimised Manufacturing Platform

- 4 Freight car and components manufacturing sites: Agarpara, Belgharia, Panihati and Sodepur in West Bengal
- 2 Foundry facilities: 33,000 MTPA Belgharia, West Bengal and 15,000 MTPA Raipur, Chhattisgarh
- One of the largest foundry to be accredited by the Association of American Railroad (AAR)
- Amongst the leading companies working with mild-steel, stainless-steel and composite materials for manufacturing of rolling stock solutions

Texmaco: Investment Case (2/2)

4. Strategic and Technology Based Partnerships

- Touax Texmaco (50%): leases freight cars on long-term basis to private sector logistics and industrial transportation companies in India
- Nymwag Texmaco (51%): to manufacture freight wagons and railway components for IR, the private sector and export markets. The facility is currently under construction and is anticipated to be operational within a year
- Wabtec Texmaco (40%): manufactures world class braking systems and components for the Indian and US markets
- Saira Asia (51%): manufactures passenger coach railway interiors, based in Vadodara

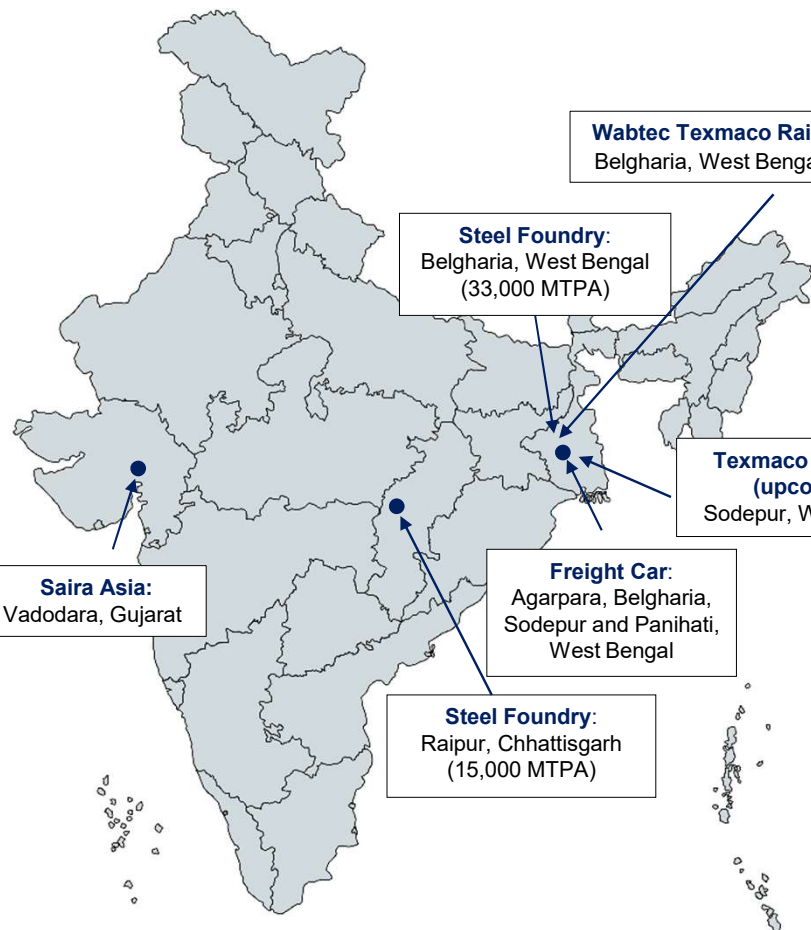
5. Attractive Railway Industry Dynamics

- Strong Government infrastructure spend flowing down to rolling stock, with IR planning to procure 150,000 freight cars by the year 2025
- Movement of freight by railways to increase from 26% to 45% by 2030, positively impacting the environment
- Government investment of Rs. 1.5 lakh crores in the Dedicated Freight Corridor (DFC)
- Interim Budget 2024-25 capital allocation of Rs. 2.52 lakh crores to the Ministry of Railways, highest ever outlay and 10x of FY2013-14

6. Outlook and Corporate Developments

- Largest ever order win of 20,000+ freight cars from Indian Railways in the year 2022
- Expected 3-5x growth in export of components and railway castings over the next 2-3 years
- Current order book of Rs. 745,970 lakhs
- Announced synergistic acquisition of Jindal Rail and Infrastructure Limited in July 2024
- Received Rs. 3,750 lakhs through preferential allotment (25.0% of Warrant Exercise Price) in April 2024

Manufacturing Platforms



Six Manufacturing Facilities

- 4 Freight Car and component facilities located at Agarpara, Belgharia, Panihati and Sodepur in Kolkata, West Bengal
- 2 Foundries located at Belgharia, West Bengal and Raipur, Chhattisgarh

Strategic Location

- Connectivity to major highways and ports
- Facilities in Kolkata situated within a radius of 5 km

Two Freight Car Manufacturing Facilities

- 12 Bays for production of Freight Cars / Loco Shells
- Large yard to hold 200+ Freight Cars
- Internal network of 15 rail lines

Total Area of 186 Acres

- 114 acres at Agarpara and Belgharia, West Bengal
- 42 acres at Panihati and Sodepur, West Bengal
- 30 acres at Raipur, Chhattisgarh

Scope for Expansion

- Expansion of capabilities by optimizing existing facilities
- Establishing new manufacturing facilities

Freight Car Division: Freight Car (1/2)

Manufacturing Freight Cars

- Diverse range of rail freight solutions for Indian Railways, the private sector and for exports
 - Indian Railway freight cars
 - Commodity specific special freight cars
 - Freight cars for export
- One of the few companies working with mild-steel, stainless-steel and composite materials for manufacturing of rolling stock solutions

Private Sector Clients



8,000+ Freight Cars sold in the last 10 years

Freight Car Division: Freight Car (2/2)

Freight Cars Suppliers



- Over 55,000+ Freight Cars supplied over past 20 years
- Technically equipped to cater to markets across all gauges
- 20+ types of Freight Cars supplied to various industries

Agri	Container	LPG
Alumina / Powders	Defence	Milk
Auto	Fly Ash	Oil
Cement	Food	Steel
Coal	Iron Ore	

Freight Car Exports

-  Gondola Wagon for Iron Ore (Liberia)
-  Tank Wagon (Sri Lanka)
-  Oil Tank Wagon (Bangladesh)
-  Mineral Wagon (Ghana)
-  Tank car for Phosphoric acid (Senegal)
-  Container flat Wagon (Mali)
-  Cars with sliding doors (Uganda)
-  Side discharge cars (Vietnam)
-  Low sided flat cars (Hungary)

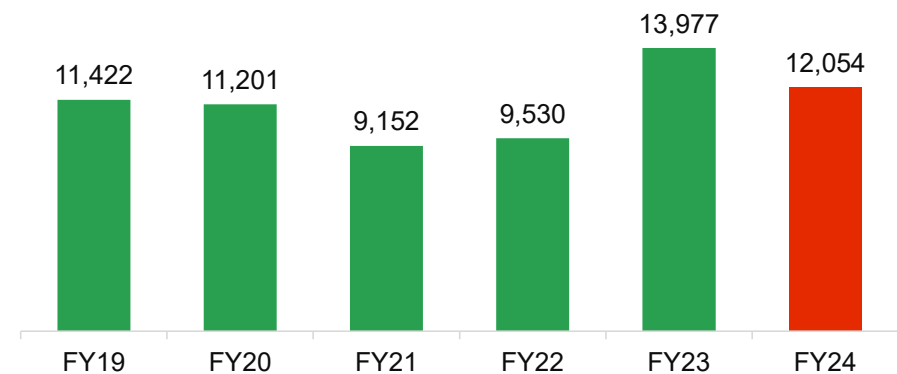
550+ Freight Cars exported in the past 10 years

Freight Car Division: Steel Foundry (1/2)

Largest and Internationally Approved Steel Foundry in India

- Manufacturer and exporter of critical earth moving, defense and industrial castings, parts of freight cars, such as bogies and castings, for global clients
- Caters to Ministry of Defense, marine and mining industries
- One of the largest foundries for Indian Railways castings and one of the leading exporter of railway castings in India
- Two Class A Foundries in Belgaria, Kolkata (33,000 MTPA) and Raipur, Chhattisgarh (15,000 MTPA)
- Total capacity of 48,000 MTPA, currently running at near 100% utilization
- Exports to markets – USA, Australia, and Eurasia, etc.
- One of the leading foundries in India to be certified by Association of American Railroad (AAR)
- In-house R&D team recognized by Department of Science and Industrial Research, Govt. of India

Export Turnover (Rs. in lakhs)



Freight Car Division: Steel Foundry (2/2)

Industry Leading Infrastructure Base

- High Pressure Molding lines
- Automated Sand Plant
- Fast Loop No Bake Moulding
- Inhouse CAD / CAM / CAE
- Electric Arc Melting Furnace
- Induction Melting Furnace
- Modern Heat Treatment Facilities
- Automatic Induction Hardening
- NABL Certified Testing Lab
- Flash Butt Welding Machine



Freight Car Division: Components Systems

The Components Systems Business

- Global sourcing partner for precision fabricated parts, machined systems and solutions, sourcing bogie, passenger rolling stock and metro rail parts
- Surge in global demand for high standard components; supply-chain disruptions create new and large opportunities
- One of the few manufacturers with capabilities, client relationships and certifications to tap the global market



 **Australia**

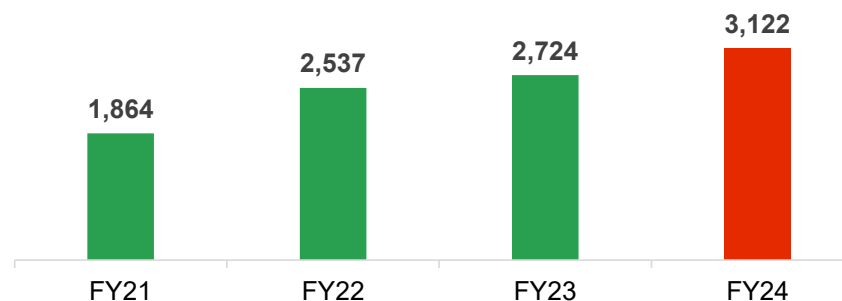


 **Mozambique**



 **Kazakhstan**

Hi-Tech Components Turnover (Rs. lakhs)



Rail Infra & Others: Infra - Rail & Green Energy (Kalindee, HME and BSD)



The Texmaco Board of Directors, at its meeting on 14th October 2023, approved a scheme of arrangement for the demerger of Infra - Rail & Green Energy. The scheme has received no objection letters from the BSE and NSE and is subject to approval of the National Company Law Tribunal (NCLT), Kolkata Bench

The Demerged Undertaking, i.e., “Infra – Rail & Green Energy” Division means the business of execution of projects in the area of hydro mechanical works, bridge & structural, track laying, signaling & telecommunication etc., along with related assets, customer contracts, employees and intellectual properties. Turnover of Demerged Undertaking for the year ended 31st March 2024 was INR 52,724 Lakhs

This Scheme is expected to result in the following benefits for Transferor Company and/or Resulting Company (as applicable):

- (i) **Enable value unlocking** of Infra – Rail & Green Energy Division within the Resulting Company and of the other divisions in Transferor Company by attracting different set of investors into respective businesses and enable their independent value discovery;
- (ii) **Greater management focus** for Demerged Undertaking and other divisions and provide opportunity to address independent business opportunities, pursue efficient capital allocation;
- (iii) **Providing scope for independent growth, collaboration and expansion** of the segregated business verticals for enhancing their valuation;
- (iv) Enabling independent focus towards the Demerged Undertaking and the other divisions, **better alignment** of the Demerged Undertaking and the other divisions **to their customers and strengthening of their position in the relevant market segment, resulting in a more sustainable long-term growth and competitive edge**

Rail Infra & Others: Infra – Electrical (Bright Power)

The Infra Electrical Division, delivers comprehensive packages and services for turnkey projects. The company serves as a one-stop solution for all electrical, instrumentation, and related civil work needs across various sectors, including power utilities, industrial projects, petrochemicals, pharmaceuticals, railways, infrastructure projects, and high-rise building electrification

Overhead Equipment for Railway Traction

- Qualified to execute the Turnkey Project, for all overhead equipment encompassing:
- Design > Supply > Installation > Testing > Commissioning



Traction Substation & Sectioning Post and Sub-Sectioning Post

- Executed multiple traction and transformer substations with capacities of 66kV, 110kV, 132kV, and 220kV
- Supply of new transformers
- Equipping substations with advanced numerical relays using the latest technology



Business and Technology Partnerships

Touax®

Touax Texmaco Rail Car Leasing (50.0%)

- Leases freight cars on long-term basis to private sector logistics and industrial transportation companies in India
- Serves a diverse customer-base made of private companies or operators of industrial clients



Wabtec Texmaco Rail (40.0%)

- Manufactures world class braking systems and components for the Indian and US market
- Low and high friction brake blocks for freight, locomotive and coach applications
- TMX bogie mounted brake systems - durable, lightweight materials, freely suspended system

**SAIRA
A S I A**

Saira Asia (51.0%)

- A railway interior company specializing in passenger coach interiors, serving international customers such as Bombardier, Alstom and Hyundai-Rotem
- Saira Asia has designed the interior of Vande Bharat as well as the Delhi Metro

NYMWAG

Texmaco Nymwag (51.0%)

- Manufactures Freight Wagons and Railway Components for Indian Railways, the private sector and export markets
- The facility is currently under construction and is anticipated to be operational within a year

Standalone Q1 FY25 Key Highlights

Highest Revenue, EBITDA and PAT in Q1 History

- Revenue from Operations of Rs. 89,165 lakhs
 - Growth of 35.8% vs Rs. 65,682 lakhs in Q1 FY24
- EBITDA of Rs. 9,708 lakhs
 - Growth of 62% vs Rs. 5,993 lakhs in Q1 FY24
 - Margin improved from 9.1% to 10.9%
- PAT of Rs. 4,025 lakhs
 - Growth of 176% vs Rs. 1,457 lakhs in Q1 FY24
 - Margin improved from 2.2% to 4.5%
- EPS of Rs. 1.01 per share

Highest Sales of Wagons Units and Foundry MT in Q1 History

- Wagon Sales of 1,967 units
 - Growth of 48% vs 1,331 units in Q1 FY24
- Foundry Sales of 9,747 MT
 - Growth of 4.4% vs 9,338 MT in Q1 FY24
- Freight Car division Sales of Rs. 73,350 lakhs
 - Growth of 38.0% vs Rs. 53,090 lakhs in Q1 FY24

Note: EBITDA includes Other Income

The Great Rail Infra Push

National Rail Plan ¹

- Increase modal share of IR in freight from 26% to 45% by 2030
- Target freight volumes from 1.5bn tones in FY'23 to 3.6bn tones by FY'31E
- 457m tones CO2 savings from DFC in 30 years
- Invest in infra to cater to growing demand till 2050

Capital Outlay ²

- Rolling stock INR 4.8 lakh cr (Wagons 0.9 lakh cr)
- Terminals INR 0.8 lakh cr
- Track & Infrastructure: INR 9.3 lakh cr
- Total: INR 15.0 lakh cr

Key Projects

- INR 1.5 lakh cr Dedicated Freight Corridor (DFC)¹
- INR 2.4 lakh cr Budgetary outlay for railways in Union budget'24
- INR 5.0 lakh cr High Speed Rail corridor¹
- 126 Critical and super critical projects of total cost 1.2 lakh cr for completion by 2024

Note: Indian Railways (IR)

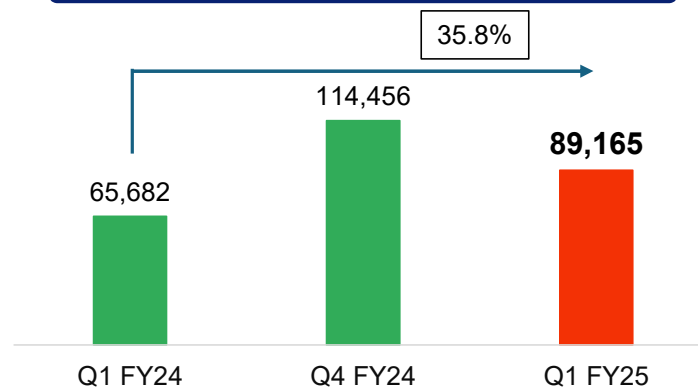
1. Source: CARE report

2. National Rail plan, capital outlay 2021-2031

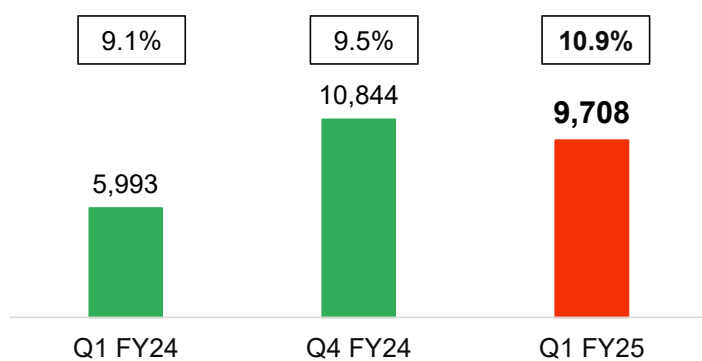
Standalone Q1 FY25 Financial Performance

Rs. Lakhs

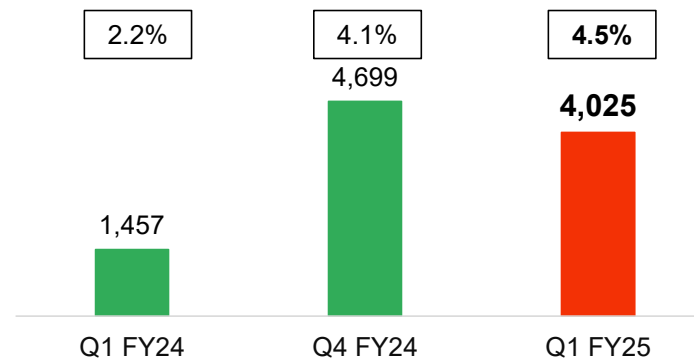
Revenue from Operations



EBITDA and Margin



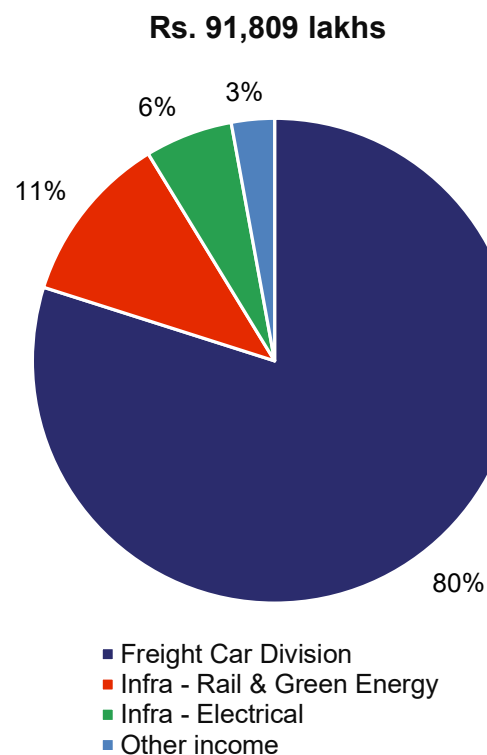
PAT and Margin



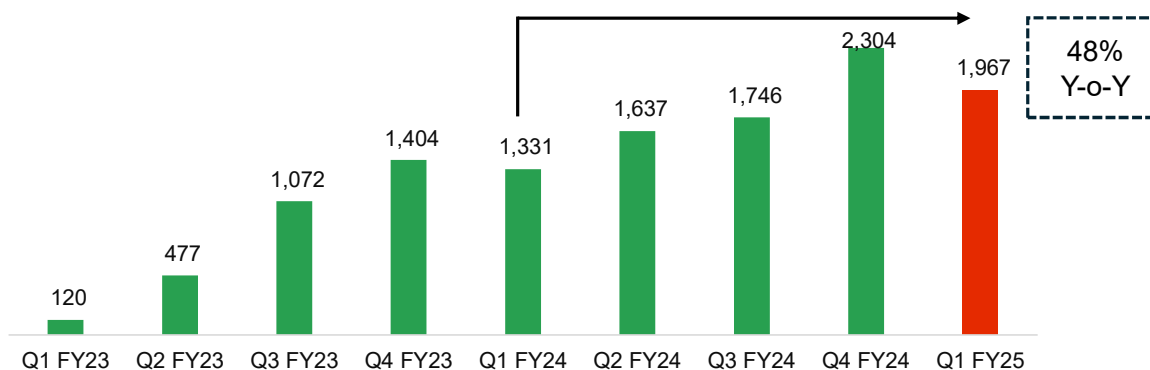
Note: EBITDA includes Other Income

Standalone Q1 FY25 Revenue by Business

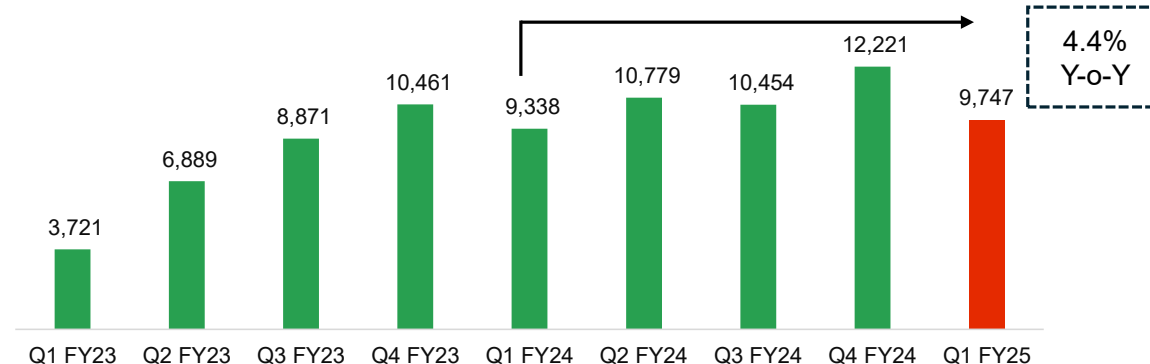
Total Income by Business



Freight Cars Sold (Vehicle Units)



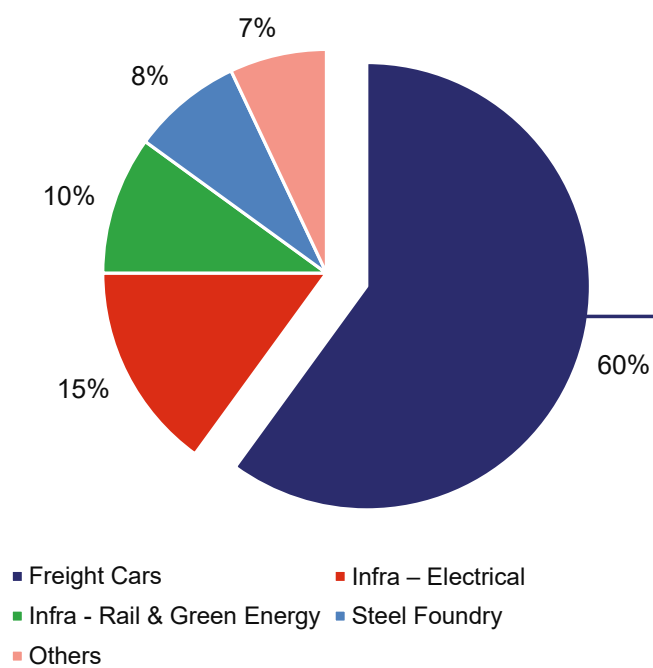
Steel Foundry Sold (MT)



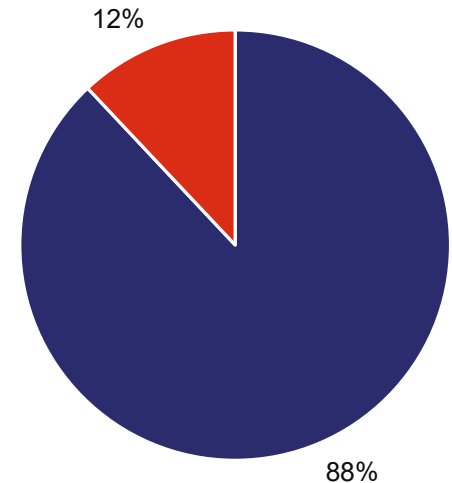
Standalone Q1 FY25 Order Book Summary

Order Book by Business

Rs. 7,45,970 lakhs



Freight Car Order Book



Indian Railways Private Sector

Standalone Income Statement

(Rs. Lakhs)	Q1		Y-o-Y Growth(%)	Q4 FY2024	Q-o-Q Growth(%)	Full Year		Y-o-Y Growth(%)
	FY2025	FY2024				FY2024	FY2023	
Revenue from Operations	89,165	65,682	35.8%	1,14,456	(22.1)%	3,50,287	2,24,328	56.1%
Other Income	2,643	3,876	(31.8)%	2,489	6.2%	8,444	3,777	123.5%
Total Income	91,809	69,559	32.0%	1,16,946	(21.5)%	3,58,731	2,28,105	57.3%
Cost of Material Consumed	69,717	56,279		98,551		2,87,973	1,92,207	
Changes in Inventories of Finished Goods, Stock In Trade and Work In Progress	3,866	(3,834)		(3,087)		(1,451)	(12,325)	
Power and Fuel	2,232	2,055		2,250		8,710	7,037	
Employee Benefits Expense	3,664	3,272		3,607		13,879	13,006	
Other Expenses	2,624	5,793		4,782		14,965	10,188	
EBITDA	9,708	5,993	62.0%	10,844	(10.5)%	34,655	17,992	92.6%
Margin (%)	10.9%	9.1%		9.5%		9.9%	8.0%	
Depreciation and Amortization Expense	844	873	(3.3)%	875	(3.5)%	3,519	3,503	0.5%
EBIT	8,864	5,120	73.1%	9,969	(11.1)%	31,137	14,489	114.9%
Margin (%)	96.5%	73.6%		85.2%		86.8%	63.5%	
Finance Costs	2,402	3,453	(30.4)%	2,768	(13.2)%	13,266	11,617	14.2%
Profit After Tax	4,025	1,457	176.3%	4,699	(14.4)%	11,269	1,984	nm
Margin (%)	4.5%	2.2%		4.1%		3.2%	0.9%	
Basic EPS (Rs.)	1.01	0.45	124.4%	1.37	(26.3)%	3.28	0.62	nm

Note: EBITDA includes Other Income

Disclaimer

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