

Press Note**Financial Results for Q3 (October-December 2014) & 9 months of 2014-15.**

Texmaco Rail & Engineering Ltd., a "ADVENTZ" Group Company, has shown recovery in Q3, 2014-15 albeit at a slow pace in the background of delay in release of free supply items by the Railways under the contract.

The Gross Sales for the 3rd Quarter FY15 were higher by 61% at Rs. 164.53 Cr. (*against* 101.93 Cr.), Gross Profit (PBDT) higher by 32% at Rs.11.23 Cr. (*against* Rs. 8.49 Cr.), Profit After Tax (PAT) higher by 52% at Rs. 5.00 Cr. (*against* Rs. 3.28 Cr.) as compared to the corresponding quarter of the previous year. For the nine months of FY15, the Gross Sales stood at Rs.382.87 Cr., Gross Profit (PBDT) at Rs.10.70 Cr., Profit After Tax (PAT) at Rs.0.49 Cr. The Results for Nine months stood impacted owing to virtual idling of the capacity in 1st Quarter FY'15 due to late release of wagon order by the Railways.

The Company has successfully raised Capital of Rs. 300 crore through QIP which was oversubscribed by 2.8 times on the back of strong interest and support of leading mutual funds, domestic and foreign Institutional Investors. The Equity Share of Re.1/- each was allotted at a premium of Rs.106/- per share i.e.Rs.107/- per share. The company will utilize its strong liquid position to embark on new high potential segments in Rail Sector beside making bid for large value Rail Infrastructure Projects. Further, the Company is eyeing for inorganic growth by tapping available and emerging opportunities.

The Rolling Stock Division of the Company is poised to show improved working with the inflow of orders from Indian Railways, Ministry of Defence and private sector. The impetus to the Rail Sector by the Government is expected to be reflected in the upcoming Railway Budget. Meanwhile, the company has intensified its efforts on the export front, and some high-powered overseas foreign delegations have visited its Works and shown keen interest in out-sourcing from it, being impressed with the company's excellent infrastructure and capabilities. With the spurt in wagon building activity, the production and despatch of Steel Foundry Division have substantially picked up, and there are bright prospects of major growth on export front with high value addition.

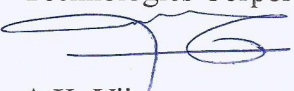
The first EMU rake supplied from its State-of-the-Art, Sodepur facility has been inducted into service after extensive trials at Railway yards.

The Hydro Mechanical Equipment Division of the Company is fast picking up as some of the major stalled projects have been cleared, and fresh enquiries are being generated in India and neighbouring countries. The Bridges & Structural Division, which had bagged export orders valued Rs. 100 crore (Approx) for Bridges from Bangladesh and Sri Lanka, has commenced production, and the despatches are well under way.

Post-acquisition of Management control of Kalindee Rail Nirman (Engineers) Ltd., the Company has submitted necessary applications with the respective Stock Exchanges for approval of its Merger Scheme with the Company. M/s. ICICI Securities have been appointed as Advisors to the Scheme.

The Order Book position of TexRail as on 31st December 2014 is Rs. 1364 crore including FIM and of Kalindee approx Rs 1350 Cr.

The JV Leasing Company, Touax Texmaco Rail Car Leasing Company Pvt Ltd., formed with French Group-Touax Rail, has finalized its first deal for leasing of 2 Rakes and is in close dialogue with various potential customers for their wagon leasing requirements. The JV Company with UG, Australia continuing to execute prestigious export orders and has further developed export worthy products to meet the requirements of discerning customers. The formation of the new JV Company with Wabtec (Westinghouse Air Brake Technologies Corporation), USA is progressing as planned



A.K. Vijay
Executive Director (Finance)

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