

TEXMACO RAIL & ENGINEERING LIMITED

Financial Results for Q2 (July- September'13) & the 1st Half 2013-14

Press Note

Texmaco Rail & Engineering Limited, a "ADVENTZ" Group Company, has reported adverse working results for the 2nd Qrt. July-September 2013, due to substantial under-utilization of its plant capacity consequent on non-release of Railway orders for wagons to the Industry after the last order in January'12. The Gross Revenue for the quarter stood at Rs.148.88 crore, the Gross Profit (PBDT) at Rs. 9.55 crore, the Profit Before Tax (PBT) at Rs.6.79 crore, and the Net Profit at Rs.5.94 crore.

For the first half of FY13, the Gross Sales stood at 314.33 crore, Gross Profit (PBT) at Rs.26.33 crore, Profit Before Tax (PBT) at Rs.21.01 crore and the Net Profits (PAT) at Rs.17.31 crore.

The long awaited Tender has just been invited by the Railways for 11,728 wagons, due on 25th November 2013. Meanwhile, the Company has successfully completed the execution of export orders for wagons received from Bangladesh Railway. The shipment against export order from an African country is expected to be completed in the current quarter.

The working of the Steel Foundry Division was also impacted owing to the poor workload in the Wagon Division. It has however, successfully developed castings for export markets and expects that supply of Steel Castings to these markets shall commence in Q4 of the current year. The old Foundry modernization is progressing well, and the commissioning of the New Moulding Line is expected by December 2013.

The EMU Coach manufacture has started in the newly commissioned State-of-the-Art facility at Sodepur Works, and the manufacturing of 3 Proto type Coaches is in advanced stage. The work on the remaining 6 coaches is progressing well to despatch the complete Rake by March 2014.



The prospects of Hydro Mechanical Division have improved. The work on Nepal project has started during the current quarter.

The Company's JV facility with UGL Rail, Australia, after successfully completing the shipment of Loco Bogie Frames to Kazakhstan, is now in the process of executing orders for supply of Loco Bogie Frames received from Queensland Rail, Australia.

The JV Leasing Company, Touax Texmaco Railcar Leasing Company Pvt Ltd., formed with the French Group – Touax Rail, is working out the leasing plans for some new design wagon rakes to Automobile Manufacturers.

The Company has made a strategic investment in Kalindee Rail Nirman (Engineers) Limited (Kalindee), a Gurgaon based company engaged in Railway/Metro Rail infrastructure business and has subsequent to its subscription for preferential allotment of 41,10,400 Equity Shares in the company on 13th July, 2013 and Share Purchase Agreement with the promoters for their entire stake of 19,37,960 Equity Shares on 20th July, 2013, has triggered an open offer as per the SEBI (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011 to the public shareholders for acquiring upto 49,52,280 (30%) Equity Shares of Kalindee at Rs.71/- per Equity Share. The tendering period of open offer is between 20th Nov '13 and 3rd Dec'13.

11th November 2013


D.H. Keja
President & CEO