Texmaco Rail & Engineering Ltd.

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10th August, 2026

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

Subject: Transcript of Investor Call - Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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 transcript of the Conference Call with analyst / investor(s) held on Tuesday, 4th August, 2026 at 11:30 a.m. (IST).

The same has been uploaded on the website of the Company i.e. https://www.texmaco.in/wp-content/uploads/2026/08/Q1FY27-Result-Concall-Transcript.pdf.

We would also like to confirm that no unpublished price sensitive information was shared / discussed during the Conference Call.

This is for your information and record.

Thanking you,

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

SANDEEP KUMAR SULTANIA
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Company Secretary &
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Encl.: As stated above.

“Texmaco Rail & Engineering Limited
Q1 FY27 Earnings Conference Call”
August 04, 2026

MANAGEMENT: **MR. INDRAJIT MOOKERJEE – EXECUTIVE DIRECTOR AND VICE CHAIRMAN – TEXMACO RAIL & ENGINEERING LIMITED**
MR. SUDIPTA MUKHERJEE – MANAGING DIRECTOR – TEXMACO RAIL & ENGINEERING LIMITED
MR. KISHOR KUMAR RAJGARIA – CHIEF FINANCIAL OFFICER – TEXMACO RAIL & ENGINEERING LIMITED

MODERATOR: **MR. NAVIN SAHADEO – ICICI SECURITIES**

Moderator: Ladies and gentlemen, good day, and welcome to Texmaco Rail & Engineering Limited Q1 FY27 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star, then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Navin Sahadeo from ICICI Securities. Thank you, and over to you, Mr. Sahadeo.

Navin Sahadeo: Thank you, Renju. So, on behalf of ICICI Securities, I welcome you all to the Q1 FY27 earnings call of Texmaco Rail & Engineering Limited. From the management, we have with us Mr. Indrajit Mookerjee, Executive Director and Vice Chairman; Mr. Sudipta Mukherjee, Managing Director; and also Mr. Kishor Kumar Rajgaria, CFO.

So, without any further ado, I hand over the conference to the management for their opening comments. Over to you, sir.

Indrajit Mookerjee: Good morning to all our dear investors. My name is Indrajit Mookerjee. I am Executive Director and Vice Chairman of Texmaco Rail & Engineering. With me, I have our Managing Director, Mr. Sudipta Mukherjee; and our CFO, Mr. Kishor Kumar Rajgaria. They will all participate in today's meeting, which is considered to me very very of importance and important for us.

It is, as usual, always a great pleasure to connect with you. And on behalf of the entire management team, I would like to welcome you to the Q1 FY27 earnings call of Texmaco Rail & Engineering Limited. Today, we will be discussing the company's stand-alone results, which is the financial as well as the operational performance for the first quarter of FY27, which means April to June, along with the progresses we have made on our strategic priorities and many key business initiatives, some of it we discussed earlier, and I think we would be updating you.

The first quarter has been a period of focused execution of the company. We continue to build on the progress made over the last few quarters with our teams remaining highly focused on timely execution, improving operational efficiencies and strengthening our business across multiple segments. At the same time, we also continued to make progress on several strategic initiatives that will support the company's long-term growth.

Before I turn to the financial performance for the quarter, I would like to mention a few of our immediate short-term initiatives, which we have taken and which have started yielding results. Our -- some of the main initiatives, I have not been comprehensive, but I want to talk only of a few which are -- initiatives which are of importance to us. And I will try to prioritize them, but it won't be a comprehensive list.

So, our short-term initiative has been, as we mentioned earlier, to drive to improve our EBITDA, turning around of the Rail Infra business, building on the strength of Bright Power to become a market leader and also strong cash and financial management. Having said this, you would come across that these results have started fructifying and you would see them in the numbers.

So let me first tell you about the first quarter of FY 2027. The company reported a stand-alone revenue from operations of -- stand-alone revenue from the operations of INR753 crores, which was impacted by lower execution of the Freight Car divisions and the Infra, which is Rail & Green, which used to be called as Kalindee before. However, our Electrical Infra business, that is Bright Power, continued to perform well with revenue increasing 76.8% year-on-year basis to INR175 crores, reflecting sustained execution across the Electrical Infrastructure business.

EBITDA amounted to INR81 crores, translating to a margin of 10.8%, which itself is a strong growth from the earlier years. So, this is what I was saying, our short-term priorities. EBITDA remained in line with corresponding quarter of the previous year despite the lower revenues, reflecting the company's focus on cost optimization and margin improvement. During the quarter, we also saw encouraging improvement in the profitability of our infrastructure business.

The Rail Infra and the Green -- the Infra Rail & Green business reported a positive EBIT margin of 1.4% compared to an EBIT loss in the corresponding quarter last year, making a significant turnaround in profitability. I expect this to keep on growing as the time passes. The Infra Electrical Bright Power, as I said before, continued to deliver a strong performance with its EBIT margin improving to 10.8%, representing an expansion of 150 basis points on year-on-year basis.

Our continued focus on strengthening the balance sheet through improved cash management, disciplined debt payment and optimization of borrowing costs resulted in finance costs declining by 18.2% year-on-year basis and 17% sequentially, respectively. The reduction in finance costs supported profit before tax, which increased by 4.8% Y-o-Y to INR44 crores with the margin improving...

Moderator: Sorry for interrupting. Speaker, your voice is breaking. Please go ahead. Yes.

Indrajit Mookerjee: From where shall I repeat, would you be able to tell me?

Moderator: Just a sentence backward, you can start from there.

Indrajit Mookerjee: The reduction in finance costs supported by profit before tax increased by 4.8% Y-o-Y to INR44 crores with the margin improving by 1.23% to 5.9%. Profit after tax increased by 85.9% on a Y-o-Y basis to INR52 crores, translating into a PAT margin of 6.9%, an improvement of 381 basis points Y-o-Y.

On the operational front, company delivered 1,054 freight cars during the quarter, while the Foundry Division recorded a production of 5,148 tons. These operational metrices reflect our continued focus on execution across our core manufacturing businesses. Beyond the quarterly financial and operational performance, we also strengthened our order book during the quarter.

As of June 30, 2026, company's order book is standing at INR9,923 crores, providing multiyear of execution visibility across Freight Cars, Infrastructure, Rail Infrastructure, Electrical and other businesses. During the quarter, we secured a diversified set of Indian and international orders across the freight rolling stock, railway signaling, electrification and transmission infrastructure, further strengthening our execution pipeline.

As I said that EBITDA improvement had been one of our tasks on the immediate basis, and they were achieved through better product mix, going to higher margin, expanding to geographical areas and also AI-enabled efficiency improvement actions. We continue to see a structural shift in the Freight Cars -- Freight Car Division's order book.

The share of private sector and export orders increased from 21% in FY25 to 79% in FY26 and further to 96.4% in Q1 FY27. This reflects the increasing participation of private customers in the freight rolling market while further diversifying our order book and revenue visibility and, of course, margin improvement.

We have moved ahead -- our focus remains -- as we move ahead, our focus remains on strengthening the freight rolling stock businesses, which is our core business, while continuing to broaden our presence across complementary businesses that reduce the impact of industry cyclicity and create additional avenues for growth.

The progress we have made over the last few quarters reinforce our confidence in the direction we have taken and provides a strong foundation for the company's long-term growth. Several of these strategic initiatives have continued to progress during the quarter.

And I will request Sudipta to take you through them in great details, sharing how they are shaping the next phase of Texmaco's journey. I would like to thank you for your patient hearing. And I would now request Mr. Sudipta Mukherjee, our Managing Director, to step in and say a few words.

Sudipta Mukherjee: Thank you, Indrajit. Good morning, everybody. So of course, very nicely narrated by Indrajit on the stand-alone Texmaco that what are the improvements. In a nutshell, I would like to mention that we are walking the talk in terms of our focus, which we always state that we are focusing strongly on the bottom line of the result, and we continue to grow and keep our words. And we believe that the momentum will continue on the continuous improvement path.

So, while we say so, along with the operational efficiencies, of course, we are working in and around Texmaco Rail, and we have already shared with you the vision for the company, which company is taking to and is significantly progressing towards achieving those as committed. So, I'm not repeating those, but you know that Texmaco also has a few JVs. And I would just like to quickly touch upon in terms of the various initiatives which we are taking or you will be seeing your company coming towards and you have seen some developments already.

One of them, of course, is the recent entry of TrinityRail into the joint venture leasing company of Texmaco Touax, which is a significant, I mean, movement in terms of our business portfolio in India is concerned. The objective is that we have a larger share of the leasing market, because you all know that the government very proactively and the Ministry of Railway is reforming the policies and coming up with enablers for exciting the private investment in the country. And like it has happened in the history of railway in various countries with the maturity level increasing.

So, from the government project, the private stakeholders are also becomes an important partner into the whole development. And when it comes to a private OEM to have those rolling stocks, which are capital-intensive. So, we always see our share of capital -- capex investment as well as leasing. So, although we were doing -- running the company very profitably, but the scale was not up to that level, but with all the policy initiatives by the Ministry of Railway and Honorable Railway Minister, we feel that this space is going to significantly change.

And with the coming of Trinity, it makes the leasing entity into an entity who also has a manufacturing base, who is the largest manufacturer of rolling stock, having so much of their own designs and engineering in Texmaco, the 200-odd years more than that leasing expertise of Touax, and Trinity is one of the largest manufacturer as well as leasing company of U.S. and also having an IP of more than 200 rolling stock designs. So, it's going to be an exciting journey way forward, and we look forward to increase our modal share in terms of leasing.

And it works as a complement in the whole marketing initiative of Texmaco while we want to remain in a leading position to have -- provide rolling stock and rolling stock solutions. In terms of our JV related to -- along with Wabtec, so it is taking shape in 2 dimensions. Of course, that Texmaco with Wabtec is coming up into the air brake equipment sphere, which remains a very critical component, and we believe there is a significant market in India to work around that. And it also -- it is also coming up with some predictive maintenance and condition monitoring system, which is going to be a new entry into the market by anybody in the domain.

Of course, we are looking forward to some other possibilities, which will come to know soon that what Texmaco and Wabtec is jointly go -- and going to do in India and beyond India. We are also working on our new design wagons, of course, with the new design solutions of bogies. That also you will see that will come up with new IP designs with Wabtec. In regard to our interior company, where we invested for the passenger rolling stock, so Saira Asia. So, I'm happy to let you know that we very soon will be having a qualification, which we are working for in the semi high-speed and high-speed segment.

And in regard to our Slovakian -- Czechoslovakian JV with Nymwag, Texmaco Nymwag, so we are very excited to also mention here that they are one of the leading company of tank rolling stock solutions in the world and in Europe. They remain the third largest over there. And with the new initiatives of the government that where the public sector units are being allowed to lease wagon and invest and work with the wagon manufacturers for the design, we are very excited that we have certain efficient offerings to make offer in the Indian context.

And these all together, while along with the vision of Texmaco for moving towards 2030, what we have shared, but these JVs are also coming up in a new avatar and building in -- I mean, shaping up in a different level, so which will significantly fuel and complement in the whole growth story of the company.

And I must mention, as I have repeated that, of course, the reforms which the Indian Railway is going through, the eight points are reforms which the Honorable Railway Minister has come up with, I would only like to mention that Texmaco was keenly focusing on the capability development last couple of years.

And this has really helped us to put us in a position that we are ready with our offerings to offer to our customers as soon as these policies come up in the market to capitalize. In terms of business development, as Indrajit has mentioned that, yes, our focus remained for a very healthy mix of railway, export and private sector. And of course, we have been able to make a very good mix and the momentum of the new orders from all these segments are on a very positive direction.

And we are hopeful that we'll be able to keep the momentum in terms of our production and profitability in and around it. So collectively, these developments reinforce our confidence in the vision of 2030 road map, as I have mentioned, what we talk internally as Texmaco 2.0.

And as we move forward, our focus will remain on disciplined execution, of course, for the order book, strengthening our core railway business and continuing to build complementary capabilities, as I have explained, that support the sustainable growth, enhance margin resilience and reduce or protect ourselves from the business cyclicality this segment we used to see historically.

We remain -- while I say so, we remain committed to executing our vision to 2030 roadmap with the same discipline and with more vigor that if we can achieve it earlier. With that, I would be happy that with the permission of Indrajit and all of you that we can open the floor for questions.

Indrajit Mookerjee: Sure.

Sudipta Mukherjee: Thank you.

Moderator: Thank you. We will now begin the question-and-answer session. Anyone who wishes to ask the question may press star and one on your touch stone telephone, if you wish to remove yourself from the question queue may press star …. Participants are requested to use handset to ask their questions. Ladies and Gentleman we'll wait for a moment while the question queue in service. The first question comes from the line of Balasubramanian from Arihant Capital, please go ahead.

Balasubramanian: Good afternoon Sir...

Indrajit Mookerjee: Mr. Balasubramanian?

Moderator: Sorry for interrupting. Your voice is breaking. Can you come in the range and talk?

Balasubramanian: Right now it's clear, sir?

Moderator: Yes, please go ahead.

Balasubramanian: Yes. Sir, our new growth engines for Kavach and signaling and renewable energy and designs and third one is the leasing platform. So if you could share the detailed roadmap about our capabilities and our strategy and capital allocation, and if you could give the detailed road map about preparation phase and the deployment and harvesting?

Because I -- because railway and signaling that need highly technical capabilities and how we are positioned to capture in this opportunity, and renewable and defense is completely new area like compared to our core area. And we are trying to like mitigate this cyclical industry of wagons. So how we are going to take it forward?

On that leasing platform side, I think the whole industry is slightly moving toward leasing. You have mentioned about we are the highest market share in the leasing side. How many wagons we have leased out? And if you could talk about the future of leasing platform also? Yes, sir.

Sudipta Mukherjee: Yes. So, I think it's a mix of statement and questions. If I go wrong, please point out to me if I miss anything.

Balasubramanian: Sure.

Sudipta Mukherjee: So yes, the areas you have mentioned in terms of Kavach, defence, renewables, there were 2 parts in your statement that one is that the road map. And I think we have already given a road map in our plan, vision. But of course, the strategy cannot be discussed over a call like this that how we are going to achieve.

I can only say 2, 3 pointers that I mean, on a concept level, Texmaco as a company, if you have seen that our -- we want to -- while we want to strengthen our core business, which is mechanical engineering heavy, we had remained mechanical and metallurgy engineering heavy.

But at the same time, if you see that there were certain probable revenues would have come from the other businesses which we were pursuing since last nearly a decade or a little less than that, which also focuses on electrical and electronics part of it, while we work for electrification, signaling, EPC contracts.

So Texmaco has also successfully been one of the company in India who are the major contractor in consortium with Hitachi for the dedicated freight corridor, including the track link to the signaling integration. Most of the metros in India also, I would say most, not all, Texmaco has worked. In electrification journey and the development of the country, our Bright -- I mean, which we called as a Bright Power has always remained a bright spot, which is also Texmaco.

And these were not at all a traditional business of Texmaco. But you have to believe on a company who is running successfully more than 8 decades, and it's a business phase and we know how to build the capability. To emphasize the points in the areas where we have gone into, we have always mentioned that we have -- maybe we have very carefully chosen our path and we took time. And we always love to say that we do not want to do a business on a knee-jerk or to be flashy to impress anybody on a superficial level.

But we have chosen our path very carefully after we have invested in the capability, which starts from having right kind of people and with a proper evaluation and venturing into all of those businesses. So, this remained on a very strong focus of us and Texmaco is not taking up any business, which in my speech, I have mentioned, Indrajit has mentioned and we have been consistent that which is not going to be a sustainably good for the company as well as which is not positively contributing to the life of the people or the expectations of the people of the nation.

So, we are very clear about it, and we are doing where we can make a difference, be it Kavach, be it renewable, be it defense. All of these are going to be a non-commodity and you will see a special qualitative effort from the company.

Indrajit Mookerjee: There is another question on leasing.

Sudipta Mukherjee: Yes. On the leasing, I think you have mentioned that, yes, we want to -- even if not the leader, I mean, we have a very clear position that there are a few companies who are operating, including one of the largest multinationals. So, this is also a multinational company. We want to have at least a 50% share in terms of the business from a jump from 15% to 50%. So today, we have around 35 rakes operating in -- through leasing. And on a near term, we are absolutely ready to invest around to start with around 100 rakes further.

Balasubramanian: Yes, sir. The follow-up on that about the capital allocation on these areas and...

Sudipta Mukherjee: We can't hear you clearly. I'm sorry.

Balasubramanian: So capital allocation...

Moderator: Mr. Subramanian -- yes, please go ahead.

Balasubramanian: So capital allocation on these areas and what kind of ROC we can expect?

Indrajit Mookerjee: The leasing company is a joint venture company, as you know, where presently after the entry of the world major Trinity of U.S., our stakes will be 34%, from 50% to 34%. So that's a joint venture company, not within Texmaco.

As far as your other questions of, I think, the capital allocations primarily will be in core business or there will be also in the defence segment, which will gradually go up because we take a very we all our business groups are taking a lot of risk together.

I mean we take care of the risk. So, percentage-wise, it will not be a huge one. But there will be investments in both Kavach areas, which we already have made certain progress as well as in the defence. So, if I have to give you, it won't be a very major capital allocation.

Balasubramanian: Sir, my last question, in the order book like a...

Moderator: Mr. Subramanian, your voice is breaking. Can you please come in the range and talk?

Balasubramanian: Sir, order book expectation [inaudible 0:28:20]

Moderator: Mr. Subramanian...

Sudipta Mukherjee: I can't hear.

Indrajit Mookerjee: Sir, we are not able to hear you, sir.

Balasubramanian: Sir, the order inflow [inaudible 0:28:31].

Indrajit Mookerjee: We are sorry, Mr. Subramanian...

Moderator: Mr. Subramanian, we request you to come back in the queue. Thankyou, Next question comes from the line of Parvez Qazi with Nuvama Group, please go ahead.

Parvez Qazi: Yea. Hi, Good afternoon, thanks for taking my questions. So, 2 questions from my side. First, continuing with your comments on the wagon leasing business for additional 100 rakes. There was a news article, which is that overall, the 3 partner JV can potentially invest about INR1,800 crores over the next 3 to 5 years to lease about 100-odd trains. Is this number broadly, correct?

Sudipta Mukherjee: Good afternoon, Yes.

Parvez Qazi: Sure. And the second question is about another news article where the management was talking about the South African order. And apparently, we are looking to establish a locomotive plant and a wagon manufacturing plant in South Africa and which might entail an investment of about INR200 crores to INR300-odd crores. So just wanted to get your views on this. Are these numbers correct? And what is our strategy regarding this?

Sudipta Mukherjee: So, I'm not in a position to mention about the numbers because these things changes. But yes, the -- in terms of the facilities, yes, we are looking forward to, because you need to meet a lot of localization thing and business is a continuous evaluation thing that which fatches you what.

So yes, we are looking for -- we are open to put up something which helps in the cause of our improving the export business in terms of wagon as well as locomotive. And you also remember that we are working now also not only on supply, but also in terms of providing maintenance on a long-term basis. So perhaps it makes a lot of sense.

Parvez Qazi: Sure.

Indrajit Mookerjee: Important is, actually I just want to add one more thing that you would be happy to know that more important than the investment is our footprint. So, we make our footprint in the South African soil. So, this is very, very pathbreaking for any Indian companies to go to that developed area and start doing business with a constant -- with a with a sustainability.

I mean we will remain there because making our footprint there. So that's more important, I think, than the amount of investments because investment rates start going up as we start doing business. So -- but the business is very, very, very good you know. It's good for the country also, for India.

Parvez Qazi: Sure, sir. Last question, I mean, we have seen very strong order intake in Q1. Just wanted to get your thoughts on any potential wagon tender from the Indian Railway. Thank you.

Sudipta Mukherjee: We are all expecting as all of you are expecting because we -- everybody agrees that there is a need to railways to induct wagons. And with the, with the forecast or the numbers and I think in recent time also, a lot of reforms have been taken up that how we shift the transport more from road to rail. And of course, the same modal share of 40% to 45%, which was indicated through National Rail Plan has been consistently reached.

And in the present geopolitical situation, we all know that more we use railway transport, it will be softer on our inflation control and to keep the momentum of the GDP growth because we spend less money in terms of importing oil. So, there is a lot of sense which it makes, but we believe strongly that railway is very sincerely working in and around it to craft the exact demand.

And it's also a very, very wonderful decision to welcome private investment around and to call for all kind of innovation and introduction of new designs because we are standing in a very transitional situation because while the DFCC is going to be fully operational, even to the extent it is being operational, it has shown a tremendous kind of traffic and with the existing railway tracks and further investment in and around the railway tracks to decongest and with the national permit of the container trains and all.

So, we believe that it will be a progressive demand from railways, and we expect soon that Indian Railway will also come up with something, and there will be a good momentum by the private OEMs to invest to.

Parvez Qazi: Sure Sir, Thank you, All the best

Sudipta Mukherjee: Thank You

Moderator: Thank you, Next question comes from the line of Deepak Poddar with Sapphire Capital. Please go ahead

Deepak Poddar: Am I audible, sir?

Sudipta Mukherjee: Yes.

Deepak Poddar: Sir, Thank you very much sir for this opportunity, Sir, just wanted to understand on your core business FCD. So now 96% of our order book is private and export, right? So, in terms of execution, any kind of challenges we are facing? I mean, can you throw some more light on that?

Sudipta Mukherjee: We don't -- we are not facing any challenges in terms of execution. But yes, the first quarter, there were a lot of challenges in terms of the supply chain, you know that it is not faced by the industry per se. I think it was a general phenomenon because the oil and gas prices were so high, and we had to always control the consumption considering that there could be a crisis. So, all of these and not only about us, but also our partners who supply us various critical components. So, it remained a little bit of stress in and around the supply chain.

But for us, the kind of mix, fortunately, we are enjoying in spite of these rises and the various initiatives on focus on cost reduction and our strong operational control has helped us to improve the profitability. And we believe that it is not one-off. And this will continue. And the -- rather we feel that our supply chain issues, whatever we suddenly faced because of those, we have done some alternative arrangements. And our output is going to improve in, from the coming quarters and it has started improving.

Deepak Poddar: And anything on the wheelset as well? I mean we are facing any problem on wheelset?

Sudipta Mukherjee: As of now, no. But you cannot say because the industry production remained very timid perhaps in this quarter. And we are dependent on the supply of Rail Wheel Factory. And that's what is the mandate of the government. But we have enough stock for our -- enough avenues for our export orders, private orders. So, we didn't face anything around wheelset. We are not also, I think, going to face any challenges in this quarter or in the coming as of now.

Deepak Poddar: Understood. And as you mentioned now that, that execution we expect to improve in coming quarters. So, this year, what sort of execution we are targeting in FCDs?

Sudipta Mukherjee: I think we had made an indication because see, with the -- I have been telling that let's not talk about, say, if you talk about capacity, we can say that our capacity is elastic, we can make 15,000, 16,000 wagons. But when we say so, these are the commodity wagons. Now your company is making more specialized wagons rather than the commodity wagons, so their volume doesn't matter.

Here, the overall top line -- I mean, top line and the bottom line or the profitability matters. And it's also not about wagon qualitatively, the whole company is changing in terms of our foundry, we are changing our product mix. Its I mean every vertical has a derisked customer, derisked product mix. So, it's a complete transitional situation, inflection point for Texmaco. So we do not want to value in terms of the quantity, but better, you will find a very, very big qualitative shift in the company overall.

Deepak Poddar: Okay. And so if not the volume part, I mean, anything on the growth part, I mean, on the revenue growth, if you can comment anything there.

Sudipta Mukherjee: That indication was already given, I think, in our business plan. We believe that we will -- I mean, we are on the work that we do better than our previous years.

Deepak Poddar: Better than in terms of growth, I mean...

Sudipta Mukherjee: Yes, yes. Growth and bottom line improvements, everything.

Deepak Poddar: Okay. Okay.

Sudipta Mukherjee: That's what we wish if until or unless something force majeure happens because I mean, every day, whatever the status I'm talking to, I'm taking this status as -- is the worst status.

Deepak Poddar: Okay. Got it. And any order inflow expectation we have for this year, FY27?

Sudipta Mukherjee: Absolutely, every day. I mean we have a very strong expectations of order flow continuously.

Deepak Poddar: And this will be driven by private and exports only or I mean, railways also you expect to pick up there?

Sudipta Mukherjee: As of now, we can only talk about private and export. And while we have a strong belief that railway will come up with some tender but looks like we are more or less insulated on the other side.

Deepak Poddar: okay okay understood, that's all from my side, Thankyou very much

Moderator: Thank you , Next question comes from the line of Rajesh Bhandari with Nakoda Engineering, please go ahead

Rajesh Bhandari: Good noon Sir, You said that this is a transitional phase, because I could see that freight cars production is very low. And you also said because of the gas and this petroleum product cost. So, sir, I just wanted to know one thing. What is our expectation by 2030…

Moderator: Mr. Bhandari, can you speak in English, please?

Rajesh Bhandari: Hello, sir?

Indrajit Mookerjee: Yes.

Moderator: Mr. Bhandari, can you speak in English?

Rajesh Bhandari: Yea. Yea. I just wanted to know, as you mentioned about the transitional phase and also less dependence on the freight cars from the railways, that's something very good. But what I'm seeing is the reduction in the freight car production. And was that only because of the gas and petroleum supply problem or it was for some other reason, lack of orders? And along with this, I would like to know, sir, what is our roadmap for 2030.

Sudipta Mukherjee: So, if you see the numbers that in terms of order book, our order book is remain very healthy. So, there is no lack of order. If I have spoken about oil and gas, I said that interrupted the supply chain and supply chain includes bogies, other components, whatever we buy and what we manufacture.

So that comes and fits in the rolling stock. If it doesn't come, then you have a stress situation. But in spite of that, our profit and the margins have improved from the corresponding quarter. So, one should not be worried that how much number of rolling stock we have made. But yes, whether the question is can could you make it better? The answer is yes, I said that we are making it better, more numbers, more profitability, that's fine.

In terms of 2030, we have already given a way Texmaco 2.0 and Vision 2030, where the ambition of the company and the company, is not only ambition, we are working on it as a road map where we believe that the core business or the rolling stock business, even if it qualitatively will improve in terms of the bottom line.

But on the top line, suppose if we remain around INR5,000 crores to INR6,000 crores, we want to create a mirror image of that, making our top line into 2x, two times, by 2030 by adding a few more businesses into the portfolios.

Indrajit Mookerjee: One more point after you finish. Okay.

Sudipta Mukherjee: And with a steady bottom line towards mid-teen.

Indrajit Mookerjee: So, I would add in addition to Mr. Sudipta sir, one more point because your question was wagon business in 2030.

Rajesh Bhandari: Ya

Indrajit Mookerjee: So, I have to give you only the math. It's very difficult to say 2030 in any country anywhere. So, I could only give you a macroeconomic view. The macroeconomic is that there is a rail plan, National Rail Plan.

The National Rail Plan is saying that they want to increase the transport -- rail transport share from whatever number, 27%, I believe, to 45% in 2030. So now if you derive from that plan of the government, then obviously, you would need more wagons. Otherwise, how would you increase by 18% market share and take it from the road.

So obviously, there has to be improvement in wagon purchases as well as track building, as well as signaling, as well as safety equipment. So, we are in all these. So, we are in the core of all this National Rail Plan implementation. So, I just thought that I will tell you because your question was more on a macro side, so I wanted to give you a macro view.

Rajesh Bhandari: Thank you sir and one more question regarding metro, Vande Bharat and defence, our activities.

Indrajit Mookerjee: See, we have -- defence is a very specific area. Defense is not like one specific product. Defence has got multiple products. It has got software product, has got hardware product. So, we have decided to choose certain areas of defense where we make a synergy to our present operations and which also has a great demand from the -- for national security.

So obviously, the defence is not a big thing, is not a -- is a very huge area, like defence includes making aircraft, up to making bullets. It's such a big area. So, we have decided to choose our area of strategy, which is -- as you can understand, in the defense business, we shouldn't be talking about it now. But when the right time comes, maybe we will. Your other question was on the Vande Bharat and...

Rajesh Bhandari: Metro.

Indrajit Mookerjee: Metro, we are definitely very interested because as you see that we are now carrying goods. So normal transition should be from freight car to passenger car. So obviously, we should do that. But we don't want to jump into a metro or railway business without knowing whether we'll make how much of profit, whether we'll make profit because the demands are not drying up. Demands are increasing because more urban transportations are coming up, Tier 2, Tier 3 cities are coming out

Rajesh Bhandari: Yea, yea, Tier 2, Tier 3, correct.

Indrajit Mookerjee: So obviously, the demands are there, but we have to be very careful. We don't want to burn our fingers by getting into a business and then not making money. That's why we are waiting and we are actively working actually. Mr. Mukherjee, Sudipta Mukherjee is very actively working to see how we can set up a profitable business of metro car, also how profitably we enter into the Vande Bharat. As you know that we already have a company which makes the interior of Vande Bharat.

Rajesh Bhandari: Yea, yea, yea, I heard that.

Indrajit Mookerjee: So, we already have made an entry, but it's a baby step, but firm step, very strong step. Thank you

Rajesh Bhandari: Thank you sir, Thank you very much

Moderator: Thank you, The next question comes from the line of Saumil Shah with Paras Investments, please go ahead

Saumil Shah: Yes Sir, Good afternoon, This quarter, we won orders worth INR5,200 crores. So normally, what is the execution time line? Because I think including this order, our total order book has reached almost INR10,000 crores. So how much of this is going to be executed in this year? And how much is a long-term maintenance contract? Can we have some views of the management?

Sudipta Mukherjee: Yea. So, this order is executable in the next financial year. And primarily, of course, some preparation work will start this financial year, maybe the prototypes and the maintenance is for 15 years, and that amounts to around, I mean, 30%, 35% of the whole value. But this value also has a probability to significantly improve because as per the understanding there is something more to come.

So Once it comes, then we'll be able to tell you the exact share that how much it will add on into this financial year. It's under process and how much it will be in the next financial year. But whatever we have received so far, around 60% or 50% of that should be by next financial year and balance will be spread over.

Saumil Shah: Okay. Okay. So, this new INR5,200 crores, we are not expecting to be executed in this financial year?

Sudipta Mukherjee: If you are talking about the South Africa order, then that is not INR5,200 crores. That's around INR4,100 crores. I was talking about that.

Saumil Shah: Okay.

Sudipta Mukherjee: Other than that, there are some export orders under execution and some we expect to come very soon for execution.

Saumil Shah: Okay. Okay And sir, I saw our 2030 vision for EBITDAs and our revenue guidance. But if you could throw some light for -- I mean, 1 to 2 years perspective, what are we looking at in terms of revenues and EBITDA, if you could guide us for FY27 or FY28?

Sudipta Mukherjee: So, some of the new initiatives should start paying off in addition to whatever you have seen Texmaco to grow in last 1 or 2 years in terms of the top line. We said that we have a strong focus on the bottom line and it's a journey towards the mid-teens. And in terms of our core business, our target is to further improve the EBITDA at least to -- in the range of 1.2% to 3% in next -- I mean, couple of years, 1 to 2 years or 3 years horizon.

And in addition, the new businesses which we are coming up with, that will help us grow on an incremental manner. And this has a probability, suppose every year, we can have an option, I mean, around from 20% to 50% growth in terms of top line.

And of course, we are not, as I said, that not taking anything which doesn't have a good EBITDA percentage or doesn't improve our other ratios. So, we hope it will be on the upward trajectory only. Difficult to comment with an absolute figure. Yes.

Saumil Shah: Okay. So at least 15% to 20% revenue growth we can expect in 1 or 2 years.

Sudipta Mukherjee: Yea.

Saumil Shah: Okay, okay Thank you, that’s it from my side

Moderator: Thank you, A reminder to all the participants that you may press star and one to ask the questions. Next question comes from the line of Sandeep Mukherjee with SKP Securities Limited, please go ahead

Sandeep Mukherjee Sir, thanks for taking my question, sir my question is like what is the pending number of wagons in Q1 FY27?

Kishor Kumar Rajgaria: You have the orders in hand available with you, So currently, we have orders of about more than 6,000 number of wagons with us.

Sandeep Mukherjee Okay. And what is the reason for rise in the -- increase in the other expenses, sir? Is it due to the production of more export orders and private orders?

Kishor Kumar Rajgaria: Yea. Yea. What happens in case of export of wagon, we have to have the freight charges to be paid. So basically, income is included under the total revenue, but the freight charges is under the other expenses. So that is the main reason of increase in other expenses.

Sandeep Mukherjee Okay, Okay Sir, Thank you, thank you very much

Moderator: Thank you, Next question comes from the line of Navin Sahadeo with ICICI Securities, please go ahead

Navin Sahadeo: Yea. Thank you, Thank you for the opportunity, My question was around the orders that we received from South Africa, which is lumpy and INR4,100 crores as you clarified. It also includes, I think, some 30 locomotives, it was discussed in the previous con call, if I remember that correctly. Given our expertise is more towards supplying wagons, if you could throw, like you know, just a little bit more understanding will help as to what we are doing, first of all, in terms of locomotives, is there a tie-up that we are going to do or develop this thing in-house? That's my first part of the question.

Second is you also mentioned, I think, in the previous call that this order will start getting delivery in the FY28 year, so to say. So, would it be fair to like assume a significant part of the, like revenue of this order book entirely in '28? Or do you think it can probably be split? Because given it is -- includes a maintenance order as well. So, my request was if you can just break it up between wagons, locomotives and the maintenance part of it to help us understand the revenue accrual better for this particular order?

Sudipta Mukherjee: Thank you. So just to clarify to you that the order value you are privy to only include the wagon pricing and the maintenance -- long-term maintenance of it. It has a mandate of the loco, of course, to Texmaco, and it makes Texmaco open to tie up with the suitable partner, which is in process. And the value in relation to the locomotive will be finalized once we are able to -- I mean, I mean it's in under process and will be additional to the amount which is -- you have already -- we have notified.

Once we get to know, we will let you know. And in terms of the supply, I have mentioned already. That of course, as per the present mandate of only on the wagon, so we expect that 50% should be adding up in the revenue of the coming year, coming financial year. And once we receive -- I mean, close on the loco part, we'll be able to tell you how much we are able to do that in this year or next year.

Navin Sahadeo: Yea, understood. And this outstanding order of 6,000 wagons that includes the South African orders as well. Is that understanding, correct?

Sudipta Mukherjee: Absolutely.

Kishor Kumar Rajgaria: Yes, yes

Navin Sahadeo: Yes. And that, I believe, as mentioned in the previous call, was around INR2,000-odd crores -- INR2,000 crores or INR2,200 crores wagons in South Africa. Is that correct?

Kishor Kumar Rajgaria: Yes. It is a little more than INR2,000 crores.

Sudipta Mukherjee: Little more than that. Other than that, we have something from Cameroon, which we are executing. And there are a few which further we are working. We'll be able to tell you as things come up.

Navin Sahadeo: No, no, it's really great. I really appreciate the effort of completely like diversifying the order book. If railways orders come, if at all, that will be certainly welcoming and very good. But meanwhile, really appreciate the fact that we have diversified.

My last question was, what is the margin outlook given that there has been a shift in the complete order book from Indian Railways to private and exports as well? So, from a margin outlook perspective, a normalized basis, how should one look at margins? Thank you.

Sudipta Mukherjee: I think we -- during the course of discussions, we have pointed out, and I'm quite sure that you know that is very difficult to predict. But the management is working hard to walk the talk. I started with my -- that comment because we have been consistently telling that we will -- we are focusing more and more on the margin.

You can see from our results what we have performed, and we want to sustain and improve over and above it continuously. That much I can say. And the long-term trajectory towards margin is also shared in our pitches and in the vision. So, it's a journey which we were making towards positivity. That, I mean, I prefer to leave it with that.

Navin Sahadeo: Thank you, Thank you So much

Sudipta Mukherjee: Thank you

Moderator: Thank you, On behalf of ICICI Securities, that concludes this conference. Thank you for joining us. You may now disconnect your lines.