

# Texmaco

(BSE: 533326 NSE: TEXRAIL)

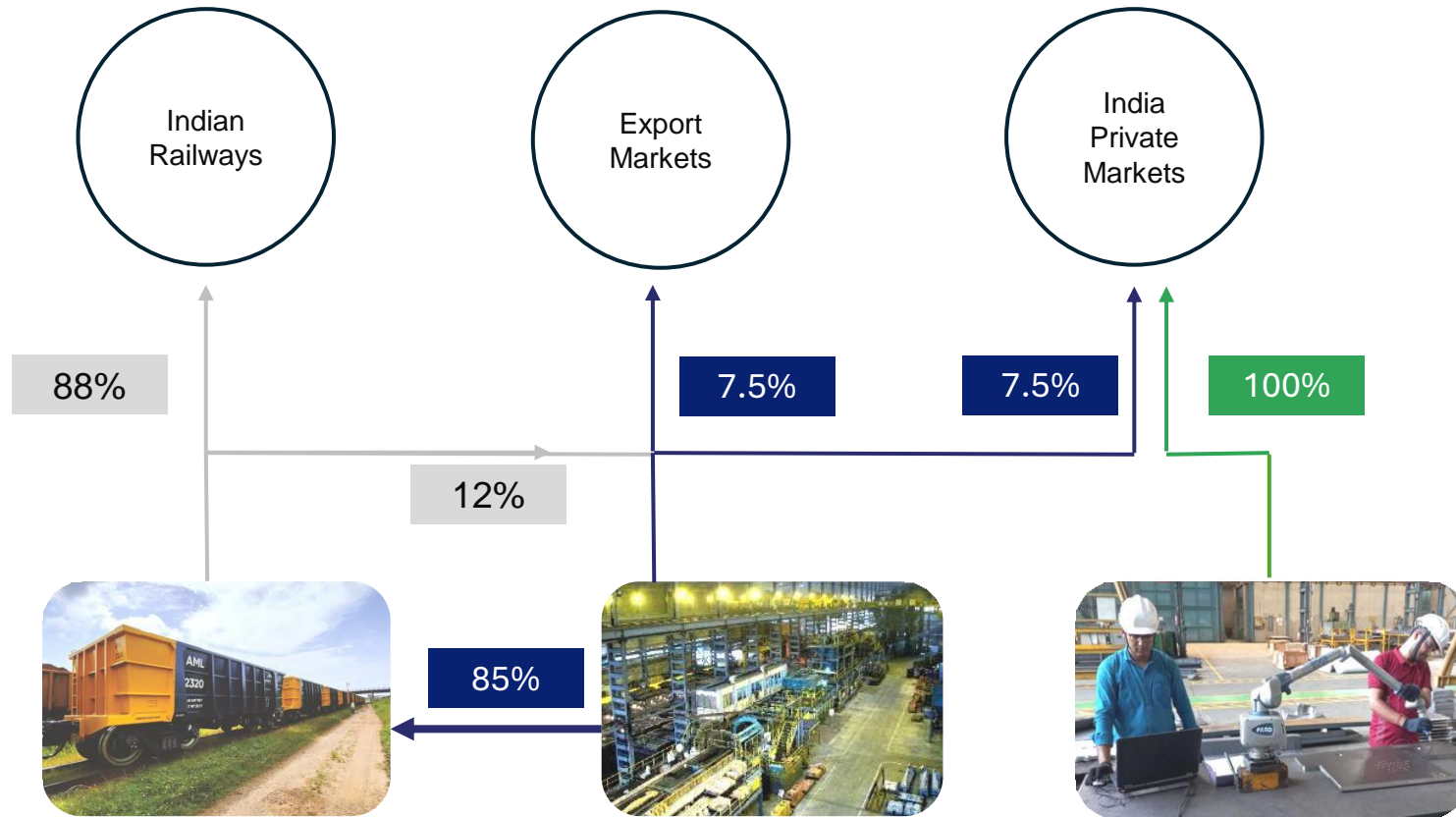
Rail & Engineering Ltd.

## Earnings Presentation Q1 FY25

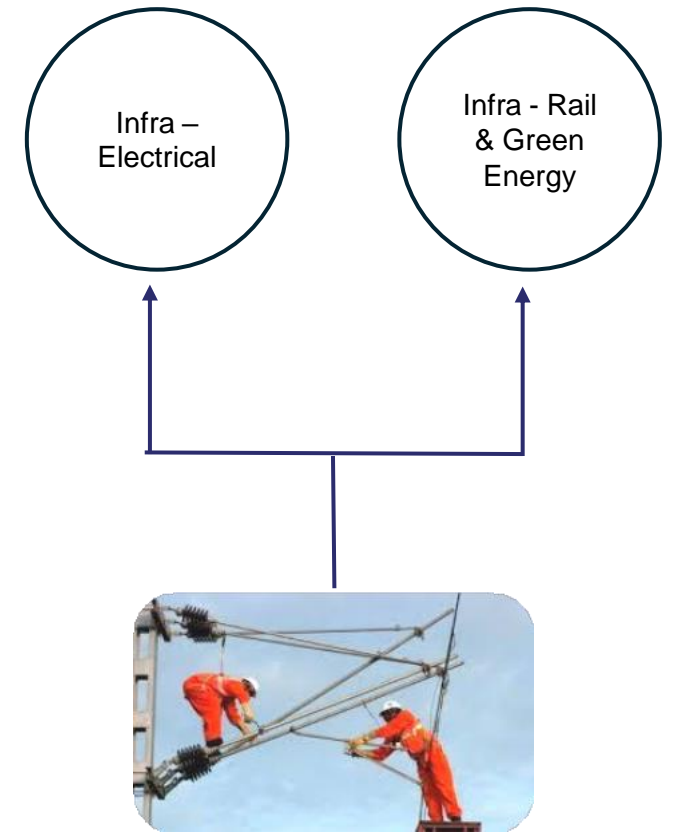
13<sup>th</sup> August 2024



## Freight Car Division



## Rail Infra & Others



**Freight Cars**  
Freight cars for Indian Railways and commodity specific special purpose wagons

**Steel Foundry**  
Integrated part of freight cars providing railway castings

**Component Systems**  
Precision fabricated parts, machined systems and solutions

**Rail Infra & Others**

- Grey box: % of freight car volume
- Dark blue box: % of steel foundry volume
- Green box: % of components systems volume

## Standalone Q1 FY25 Key Highlights

### Highest Revenue, EBITDA and PAT in Q1 History

- Revenue from Operations of Rs. 8,917 Mn, growth of 35.8% vs Rs. 6,568 Mn in Q1 FY24
- EBITDA of Rs. 971 Mn, growth of 62% vs Rs. 599 Mn in Q1 FY24
- EBITDA margin improved from 9.1% to 10.9% in Q1 FY25
- PAT of Rs. 402 Mn, growth of 176% vs Rs. 146 Mn in Q1 FY24
- PAT margin improved from 2.2% to 4.5% in Q1 FY25
- EPS of Rs. 1.01 per share

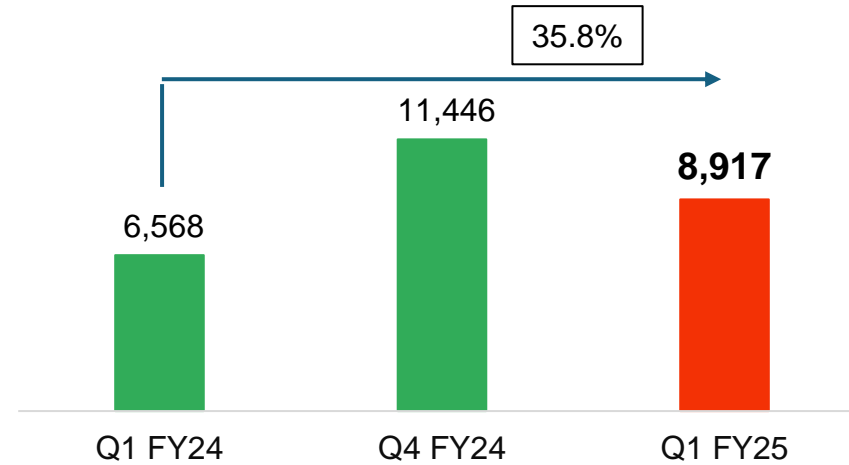
### Highest Sales of Wagons Units and Foundry MT in Q1 History

- Wagon Sales of 1,967 units, a growth of 48% vs 1,331 units in Q1 FY24
- Foundry Sales of 9,747 MT, a growth of 4.4% vs 9,338 MT in Q1 FY24
- Freight Car division Sales of Rs. 7,335 Mn, a growth of 38.0% vs Rs. 5,309 Mn in Q1 FY24

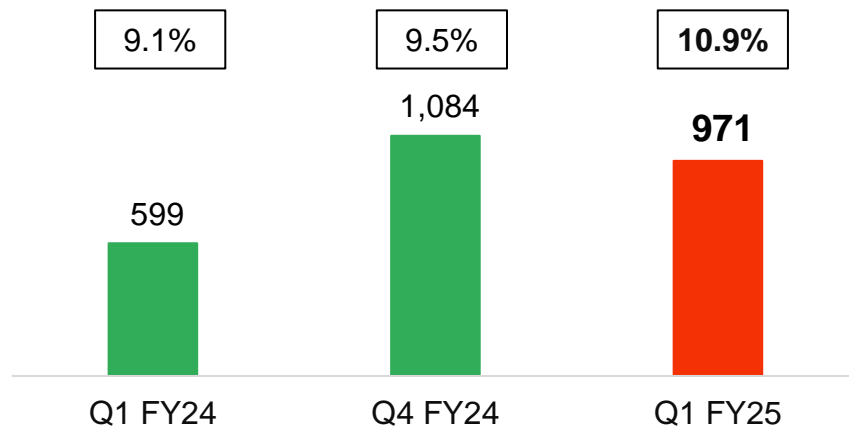
# Standalone Q1 FY25 Financial Performance

Rs. Million

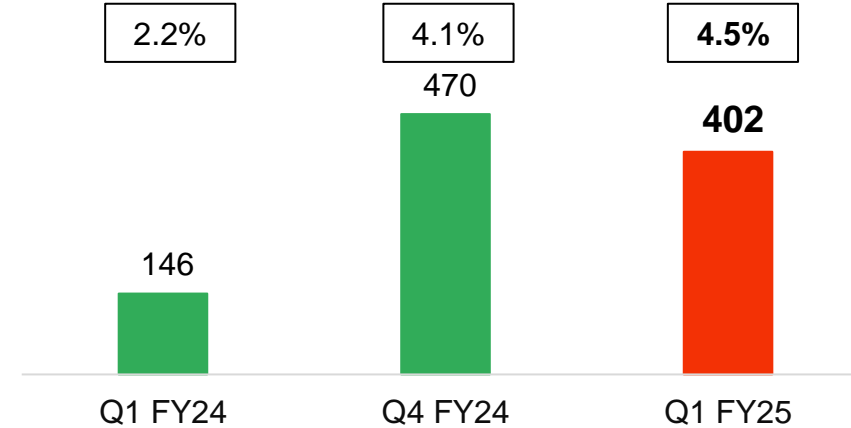
## Revenue from Operations



## EBITDA and Margin



## PAT and Margin



Note: EBITDA includes Other Income



**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. 8,917 mn, representing growth of 35.8% YoY. From a profitability perspective, EBITDA during the quarter was Rs. 971 mn, a growth of 62% YoY and a margin of 10.9% which also represented a similar milestone. At the bottom line, PAT was Rs. 402 mn 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. 6,150 mn. 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

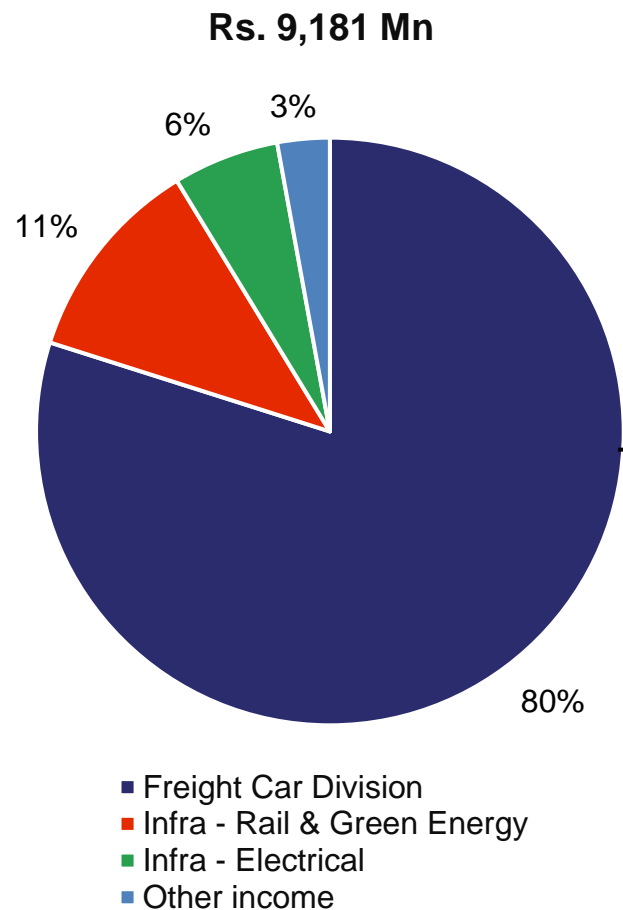
“During the quarter, Texmaco sold a total of 1,967 Freight Cars of which 1,655, around 84%, were delivered to Indian Railways and the reminder to Indian private and export markets.

Our steel foundries in Raipur and Belgharia sold a total of 9,474 MT of castings and other railway components. This represents a casting sales growth of 4.4% compared to Q1 FY24.

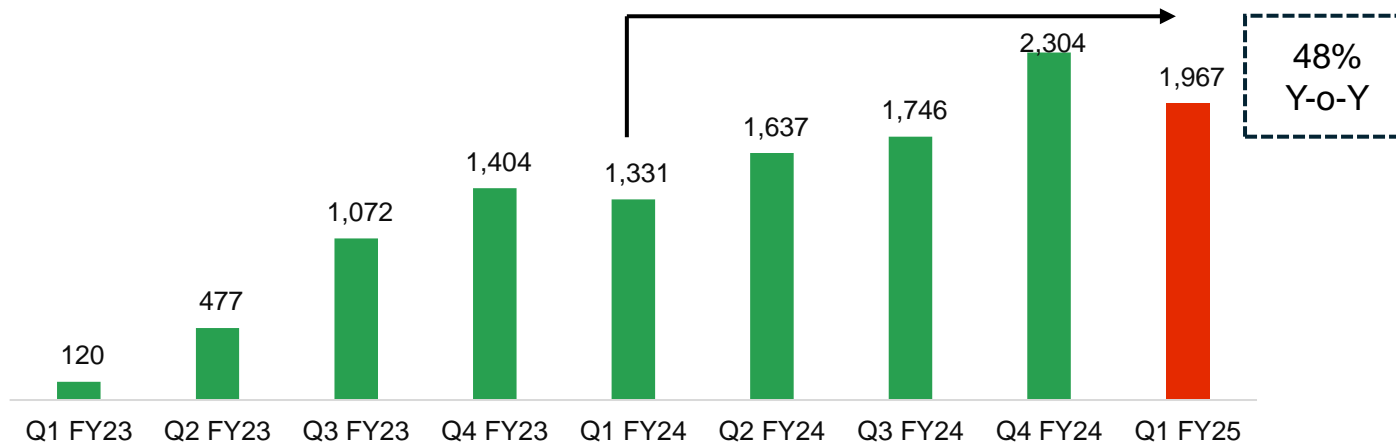
Looking forward, Texmaco’s consolidated orderbook for Q1 FY25 is Rs. 74,597 mn, with 60% contributed by the Freight Car business, of which 88% is from Indian Railways. In the medium term, the railway industry dynamics are not just underpinned by the Indian Government’s commitment through the National Rail Plan Vision 2030 but also private sector growth which is aligned to the country’s economic prosperity.”

# Standalone Q1 FY25 Revenue by Business

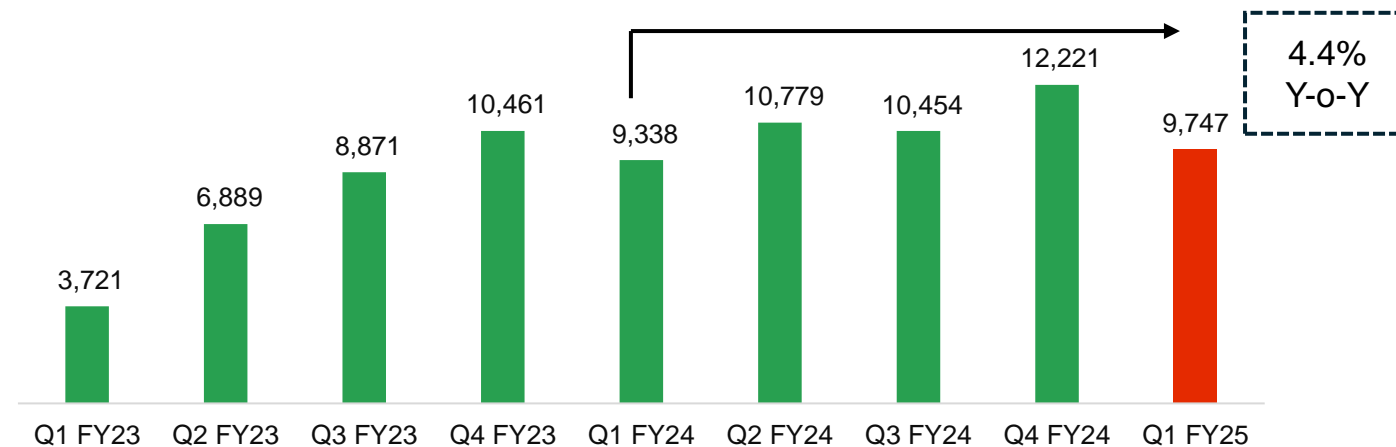
## Total Income by Business



## Freight Cars Sold (Vehicle Units)



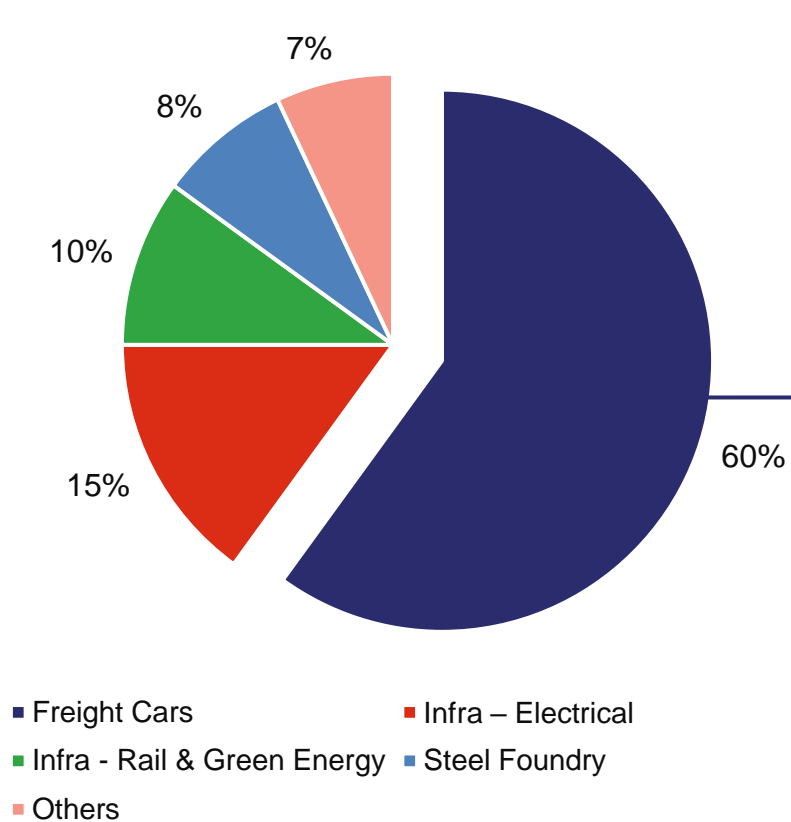
## Steel Foundry Sold (MTPA)



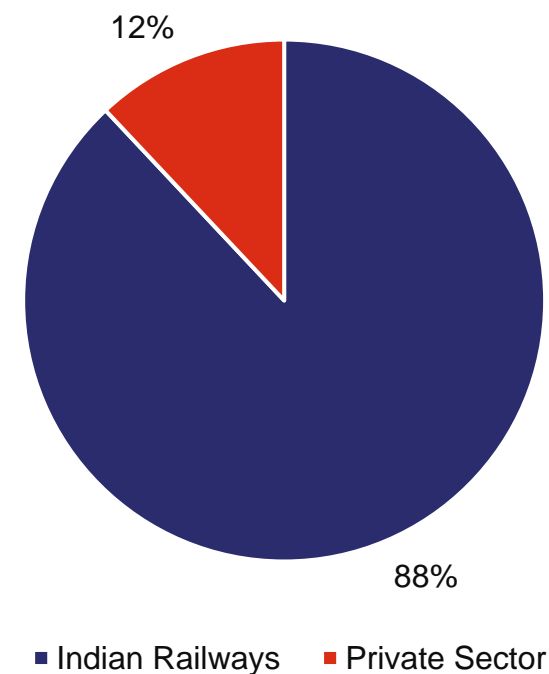
# Standalone Q1 FY25 Order Book Summary

## Order Book by Business

Rs. 74,597 Mn



## Freight Car Order Book



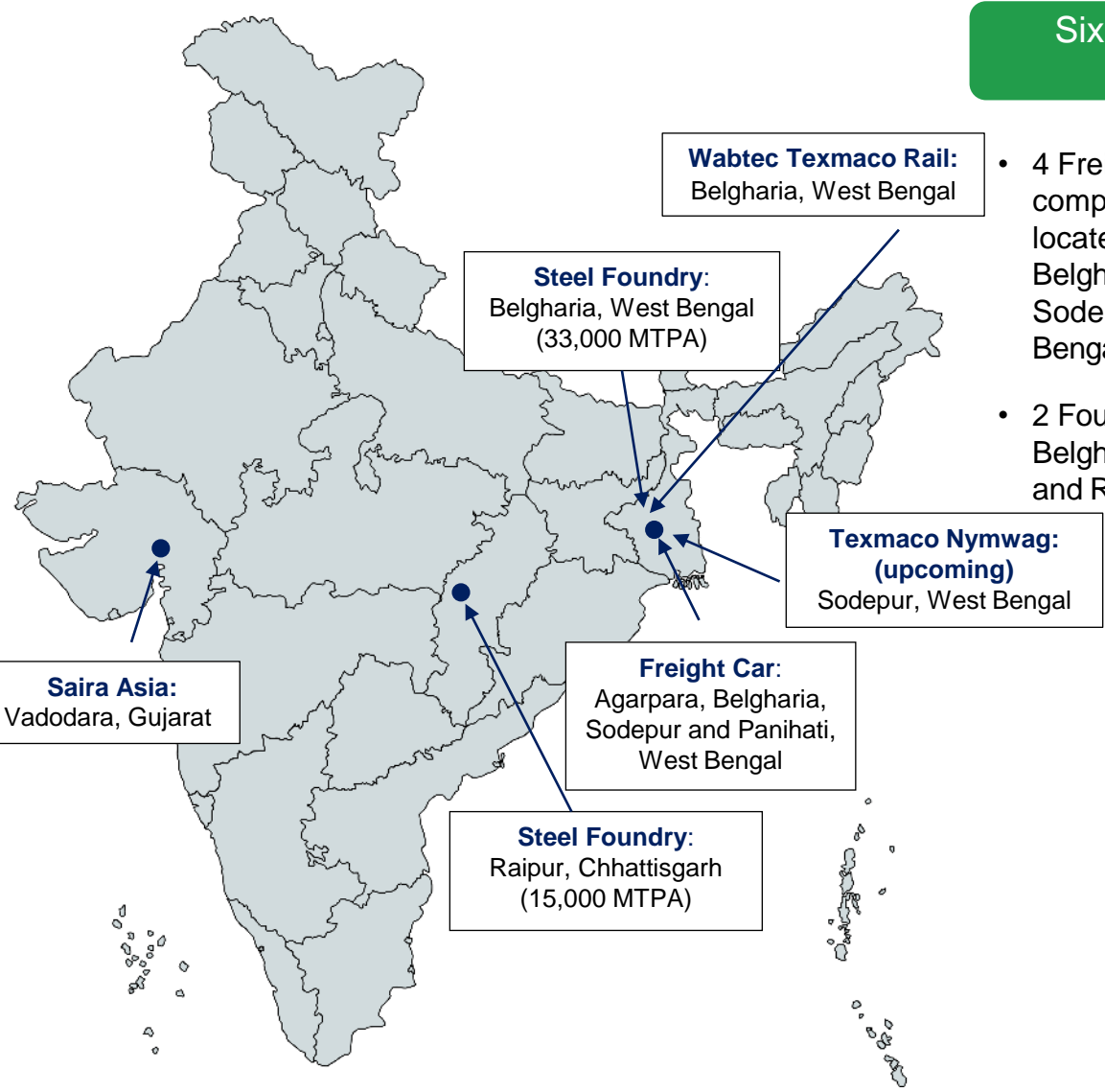
# Standalone Income Statement

(Rs. Million)	Q1		Y-o-Y Growth(%)	Q4 FY2024	Q-o-Q Growth(%)	Full Year		Y-o-Y Growth(%)
	FY2025	FY2024				FY2024	FY2023	
Revenue from Operations	8,917	6,568	35.8%	11,446	(22.1)%	35,029	22,433	56.1%
Other Income	264	388	(31.8)%	249	6.2%	844	378	123.5%
<b>Total Income</b>	<b>9,181</b>	<b>6,956</b>	<b>32.0%</b>	<b>11,695</b>	<b>(21.5)%</b>	<b>35,873</b>	<b>22,810</b>	<b>57.3%</b>
Cost of Material Consumed	6,972	5,628		9,855		28,797	19,221	
Changes in Inventories of Finished Goods, Stock In Trade and Work In Progress	387	(383)		(309)		(145)	(1,232)	
Power and Fuel	223	205		225		871	704	
Employee Benefits Expense	366	327		361		1,388	1,301	
Other Expenses	262	579		478		1,496	1,019	
<b>EBITDA</b>	<b>971</b>	<b>599</b>	<b>62.0%</b>	<b>1,084</b>	<b>(10.5)%</b>	<b>3,466</b>	<b>1,799</b>	<b>92.6%</b>
<b>Margin (%)</b>	<b>10.9%</b>	<b>9.1%</b>		<b>9.5%</b>		<b>9.9%</b>	<b>8.0%</b>	
Depreciation and Amortization Expense	84	87	(3.3)%	87	(3.5)%	352	350	0.5%
EBIT	886	512	73.1%	997	(11.1)%	3,114	1,449	114.9%
<i>Margin (%)</i>	9.7%	7.4%		8.5%		8.7%	6.4%	
Finance Costs	240	345	(30.4)%	277	(13.2)%	1,327	1,162	14.2%
<b>Profit After Tax</b>	<b>402</b>	<b>146</b>	<b>176.3%</b>	<b>470</b>	<b>(14.4)%</b>	<b>1,127</b>	<b>198</b>	<b>nm</b>
<b>Margin (%)</b>	<b>4.5%</b>	<b>2.2%</b>		<b>4.1%</b>		<b>3.2%</b>	<b>0.9%</b>	
Basic EPS (Rs.)	1.01	0.45	124.4%	1.37	(26.3)%	3.28	0.62	nm

Note: EBITDA includes Other Income



# 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

# Texmaco: Investment Case (1/2)

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## 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 50,000+ freight cars supplied over 20 years
- 7,000+ 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 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)

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## 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. 74,597 Mn
- Announced synergistic acquisition of Jindal Rail and Infrastructure Limited in July 2024
- Received Rs. 375 Mn through preferential allotment (25.0% of Warrant Exercise Price) in April 2024

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