

Texmaco

(BSE: 533326 NSE: TEXRAIL)

Rail & Engineering Ltd.

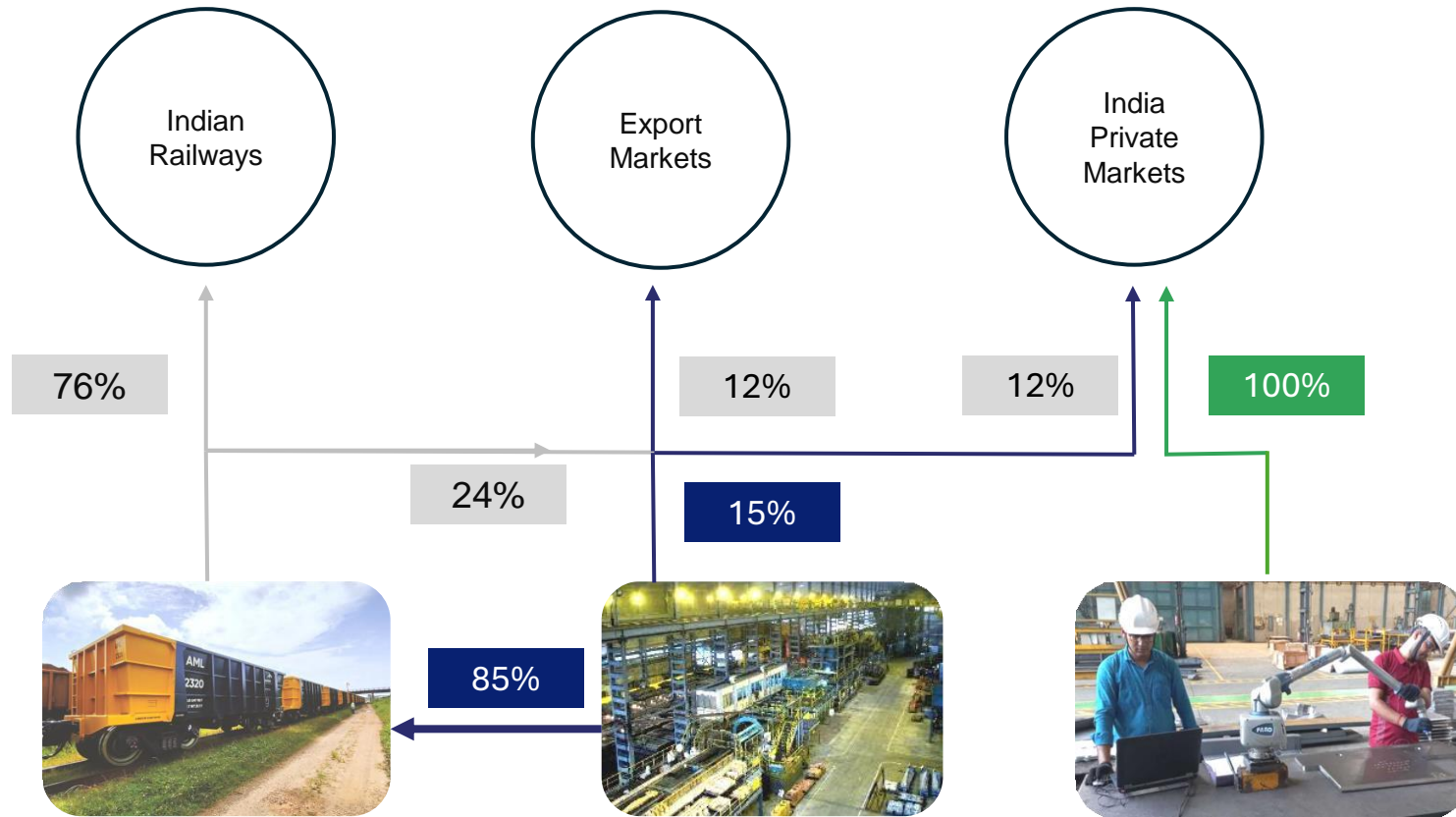
Earnings Presentation Q3 and 9M FY25

3rd February, 2025



Texmaco: Consolidated Business Snapshot

Freight Car Division

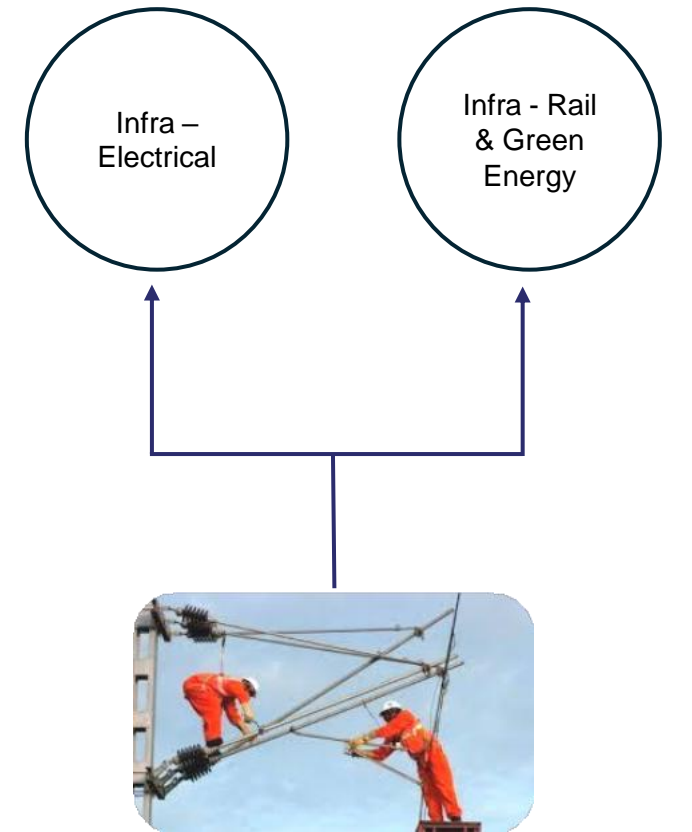


Freight Cars
Freight cars for Indian Railways and commodity specific special purpose wagons

Steel Foundry
Integrated part of freight cars providing railway castings

Component Systems
Precision fabricated parts, machined systems and solutions

Rail Infra & Others



Rail Infra & Others

Legend:
 Grey box: % of freight car volume
 Blue box: % of steel foundry volume
 Green box: % of components systems volume

Consolidated Financial Highlights

Q3 FY25 Financial Highlights

- Revenue from Operations of Rs. 1,326 Cr
- EBITDA of Rs. 139 Cr with a margin 10.5%
- PAT of Rs. 76 Cr with a margin 5.8%
- EPS of Rs. 1.92 per share

9M FY25 Financial Highlights

- Revenue from Operations of Rs. 3,760 Cr
- EBITDA of Rs. 411 Cr with a margin 10.9%
- PAT of Rs. 210 Cr with a margin 5.6%
- EPS of Rs. 5.24 per share

Q3 FY25 Operational Highlights

- Wagon Sales of 2,714 units
- Foundry Sales of 10,242 MT
- Freight Car division Sales of Rs. 1,115 Cr

9M FY25 Operational Highlights

- Wagon Sales of 8,015 units
- Foundry Sales of 31,145 MT
- Freight Car division Sales of Rs. 3,223 Cr

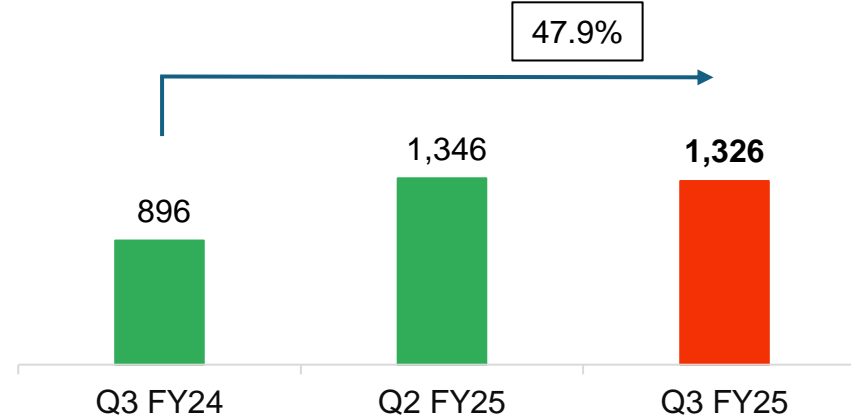
Note:

1. EBITDA includes Other Income
2. Texmaco West Rail (previously Jindal Rail and Infrastructure) has been consolidated from 1st April, 2024 (the date at which the lock box mechanism was agreed in the acquisition)

Consolidated Q3 FY25 Financial Performance

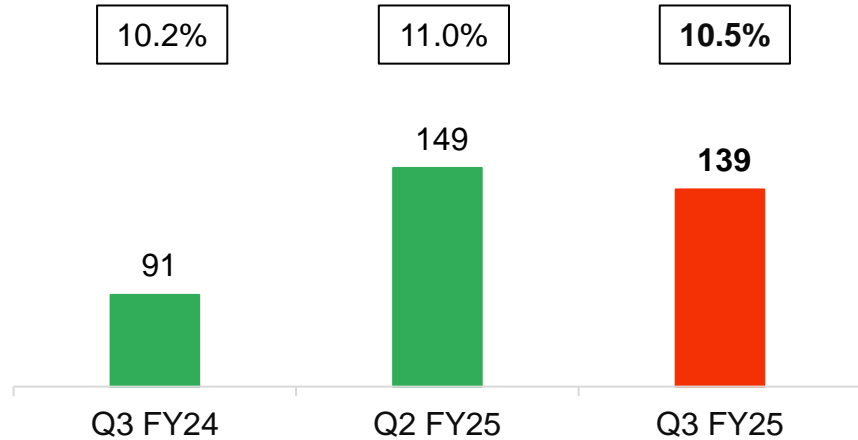
Rs. Crores

Revenue from Operations

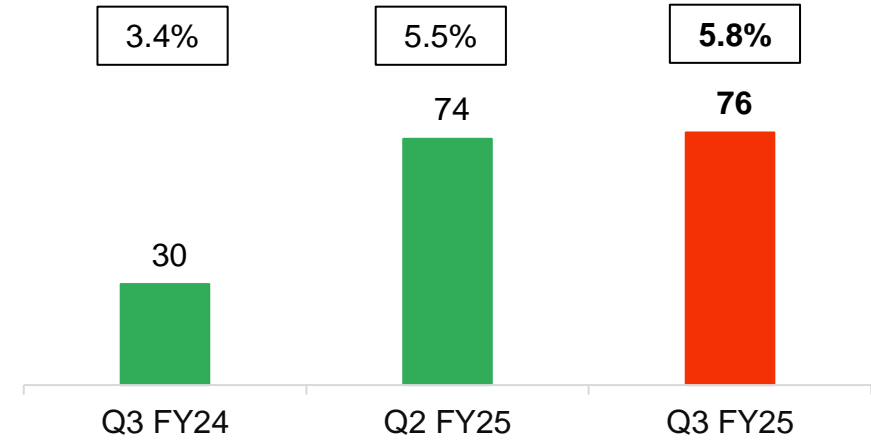


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EBITDA and Margin



PAT and Margin

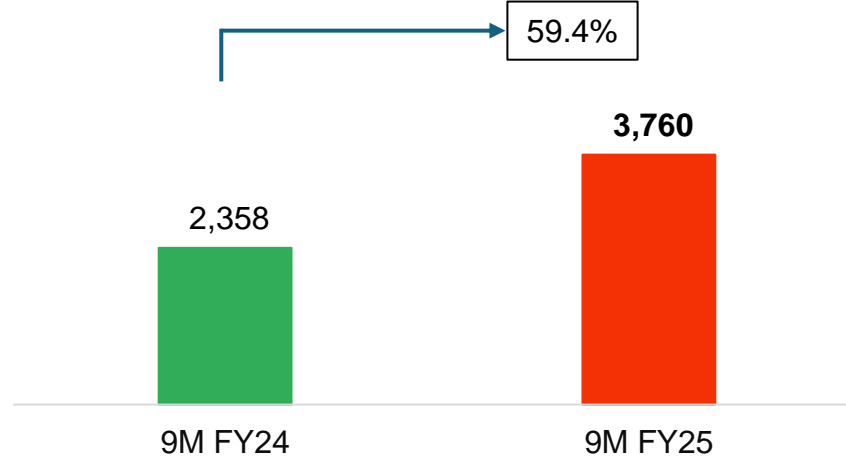


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Consolidated 9M FY25 Financial Performance

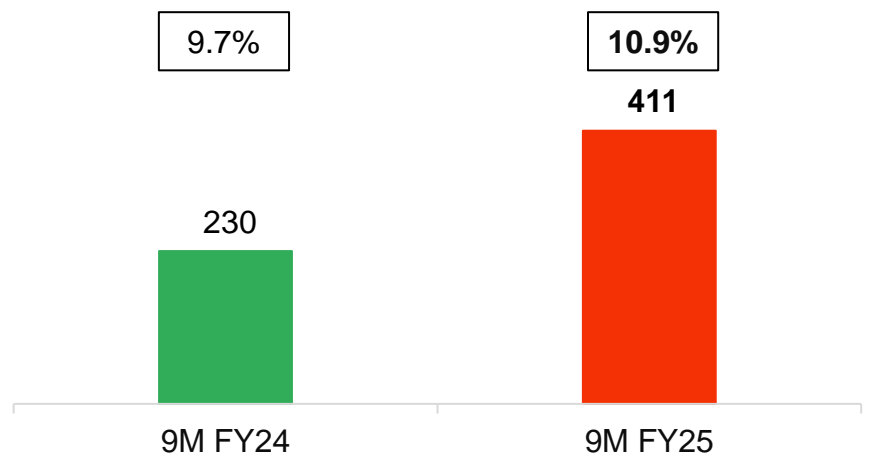
Rs. Crores

Revenue from Operations

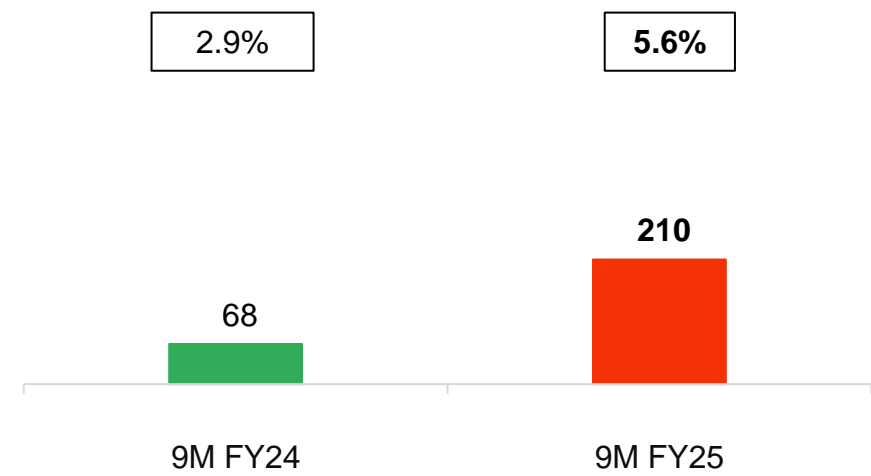


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EBITDA and Margin



PAT and Margin



Note:
1. EBITDA includes Other Income

Consolidated Income Statement

(Rs. Crores)	Q3		Y-o-Y Growth(%)	Q2 FY25	Q-o-Q Growth(%)	9M		Y-o-Y Growth(%)
	FY25	FY24				FY25	FY24	
Revenue from Operations	1,326	896	47.9%	1,346	(1.5)%	3,760	2,358	59.4%
Other Income	8	9		16		41	50	
Total Income	1,334	905	47.4%	1,362	(2.1)%	3,801	2,408	57.8%
Cost of Material Consumed	1,059	724		1,086		3,020	1,894	
Changes in Inventories of Finished Goods, Stock In Trade and Work In Progress	19	8		26		52	16	
Power and Fuel	27	23		28		78	65	
Employee Benefits Expense	44	36		43		127	103	
Other Expenses	46	24		30		114	101	
EBITDA	139	91	51.7%	149	(6.7)%	411	230	78.6%
Margin (%)	10.5%	10.2%		11.0%		10.9%	9.7%	
Depreciation and Amortization Expense	11	9		11		32	29	
EBIT	128	82		138		378	200	
Margin (%)	9.6%	9.1%		10.1%		10.0%	8.3%	
Finance Costs	35	34		40		103	105	
Share of net profit/(loss) of associate	7	5		7		20	13	
Profit After Tax	76	30	nm	74	3.1%	210	68	nm
Margin (%)	5.8%	3.4%		5.5%		5.6%	2.9%	
Basic EPS (Rs.)	1.92	0.92	nm	1.82	5.5%	5.24	2.05	nm

Note:

- EBITDA includes Other Income
- Texmaco West Rail (previously Jindal Rail and Infrastructure) has been consolidated from 1st April, 2024 (the date at which the lock box mechanism was agreed in the acquisition)



Indrajit Mookerjee Executive Director and Vice Chairman

“Despite a challenging market environment, Texmaco maintained a steady performance in Q3 FY25, reflecting operational stability and adaptability. Revenue from Operations for the quarter was at Rs. 1,326 Cr, a YoY growth of 47.9%. EBITDA was Rs. 139 Cr, with a YoY increase of 51.7%, and a

margin of 10.5%. PAT for the quarter was Rs. 76 Cr, a YoY growth of 151.0%, with a margin of 5.8%.

The company remains focused on improving operational efficiency, managing costs and strengthening its execution capabilities. With steady demand for rolling stock, the government's ongoing investments in rail infrastructure are likely to support a positive business environment.

Looking ahead, the upcoming Union Budget is likely to influence the sector's growth path and create new opportunities. Increased investment in railway infrastructure, freight corridors and modernization initiatives could drive demand, allowing Texmaco to effectively align with these developments. With a disciplined approach to growth, the Company aims to enhance value creation for all stakeholders while navigating the evolving industry landscape.”



Sudipta Mukherjee Managing Director

“In Q3 FY25, the Company delivered 2,714 freight cars, compared to 1,756 in Q3 FY24, reflecting a 54.6% YoY increase. For 9M FY25, deliveries reached 8,015 freight cars, a 69.7% growth from 4,724 in the corresponding period of the previous year. This increase demonstrates Texmaco's manufacturing capabilities and ability to meet

rising demand.

Performance in Q3 FY25 was slightly lower than in Q2 FY25, primarily due to the non-availability of wheelsets from Indian Railways. To address this, the Company increased execution of private sector orders, mitigating the impact on overall production.

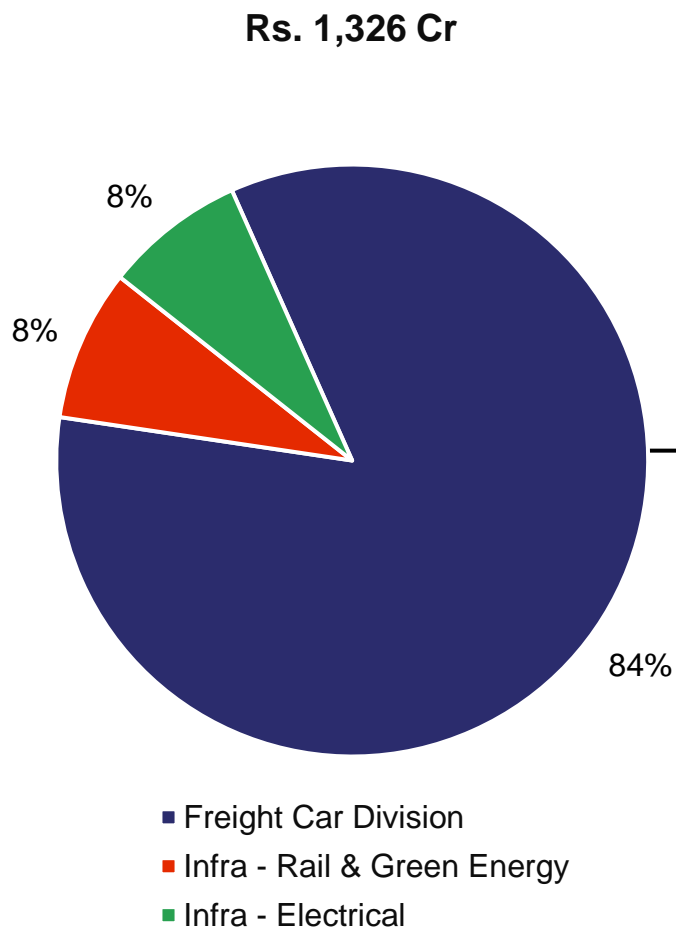
As part of its strategic plans, the Company has approved the merger of Texmaco West Rail Limited with Texmaco Rail & Engineering Limited, which is expected to be completed within the next six months.

Additionally, the Company has also decided to transfer its Infra – Rail and Green Energy business as a going concern on slump exchange basis into a 100% subsidiary of Texmaco Rail. The Company expects the transfer should be completed in 12-15 months.

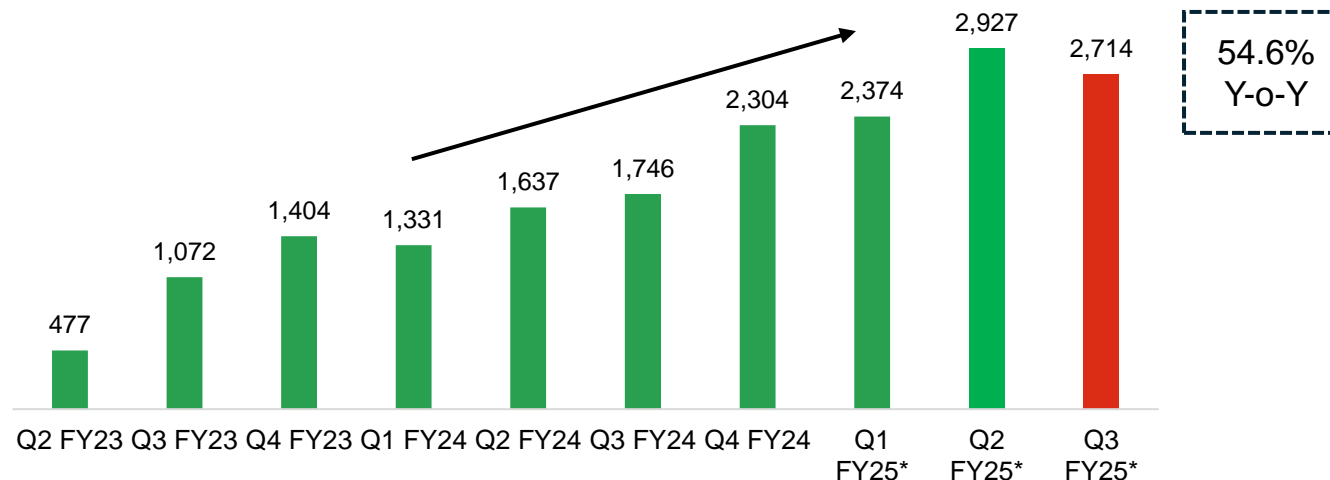
Texmaco's credit profile has also improved, reflected in the recent upgrade in CARE ratings. Long-term bank facilities have been upgraded to CARE A (RWD), while short-term bank facilities now hold a CARE A1 (RWD) rating, highlighting its sound financial position and fundamentals.”

Consolidated Q3 FY25 Revenue by Business

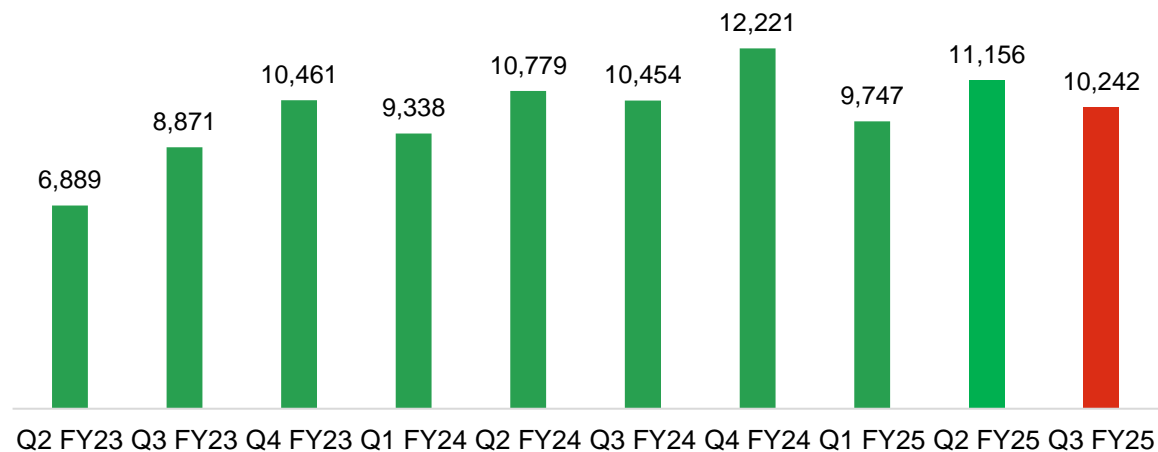
Revenue from Operations by Business*



Freight Cars Sold (Vehicle Units)



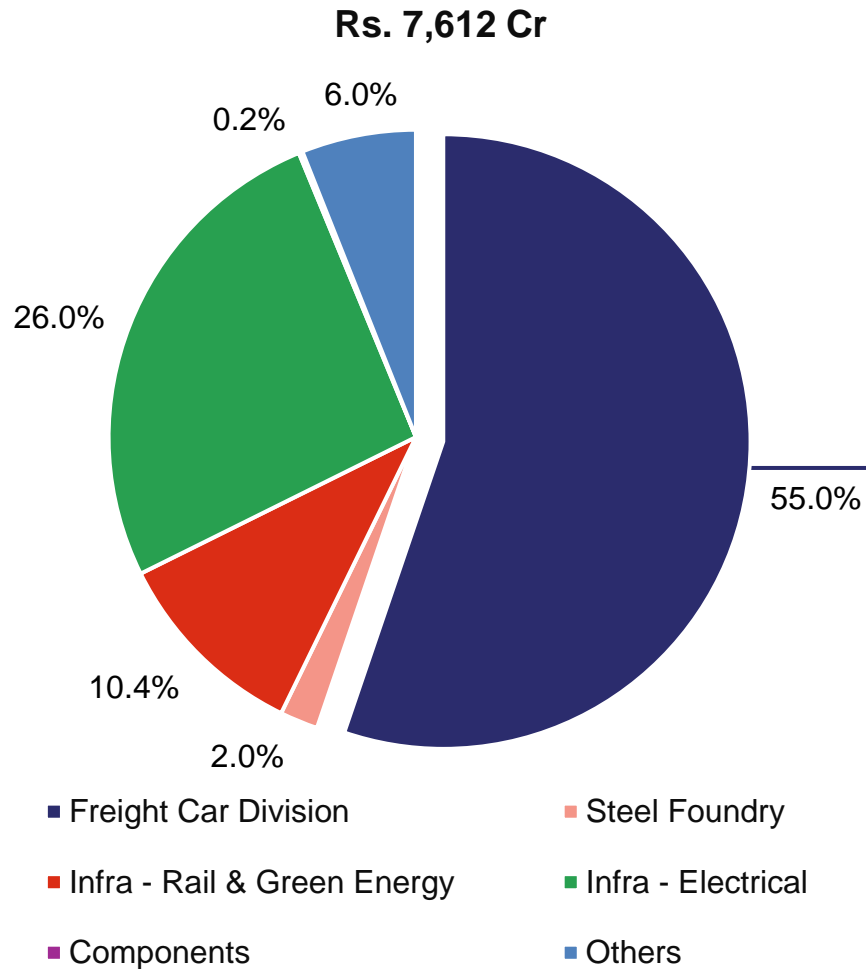
Steel Foundry Sales (MT)



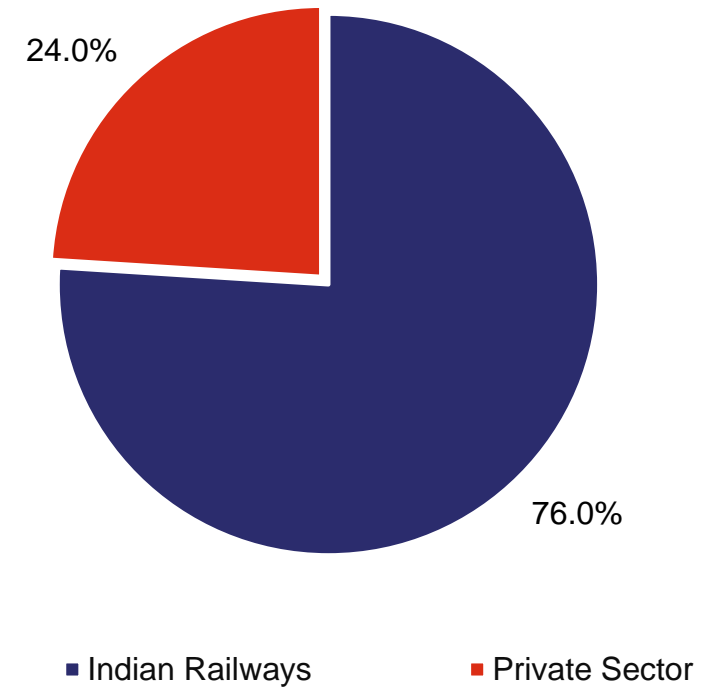
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Consolidated Q3 FY25 Order Book Summary

Order Book by Business*



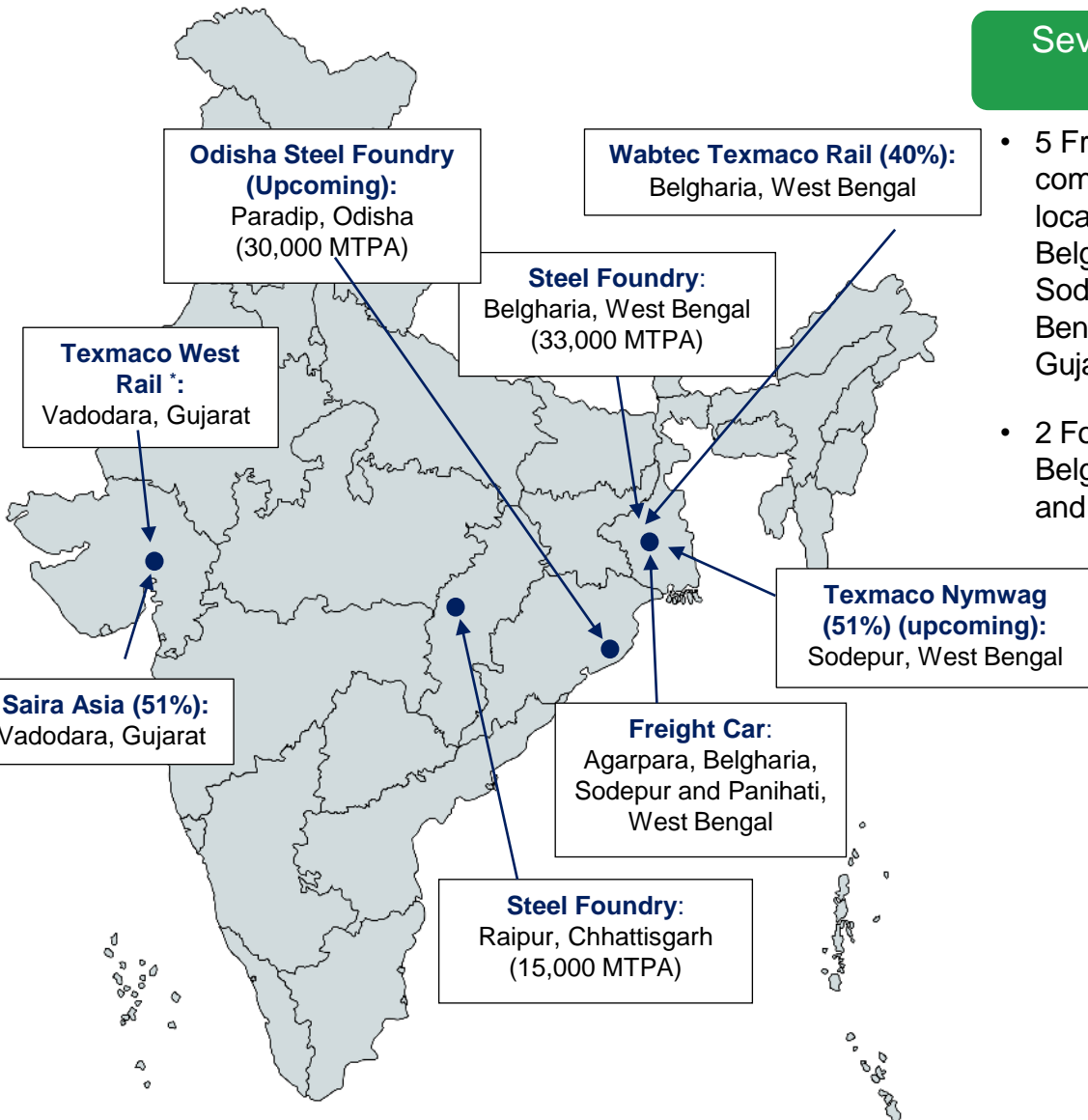
Freight Car Order Book



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CARE Ratings		
Rating	Aug-24	Jan-25
Long Term Rating	A-	A
Short Term Rating	A2+	A1

Manufacturing Platforms



Seven Manufacturing Facilities

- 5 Freight Car and component facilities located at Agarpara, Belgharia, Panihati, Sodepur in Kolkata, West Bengal and Vadodara, Gujarat
- 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

Three Freight Car Manufacturing Facilities

- 15 Bays for production of Freight Cars / Loco Shells
- Large yard to hold 300+ Freight Cars
- Internal network of 15+ rail lines

Total Area of ~309 Acres

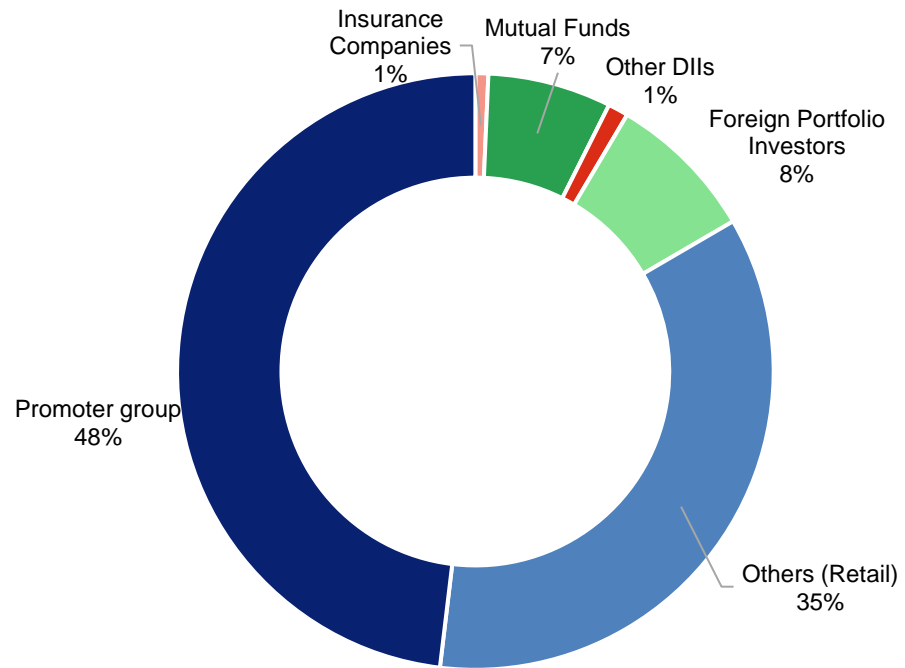
- 114 acres at Agarpara and Belgharia, West Bengal
- 42 acres at Panihati and Sodepur, West Bengal
- 30 acres at Raipur, Chhattisgarh
- 123 acres at Vadodara, Gujarat

Scope for Expansion

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

Note:
* Texmaco West Rail (previously Jindal Rai and Infrastructure), following its acquisition by Texmaco Rail and Engineering Limited

% Texmaco Shareholdings



Top Shareholders in DII, FII and Insurance

Nippon Life India Trustee	2.86%	Domestic
Samena Special Situations Mauritius	2.00%	Foreign
HDFC Trustee Company	1.83%	Domestic
LIC MF Large & Mid Cap Fund	1.06%	Domestic

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 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 2,500 – 3,000 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

- Freight car and components: 4 sites at Agarpara, Belgharia, Panihati and Sodepur in West Bengal and 1 in Vadodara, Gujarat
- 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)
- A leading company working with mild-steel, stainless-steel and composite materials for manufacturing of rolling stock solutions
- The upcoming Odisha foundry, with an installed capacity of 30,000 MTPA, will increase Texmaco's production capacity to a combined 78,000 MTPA across 3 foundries, reinforcing its leadership in the foundry segment

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 27% to 45% by 2030, positively impacting the environment
- Government investment of Rs.1.5 lakh crores in the Dedicated Freight Corridor (DFC)
- Union Budget 2025-26 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. Expected 3-5x growth in export of components and railway castings over the next 2-3 years. Current order book of Rs. 7,612 Cr
- Received Rs. 37.5 Cr through preferential allotment (25.0% of Warrant Exercise Price) in April 2024.
- Successfully completed the acquisition of Jindal Rail and Infrastructure Limited - JRIL (now Texmaco West Rail Limited) in September 2024, which is now fully integrated as a part of Texmaco
- De-risked business model - focused on manufacturing and export capabilities

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